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BEFORE THE ARIZONA CORPORATION COMMISSION Commission

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COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
GARY PIERCE

2007 JAN 24 A 11: 53

AZ CORP COMMISSION
DOCUMENT CONTROL

DOCKETED

JAN 24 2007

DOCKETED BY	MW
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IN THE MATTER OF THE APPLICATION OF
PALO VERDE UTILITIES COMPANY FOR AN
EXTENSION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-04-0767

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

DOCKET NO. W-03576A-04-0767

PROCEDURAL ORDER

BY THE COMMISSION:

On May 5, 2005, the Arizona Corporation Commission ("Commission") issued Decision No. 67830 which granted extensions of the Certificates of Convenience and Necessity ("Certificate") to Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") (jointly "Applicants"). Decision No. 67830 also required Santa Cruz to, among other things: "file in Docket Control a copy of the ADEQ [Arizona Department of Environmental Quality] Approval to Construct for the Neely Well Production/Treatment Plant by December 31, 2005;" "make all corrections to ADWR [Arizona Department of Water Resources] registration records to reflect ownership of the two Glennwilde wells and two Rancho Mirage wells" by May 5, 2006 (i.e., 365 days from the date of Decision No. 67830); and file a copy of the Applicants' "City of Maricopa municipal franchises for the current CC&N and the extension area" by May 5, 2006 (i.e., 365 days from the date of Decision No. 67830).

On December 29, 2005, Applicants filed a Motion to Extend Time to File Approvals to Construct ("ATC") for the Neely East and Neely North Wells. The Applicants explained that, although the ATC has been obtained for the Neely West Well, additional analyses must be conducted before the ATCs can be obtained for the East and North Wells. The Applicants requested a six-month extension for compliance.

1 On January 12, 2006, the Commission's Utilities Division Staff ("Staff") filed its Response to
2 Applicants' Motion to Extend Time. Staff stated that it had no objection to the Applicants' request
3 for an extension of time.

4 By Procedural Order issued February 1, 2006, the Applicants' Motion was granted and the
5 Applicants were required to file by June 30, 2006 a copy of the ADEQ Approval to Construct for the
6 Neely Well Production/Treatment Plant.

7 On May 5, 2006, the Applicants filed a Motion for Extension of Time and Notice of Partial
8 Compliance. In the Motion, the Applicants requested: a 60-day extension of the filing requirement
9 for Rancho Mirage Well No. 1; a two-year extension of the filing requirement for Glennwilde Well
10 No. 2 and Rancho Mirage Well No. 2 (*i.e.*, until May 5, 2008); and a 120-day extension of the filing
11 requirement for the City of Maricopa franchise. The Applicants stated that the Rancho Mirage No. 1
12 Well transfer was expected within 60 days of the filing of the Motion, but that the Glennwilde No. 2
13 and Rancho Mirage No. 2 wells will not be needed until July 2010, at the earliest, and may not be
14 needed at all depending on the availability of other well sources.

15 On May 18, 2006, Staff filed a Memorandum stating Staff's agreement to the extension
16 regarding Rancho Mirage Well No. 2 and filing of the City of Maricopa franchises. However, Staff
17 disagreed with the Applicants' extension request for the Glennwilde No. 2 and Rancho Mirage No. 2
18 wells, stating that a two-year extension was not in the public interest. In the alternative, Staff
19 indicated that it would recommend an extension for the Glennwilde No. 2 and Rancho Mirage No. 2
20 wells until no later than September 30, 2007.

21 On June 1, 2006, the Applicants filed a Reply in Support of Motion for Extension of Time.
22 The Applicants agreed to the recommendations set forth in Staff's May 18, 2006 Memorandum.

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1 On September 12, 2006, the Applicants filed a Renewed and Revised Motion for Extension of
2 Time. The Applicants renewed their requests for a 60-day extension of the filing requirement for
3 Rancho Mirage Well No. 1 and an extension until September 30, 2007 of the filing requirement for
4 Glennwilde Well No. 2 and Rancho Mirage Well No. 2. Due to delays in obtaining the City of
5 Maricopa franchises, the Applicants revised their extension request regarding the franchise
6 requirement and now seek an extension until November 30, 2006 for the filing requirement of the
7 City of Maricopa franchise.

8 By Procedural Order issued September 20, 2006, Staff was directed to respond to the
9 Renewed and Revised Motion for Extension of Time.

10 On September 22, 2006, the Applicants filed a Status Report indicating that it had filed a
11 Notice of Compliance on June 27, 2006 with respect to ownership records for the Rancho Mirage
12 Well No. 1.

13 On September 25, 2006, Staff filed a Memorandum stating that it agreed with the requested
14 extension of the time for filing the operating/license agreement with the City of Maricopa¹, and that
15 Staff would accept an extension until September 30, 2007 for the transfer of ownership to Santa Cruz
16 of the Glennwilde Well No. 2 and Rancho Mirage Well No. 2.

17 IT IS THEREFORE ORDERED the Applicants are hereby granted an extension, until
18 September 30, 2007, of the requirement set forth in Decision No. 67830 regarding the transfer of
19 ownership to Santa Cruz of the Glennwilde Well No. 2 and Rancho Mirage Well No. 2.

20 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
21 or waive any portion of this Procedural Order.

22 Dated this 24th day of January, 2007.

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26 DWIGHT D. NODES
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

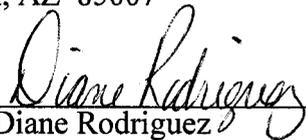
27 ¹ On December 5, 2006, the Applicants filed a copy of their operating/license agreement with the City of Maricopa.
28 Thus, the only remaining compliance actions are submission of documentation regarding transfer of the Glennwilde Well
No. 2 and Rancho Mirage Well No. 2.

1 Copies of the foregoing mailed/delivered
2 this 24th day of January, 2007 to:

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8 Christopher Kempley, Chief Counsel
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18 By: 
19 Diane Rodriguez
20 Secretary to Dwight D. Nodes
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