

July 6,2005

Mr. Philip Tucker
1211 N. Susan Drive
Prescott, AZ 86301

Re: Diamond Valley Water Users Association, Docket No. W-03263A-05-0330

Dear Mr. Tucker:

I'm writing today in response to your letter dated June 12, 2005. Diamond Valley has already filed an application for a rate increase with the Commission, which has been deemed sufficient by Commission staff. Given the Ex Parte Rule, I am prohibited from commenting on the specifics of the case.

However, let me take this opportunity to update you on the efforts to determine long-term ownership of DVWUA. I am currently working with Yavapai County Supervisor Carol Springer on language for legislation that we hope will allow for resolution of this issue. I will be presenting that proposed legislation to my fellow Commissioners at an upcoming staff meeting and would be happy to forward you a copy of the bill when I present it.

I will also be proposing that we conduct a public hearing in Prescott on the DVWUA rate case later this summer, prior to a final vote on the case.

Thank you for all of your efforts on this matter and I look forward to seeing you soon

Sincerely,

Kris Mayes
Commissioner

Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007-2996