

ORIGINAL

BEFORE THE ARIZONA CORPORATION COM



**COMMISSIONERS:**

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

RECEIVED

2008 MAY 14 P 2:18

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

MAY 14 2008

DOCKETED BY	nr
-------------	----

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. W-01580A-04-0672  
 TONTO VILLAGE WATER CO., INC. FOR A )  
 RATE INCREASE. ) Decision No. 69911  
 )  
 ) **REQUEST FOR EXTENSION**  
 ) **TO INSTALL WATER SOURCE**

Tonto Village Water Co., Inc., hereinafter referred to as "Company", respectfully requests that the Commission grant an extension of time within which to install a planned new water source until April 30, 2009 and in support of said request, the Company states as follows:

1. On December 27, 2007, the Company filed its pending rate application (W-01580A-07-0070). On January 31, 2008, the Company filed an application with WIFA for financial assistance which application has been approved. On April 22, 2008, the Company filed a financing application (W-01580A-08-0209) for approval to incur the debt to install the new water source, which application is now pending before the Commission. The incurring of this debt is reasonable and necessary to enable the Company to proceed with the construction of the new water source.

2. The Company reasonably delayed filing its rate application until December 27, 2007. It had anticipated prompt, good faith negotiations to sell the assets of the Company to a water improvement district. The district would reasonably want the Company to delay its planned water source so the district, after purchase of the assets of the Company, could design and install the water source. The Company realized that the filing of rate and financing applications could send conflicting statements to those working to get the district functional.

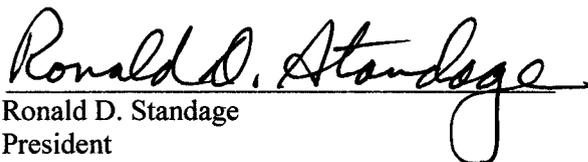
However, almost one year passed from the time the undersigned first contacted residents on January 31, 2007, until the time the water district board of directors was sworn in January 2008. The Company was required to file its rate application before the District was established and able to function. Within three business days of the rate application filing, complaints were filed with the Commission, demanding among other matters, that the planned water source proceed. The Company promptly filed its request for WIFA funds and the pending financing application.

3. The initial reason for the Company's consideration of a new water source has been alleviated. It was determined that Well No. 1 was over-pumped but has since recovered and has been on-line in the water distribution system since 2006.

4. The Company is proceeding in good faith with the pending rate and financing applications and cooperating diligently with the Commission. Under the circumstances, an extension of time within which to conclude these pending matters and install the planned new water source is warranted. The Company respectfully requests an extension of time until April 30, 2009 within which to install the planned new water source.

RESPECTFULLY SUBMITTED this 14<sup>th</sup> day of May, 2008.

TONTO VILLAGE WATER CO., INC.  
an Arizona corporation

By   
Ronald D. Standage  
President

Original and 16 copies delivered this  
14th day of May, 2008 to:

Docket Control  
Arizona Corporation Commission  
1200 W Washington Street  
Phoenix, AZ 85007

xc: John Gliege, Attorney