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BEFORE THE ARIZONA CORPORATION C

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

Arizona Corporation Commission

DOCKETED

MAY 21 2007

DOCKETED BY	NR
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STAFF of the Utilities Division, Complainant, vs. KACY J. PARKER dba JAKE'S CORNER WATER SYSTEM Respondent.
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DOCKET NO. W-04249A-04-0249
DOCKET NO. W-03745A-04-0249

DECISION NO. 69583

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

- 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).
- Jake's Corner is located approximately 18 miles south of Payson and three miles southwest of Highway 188.
- 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

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

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

6 ORDER

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

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

18 IT IS FURTHER ORDERED that if Jake's Corner intends to appear as ordered above, it
19 shall file within 10 days of the effective date of this Order a preliminary statement explaining its
20 position. This filing must include an Answer to Staff's Complaint if the Respondent has not yet
21 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

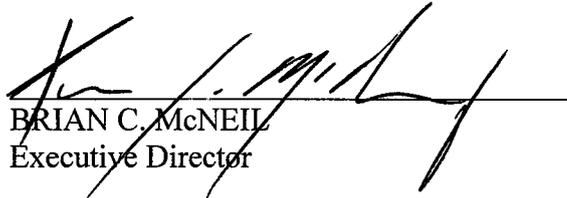

COMMISSIONER


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 21st day of May, 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.

3 Mr. Kacy J. Parker
4 Jake's Corner Water System
5 HC 6, Box 1048-H
6 Payson, Arizona 85541
7 **(VIA CERTIFIED AND REGULAR MAIL)**

8 Mr. Edwin L. Wetzler
9 HC1 Box 5273J
10 Payson, Arizona 85541
11 **(VIA CERTIFIED AND REGULAR MAIL)**

12 Mr. Christopher C. Kempley
13 Chief Counsel, Legal Division
14 Arizona Corporation Commission
15 1200 West Washington Street
16 Phoenix, Arizona 85007

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

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

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