

**ORIGINAL**



0000063192

BEFORE THE ARIZONA CORPORATION CC  
RECEIVED

COMMISSIONERS

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

2006 OCT 25 P 3:04  
AZ CORP COMMISSION  
DOCUMENT CONTROL

Arizona Corporation Commission

**DOCKETED**

OCT 25 2006

DOCKETED BY	<i>mr</i>
-------------	-----------

IN THE MATTER OF THE APPLICATION OF  
OAK CREEK UTILITY CORPORATION FOR  
AN INCREASE IN THEIR RATES FOR  
CUSTOMERS WITHIN COCONINO  
COUNTY, ARIZONA.

DOCKET NO. WS-02061A-04-0835

IN THE MATTER OF THE APPLICATION OF  
OAK CREEK UTILITY CORPORATION FOR  
AUTHORITY TO ISSUE PROMISSORY  
NOTE AND OTHER EVIDENCES OF  
INDEBTEDNESS PAYABLE AT PERIODS OF  
MORE THAN TWELVE MONTHS AFTER  
THE DATE OF ISSUANCE.

DOCKET NO. WS-02061A-04-0836

**STAFF RESPONSE TO OAK CREEK  
UTILITY CORPORATION'S EXTENSION  
REQUEST**

On July 18, 2005 the Arizona Corporation Commission ("Commission") issued Decision No. 67986 granting Oak Creek Utility Corporation ("OCUC") a rate increase. In addition, the Decision's ordering section approved OCUC's request to obtain a \$40,000 loan from the Water Infrastructure Finance Authority ("WIFA") in order to construct a 10,000 gallon storage tank. Further, OCUC was ordered to complete the storage tank within 18 months of the effective date of the Decision as well as file as a compliance item an Arizona Department of Environmental Quality ("ADEQ") Approval of Construction.

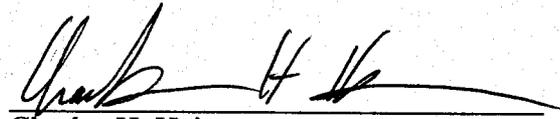
On October 2, 2006, OCUC filed a motion requesting additional time to complete construction of the 10,000 gallon storage tank. OCUC stated in its request that the delay was due to unexpected time in obtaining the WIFA loan. Since that time, OCUC has obtained the WIFA financing. Further, in response to Commission Utilities Division Staff ("Staff") inquiries, OCUC has indicated that it will need approximately six months to complete the project. In response, Staff has no objection to the request. As OCUC did not suggest a date to extend the deadline to in the letter docketed on October 2, 2006, Staff recommends extension of the deadline for both constructing the

...

3052

1 storage tank and filing the ADEQ Approval of Construction to May 31, 2007 as is consistent with the  
2 time OCUC indicated would be sufficient to complete the project.

3 RESPECTFULLY SUBMITTED this 25<sup>th</sup> day of October, 2006.  
4

5 

6 Charles H. Hains  
7 Attorney, Legal Division  
8 Arizona Corporation Commission  
9 1200 West Washington Street  
10 Phoenix, Arizona 85007  
11 (602) 542-3402

12 Original and fifteen (15) copies  
13 of the foregoing were filed this  
14 25<sup>th</sup> day of October, 2006 with:

15 Docket Control  
16 Arizona Corporation Commission  
17 1200 West Washington Street  
18 Phoenix, Arizona 85007

19 Copy of the foregoing mailed this  
20 25<sup>th</sup> day of October, 2006 to:

21 Dean W. Orem, President  
22 OAK CREEK UTILITY CORPORATION  
23 P.O. Box 48  
24 Cave Creek, Arizona 85327

25 Richard L. Sallquist  
26 SALLQUIST DRUMMOND & O'CONNOR, PC  
27 4500 South Lakeshore Drive, Suite 339  
28 Tempe, Arizona 85282

David Peck  
P.O. Box 1354  
Sedona, Arizona 86339

29 