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BEFORE THE ARIZONA CORPORATION COMMISSION

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2007 MAR 27 P 4: 20
AZ CORP COMMISSION
DOCUMENT CONTROL

MAR 27 2007

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF)
WATER UTILITY OF GREATER TONOPAH,)
INC., AND ARIZONA CORPORATION, FOR)
AN EXTENSION OF ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY TO)
ENCOMPASS ALL OR PORTIONS OF)
SECTIONS 15, 17 AND 22, T2N, R52,)
G&SRB&M, MARICOPA COUNTY,)
ARIZONA (AKA THE HASSAYAMPA)
RANCH DEVELOPMENT))

DOCKET NO. W-02450A-04-0837

**MOTION TO EXTEND TIME AND
TO AMEND DECISION NO. 68307
TO ALLOW THE FILING OF A
DESIGNATION OF ASSURED
WATER SUPPLY**

Water Utility of Greater Tonopah ("WUGT") respectfully requests an extension of time to comply with certain conditions in Decision No. 68307 (November 14, 2005). Specifically, WUGT requests an extension of time until September 23, 2008, to comply with the condition in that decision to file a Certificate of Approval to Construct ("ATC" or "CAC") from the Maricopa County Environmental Services Department ("MCESD") for WUGT's water source/treatment plant and water distribution system for Hassayampa Ranch. WUGT also requests that the requirement to file a copy of the developer's Certificate of Assured Water Supply ("CAWS") issued by the Arizona Department of Water Resources ("ADWR") be extended - and amended to allow WUGT the option of securing a Designation of Assured Water Supply ("DAWS") and that such a requirement be also due on September 30, 2008. WUGT believes that an extension of time and modification of Decision No. 68307 as described above is appropriate and in the interests of justice for the reasons described below.

WUGT filed its application for an extension of its certificate of convenience and necessity ("CC&N") on November 19, 2004. The purpose of that application was to serve the development of Hassayampa Ranch Ventures, L.L.C. ("HVR") that is estimated to be about 5,000 residential

1 lots. According to Decision No. 68307, there are no other municipal or private water providers
2 able to provide public service in this area. Staff recommended approval if WUGT complied with
3 certain conditions, including those described above. The Commission adopted Staff's
4 recommendation and approved the application on November 19, 2005. Since that time, Global
5 Water Resources, L.L.C. ("Global") became the ultimate parent to WUGT.

6 As of the time of this filing HVR has been unable to obtain an ATC from MCESD because
7 the required design documents have not been submitted to MCESD for review. This is due to an
8 overall delay in the project precipitated by numerous factors.

9 HVR has also been unable to obtain a CAWS from ADWR. HVR was able to obtain an
10 Analysis of Assured Water Supply, however, which shows that the water is physically and
11 continuously available. That Analysis, obtained on February 23, 2005, is attached as Exhibit 1 to
12 this pleading. WUGT understands that HVR is still going forward with the development and is
13 still in need of water service. Global and WUGT are working with HVR to fulfill the
14 requirements and achieve all regulatory approvals for this area. Currently, WUGT is serving no
15 customers in the HVR development.

16 WUGT is also evaluating all options to determine what is best for its customers. For this
17 reason, WUGT would like the flexibility of obtaining a DAWS, rather than depending on the
18 developer obtaining a CAWS. WUGT believes a DAWS may be the best option for all of its
19 customers, including present customers as well as future customers. It is for this reason that
20 WUGT seeks to amend Decision No. 68307, to allow it to seek a DAWS to show that it has an
21 assured water supply for this area and its entire service territory.

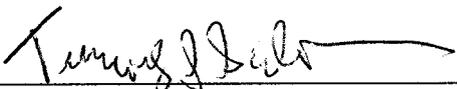
22 Because of the factors delaying the HVR development, WUGT wants to seek an ample
23 amount of time to best assure it can fully comply with Decision No. 68307. For that reason,
24 WUGT seeks an 18-month extension, until September 23, 2008.

25 WUGT believes that, for the reasons cited earlier, an extension of time until September 23,
26 2008 – to file a ATC from MCESD and a CAWS or DAWS from ADWR and to fully comply
27 with Decision No 68307 – is reasonable, appropriate and in the public interest. This motion is not

1 being made for purposes of delay and is in the interests of justice.

2
3 RESPECTFULLY SUBMITTED this 27th day of March 2007.

4 ROSHKA, DEWULF & PATTEN, PLC

5
6 By 
7 Michael W. Patten
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14 Original and 13 copies of the foregoing
15 filed this 27th day of March 2007 with:

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

19 Copy of the foregoing hand-delivered/mailed
20 this 27th day of March 2007 to:

21 Lyn A. Farmer, Esq.
22 Chief Administrative Law Judge
Hearing Division
23 Arizona Corporation Commission
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24 Phoenix, Arizona 85007

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Office of Assured and Adequate Water Supply
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JANET NAPOLITANO
Governor

HERB GUENTHER
Director

ANALYSIS OF ASSURED WATER SUPPLY

February 28, 2005

File Number: 28-401585.0000
Development: Hassayampa Ranch
Location: Township 2 North, Range 5 West, Sections 15-17 and 22
Maricopa County, Arizona
Phoenix AMA
Land Owner: Algene Venture, an Arizona Joint Venture and PNR Southwest Partnership, an
Illinois General Partnership

The Arizona Department of Water Resources has evaluated the Analysis of Assured Water Supply application for Hassayampa Ranch pursuant to A.A.C. R12-15-712. The proposed development includes 5,707 single-family residential lots and 740 non-residential acres containing commercial and open space areas, schools, and rights-of-way. The water provider will be Water Utility of Greater Tonopah. Conclusions of the review are indicated below based on the assured water supply criteria referenced in A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.*

- **Physical, Continuous, and Legal Availability of Water for 100 Years**
On the basis of the hydrologic study submitted and the Department's review, the Department has determined that 3,742 acre-feet per year of groundwater will be physically and continuously available, which equals the applicant's projected demands for the development of 3,742 acre-feet per year. The legal availability of the water is not proven at this time. The development is not located within the current service area of the Water Utility of Greater Tonopah. The development is outside the Certificate of Convenience and Necessity boundary of the Water Utility of Greater Tonopah. Applications for Certificates of Assured Water Supply that follow the Analysis of Assured Water Supply will need to provide a detailed plan of how water service will be established. This may include use of Type 1 or Type 2 water rights or recovery of long term storage credits to create a new or satellite service area, or extension of existing service area lines to include the proposed development. The CC&N will need to be extended to encompass the development area. Individual Notices of Intent to Serve will be required for each application for a Certificate of Assured Water Supply.
- **Adequate Water Quality**
Adequate water quality has not been demonstrated at this time. The proposed development lies outside the provider's current service area, therefore, no drinking water compliance data are available. No water quality data was submitted with the application.

To provide service in this area, a provider will likely have to construct new wells. The Arizona Department of Environmental Quality will require water quality analyses for new source approval for each well. This requirement of an Analysis of Assured Water Supply will be reevaluated for each application for a Certificate of Assured Water Supply.

- **Consistency with Management Plan for the Phoenix Active Management Area**
The projected demand for the development is consistent with the Third Management Plan for the Phoenix AMA. Hassayampa Ranch will use low water use landscaping and plumbing fixtures will comply with the statewide Low Flow Plumbing Code.
- **Consistency with Management Goal of the Phoenix Active Management Area**
The Assured and Adequate Water Supply Rules (A.A.C. § R12-15-705) allocate a volume of groundwater to each new subdivision in an AMA to allow for the phasing in of renewable supplies. This groundwater allowance may be increased by extinguishing irrigation grandfathered groundwater rights (IGFR). Any groundwater delivery in excess of the groundwater allowance must be met through the direct or indirect use of renewable water supplies (surface water or effluent). Options for demonstrating "consistency with management goal" include: 1) direct use of surface water or effluent; 2) recharge and recovery of surface water or effluent; or 3) membership in the Central Arizona Groundwater Replenishment District (CAGRDR).

The application indicates that the proposed development will enroll the lands of the entire development, including the commercial and open space areas, schools, and other non-residential areas, in the CAGRDR to meet this requirement. The membership documents must be executed and recorded before a Certificate of Assured Water Supply will be issued.

Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Phoenix AMA Office or the Office of Assured Water Supply may be contacted for further guidance.

- **Financial Capability of the Owner to Construct the Necessary Distribution System**
Pursuant to A.A.C. R12-15-707, financial capability will be evaluated by the local platting authority as a part of the process for obtaining a Certificate of Assured Water Supply for each subdivision. The application for a Certificate of Assured Water Supply includes a Verification of Construction Assurance for a Proposed Subdivision form. This form should be signed by the appropriate platting entity to provide evidence of financial capability. This requirement of an assured water supply will be evaluated upon application for a Certificate of Assured Water Supply.

The term of this Analysis of Assured Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. Throughout the term of this determination, the projected demand of this development will be considered when reviewing other requests for assured water supply in the area.

Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Certificate of Assured Water Supply must be obtained for each subdivision plat. The findings of this Analysis of Assured Water Supply may be used to demonstrate that certain requirements for a Certificate have been met. This determination may be invalidated if the development plan or other conditions change prior to filing for a Certificate of Assured Water Supply.

Questions may be directed to the Office of Assured Water Supply at (602) 417-2465.

Mark Frank

Mark Frank, Acting Assistant Director
Water Management Division

cc: Phoenix Active Management Area

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