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ARIZONA CORPORATION COMMISSION

665m

MEMORANDUM

TO: Docket Control  
Arizona Corporation Commission

FROM: Ernest G. Johnson  
Director  
Utilities Division

DATE: September 17, 2008

Arizona Corporation Commission  
**DOCKETED**

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ARIZONA CORPORATION COMMISSION  
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RE: Little Park Water Company for an Extension of its Certificate of Convenience and Necessity to Provide Water Service in Yavapai County, Arizona.  
Docket No. W-02192A-07-0326, Decision #70208

On March 20, 2008, the Commission issued Decision No. 70208 which granted an Order Preliminary to the issuance of an extension of the Little Park Water Company ("Little Park" or "Company") Certificate of Convenience and Necessity ("CC&N") upon completion of the requirements contained in Findings of Fact No. 57.

On June 20, 2008, Little Park filed a Motion in the alternative for a clarification, Procedural Order, or Conditional Certificate. The Company is seeking clarification from the Commission on whether construction of the facilities could begin before issuance of a CC&N in this matter.

Pursuant to ARS 40-281 construction of facilities cannot occur for service in an area before a company receives a CC&N for that area. In the case of an Order Preliminary, a company does not receive its CC&N until all of the required compliance items have been obtained, filed with the Commission, and an order is issued by the Commission. In the case of the Order Preliminary for Little Park, the Commission ordered the Company to file a copy of a Certificate of Approval of Construction ("AOC") issued by the Arizona Department of Environmental Quality ("ADEQ") for the plant facilities needed to serve the CC&N extension area by June 30, 2009. With an Order Preliminary the Company cannot begin construction on its plant facilities and the filing of the required AOC is not possible. Since there will be no construction until the CC&N is issued, there will be no water consumption either.

Based on the above, Staff recommends that the Commission amend Decision No.70208 to remove the requirement that Little Park file a copy of the AOC issued by ADEQ for the plant facilities needed to serve the CC&N extension area by June 30, 2009. In addition, Staff recommends the Commission remove the requirement that Little Park file a letter showing that the CC&N extension area's water consumption is reported with Little Park's annual Designation

report to the Arizona Department of Water Resources (this may be a condition when the CC&N is issued). Staff further recommends that the remaining compliance items of the Order Preliminary remain in effect as follows:

- Little Park must file a copy of the AOC for the arsenic treatment systems for the two existing wells by June 30, 2009.
- Little Park must file a letter from ADWR stating that Little Park's Designation continues in effect.

It is Staff's opinion that an evidentiary hearing is not necessary for the above modifications, if the Company is in agreement.

Cc: Little Park Water Company  
Richard Sallquist

ORIGINATOR: Kimberly Battista

Service List for: Little Park Water Company, Inc.  
Docket No. W-02192A-07-0326

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