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MEMORANDUM

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TO: Docket Control Center  
FROM: Ernest G. Johnson  
Director  
Utilities Division

Arizona Corporation Commission  
**DOCKETED**

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AZ CORP COMMISSION  
DOCKET CONTROL

JUN 25 2009

DATE: June 25, 2009

DOCKETED BY

RE: WATER UTILITY OF GREATER TONOPAH, INC. AND HASSAYAMPA UTILITIES COMPANY, INC. - MOTION FOR EXTENSION OF COMPLIANCE FILING DATES (DOCKET NOS. W-02450A-06-0626 AND SW-20422A-06-0566)

In Decision No. 70357, dated May 16, 2008, the Arizona Corporation Commission ("Commission") approved the application of Water Utility of Greater Tonopah, Inc. ("WUGT") and Hassayampa Utilities Company, Inc. ("HUC") for extensions of their Certificates of Convenience and Necessity ("CC&N") to provide water and wastewater utility service in various parts of Maricopa County, Arizona. As part of Decision No. 70357, the Commission ordered WUGT and HUC to docket various compliance items at various dates. These items, their original due date and the requested extension dates are shown below:

Company	Item Description	Due Date	Extension Request
WUGT	ADWR Designation of Assured Water Supply for the first subdivision	May 16, 2010	none requested
WUGT	Approval of Construction from MCESD for the initial water plant facilities, including production, storage and water distribution system to serve the initial phase of the development	May 16, 2010	December 31, 2012
HUC	Approval to Construct from MCESD for the sewer tie-in between Water Reclamation Facility Campus No. 1 and the initial phase of the development	April 30, 2009	December 31, 2012
HUC	Aquifer Protection Permit (APP) for the Water Reclamation Facility Campus No. 1 needed to serve the initial phase of the development	April 30, 2009	December 31, 2012

In the motion, HUC and WUGT have noted that development in the extension area has been severely impacted by the current economic crisis. The Hassayampa Ranch Water Reclamation Facility ("WRF") Campus No. 1 has not been constructed and it will not be needed for several more years. Thus, the interconnect between Phase 1 of the development and the WRF will not be needed for several more years. Further, HUC states that APP carries with it annual costs and is not needed for several more years so therefore it is not prudent for HUC to incur these costs now.

Staff Recommendation

Staff understands the downturn in the economy has put a damper on much of the development in the State and is concerned with projects being put on hold and the possibility of the development never taking place. In this case, the Companies indicate that development will not take place for several more years. The motion did not include letters from the developer indicating a continued need for service. Staff is further concerned with the excessive length of time for the extension with no apparent need for the CC&N extension in the foreseeable future. Therefore, Staff recommends denial of the Company's motion for extension of time to file the required compliance items in Decision No. 70357. Staff puts HUC on notice that it is currently out of compliance with the Commission and both HUC and WUGT must provide the required compliance items or present further evidence to the Commission to substantiate its request for extension of time.

EGJ:KDB:lmh

Originator: Kimberly Battista

SERVICE LIST FOR: Water Utility of Greater Tonopah, Inc. and  
Hassayampa Utilities Company, Inc.  
DOCKET NOS. W-02450A-06-0626 and SW-20422A-06-0566

Mr. Timothy J. Sabo  
ROSHKA, DEWULF & PATTEN, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004  
Attorney for Hassayampa Utilities Company

Mr. Ernest G. Johnson  
Director, Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

Ms. Janice M. Alward  
Chief Counsel, Legal 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