

ORIGINAL



0000063714

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

Arizona Corporation Commission

DOCKETED

NOV 17 2006

COMMISSIONERS

2006 NOV 17 P 2: 21

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

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY NR

IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY FOR AN  
EXTENSION OF ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY.

DOCKET NO. W-01445A-04-0453

PROCEDURAL ORDER

BY THE COMMISSION:

In Decision No. 67439 (December 3, 2004) the Arizona Corporation Commission ("Commission") approved the application of Arizona Water Company ("AWC") for an extension of its Certificate of Convenience and Necessity ("Certificate") for its Coolidge system. Decision No. 67439 required AWC to file, within 365 days of the Decision, a copy of the developer's Certificate of Assured Water Supply, the main extension agreement and the Arizona Department of Environmental Quality Certificate of Approval to Construct.

On July 19, 2005, AWC filed a "Request for Additional Time to Comply with Filing Requirement" for Decision No. 67439. AWC requested an additional 365 days, until December 3, 2006, to comply with the Decision. AWC reported that the developer of the requested extension area experienced unexpected delays in planning and financing its development, but plans to proceed with the project in late 2006.

On July 27, 2005, Commission Utilities Division Staff ("Staff") filed a Memorandum and recommended approval of the request.

By Procedural Order issued August 24, 2005, AWC was granted an extension until December 3, 2006 to file a copy of the developer's Certificate of Assured Water Supply.

On August 16, 2006, AWC filed a request for an extension of time until December 31, 2007, to file a copy of the developer's Certificate of Assured Water Supply, a main extension agreement and a Certificate of Approval to Construct.

254

1 On September 1, 2006, by Procedural Order, Staff was ordered to file a response to AWC's  
2 request.

3 On September 1, 2006, Staff filed its response to AWC's request for extension stating that  
4 although it had no objection to AWC's request, it is concerned about granting Certificate extensions  
5 when there is no current need for service or when a land owner or developer has no purpose in  
6 requesting an extension other than to increase the value of the property. Staff stated that it wanted to  
7 put AWC on notice that if it finds it necessary to file for another time extension to comply with  
8 Decision No. 67439, Staff will request that it also file a statement from the developer indicating the  
9 reason for the developer's inability to meet the deadlines originally set by the Commission and  
10 accepted by AWC.

11 We are also concerned with the developer's ability to meet the deadlines set in this matter. We  
12 believe that an evidentiary hearing should be scheduled in this matter.

13 IT IS THEREFORE ORDERED that an evidentiary hearing is hereby scheduled for **January**  
14 **8, 2006 at 10:00 a.m.** at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona.

15 IT IS FURTHER ORDERED that the time for Arizona Water Company to file the  
16 compliance items as ordered in Decision No. 67439 (December 3, 2004) is tolled until all  
17 matters are resolved.

18 IT IS FURTHER ORDERED that Arizona Water Company shall file on or before  
19 **December 4, 2006**, pre-filed testimony discussing why the time period should extended, as  
20 well as the developer's reasons for its inability to meet the deadlines set forth in Decision No.  
21 67439.

22 IT IS FURTHER ORDERED that Staff shall file a Staff Report or responsive  
23 testimony discussing the issues raised in Arizona Water Company's pre-filed testimony and  
24 the policy reasons behind Staff's recommendation on or before **December 18, 2006**.

25 IT IS FURTHER ORDERED that the timeclock in this matter shall be suspended accordingly.  
26  
27  
28

1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3  
4 DATED this 17<sup>th</sup> day of November, 2006

5  
6   
7 YVETTE B. KINSEY  
8 ADMINISTRATIVE LAW JUDGE  
9

10 Copies of the foregoing mailed  
this 17<sup>th</sup> day of November, 2006 to:

11 Robert W. Geake  
12 Vice President and General Counsel  
13 Arizona Water Company  
14 Post Office Box 29006  
15 Phoenix, Arizona 85038\

16 Christopher Kempley, Chief Counsel  
17 Legal Division  
18 ARIZONA CORPORATION COMMISSION  
19 1200 West Washington Street  
20 Phoenix, Arizona 85007

21 Ernest Johnson, Director  
22 Utilities Division  
23 ARIZONA CORPORATION COMMISSION  
24 1200 West Washington Street  
25 Phoenix, Arizona 85007

26 ARIZONA REPORTING SERVICE, INC.  
27 2627 N. Third Street, Ste. Three  
28 Phoenix, Arizona 85004-1126

By:   
23 Debbi Person  
24 Secretary to Yvette B. Kinsey  
25  
26  
27  
28