



ARIZONA CORPORATION COMMISSION

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Commission Approves Debt Plan to Solve Arsenic Contamination for Truxton Canyon Water Customers

(Phoenix) Commission approved Truxton Canyon Water Company's application to incur long-term debt in order to build an arsenic treatment facility. Customers in Valle Vista, near Kingman, have been concerned about the safety of their water. The Arizona Department of Environmental Quality (ADEQ) found arsenic in the water that exceeded standards and found the company had major deficiencies in operating and monitoring the water quality.

"Water safety is a number one priority," said Chairman Doug Little. "Small water companies must put their customers first and we as a Commission are doing what we can to help those companies pay for the upgrades in order to supply safe, reliable water. We will continue to monitor Truxton Canyon's progress in resolving the contamination and operational problems."

"I want to thank my fellow Commissioners for moving this important issue along quickly," said Commissioner Andy Tobin. "I met personally with customers impacted by this decision on my Rural Corp Comm Tour last month and learned about the severity of arsenic problems plaguing Truxton Canyon. The swift decision of this Commission on Truxton Canyon should set the tone for how we will address the countless other water crises across the state."

The company previously was authorized to borrow \$350,950 from the Water Infrastructure Finance Authority (WIFA) for the construction of an arsenic treatment facility. Truxton Canyon Water Company must pay \$40,298 annually to cover principle, interest, reserve fund, and taxes associated with the loan. Today the Commission approved the company's application for a loan surcharge mechanism to cover those costs. That will add \$2.17 to the average customer's bill. Truxton Canyon must notify customers of the surcharge within 30 days.

Truxton Canyon serves approximately 950 residential and commercial customers near Kingman in Mohave County, Arizona.