



ARIZONA CORPORATION COMMISSION

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Commission Backing Bill to Provide Emergency Relief to Small Water Companies

(Phoenix) The Arizona Corporation Commission is backing House Bill 2094 which would expand the Small Drinking Water Systems Fund to provide emergency grants to companies in need of infrastructure repairs or upgrades in order to ensure safe drinking water.

The fund, which was established by the Arizona Legislature and is described in ARS 49-355, allocated \$500,000 for grants for small water companies that are struggling financially to maintain safe reliable water for their customers. The Commission established a process for accessing the fund.

House Bill 2094 would make the fund more accessible to more companies. The bill would allow the money to be granted to interim managers and owners. Currently the grants are only allocated when an interim operator is put in place to take over the company temporarily.

The bill requires analysis by the Arizona Department of Environmental Quality (ADEQ) and provides authority to the Water Infrastructure Finance Authority of Arizona (WIFA) to ensure the procedures are followed and the grants are dispersed according to Commission approval. It also allows the funds to be used not only for water quality upgrades but also for infrastructure repairs which may result in significant water losses.

“This is another step in the right direction,” said Commissioner Andy Tobin, who has been champion in addressing water service emergencies. “There is so much work that needs to be done. We have an infrastructure crisis in Arizona, especially in rural areas. House Bill 2094 is the next phase to advance what was accomplished last year when the fund was established.”

So far, one company has been able to receive grants. In January, the Commission approved an allocation of \$202,914 for repairs to Acme Water Company whose lines were severely deteriorating and putting the customers’ water services at risk.

Over the past year, the Commission adopted polices to provide more efficient rate cases for small water companies and created emergency resources such as the Small Water Ombudsman Office to work with water company owners and customers to proactively address problems.

Established by Article 15 of the state’s constitution, the Arizona Corporation Commission is responsible for the regulation of public utilities, overseeing the incorporation or registration of companies wishing to do business in Arizona. Additionally, the Corporation Commission registers and oversees securities offerings and dealers, and enforces railroad and pipeline safety. The five commissioners that make up the Commission are elected by the people of Arizona for a four-year term, with the option of serving for two consecutive terms. To learn more about the Arizona Corporation Commission and the Commissioners, please check out

<http://www.azcc.gov/Divisions/Administration/about.asp>

