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Arizona Corporation Commission

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 Phoenix, Arizona 85012
 4 Attorneys for Pine Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

6 IN THE MATTER OF THE APPLICATION
 7 OF PINE WATER COMPANY FOR A
 DETERMINATION OF THE CURRENT
 8 FAIR VALUE OF ITS UTILITY PLANT
 AND PROPERTY AND FOR INCREASES
 9 IN ITS RATES AND CHARGES BASED
 THEREON FOR UTILITY SERVICE AND
 10 FOR APPROVAL TO INCUR LONG-
 TERM DEBT

DOCKET NO: W-03512A-03-0279

**PINE WATER COMPANY'S
REQUEST FOR EXTENSION OF
DEADLINE TO FILE RATE CASE**

12 In Decision No. 67166 (August 10, 2004), the Arizona Corporation Commission
 13 ordered Pine Water Company to file a rate case by June 1, 2008 using a 2007 test year.
 14 By this motion, the Company seeks to extend that deadline by no more than one year.

15 As the Commission is aware, the Company is working with the Pine-Strawberry
 16 Water Improvement District on a deep well project in Strawberry, Arizona. In addition,
 17 the Company has recently begun to explore the possible acquisition of another deep well
 18 in Pine, Arizona. If one or both of these projects is successful, a rate filing would follow
 19 to recover the Company's costs for such projects. Given the timeline for a rate case set
 20 forth in Decision No. 67166, these circumstances likely would result in a "pancaking" of
 21 rate applications, and such rate filing would not include the Company's investment in
 22 such well projects. Under these circumstances, neither the Company nor its customers
 23 would benefit from successive rate cases.

24 Rate cases are expensive to utility shareholders, customers and regulators. Pine
 25 Water Company and Commission Staff already are engaged in protracted litigation with
 26 developers seeking to flee the Company's CC&N territory and the financing docket

19E

1 related to its K2 deep well project. Requiring the Company to prepare and prosecute a
2 rate case now would drain the Company's financial, administrative and other resources
3 away from Pine Water's efforts to find more water and likely result in the Company and
4 its ratepayers bearing the burden of rate case expense from successive rate cases. Further,
5 if the Company proceeds with any well projects, the Company's customers would be
6 faced with consecutive rate increases resulting from the successive rate case filings. The
7 public interest would be served best by extending the deadline for Pine Water to file a
8 general rate case until June 1, 2009.

9 Based on the foregoing, Pine Water respectfully asserts it is in the public interest to
10 grant this motion and issue an order allowing the Company to file a general rate case no
11 later than June 1, 2009.

12 RESPECTFULLY SUBMITTED this 27th day of February, 2008.

13 FENNEMORE CRAIG

14
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22 **ORIGINAL** and 13 copies were filed
23 this 27th day of February, 2008:

24 Docket Control
25 Arizona Corporation Commission
26 1200 West Washington
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1 **COPY** of the foregoing hand-delivered
2 this 27th day of February, 2008 to:

3 Dwight D. Nodes, Assistant Chief ALJ
4 Hearing Division
5 Arizona Corporation Commission
6 1200 W. Washington St.
7 Phoenix, Arizona 85007

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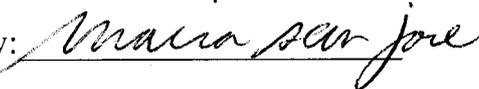
18 Kevin Torrey, Esq.
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21 1200 W. Washington St.
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23 **COPY** sent by regular mail
24 this 27th day of February, 2008 to:

25 PSWID
26 Attn: Chairman
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