



ARIZONA CORPORATION COMMISSION

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MEDIA CONTACT: Angie Holdsworth (602) 542-0844

Commission Congratulates Global Water Company on Acquisition of Eagletail Water Company

(Phoenix) The Arizona Corporation Commission is pleased to announce Global Water Resources, Inc.'s new acquisition of Eagletail Water Company, LLC which is a small water company west of Phoenix.

Eagletail Water Company faced a long history of challenges and was struggling financially as the company was being run by customer volunteers. Global's acquisition adds approximately 50 active water connections and six square miles of service area to Global Water's existing regional service area near Tonapah.

Global Water Company CEO Ron Fleming credited the Arizona Corporation Commission's newly adopted water policies in facilitating the transaction to close quickly with less regulatory burdens. The Commission has created a series of new policies over the past year which include guidelines for the acquisition of small, troubled water companies by larger, viable companies to improve reliability and potentially reduce rates. Global Water Company's acquisition of Eagletail Water is the first acquisition since the policies were approved by the Commission.

"This acquisition is the first of what will be a series of 'wins' for rural water customers," said Commissioner Andy Tobin, Chairman of the Commission's Water Committee. "Consolidations like this will often be the only solution for some companies that simply cannot deal with the infrastructure problems which put their customers' service and health at risk. There is still much work to be done."

The Commission also recently adopted policies which provide for more efficient processing of rate cases and created new mechanisms for companies and customers to rely on in emergencies including the creation of a Small Water Ombudsman Office.

Global Water Company CEO Ron Fleming, in a letter to Commissioner Tobin, expressed his thanks for the work that allowed the transaction to take place expeditiously and efficiently.

"Given the ACC's desire for consolidation of the highly-fragmented water utility industry in Arizona and their new policy guidelines that support and incent such consolidation, the state is well set for the additional acquisitions" said Fleming

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>