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MEMORANDUM
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TO: Docket Control Center

2007 SEP 10 A 10:39

FROM: Ernest G. Johnson
Director
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

DATE: September 10, 2007

RE: SPANISH TRAILS WATER COMPANY (DOCKET NO. W-01816A-06-0177) AND
SAGUARO WATER COMPANY (DOCKET NO. W-01790A-06-0177) - MOTION
FOR EXTENSION OF COMPLIANCE DEADLINE

In Decision No. 69646, dated June 6, 2007, the Arizona Corporation Commission ("A.C.C." or "Commission") approved the application of Spanish Trails Water Company ("Spanish Trails") and Saguaro Water Company ("Saguaro", collectively know as the "Companies") to modify their existing Certificates of Convenience and Necessity ("CC&N").

As part of Decision No. 69646, the Commission ordered that Spanish Trails and Saguaro should:

"...file with the Commission's Docket Control a Hook-Up Fee Tariff application for new residential and commercial customers within 90 days of the effective date of this Order."

Based on the June 6, 2007 date of Decision No. 69646 and the 90 day requirement ordered by the Commission, the original due date for the Hook-Up Fee ("HUF") Tariff was September 6, 2007.

On July 17, 2007, Spanish Trails and Saguaro docketed a "motion for extension of time" for the provision of the HUF Tariff. In the motion, the Company requested a 60 to 90 day extension of time to file the required tariff.

After review of the Spanish Trails and Saguaro request for extension, Staff does not object to the Companies' motion for extension of time to provide the HUF Tariff. Therefore, Staff recommends that the Commission extend the due date on the above mentioned compliance item from September 6, 2007, to December 6, 2007.

EGJ:BKB:lhm

Originator: Brian K. Bozzo

Attachment

Arizona Corporation Commission
DOCKETED

SEP 10 2007

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KX NR

SERVICE LIST FOR: SPANISH TRAILS WATER COMPANY AND
SAGUARO WATER COMPANY

DOCKET NOS. W-01816A-06-0177 and W-01790-06-0177

Mr. Michael F. McNulty
Lewis and Roca, LLP
One South Church Avenue, Suite 700
Tucson, Arizona 85701-1611

Spanish Trails Water Company
Camp Lowell Corporate Center
4572 East Camp Lowell Drive
Tucson, Arizona 85712

Saguaro Water Company
Camp Lowell Corporate Center
4572 East Camp Lowell Drive
Tucson, Arizona 85712

Mr. Christopher C. Kempley
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

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BEFORE THE ARIZONA CORPORATION COMMISSION

2007 JUL 17 A 11:44

Arizona Corporation Commission

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AZ CORP COMMISSION
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MIKE GLEASON
CHAIRMAN

KRISTIN K. MAYES
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
GARY PIERCE
COMMISSIONERS

DOCKETED BY	nr
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IN THE MATTER OF THE APPLICATION
OF SPANISH TRAIL WATER CO. AND
SAGUARO WATER CO. TO MODIFY
THEIR EXISTING CERTIFICATES OF
CONVENIENCE AND NECESSITY

) Docket No. W-01816A-06-0177

) AND

) Docket No. W-01790A-06-0177

) **MOTION FOR EXTENSION OF
TIME**

On June 6, 2007, an Opinion and Order (Decision No. 69646) was entered in this case that granted the Applicant's request, but which, in addition, required the Applicants to file applications for a Hook-up Fee Tariff ("HUF" Tariff) for new residential and commercial customers within ninety days of the effective date of this Order. The initial application in this case did not bear upon infrastructure, infrastructure finance, or proposed tariffs, and the Commissioner's decision to raise, *sua sponte*, the issue of a HUF was not the subject of any testimony at the hearing in this matter. Nevertheless, the Applicants withheld their objections to the procedural issues this condition raises, and immediately commenced work to identify the necessary information needed to develop a HUF, for submission by September 6, 2007.

The service territories of the Applicants cover many thousands of acres. Identifying the water production, storage and transmission facilities to serve future growth involves relatively complex engineering issues, to say nothing of the requirement imposed

1 upon the Applicants to identify what the future levels of development will be within their
2 CC&N's, and to identify the velocity of growth of that development, and (most difficult of
3 all) to estimate what the densities of growth will be in the undeveloped areas of their
4 CC&N's. These estimates are now forced upon the Applicants even though one or more
5 rezonings are pending and/or anticipated for the developers within their service territories.

6 Applicants have met with their engineers, WestLand Resources, Inc., on several
7 occasions to develop mutually satisfactory estimates of all of the above predicates to any
8 calculation of future infrastructure needs. Until the infrastructure that is required can be
9 designed, at least in a preliminary fashion, no estimate can be made of the anticipated
10 costs that will be incurred to serve future growth. And until future infrastructure costs can
11 be estimated, it is not feasible to develop a proposal for a Hook-up Fee Tariff.

12
13 Applicants believe that they have moved with all due speed to meet the
14 Commission's unexpected requirement, but have been asked by their engineers to seek a
15 sixty day extension for filing the HUF Tariff, See, attached correspondence from Ms.
16 Kara D. Festa, P.E., Senior Project Manager for WestLand Resources, Inc. Consequently,
17 Applicants herewith move to extend the date for the required filing of a HUF Tariff
18 application from September 9, 2007 to November 9, 2007.

19 RESPECTFULLY SUBMITTED this 16th day of July, 2007.

20 LEWIS AND ROCA

21 

22 Michael F. McNulty

23 Andrea Gonzales

24 Lewis and Roca, LLP

25 One South Church Avenue, Suite 700

26 Tucson, Arizona 85701-1611

520-622-2090

Attorneys for Spanish Trail Water Company and
Saguaro Water Company

LEWIS
AND
ROCA
LLP
LAWYERS

1 ORIGINAL and thirteen (13) copies
2 of the foregoing delivered via
3 overnight courier (DHL)
4 this 16th day of July, 2007, to:

4 Arizona Corporation Commission
5 Utilities Division – Docket Control
6 1200 W. Washington Street
7 Phoenix, Arizona 85007

8 COPY of the foregoing
9 delivered via U. S. Mail
10 this 16th day of July, 2007, to:

10 Spanish Trail Water Company
11 Camp Lowell Corporate Center
12 4572 East Camp Lowell Drive
13 Tucson, AZ 85712

13 Saguaro Water Company
14 Camp Lowell Corporate Center
15 4572 East Camp Lowell Drive
16 Tucson, AZ 85712

16 Mr. Christopher Kempley, Chief Counsel
17 Legal Division
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, AZ 85007

20 Mr. Ernest Johnson, Director
21 Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, AZ 85007

24 By: 
25 Kenna Dresback
26 Secretary to Michael F. McNulty and Andrea Gonzales



WestLand Resources, Inc.
Engineering and Environmental Consultants

July 12, 2007

Mr. Rich Williamson, P.E.
RED ROCK UTILITIES
2200 E. River Road, Suite 115
Tucson, Arizona 85718

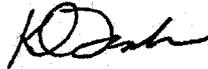
**Re: SAGUARO AND SPANISH TRAIL WATER COMPANIES WATER MASTER PLANS
WESTLAND PROJECT NO. 218.51 A 8000**

Dear Rich:

WestLand Resources, Inc. (WestLand) has prepared this letter to discuss the on-going work and the proposed timeframe for completion of the Saguaro and Spanish Trail Water Companies water master plans, per our July 3, 2007 meeting. We have begun the analysis of additional reservoir location and sizing alternatives as discussed in that meeting, as well as the location of a new well for Saguaro Water Company. Due to the additional work associated with these new options and the coordination required for determination of an appropriate location for a new well, we would like to request a time extension for the preparation of the master plans. I believe that 60 additional days will be required for the work discussed, coordination with the water companies regarding the options and costs, and the preparation of the final version of the master plans, and that it would be appropriate to request 90 additional days for the submittal to the Arizona Corporation Commission (ACC), to allow time for the hook-up fee tariff exhibit preparation and submittal.

WestLand appreciates your consideration of this request for additional time to complete the analysis and prepare the master plans. If you have any questions or require additional information, please don't hesitate to call me.

Respectfully,
WestLand Resources, Inc.



Kara D. Festa, P.E.
Senior Project Manager

KDF:emr

cc: Mark Taylor, WestLand Resources, Inc
Michael McNulty, Lewis and Roca

Q:\Jobs\2007\218.51\master plan timeframe letter.doc

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1510 N. 16th Street, Suite B-235 • Phoenix, AZ 85016 • 602-279-2051 Fax 602-279-5431