

**ORIGINAL**

OPEN MEETING AGENDA ITEM



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**COMMISSIONERS**  
TOM FORESE – Chairman  
BOB BURNS  
ANDY TOBIN  
BOYD DUNN  
JUSTIN OLSON



**BOB BURNS**  
Commissioner

**ARIZONA CORPORATION COMMISSION**

March 9, 2018

**RE: IN THE MATTER OF THE COMMISSION’S INVESTIGATION OF THE BILLING AND WATER QUALITY ISSUES OF JOHNSON UTILITIES, LLC. (DOCKET NO. WS-02987A-18-0050)**

Dear Commissioners and Parties:

After reading and considering the conclusions and recommendations contained in the Utilities Division’s (“Staff”) memorandum of March 8, 2018, I am concerned with waiting until April 20, 2018, for the Commission to possibly issue an Order to Show Cause (“OSC”). I believe that the process that would be initiated by issuing an OSC against Johnson Utilities, LLC (“Company”) should begin as soon as possible.

In its March 8, 2018 memorandum, Staff states, “Staff is concerned that the Company may lack the necessary managerial and technical capabilities to appropriately run the utility.” I share Staff’s concern. Therefore, I believe the Commission should consider including the following language in any decision issued in this matter at the Commission’s March 13, 2018 Open Meeting:

“IT IS FURTHER ORDERED that an Order to Show Cause is hereby issued against Johnson Utilities, LLC whereby Johnson Utilities, LLC shall show cause why the Commission should not order Staff to appoint an interim manager to manage Johnson Utilities, LLC. Johnson Utilities, LLC shall provide its response to this Order to Show Cause by March 27, 2018, and the Commission shall schedule a hearing to begin on this matter as soon as possible after Johnson Utilities, LLC’s response, but no later than April 27, 2018.”

I look forward to considering this matter more fully at the March 13, 2018 Open Meeting.

Sincerely yours,

Robert L. Burns  
Commissioner

Arizona Corporation Commission

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