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MARC SPITZER - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

ARIZONA CORPORATION COMMISSION

22

DATE: AUGUST 13, 2004
DOCKET NOS: W-04249A-04-0249 and W-03745A-04-0249
TO ALL PARTIES:

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DOCUMENT CONTROL

Enclosed please find the recommendation of Administrative Law Judge Amanda Pope. The recommendation has been filed in the form of an Opinion and Order on:

EDWIN L. WETZLER dba
JAKE'S CORNER WATER SYSTEMS
(SALE/TRANSFER CC&N)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

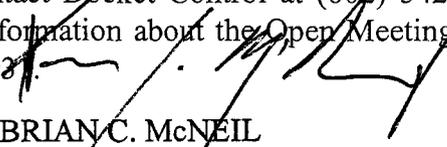
AUGUST 23, 2004

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

AUGUST 31, 2004 and SEPTEMBER 1, 2004

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Secretary's Office at (602) 542-3927.

Arizona Corporation Commission
DOCKETED


BRIAN C. McNEIL
EXECUTIVE SECRETARY

AUG 13 2004

DOCKETED BY 

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This document is available in alternative formats by contacting Yvonne McFarlin, ADA Coordinator, voice phone number 602-542-3931, E-mail YMcFarlin@cc.state.az.us

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 MARC SPITZER, Chairman
4 WILLIAM A. MUNDELL
5 JEFF HATCH-MILLER
6 MIKE GLEASON
7 KRISTIN K. MAYES

8 IN THE MATTER OF THE APPLICATION OF
9 EDWIN L. WETZLER DBA JAKE'S CORNER
10 WATER SYSTEMS FOR APPROVAL OF THE
11 SALE OF ITS ASSETS AND FOR THE
12 TRANSFER OF ITS CERTIFICATE OF
13 CONVENIENCE AND NECESSITY TO KACY J.
14 PARKER.

DOCKET NO. W-04249A-04-0249
DOCKET NO. W-03745A-04-0249

DECISION NO. _____

OPINION AND ORDER

10 DATE OF HEARING: July 15 and 29, 2004

11 PLACE OF HEARING: Phoenix, Arizona

12 ADMINISTRATIVE LAW JUDGE: Amanda Pope

13 APPEARANCES: Mr. Kacy J. Parker; and

14 Mr. David Ronald, Staff Attorney, Legal Division, on
15 behalf of the Utilities Division of the Arizona
16 Corporation Commission.

16 **BY THE COMMISSION:**

17 On April 1, 2004, Edwin L. Wetzler dba Jake's Corner Water Systems ("Applicant") filed
18 with the Arizona Corporation Commission ("Commission") an application for approval of the sale of
19 its assets and the transfer of its Certificate of Convenience and Necessity ("CC&N") to Kacy J.
20 Parker.

21 A Procedural Order was issued on May 13, 2004, finding the application sufficient pursuant
22 to the requirements of A.R.S. § 41-1074(C) and setting a hearing on this matter for July 1, 2004. The
23 Procedural Order also ordered Applicants to provide all the affected customers with notice of the
24 application and the hearing date, time and location by mailing and publication.

25 On June 7, 2004, Applicant filed a letter indicating that it provided notice of the hearing in
26 accordance with the May 13, 2004 Procedural Order. No requests for intervention were filed.

27 On June 21, 2004, the Commission's Utilities Division Staff ("Staff") filed a Staff Report in
28 this docket recommending approval of the application subject to certain conditions and following a

1 hearing.

2 A hearing was held as scheduled on July 15, 2004. Staff appeared with counsel. No
3 appearance was made by the Applicant, Mr. Parker, customers, or members of the public.

4 By Procedural Order dated July 15, 2004, the hearing was rescheduled for July 29, 2004, and
5 Applicant and/or Mr. Parker were ordered to appear at the hearing scheduled for that date.

6 The hearing was held as scheduled on July 29, 2004 before a duly authorized Administrative
7 Law Judge of the Commission. Staff appeared with counsel and Mr. Parker appeared in support of
8 the application. After a full public hearing, the matter was taken under advisement pending
9 submission of a recommended Opinion and Order to the Commission.

10 * * * * *

11 Having considered the entire record herein and being fully advised in the premises, the
12 Commission finds, concludes, and orders that:

13 **FINDINGS OF FACT**

14 1. Jake's Corner Water Systems ("Jake's Corner") currently provides water utility
15 service to approximately 16 customers¹ in an area in Gila County, Arizona under authority of a
16 CC&N granted by the Commission in Decision No. 50872 (April 22, 1980).

17 2. Jake's Corner is located approximately 18 miles south of Payson and three miles
18 southwest of Highway 188.

19 3. In Decision No. 62221 (January 10, 2000), the Commission authorized the sale and
20 transfer of Jake's Corner from Arthur W. Wetzler to Edwin L. Wetzler.

21 4. Jake's Corner is owned and operated by Edwin L. Wetzler.

22 5. On April 1, 2004, Edwin L. Wetzler dba Jake's Corner Water Systems filed with the
23 Commission an application for approval of the sale of its assets and the transfer of its CC&N to Kacy
24 J. Parker.

25 6. On May 13, 2004, the Commission issued a Procedural Order in this matter finding
26 the application sufficient pursuant to the requirements of A.R.S. § 41-1074(C), setting a hearing on
27

28 ¹ Mr. Parker testified that Jake's Corner Water Systems has fourteen full-time and two part-time connections.

1 this matter for July 15, 2004, and ordering public notice of the application and hearing.

2 7. On June 7, 2004, Jake's Corner filed a letter certifying that notice to the affected
3 customers required by the May 13, 2004 Procedural Order had been completed.

4 8. On June 21, 2004, Staff filed a Staff Report in this docket recommending approval of
5 the application subject to the following conditions:

6 a. that the Commission require Kacy J. Parker dba Jake's Corner Water Systems, to
7 charge the authorized rates;

8 b. that the Commission require Kacy J. Parker dba Jake's Corner Water Systems to
9 file a Backflow Prevention Tariff within 60 days of any Decision in this matter;

10 c. that the Commission require Kacy J. Parker dba Jake's Corner Water Systems to
11 install a storage tank by June 2005; and

12 d. that the Commission require Kacy J. Parker dba Jake's Corner Water Systems to
13 file a Curtailment Plan within 365 days of the storage tank installation.

14 9. Staff further recommends that the Commission's Decision granting this CC&N to Mr.
15 Parker be deemed null and void without further Order of the Commission should Mr. Parker fail to
16 meet the above referenced conditions within the time frame specified.

17 10. Mr. Parker testified that he will retain Rich Williamson to serve as the certified
18 operator for Jake's Corner.

19 11. According to the Staff Report and Mr. Parker's testimony, the Jake's Corner Water
20 System consists of one well capable of producing thirty gallons-per-minute, one five thousand gallon
21 pressure tank and the associated distribution lines.

22 12. The Staff Report further indicates that the water system has adequate well production
23 and pressure tank capacity to serve Jake's Corner's existing customer base.

24 13. Staff testified that it is, however, recommending installation of a storage tank to
25 enhance the reliability of the Jake's Corner system during its peak season.

26 14. All customer security deposits have been refunded and there are no refunds due on
27 either service line installations or main extension agreements.

28 15. Jake's Corner is current on its property taxes and is in compliance with Commission

1 orders.

2 16. Staff testified that it believes the requested CC&N and asset transfer is in the public
3 interest, and recommends that the Commission approve the application.

4 17. Staff's recommendations are reasonable.

5 **CONCLUSIONS OF LAW**

6 1. Jake's Corner Water Systems is a public service corporation within the meaning of
7 Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

8 2. The Commission has jurisdiction over Jake's Corner Water Systems and the subject
9 matter of the application.

10 3. Notice has been provided as required by law.

11 4. Kacy J. Parker, as a sole proprietor, is fit and proper to receive Jake's Corner Water
12 Systems' CC&N, and the requested sale of assets and transfer of the CC&N is in the public interest.

13 5. Staff's recommendations, as set forth in Findings of Fact Nos. 8 and 9 should be
14 adopted.

15 **ORDER**

16 IT IS THEREFORE ORDERED that the application of Jake's Corner Water Systems to
17 transfer its assets and its Certificate of Convenience and Necessity to Kacy J. Parker is hereby
18 approved.

19 IT IS FURTHER ORDERED that Kacy J. Parker dba Jake's Corner Water Systems shall
20 charge the authorized rates.

21 IT IS FURTHER ORDERED that Kacy J. Parker dba Jake's Corner Water Systems shall file
22 a Backflow Prevention Tariff within 60 days of this Decision.

23 IT IS FURTHER ORDERED that Kacy J. Parker dba Jake's Corner Water Systems shall
24 install a storage tank by June 2005.

25 IT IS FURTHER ORDERED that Kacy J. Parker dba Jake's Corner Water Systems shall file
26 a Curtailment Tariff within 365 days of the installation of such storage tank.

27 ...

28 ...

1 IT IS FURTHER ORDERED that this Decision shall be deemed null and void without further
2 Order of the Commission should Kacy J. Parker dba Jake's Corner Water Systems fail to meet the
3 above referenced time frames.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
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7

8 CHAIRMAN COMMISSIONER COMMISSIONER

10 COMMISSIONER COMMISSIONER

12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
13 Secretary of the Arizona Corporation Commission, have
14 hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of Phoenix,
16 this ____ day of _____, 2004.

17
18 _____
19 BRIAN C. McNEIL
20 EXECUTIVE SECRETARY

21 DISSENT _____

22 DISSENT _____
23 AP:mj

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1 SERVICE LIST FOR: EDWIN L. WETZLER DBA JAKE'S CORNER WATER
2 SYSTEMS

3 DOCKET NO.: W-04249A-04-0249 ET AL.

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5 Jakes Corner Water Systems
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7 Payson, Arizona 85541

8 Kacy J. Parker
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