

Comments from people who attended the April 28th, 2009 ACC Open Meeting

The purpose of this memo is to provide a place for people who attended the April 28th ACC open Meeting to express their views of what transpired at the meeting. Hopefully by placing this on the ICRWUA web site, our membership can be made aware of how different people who attended the meeting saw, remembered and interpreted what happened. Unfortunately there is no transcript of the meeting so what is presented here is the recollection of the individual contributors.

Hugh Pryor:

Hugh Pryor described the Arizona Corporation Commission (“ACC, or Commission”) Open Meeting that was held last Tuesday, 4/28/09. There were four amendments discussed to the Recommended Opinion and Order that basically inserted the Best Management Practices. Other changes included clarifying bulk water rates. The tariff calls for \$5.00 per 1,000/ gallons. The agreement with Talking Rock for construction on this side was \$1.40 /1,000 gallons, and they agreed to adjust the language to make \$1.40/1000 gallons applicable only to Talking Rock for construction water, and not for the Whispering Canyon, ICR, or Preserve. After those amendments, the Commission voted 4-1 in favor of the amended Recommended Order. The Order should be posted on the e-docket the first week of May after the Commissioners have all signed it.

Bill Meyer:

Bill Meyer commented that Chairman Mayes went out of her way at the hearing commending Dayne Taylor and Skip Reid for exposing compliance issues and that the Board and Harvard were out of compliance with the previous order that allowed us to extend our service area. She commented that Dayne's Intervention has resulted in a state wide effort to address golf course's ground water use in a different way than they had in the past. This part of Dayne's intervention needs to be recognized, even by the board. The ACC accepted the WSA as worked out by the parties with minor changes.

Jimmy Stoner:

Jimmy Stoner commented that Chairman Mayes talked about the broken water laws in Arizona, and how some developers can get around the laws and spirit of the law. She was very complimentary of Dayne and Skip for bringing up the excessive water use by Talking Rock Golf about 2 years ago, well in advance of rate case being filed. Also, the ICR community was probably not aware of the effect this case and excessive ground water use has had on cases coming before them today and coming before the Commission in the future. Commissioner Newman mentioned they need to pay attention and work with the Legislature to effect changes in the laws so water use is better controlled. Commissioner Mayes was very complimentary of this being brought before the commission. If it hadn't come up now it would probably continue

with no telling how many years it would continue to go on. She was not in favor of this ground water use but felt this was the best deal they could get under the circumstances. She also said she felt it was appalling the residents were paying more than twice the rate the Golf Course was paying. She felt it was unconscionable, but there was nothing that could be done about it. Commissioner Newman commented that this is not happening in Cochise County. You cannot use ground water on golf courses, yet he reluctantly would go along with the order. Commissioner Kennedy felt the residents were getting a “bad deal” and she voted against it! Commissioner Stump voted yes. So it passed. But clearly, in spite of the bad press Skip and Dayne have gotten relative to this rate case, which certainly was not echoed by the Commission, it was just the opposite. I think it’s important everyone in this community know that.