

ORIGINAL



0000062881

BEFORE THE ARIZONA CORP.

RECEIVED

308R

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

COMMISSIONERS

JEFF HATCH-MILLER - Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

2006 DEC 19 P 3:24

AZ CORP COMMISSION  
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

DEC 19 2006

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
JOHNSON UTILITIES COMPANY FOR AN  
EXTENSION OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY FOR  
WATER AND WASTEWATER SERVICE.

DOCKET NO. WS-02987A-05-0088

**STAFF'S RESPONSE TO  
APPLICATION FOR  
ADMINISTRATIVE CLOSURE**

On December 13, 2006, Johnson Utilities Company ("Johnson" or the "Company") submitted its request that the Commission administratively close the docket regarding its Application to Amend Decision No. 68235.

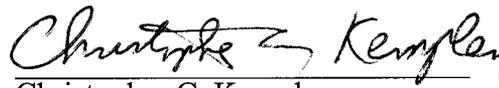
Johnson's Application for Administrative Closure describes the history of this Application. Decision No. 68235 contained a condition under which the Company was required to submit a performance bond in the amount of \$500,000 prior to commencing service in the area to which its CC&N was extended. Thereafter, on March 14, 2006, the Company submitted an Application to Amend Decision No. 68235 in order to substitute a Letter of Credit in lieu of filing the required Performance Bond.

Subsequent to the Company's Application to Amend, an evidentiary hearing was held, a Recommended Opinion and Order was issued and, on December 12, 2006, a Procedural Conference was held. During the course of the Procedural Conference, it was stated on the record that the Company has obtained and on December 4, 2006, docketed a Performance Bond as originally contemplated by Decision No. 68235. As a result, the Company has requested that the matter of its Application to Amend Decision No. 68235 be Administratively Closed.

As was indicated during the Procedural Conference, Staff is aware of the submittal of the Performance Bond and agrees that the Company is in compliance with the Decision's requirements.

1 Staff, therefore supports the Company's request for Administrative Closure. As noted by the  
2 Company's Application for Administrative Closure, Staff may request that the evidentiary record  
3 developed in this matter be incorporated into the record of further proceedings by which the  
4 Commission considers the issue of whether to permit public service corporations to substitute an  
5 irrevocable letter of credit as security in matters which have typically involved a Commission  
6 imposed requirement that a public service corporation submit a performance bond.

7  
8 RESPECTFULLY SUBMITTED this 19<sup>th</sup> day of December, 2006.

9 

10 Christopher C. Kempley  
11 Chief Counsel, Legal Division  
12 Arizona Corporation Commission  
13 1200 West Washington  
14 Phoenix, Arizona 85007  
15 (602) 542-3402

16  
17 AN ORIGINAL and thirteen (13) copies  
18 filed this 19<sup>th</sup> day of December, 2006 with:

19 Docket Control  
20 Arizona Corporation Commission  
21 1200 West Washington Street  
22 Phoenix, Arizona 85007

23 COPIES of the foregoing mailed  
24 this 19<sup>th</sup> day of December, 2006 to:

25 William P. Sullivan, Esq.  
26 2712 North Seventh Street  
27 Phoenix, Arizona 85006-1090

28 Richard L. Sallquist, Esq.  
Sallquist, Drummond & O'Connor, P.C.  
4500 South Lakeshore Drive  
Suite 339  
Tempe, Arizona 85282

