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BEFORE THE ARIZONA CORPORATION CC

COMMISSIONERS

- TOM FORESE, Chairman
- BOB BURNS
- ANDY TOBIN
- BOYD DUNN
- JUSTIN OLSON

**IN THE MATTER OF THE
COMMISSION'S INVESTIGATION
INTO THE BILLING PRACTICES AND
WATER QUALITY ISSUES OF
JOHNSON UTILITIES, LLC**

DOCKET NO. WS-02987A-18-0050

**NOTICE OF FILING TESTIMONY AND
EXHIBITS OF PINAL COUNTY**

Pursuant to the Procedural Order dated March 20, 2018, Pinal County hereby submits its pre-filed direct testimony and exhibits, pre-labeled with exhibit numbers, as follows:

- Direct Testimony of Natasha Kennedy (Exhibit PC-1)
- Excerpt from Wednesday, June 21, 2017 Minutes of the Board of Supervisors of Pinal County, Arizona (Exhibit PC-2)

Notice of Filing Documents respectfully submitted this 1st day of May, 2018.

KENT VOLKMER
PINAL COUNTY ATTORNEY

s/ Kevin Costello
Kevin Costello
Deputy County Attorney

Original and 13 copies filed
On May 1, 2018, with:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Jeffrey Crockett
CROCKETT LAW GROUP, LLC
2198 E. Camelback Rd, Ste 305
Phoenix, AZ 85016
Attorney for Johnson Utilities, LLC

Arizona Corporation Commission

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WVW

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5 **Mailed as a Courtesy – Pending Intervention**
Request

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9 **Mailed as a Courtesy – Pending Intervention**
Request

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11 **Copies emailed**
On May 1, 2018, to:

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1
2 **BEFORE THE ARIZONA CORPORATION COMMISSION**

3 COMMISSIONERS

4 TOM FORESE, Chairman
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10 COMMISSION'S INVESTIGATION
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DOCKET NO. **WS-02987A-18-0050**

14 **DIRECT TESTIMONY
15 OF
16 NATASHA KENNEDY
17 ON BEHALF OF
18 JOHNSON UTILITIES, L.L.C.**

19 **MAY 1, 2018**

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26 **EXHIBIT
27 PC-1**

DIRECT TESTIMONY OF NATASHA KENNEDY

Docket WS-02987A-18-0050

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Q. STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Natasha Kennedy. My business address is 31 N. Pinal St., Florence, AZ 85132.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the Clerk of the Board for Pinal County.

Q. AS PART OF YOUR DUTIES DO YOU FORMALLY DOCUMENT THE OFFICIAL ACTIONS OF THE PINAL CONTY BOARD OF SUPERVISORS?

A. Yes.

Q. AS PART OF YOUR DUTIES HAVE YOU BEEN ASKED TO REVIEW THE ACTIONS OF THE PINAL COUNTY BOARD OF SUPERVISORS RELATING TO THE ORDER OF ABATEMENT BY CONSENT ENTERED BEWEEN JOHNSON UTILITIES, LLC AND PINAL COUNTY?

A. Yes

Q. WHAT DID YOUR REVIEW SHOW?

A. The Excerpt from the Wednesday June 21, 2017, Minutes of the Board of Supervisors of Pinal County attached as Exhibit PC 2 documents the only official action taken by the Pinal County Board of Supervisors relating to Pinal County's enforcement of the alleged exceedences of the hydrogen sulfide standard by Johnson Utilities, LLC. My review of the records of the Pinal County Board of Supervisors revealed no record of the Board of Supervisors taking action to approve the Order of Abatement by Consent between Pinal County and Johnson Utilities, LLC.

Q. IS THAT ALL OF YOUR TESTIMONY?

A. Yes.

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BEFORE THE ARIZONA CORPORATION COMMISSION

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DOCKET NO. WS-02987A-18-0050

**EXCERPT FROM WEDNESDAY, JUNE 21, 2017
MINUTES OF THE BOARD OF SUPERVISORS
OF PINAL COUNTY, ARIZONA**

MAY 1, 2018

**EXHIBIT
PC-2**

Pete Rios
Supervisor, District 1

Mike Goodman
Supervisor, District 2

Stephen Q. Miller
Supervisor, District 3

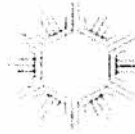
Anthony Smith
Supervisor, District 4

Todd House
Supervisor, District 5

Natasha Kennedy
Clerk of the Board

AmberLee Taylor
Deputy Clerk of the
Board

Diane Gardner
Assistant to the Clerk
of the Board



PINAL COUNTY
WITH OPEN OPPORTUNITY

STATE OF ARIZONA

COUNTY OF PINAL COUNTY

I, Natasha Kennedy, appointed County Clerk of the Pinal County, Arizona Board of Supervisors, do hereby certify that the attached is a true and correct excerpt from the Wednesday, June 21, 2017 Minutes of the Board of Supervisors of Pinal County, Arizona APPROVED by the Board of Supervisors the 12th day of July, 2017, as shown in the records of the county on file in the Clerk of the Board office.

WITNESS my official signature and the corporate seal of Pinal County, Arizona this 26th day of April, 2018.

Natasha Kennedy
Clerk of the Board
Board of Supervisors
Pinal County, Arizona



CLERK OF THE BOARD OF SUPERVISORS

CONSENT ITEMS A-AA

Chairman Miller advised that all items indicated by an asterisk (*) would be handled by a single vote as part of the consent agenda, unless a Board Member, County Manager, or member of the public objected at the time the agenda item was called.

Chairman Miller asked if there were any requests from a Board member, staff or the audience to remove a consent agenda item for discussion. Consent Agenda Item T was pulled for discussion.

Motion was made by Supervisor Rios and seconded by Supervisor House to approve consent agenda items A through AA minus T.

Consent agenda item removed for discussion:

*** T. Filing a complaint in Pinal County Superior Court against Johnson Utilities, LLC for enforcement of the Pinal County Air Quality Control District Code of Regulations.**

Kevin Costello, Deputy County Attorney, appeared before the Board and stated that this is an item requesting authority from the Board to file a complaint against Johnson Utilities for the enforcement of county air quality regulations. There have been continued and repeated violations of the hydrogen sulfite standard. Air Quality Control has worked with the company to reach compliance. So far the efforts have not achieved compliance.

Brad Cole, appeared representing Johnson Utilities. Mr. Cole updated the Board on progress that is being made in connection with the air quality violations. They have met with experts on this topic and invited Supervisors Goodman and House on a plant tour. Johnson Utilities has an outside engineering firm reviewing the operation to make recommendations for improvement. Mr. Cole proceeded to explain the processes and challenges associated with the plant and that progress is being made to come into compliance. There was a question and answer period between Mr. Cole and the Board Members.

Motion was made by Supervisor Goodman to move forward with filing a complaint in Pinal County Superior Court against Johnson Utilities for enforcement of the Pinal County Air Quality Control District Code of Regulations.

Supervisor Rios offered a friendly amendment seconded by Chairman Miller to include "this complaint will be delayed based on an order of abatement being reached by August 15, 2017. If an order of abatement is not reached, the complaint will be filed." Amendment passed 4-1 with Supervisor Goodman voting Nay.

Chairman Miller called for a second on the original motion made by Supervisor Goodman and amended by Supervisor Rios.

Supervisor House seconded the motion to move forward with filing a complaint in Pinal County Superior Court against Johnson Utilities for enforcement of the Pinal County Air Quality Control District Code of Regulations. This complaint will be delayed based on an order of abatement being reached by August 15, 2017. If an order of abatement is not reached, the complaint will be filed. Motion passed 4-1 with Supervisor Goodman voting Nay.