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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

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DOCKETED

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

AZ CORP COMMISSION  
DOCUMENT CONTROL

JUL 06 2005

DOCKETED BY	
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IN THE MATTER OF THE APPLICATION BY A  
POTENTIAL CUSTOMER - MR. STEVEN P.  
PRAHIN - FOR A VARIANCE TO THE  
MORATORIUM ON NEW WATER METER  
CONNECTIONS FOR PAYSON WATER  
COMPANY, INC.'S GERONIMO SYSTEM.

DOCKET NO. W-03514A-05-0352

PROCEDURAL ORDER

**BY THE COMMISSION:**

On May 17, 2005, Steven P. Prahin ("Mr. Prahin") filed with the Arizona Corporation Commission ("Commission") a request for a variance to the moratorium on new water meter connections that is in effect for Payson Water Company, Inc. ("Payson Water" or "Company").

The moratorium on new service connections was implemented by Decision No. 57584 (October 11, 1991), which limited the former United Utilities, Inc. ("United") Geronimo System to serving no more than 60 service connections. The Geronimo System had previously been limited to no more than 45 service connections pursuant to Decision No. 52454 (September 18, 1981).

Decision No. 57584 directed United to submit an engineering and design study to explain the steps that would be undertaken in the Geronimo System to permanently lift the moratorium. Although United's former owner, Mr. Richard Williamson, submitted a study on December 10, 1991, the Commission's Utilities Division Staff ("Staff") found that the study did not contain necessary technical data to demonstrate a sufficient availability of water to justify lifting the 60 service connection limit.

In Decision No. 60972 (June 19, 1998), Brooke Utilities, Inc. was authorized to acquire United from Richard Williamson, and United was organized into three operating companies: Payson Water Company; Strawberry Water Co., Inc.; and Tonto Basin Water Co., Inc. Payson Water serves the Geronimo Estates subdivision where Mr. Prahin apparently seeks to initiate service.

In Decision No. 67747 (April 11, 2005) the Commission granted a variance from the

1 moratorium to one customer, subject to the requirement that Payson Water conduct a system  
2 monitoring exercise for 12 months following the effective date of that Decision and submit the  
3 following data based on the study: monthly static water levels from both wells; number of gallons  
4 pumped per month from each well; number of gallons sold per month; and number of active and  
5 inactive connections per month. The Commission specifically stated that “no additional new service  
6 connections shall be permitted on the Geronimo System until the data is received and reviewed by  
7 Staff, and an Order is issued by the Commission allowing additional service connections, unless  
8 otherwise ordered by the Commission” (emphasis added).

9 Given the Commission’s directive that no new connections will be permitted until the water  
10 usage data study is completed and reviewed, and an Order is issued by the Commission amending the  
11 moratorium, it does not appear that there is any basis for granting the requested waiver. However,  
12 Staff will be directed to submit its position regarding the requested waiver prior to a final Decision in  
13 this matter.

14 IT IS THEREFORE ORDERED that Staff shall file a response to the requested variance, in  
15 the form of a Staff Report or Memorandum, by no later than August 5, 2005.

16 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
17 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
18 hearing.

19 Dated this 6<sup>th</sup> day of July, 2005

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22 \_\_\_\_\_  
23 DWIGHT D. NODES  
24 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

24 Copies of the foregoing mailed/delivered  
25 this 6<sup>th</sup> day of July, 2005 to:

25 Steven P. Prahin  
26 2777 E. 13<sup>th</sup> Avenue  
27 Apache Junction, AZ 85219

27 ...  
28 ...  
...

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15 By:   
16 Molly Johnson  
17 Secretary to Dwight D. Nodes  
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