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## ARIZONA CORPORATION COMMISSION

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### **Commission Adopts New Water Policies to Help Small Water Companies**

(Phoenix) The Arizona Corporation Commission furthered its resolve to ensure safe and reliable water to customers statewide by adopting new policies for water companies.

The Commission's order directed Staff to post Emergency Rate Case and Short-form Rate Case applications on the Commission's website to make them more accessible to small water companies. The Commission also adopted standards to process emergency rate cases faster, guidelines which determine the viability of a water company, and whether a company's financial position issues has a significant impact on rates.

The Commission also approved some guidelines for the acquisition process for a viable company to take over a smaller viable water companies in order to improve reliability and potentially reduce rates.

"We have the ability to look at each of these cases individually and determine what makes sense," said Chairman Doug Little. "We are asking for one company to take on another's problems. When we see more acquisition of failing companies, water service statewide will eventually become more reliable and affordable, particularly for rural water companies."

The Commission's work to update and create water polices began earlier this year. In June, the Commission adopted policies which provide for more efficient processing of rate cases and mechanisms for companies to rely on in emergencies including the creation of a Small Water Ombudsman Office. A Water Polices Work Group consisting of Commission Staff, water companies, consumer advocates and industry experts developed the recommendations that the Commission approved.

"These are significant steps," said Commissioner Andy Tobin. "It is more than just crossing all the 't's' and dotting the 'i's'. Passing comprehensive water policy statements fosters the clarity and cooperation needed between the water companies and Staff to prevent outages, respond to emergencies efficiently, and protect the customers."

Small water utilities provide service to many rural areas throughout Arizona. Historically, many have had serious financial and operational challenges.