

**PUBLIC NOTICE OF HEARING ON
THE APPLICATION OF HYDRO-RESOURCES, INC. FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY (“CC&N”) TO PROVIDE WATER SERVICE IN
THE TOWN OF TUSAYAN; THE APPLICATION OF TUSAYAN WATER
DEVELOPMENT ASSOCIATION, INC. TO CANCEL ITS EXISTING CC&N TO
PROVIDE WATER SERVICE IN THE TOWN OF TUSAYAN; & OTHER
CONSOLIDATED MATTERS. DOCKET NOS. W-02350A-10-0163 ET AL.**

Summary

This case began with a rate application filed by Tusayan Water Development Association, Inc. (“TWDA”), the current holder of a CC&N to provide water utility service in the Town of Tusayan. The case was then broadened to include requests for adjudication of public service corporation status for TWDA; Anasazi Water Co., LLC (“Anasazi”); and Hydro-Resources, Inc. (“Hydro”). Also, intervenor status was granted to the Town of Tusayan (“Town”); Squire Motor Inns, Incorporated (“Squire”); and Tusayan Ventures, LLC (“T Ventures”).

On August 12, 2013, a Settlement Agreement was executed establishing a plan for Hydro to become the sole provider of water utility service in the Town of Tusayan by obtaining a CC&N for the area currently served by TWDA. Other than T Ventures, all of the parties to this case, including the Commission’s Utilities Division (“Staff”), have entered into the Settlement Agreement.

As a result of the Settlement Agreement, Hydro has filed an application for a CC&N to provide water utility service in the Town, and TWDA has filed an application for cancellation of its CC&N. These CC&N-related applications have been consolidated with the pre-existing case, and all of the consolidated matters will be considered in a single hearing and should be resolved by the Commission in a single decision.

If the CC&N-related applications of Hydro and TWDA are granted, Hydro would become the exclusive provider of water utility service within the requested service area and would be required to provide service on the terms and conditions, and using the rates and charges, established by the Commission.

The Commission is not bound by the Settlement Agreement or by the proposals made by TWDA, Hydro, Anasazi, Staff, or any intervenor. The Commission will issue a decision regarding this case after consideration of testimony and evidence presented at an evidentiary hearing.

How to View the Parties’ Filings

Copies of the applications filed by Hydro, TWDA, and Anasazi are available for inspection during regular business hours at the Commission’s Docket Control Center at 1200 West Washington Street, Phoenix, AZ 85007; at Hydro’s offices at 549 Camper Village, Grand Canyon, AZ 86023; and at TWDA’s offices at Canyon Plaza, Highway 64, Grand Canyon, AZ 86023. All of the parties’ filings in this consolidated matter are also available via the Commission’s website (www.azcc.gov) using the e-Docket function located at the bottom of the main page.

Public Hearing

The Commission will hold a **hearing** on this matter on **June 4, 2014, at 10:00 a.m.**, or as soon thereafter as is practical, in Hearing Room No. 2 at the Commission's offices, 1200 West Washington St., Phoenix, AZ 85007. Public comments will be taken on the first day of the hearing.

How Interested Persons May Participate

An interested person may participate in this matter by (1) providing written or oral public comment, or (2) filing for intervention and becoming a formal party to the proceeding. Written public comments must refer to **Docket Nos. W-02350A-100163 et al.** and may be submitted at any time as follows:

By Mail: Arizona Corporation Commission
Consumer Services Section
1200 West Washington Street
Phoenix, AZ 85007

On the Website: www.azcc.gov using the link "To Submit a Comment on an Issue," located near the bottom of the main page

Anyone requiring assistance may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

About Intervention

Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a person to participate as a party by presenting sworn testimony and evidence and cross-examining witnesses. Anyone wishing to intervene must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than **March 24, 2014**, and must send a copy of the motion to each of the parties to this matter or their counsel. Contact information for the parties is available using the eDocket function and Docket No. W-02350A-10-0163.

Each motion to intervene must contain the following:

1. The name, address, and telephone number of the person requesting intervention and of any person upon whom service of documents is to be made, if not the same person;
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of TWDA, an owner of property in the Town, etc.);
3. A statement certifying that a copy of the motion to intervene has been mailed to the parties of record in the case or their counsel; and
4. If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **March 24, 2014**. Persons who do not intervene

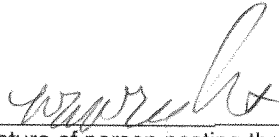
will receive no further notice of the proceedings in this docket. However, **all documents filed in the docket are available online** (usually within 24 hours after docketing) through the eDocket function on the Commission's website.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its proceedings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, and may request this document in an alternative format, by contacting ADA Coordinator Shaylin Bernal, at SBernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the General Store in Tusayan, Arizona on this 12 day of February, 2014, at 10:15 am and at Tusayan Town Hall in Tusayan, Arizona on this 12 day of February, 2014 at 10:05 am



Signature of person posting the agenda

and on the Town of Tusayan website www.tusayan-az.gov on this 12TH day of February, 2014, at 10:30 am.



Signature of person posting the agenda