

OPEN MEETING ITEM

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BEFORE THE ARIZONA CORPORATION

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2 MIKE GLEASON
Chairman
3 WILLIAM A. MUNDELL
Commissioner
4 JEFF HATCH-MILLER
Commissioner
5 KRISTIN K. MAYES
Commissioner
6 GARY PIERCE
Commissioner

2007 APR 17 P 2:43

AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

APR 17 2007

DOCKETED BY	
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8 STAFF of the Utilities Division,
9
10 Complainant,

DOCKET NO. W-04249A-04-0249
DOCKET NO. W-03745A-04-0249

11 vs.

12 KACY J. PARKER dba JAKE'S CORNER
13 WATER SYSTEM

**COMPLAINT AND PETITION FOR
ORDER TO SHOW CAUSE**

14 Respondent.

15
16 Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission
17 ("Commission"), for its Complaint against Kacy J. Parker dba Jake's Corner Water System ("Mr.
18 Parker" or "Jake's Corner"), an Arizona Public Service Corporation, alleges:

JURISDICTION

19
20 1. The Commission has jurisdiction to hear complaints against public service
21 corporations pursuant to A.R.S. § 40-246. The Commission has jurisdiction to supervise and regulate
22 public service corporations pursuant to Article XV of the Arizona Constitution and Title 40 of the
23 Arizona Revised Statutes.

24 2. Jake's Corner is a Public Service Corporation as defined by Article XV, § 2 of the
25 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

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1 investment, therefore, Jake's Corner would only install the storage tank contingent upon a rate case.
2 Mr. Parker further stated that if Jake's Corner does install a storage tank, the Curtailment Tariff
3 would follow.

4 12. Mr. Parker has neither requested a waiver, an extension of time nor a modification of
5 the requirements. Additionally, he has not sought any assistance in the preparation of a rate case.
6 The last rate case filed for Jake's Corner resulted in Decision No. 58733 on August 10, 1994.

7 **RECOMMENDATION**

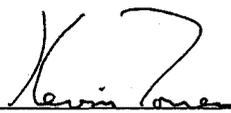
8 13. Staff believes that Jake's Corner has had more than sufficient time to file the required
9 compliance items. The response to Staff's Compliance Delinquency letter is unacceptable and
10 inconsistent with the requirements of Decision No. 67231. In light of Mr. Parker's inaction, Staff has
11 no choice but to recommend the following.

12 14. Staff recommends the Commission order Mr. Parker to appear before the Commission
13 to explain why the Commission should not impose sanctions against Jake's Corner and render
14 Decision No. 67231 null and void for failure to file the Backflow Prevention Tariff, install the
15 Storage Tank and file the subsequent Curtailment Tariff as required by Decision No. 67231.

16 15. Staff further recommends the Commission order Mr. Parker to appear before the
17 Commission to explain why Jake's Corner has failed to file a rate case, since he believes it is
18 necessary to comply with Decision No. 67231.

19 16. Staff further recommends the Commission render Decision No. 67231 null and void
20 and/or impose fines or other sanctions as the Commission deems appropriate.

21
22 RESPECTFULLY SUBMITTED this 17TH day of April, 2007.

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24 
25 _____
26 Kevin O. Torrey
27 Attorney, Legal Division
28 Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

1 The original and thirteen (⁵13) copies
2 of the foregoing were filed this
3 17th day of April 2007 with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

6 Copy of the foregoing mailed this
7 17th day of April 2007, to:

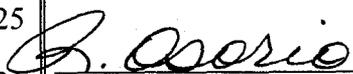
8 Mr. Kacy J. Parker
9 Jake's Corner Water System
10 HC 6, Box 1048-H
11 Payson, Arizona 85541
12 **(VIA CERTIFIED AND REGULAR MAIL)**

12 Mr. Edwin L. Wetzler
13 HC1 Box 5273J
14 Payson, Arizona 85541
15 **(VIA CERTIFIED AND REGULAR MAIL)**

15 Mr. Christopher C. Kempsey
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

18 Mr. Ernest G. Johnson
19 Director, Utilities Division
20 Arizona Corporation Commission
21 1200 West Washington Street
22 Phoenix, Arizona 85007

21 Ms. Lyn Farmer
22 Administrative Law Judge, Hearing Division
23 Arizona Corporation Commission
24 1200 West Washington Street
25 Phoenix, Arizona 85007

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BEFORE THE ARIZONA CORPORATION COMMISSION

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

STAFF of the Utilities Division,

Complainant,

vs.

KACY J. PARKER dba JAKE'S CORNER
WATER SYSTEM

Respondent.

DOCKET NO. W-04249A-04-0249
DOCKET NO. W-03745A-04-0249

DECISION NO. _____

ORDER TO SHOW CAUSE

Open Meeting
May 8 and 9, 2007
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes and orders that:

FINDINGS OF FACT

1. Jake's Corner currently provides water utility service to approximately 16 customers in an area in Gila County, Arizona, under authority of a CC&N granted by the Commission in Decision No. 50872 (April 22, 1980).
2. Jake's Corner is located approximately 18 miles south of Payson and three miles southwest of Highway 188.
3. In Decision No. 62221 (January 10, 2000), the Commission authorized the sale and transfer of Jake's Corner from Arthur W. Wetzler to Edwin L. Wetzler.

1 4. On April 1, 2004, Edwin L. Wetzler dba Jake's Corner Water System filed with the
2 Commission an application for approval of the sale of its assets and the transfer of its CC&N to
3 Kacy J. Parker.

4 5. On September 7, 2004, the Commission approved the transfer of assets and CC&N
5 to Kacy J. Parker subject to the timely filing of the following compliance items.

6 1) File a Backflow Prevention Tariff within 60 days of the Decision.

7 2) Install a storage tank by June, 2005.

8 3) File a Curtailment Tariff within 365 days of the installation of such storage
9 tank.

10 6. The Order also stated that if the Company fails to meet these time frames, then the
11 Decision will be deemed null and void.

12 7. Over the course of the past two years, Staff has contacted Jake's Corner numerous
13 times in an attempt to assist the Company in resolving the compliance items without success.

14 8. On November 9, 2005, Staff mailed a Compliance Delinquency letter to Mr. Parker
15 informing him of the outstanding items due in this docket pursuant to Decision No. 67231. Staff
16 also mailed Compliance Delinquency letters to Mr. Parker on July 5, 2006 and November 7, 2006,
17 requesting immediate action in order to avoid the filing of a Complaint in this docket.

18 9. On March 26, 2007, Mr. Parker docketed a response to the last Compliance
19 Delinquency letter indicating that Jake's Corner would respond to the Backflow Prevention Tariff.
20 However, Mr. Parker stated that the installation of a storage tank does not warrant the financial
21 investment; therefore, Jake's Corner would only install the storage tank contingent upon a rate
22 case. Mr. Parker further stated that if Jake's Corner does install a storage tank, the Curtailment
23 Tariff would follow.

24 10. Mr. Parker has neither requested a waiver, an extension of time nor a modification
25 of the requirements. Additionally, he has not sought any assistance in the preparation of a rate
26 case. The last rate case filed for Jake's Corner resulted in Decision No. 58733 on August 10,
27 1994.

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CONCLUSIONS OF LAW

1. Jake's Corner is an Arizona public service corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

2. The Commission has jurisdiction over Jake's Corner and over the subject matter of the application.

ORDER

IT IS THEREFORE ORDERED that Kacy J. Parker dba Jake's Corner Water System shall appear before the Commission to explain:

- (1) Why its actions do not constitute a violation of Commission Decision No. 67231.
- (2) Why its actions do not represent a violation of A.R.S. § 40-204.
- (3) Why Jake's Corner has failed to file the Backflow Prevention Tariff, install the Storage Tank and file the subsequent Curtailment Tariff as required by Decision No. 67231.
- (4) Why Jake's Corner has failed to file a rate case, since it believes it is necessary to comply with Decision No. 67231.
- (5) Why the Commission should not impose sanctions against Jake's Corner.
- (6) Why the Commission should not render Decision No. 67231 null and void.

IT IS FURTHER ORDERED that if Jake's Corner intends to appear as ordered above, it shall file within 10 days of the effective date of this Order a preliminary statement explaining its position. This filing must include an Answer to Staff's Complaint if the Respondent has not yet filed an Answer.

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IT IS FURTHER ORDERED that the Hearing Division shall forthwith schedule further appropriate proceedings.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 2007.

BRIAN C. McNEIL
Executive Director

DISSENT: _____

DISSENT: _____

EGJ:KDB:tdp\KOT

1 SERVICE LIST FOR: Kacy J. Parker dba Jake's Corner Water System
2 DOCKET NO. W-04249A-04-0249, et al.

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4 Jake's Corner Water System
5 HC 6, Box 1048-H
6 Payson, Arizona 85541
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