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Robson Communities

Master-Planned Resort Living For Active Adults



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Peter M. Gerstman
Executive Vice President
General Counsel
(480) 895-4297

Email: Peter.Gerstman@Robson.com

April 7, 2005

Arizona Corporation Commission
DOCKETED

APR - 7 2005

Via Hand-Delivery

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

DOCKETED BY	<i>KV</i>
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Re: Opinion and Order dated April 6, 2004
Decision No. 66893
Docket No. W-01445A-03-0559

To Whom It May Concern:

I am writing this letter for and on behalf of Cornman Tweedy 560, LLC ("Cornman"), the owner of the real property located in Pinal County, Arizona, more particularly described as the East Half and the Northwest Quarter of Section 28, the West Half and the Northeast Quarter of Section 27, and the Northwest Quarter of Section 26, all in Township 6 South, Range 7 East, Gila and Salt River Base and Meridian (the "Property"). The Property contains approximately 1120 acres and is planned for development as part of the EJ Ranch Master Planned Community. All but approximately 160 acres of the property is already included in the EJ Ranch Planned Area Development in accordance with existing approved zoning.

By Opinion and Order dated April 6, 2004 (the "Order"), the Arizona Corporation Commission extended Arizona Water Company's Certificate of Convenience and Necessity to include the Property. The Order contained the following conditions:

"IT IS FURTHER ORDERED THAT Arizona Water Company shall file a copy of the Developers' Assured Supply for each respective development with the Commission within 365 days of this Decision.

IT IS FURTHER ORDERED THAT Arizona Water Company shall file a main extension agreement associated with the extension area more fully described in Exhibit A with the Commission within 365 days of this Decision."

Arizona Water Company has failed to timely satisfy those two conditions. The Order further provided as follows:

Docket Control
Arizona Corporation Commission
April 7, 2005
page 2

“IT IS FURTHER ORDERED THAT in the event Arizona Water Company fails to meet the above conditions within the time specified, this Decision is deemed null and void without further Order of the Arizona Corporation Commission.”

Because Arizona Water Company failed to timely satisfy the conditions listed above, the extension of its Certificate of Convenience and Necessity to include the Property is automatically null and void pursuant to the terms of the Order without the necessity of any further action.

Cornman has requested that Picacho Water Company provide water service to the Property, and Picacho Water Company intends to apply to extend its Certificate of Convenience and Necessity to include the Property. There are a number of reasons why Cornman would prefer water service from Picacho Water Company. Cornman, Picacho Water Company and Picacho Sewer Company are all affiliates of Robson Communities, Inc. We believe it would be advantageous to all, including the ultimate residents of EJR Ranch, if all of EJR Ranch were served by the same utility providers for reasons of cost, convenience, timing, avoidance of confusion and avoidance of unnecessary duplication of facilities. In addition, we believe it would be in the best interests of all concerned, including the ultimate residents of EJR Ranch, if the CC&N for Picacho Water Company included as much of the CC&N area of Picacho Sewer Company as possible so that water, effluent and wastewater issues can be best coordinated. If the Picacho Water Company's CC&N is extended to include the Property, then the CC&Ns for Picacho Water Company and Picacho Sewer Company will be the same.

For the reasons set forth above, Cornman does not desire to be within Arizona Water Company's CC&N area. If Arizona Water Company chooses to refile or otherwise attempt to extend its CC&N to include the Property, please notify me as soon as possible so that Cornman may again voice its objections to the extension.

Thirteen copies of this letter are being submitted to the Commission, along with this original. Please contact me if you have any questions or need any additional information.

Sincerely,



Peter M. Gerstman

PMG/pg

Cc: Edward J. Robson
Steven M. Soriano
James Poulos