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ORIGINAL

MEMORANDUM
RECEIVED

Arizona Corporation Commission
DOCKETED

TO: Docket Control Center 2008 FEB 15 P 12: 10

FROM: Ernest G. Johnson
Director
See Utilities Division
~~AZ CORP COMMISSION
DOCKET CONTROL~~

FEB 15 2008

DOCKETED BY *MM*

DATE: February 15, 2008

RE: ARIZONA WATER COMPANY - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINES (DOCKET NO. W-01445A-06-0317)

In Decision No. 69386, dated March 22, 2007, the Arizona Corporation Commission ("A.C.C." or "Commission") approved the application of Arizona Water Company ("Arizona Water" or "Company") for an extension of its Certificate of Convenience and Necessity ("CC&N"). In the Decision, the Commission ordered the Company to comply with the following items:

- a) a copy of the first Approval to Construct for facilities needed to serve the requested areas issued by the Arizona Department of Environmental Quality within one year of the effective date of the decision.
- b) a copy of the first developer's Certificate of Assured Water Supply for the extension area within one year of the effective date of the decision.

On January 9, 2008, the Company filed the first Approval to Construct facilities needed to serve the requested area. Staff has reviewed this document and agrees that it satisfies the compliance requirement.

In the same filing, the Company requested an extension of time to file, until March 22, 2009, the first developer's Certificate of Assured Water Supply ("CAWS") for the extension area. The Company states that it has a pending application but does not expect to have it available to file before the required timeframe.

Staff does not object to the Company's request for additional time to comply with the CAWS requirement. However, Staff recommends that no further extensions of time be granted.

EGJ:KDB

Originator: Kimberly D. Battista

attachment

SERVICE LIST FOR:
DOCKET NO.

ARIZONA WATER COMPANY
W-01445A-06-0317

Mr. Robert W. Geake
Arizona Water Company
P.O. Box 29006
Phoenix, AZ 85038-9006

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

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

Mike Gleason - Chairman
William A. Mundell
Jeff Hatch-Miller
Kristin K. Mayes
Gary Pierce

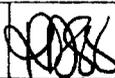
Arizona Corporation Commission

DOCKETED

JAN 9 2008

2008 JAN -9 P 2:30

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DOCKETED BY 

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY FOR
AN EXTENSION OF ITS CERTIFICATE
OF CONVENIENCE AND NECESSITY AT
COOLIDGE, PINAL COUNTY, ARIZONA

DOCKET NO. W-01445A-06-0317

NOTICE OF FILING OF COMPLIANCE
ITEM/REQUEST FOR ADDITIONAL TIME
TO COMPLY WITH FILING
REQUIREMENT

On March 22, 2007 the Commission entered Decision No. 69386 in the above-captioned docket. Decision No. 69386 (the "Decision") approved Arizona Water Company's (the "Company") application for an extension of its Certificate of Convenience and Necessity for its Coolidge system. The second and third ordering paragraphs of the Decision, at page 13, conditioned the approval of the extension on the conditions stated therein, namely, that the Company file a copy of the first approval to construct for facilities needed to serve the requested areas issued by the Arizona Department of Environmental Quality, and a copy of the first developer's certificate of assured water supply ("CAWS") for the extension area, within one year of the effective date of the Decision.

The Company is now filing, attached hereto as Attachment A, a copy of the first approval to construct facilities needed to serve the requested area. The Company is also now requesting an additional 365 days beyond the current compliance date, i.e., an extension to March 22, 2009, to comply with the requirement that it file a copy of a

1 CAWS for the first developer on or before March 22, 2008. In support of this request,
2 the Company presents the following reasons:

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1. With the filing of the first approval to construct, which the Company is filing today, it has filed all but one of the required compliance items under the Decision.

2. With the exception of the Decision, it has been the Company's experience, with respect to all of the recent Commission decisions approving Company applications for CCNs or extensions of CCNs, that two (2) years have normally been the period provided for the filing of post-decision compliance items. Two years, rather than one year, is a more standard completion time, for Pinal County developers the Company works with, for the completion of the various planning, zoning, platting, etc. items needed for the usual Pinal County development. In the Company's experience, this is also certainly true for a developer's completion of the CAWS process with the Arizona Department of Water Resources, which, for practical purposes, cannot begin until the Commission approves a CCN application. It is, therefore, reasonable for a two (2) year period to be permitted for a developer to obtain a CAWS, which is what the time period under the Decision would be if the Company's request for more time were approved.

3. The Company has pending with the Department an application for a new physical availability determination for the Pinal Valley System, including the Coolidge system. Developments that may be included in the expansion area approved by the Decision may need to rely on the

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revised determination, which will not be approved before March 22, 2008.

In consideration of the foregoing, the Company respectfully requests another year, until March 22, 2009, to comply with the Decision's remaining condition, i.e., filing the first developer's CAWS. This request should not prejudice any other party and, as noted above, the lack of an extension may result in significant adverse prejudice to any developer who may be proceeding in good faith to develop its property in reliance upon the Decision.

RESPECTFULLY SUBMITTED this 9th day of January 2008.

ARIZONA WATER COMPANY

By: Robert W. Geake
Robert W. Geake
Vice President and General Counsel
ARIZONA WATER COMPANY
Post Office Box 29006
Phoenix, Arizona 85038-9006

1 Original and thirteen (13) copies of the foregoing filed the 9th day of January 2008 with:

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

6 A copy of the foregoing was mailed this 9th day January 2008 to:

7 Christopher Kempley, Chief Counsel
8 Legal Division
9 Arizona Corporation Commission
10 1200 West Washington Street
11 Phoenix, Arizona 85007

12 Ernest G. Johnson, Director
13 Utilities Division
14 Arizona Corporation Commission
15 1200 West Washington Street
16 Phoenix, Arizona 85007

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By: Robert W. Gabe

ATTACHMENT A



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
CERTIFICATE OF APPROVAL TO CONSTRUCT
WATER FACILITIES

Page 1 Of 1

ADEQ File No: 20070228	LTF No: 43719
System Name: Az Water Co	System Number: 11-014
Project Owner: Az Water Co	
Address: P O Box 29006, Phoenix, AZ 85038	
Project Location: Casa Grande	County : Pinal
Description: INSTALL APPROX. 19,500 LF OF 16 " D.I.P AND RELATED FITTINGS FROM MARTIN RANCH TO HEARTLAND. THE LINE WILL INTERCONNECT THE CASA GRANDE AND COOLIDGE WATER DISTRIBUTION SYSTEM.	

Approval to construct the above-described facilities as represented in the approved documents on file with the Arizona Department of Environmental Quality is hereby given subject to provisions 1 through 4 continued on page 1 through 1

1. This project must be constructed in accordance with all applicable laws, including Title 49, Chapter 2, Article 9 of the Arizona Revised Statutes and Title 18, Chapter 5, Article 5 of the Arizona Administrative Code.
2. Upon completion of construction, the engineer shall fill out the Engineer's Certificate of Completion and forward it to the Central Regional Office located in Phoenix. If all requirements have been completed, that unit will issue a Certificate of Approval of Construction. R18-5-507(B), Ariz. Admin. Code. At the project owner's request, the Department may conduct the final inspection required pursuant to R18-5-507(B); such a request must be made in writing in accordance with the time requirements of R18-5-507(C), Ariz. Admin. Code.
3. This certificate will be void if construction has not started within one year after the Certificate of Approval to Construct is issued, there is a halt in construction of more than one year, or construction is not completed within three years of the approval date. Upon receipt of a written request for an extension of time, the Department may grant an extension of time; an extension of time must be in writing. R18-5-505(E), Ariz. Admin. Code.
4. Operation of a newly constructed facility shall not begin until a Certificate of Approval of Construction has been issued by the Department. R18-5-507(A), Ariz. Admin. Code.

Reviewed by: FKK

By: *Kwame A. Agyare* 4/18/07
 Kwame A. Agyare., P.E.
 Manager, Drinking Water and
 Wastewater Engineering Review
 Water Quality Division

cc: File No : 20070228
 Regional Office: Central
 Owner: Az Water Co
 County Health Department: Pinal
 Engineer: Az Water Co.
 Planning and Zoning/Az Corp. Commission
 Engineering Review Database - Etr021