



ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

EXCEPTION

COMMISSIONERS
KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

RECEIVED
2009 NOV 12 P 4: 06
Arizona Corporation Commission
DOCKETED
NOV 12 2009
DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF GREATER TONOPAH,
INC., AN ARIZONA CORPORATION, FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

Docket No. W-02450A-06-0626

IN THE MATTER OF THE APPLICATION OF
HASSAYAMPA UTILITY COMPANY, INC.,
AN ARIZONA CORPORATION, FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY.

Docket No. SW-20422A-06-0566

EXCEPTIONS

Water Utility of Greater Tonopah ("WUGT") and Hassayampa Utility Company, Inc. ("HUC") (together, the "Global Utilities") respectfully submit these Exceptions to the Recommended Opinion and Order ("ROO") that recommends the Global Utilities' motion for extension of time be denied, resulting in the apparent revocation of the CC&N extension granted by Decision No. 70357 (May 16, 2008)("Belmont CC&N Order").

I. Executive Summary.

This case presents fundamental questions concerning the Commission's support for regional planning and sustainable water use. Historically, the Commission has supported the formation of numerous, small, groundwater-based utilities, on the theory that such utilities provide the lowest cost to ratepayers in the short term. Following that tradition, the ROO fails to address the benefits of regional planning and the development of sustainable water use, and simply revokes a CC&N on the grounds that construction-related deadlines have not been met. No one disputes that those deadlines have not been met, but the ROO does not consider the reasons for the failure. The ROO recommends denial even though critical groundwater planning for the area is ongoing

1 and even though the development process continues in the area, although timelines have been
2 extended.

3 Moreover, the ROO finds that the Global Utilities should not even have a hearing to
4 present their case on whether the need to build the plant exists, and what efforts the Global
5 Utilities, the Arizona Department of Water Resources ("ADWR"), the Arizona Department of
6 Environmental Quality ("ADEQ"), the Town of Buckeye, and over 20 different parties have been
7 making on regarding regional planning and sustainable water use in this area. The Commission
8 should act now by granting the requested extension to clearly signal its support of regional
9 planning for sustainable water use and maximum use of recycled water.

10 In the Belmont CC&N Order, the Commission extended the Global Utilities' CC&Ns for
11 several large developments in the Lower-Hassayampa Sub-Basin, in the West Valley of Maricopa
12 County. One of the developments was the large "Belmont" development, which seeks to be a
13 national leader in sustainability. Working with developers and the Town of Buckeye, ADEQ, and
14 ADWR, the Global Utilities developed a comprehensive plan for sustainable water use in this area.
15 At the core of this plan was aggressively requiring the use of recycled water, including providing
16 recycled water to the home for irrigation usage – a key step forward for Arizona. Indeed, the large
17 scale of the Belmont development would make this area a national leader in water recycling.
18 Achieving sustainability and water recycling in this area is challenging, and requires a regional
19 approach to ensure that "free riders" do not benefit from the infrastructure and efforts of others.
20 These factors – regional planning, sustainability, and promoting recycled water – figured
21 prominently in the Commissioners' discussion of the Belmont CC&N order. Ultimately, the
22 Commissioners embraced these concepts and voted to issue the Belmont CC&N order.

23 The Global Utilities' consider the Belmont CC&N Order to be a key precedent in favor of
24 regional planning, long-term water resource sustainability, and recycled water. Thus, they were
25 perplexed and disappointed by the Staff's and the ROO's position on Global Utilities' first request
26 for a extension of time in this case – especially because Staff's recommendations go beyond
27 anything required in past extension of time cases. Although Global submitted updated request for

1 service letters, Staff now appears to insist that each landowner submit a request for service with a
2 “date certain” when development is guaranteed to have occurred.

3 The Global Utilities fully understand and support the necessity of enforcing compliance
4 with Commission decisions. Notwithstanding, conditions requiring building specific, unneeded
5 utility facilities by a date certain (“specific conditionality”) are unrealistic, contrary to long-term
6 planning and infrastructure at best, and prejudicial to the consumer at worst. Meeting the specific
7 conditions mandated at the time of the decision in no way guarantees those conditions are
8 appropriate at a point in the future when construction is underway. Planning is a continuum. The
9 Commission should allow for flexibility. For existing orders, flexibility includes granting
10 reasonable and appropriate extensions of time, as the Commission has repeatedly done in the last
11 year. And for future orders, the Commission should consider adopting reasonable performance
12 metrics (such as having certain amounts of capacity available per customer) rather than requiring
13 the construction of specific, named and possibly unneeded facilities on a rigid timetable.

14 In these exceptions, the Global Utilities will show that:

- 15 ● The Belmont CC&N Order is the cornerstone of sustainable water development in
16 the Lower-Hassayampa Sub-Basin.
- 17 ● Revoking the Belmont CC&N Order will cause significant disruption to other state
18 agencies, the Town of Buckeye and the landowners.
- 19 ● Revoking the Belmont CC&N Order is inconsistent with recent Commission
20 decisions concerning extensions of time; and
- 21 ● Legally, the Commission must hold a hearing if it decides to pursue revocation of
22 the Belmont CC&N Order.

23 **II. The Belmont CC&N Order is a key precedent for regional planning, sustainable**
24 **water use and recycled water.**

25 At the original hearing, the Global Utilities presented extensive testimony regarding
26 regional planning and sustainable water use. The testimony included a detailed description of their
27

1 plans for using recycled water¹, the importance of recycled water use to the Lower Hassayampa
2 Sub-Basin², and an explanation of why regional planning is needed for water sustainability in this
3 area.³ Without such long-term, regional planning, the potential for sustainable growth and
4 economic development will dry up.

5 At the forefront of the Global Utilities' plan for this area is the extensive use of recycled
6 water – including extending recycled water to the home for irrigation use. In Arizona, landscape
7 irrigation comprises a significant part of residential water use, so using recycled water for
8 residential irrigation can save large amounts of groundwater. Use of recycled water is all the more
9 important given the challenging water supply situation in the area. People often talk about making
10 Arizona the “Saudi Arabia of Solar”; given our desert environment, Arizona should also be
11 leading the way in sustainable water use. The Belmont CC&N Order was a crucial first step in
12 that direction.

13 **III. Revoking the Belmont CC&N will cause disruption for other agencies, the Town of**
14 **Buckeye, and the landowners.**

15 The testimony at the original hearing also addressed the great difficulties of creating an
16 accurate hydrologic model of the sub-basin.⁴ The testimony showed that ADWR encouraged all
17 the stakeholders to jointly develop a hydrologic model, and that the resulting model was the most
18 sophisticated model used by ADWR.⁵ The testimony also discussed the extended negotiations
19 between ADWR, the Town of Buckeye, landowners and the Global Utilities over assured water
20 supply designations or certificates in the area.⁶ Only by working together were all these parties
21 able to develop a sustainable plan for water, wastewater, and recycled water service to this area.

22
23
24 ¹ December 17, 2007 Tr. at 118-123.

25 ² December 17, 2007 Tr. at 92-102.

26 ³ December 17, 2007 Tr. at 57-65.

27 ⁴ December 17, 2007 Tr. at 92-102; May 6, 2008 Open Meeting Tr. at 21-28.

⁵ Id.

⁶ Id.

1 For several years, ADWR has been working with the Global Utilities, the Town of
2 Buckeye, and the Developers on the assured water supply for this area. A key feature of these
3 discussions has been granting a Designation of Assured Water Supply (“DAWS”) to the Global
4 Utilities, and the developers assigning their existing “Analysis of Assured Water Supply”
5 (“AAWS”) to the Global Utilities. A major problem is that ADWR issued AAWS for the area in
6 an amount greater than it now believes is supportable. Without a DAWS issued to the Global
7 Utilities, the Developers will likely convert their AAWS into “Certificates of Assured Water
8 Supply” (“CAWS”). Unfortunately, once a CAWS is issued, and one home is sold, the CAWS
9 becomes irrevocable. In contrast, a DAWS is more flexible, and requires periodic updates and
10 adjustments by ADWR. However, ADWR requires a CC&N to issue a DAWS. Thus, revoking
11 the CC&N now threatens to negate several years of work by ADWR on the DAWS. It also raises
12 the specter of the developers forming their own water companies, or Domestic Water
13 Improvement Districts, to serve their developments. Such entities are unlikely to deploy recycled
14 water in the extensive manner planned by the Global Utilities.

15 Developers have also relied heavily on the CC&N. The developers have continued
16 development activity in this area. For example, the developers of Belmont are working on zoning
17 approvals. (See letter attached as Exhibit A). Likewise, the developers of Hidden Waters Ranch
18 are working on zoning and preliminary plat approval. (See letter attached as Exhibit B). The
19 developer of Silver Springs Ranch and Silver Water Ranch have spent \$8 million on the
20 development process so far, and they note that their zoning will not be approved without the
21 CC&N and that “our projects success will be substantially jeopardized” without the CC&N. (See
22 letter attached as Exhibit C). Similarly, the developer of Copperleaf has invested over \$14.5
23 million and states “it is imperative that we continue our entitlement process and having a viable
24 wastewater, reclaimed water and water solution is critical to our success.” (See letter attached as
25 Exhibit D)

26 In addition, the Maricopa Association of Governments (“MAG”) and ADEQ relied on this
27 CC&N in approving the Global Utilities’ Section 208 Regional Water Quality Management Plan

1 Amendment. Obtaining the 208 was a lengthy process that involved considerable work by the
2 MAG, ADEQ, Maricopa County, the developers, and the Global Utilities. It is not known what
3 impact a CC&N revocation would have on the 208 plan approval.

4 **IV. Staff's position is contrary to recent extension of time cases.**

5 In the motion for extension of time, the Global Utilities requested that the Commission
6 extend the following deadlines until December 31, 2012:

- 7 • The water Approval to Construct (ATC);
- 8 • The wastewater Approval of Construction (AOC);
- 9 • The Aquifer Protection Permit (APP).

10 This is the first request for an extension of time in this docket. The economic downturn has
11 caused many utilities to request similar extensions of time, and the Commission has granted
12 similar requests on numerous occasions.

13 Staff filed a response on June 25, 2009 recommending that the motion for extension of
14 time be denied. Staff stated that it "understands the downturn in the economy has put a damper on
15 much of the development in the state." However, Staff noted that the Global Utilities did not file
16 updated requests for service, and concluded that there is "no apparent need for the CC&N
17 extension in the foreseeable future."⁷ Staff's demand for renewed requests for extension of time
18 represents a policy shift, because, as noted in the ROO, the Commission has recently approved a
19 number of extensions of time without requests for service.⁸

20 Despite the lack of precedent requiring updated requests for service, seeking to avoid a
21 dispute, the Global Utilities obtained updated requests for service from the five major
22 developments in the area. (Global was unable to obtain a request from one smaller development).
23 Each of the letters expresses a continuing need for service. Global filed these updated letters on
24 July 15, 2009. Additional copies of these letters are attached.

25
26 _____
⁷ Staff Report dated June 25, 2009 at page 2.

27 ⁸ See Footnote 1 of the ROO.

1 But even this was not enough for Staff. On September 11, 2009, Staff filed a response,
2 stating that the motion for extension of time should be denied. Staff argued that the letters did not
3 “contain a date certain... for development to take place.”⁹ Staff concluded that the lack of a date
4 certain means there is no “apparent need for service in the near future” despite the contrary
5 statements of the developers that they have a continuing need for service and the ongoing
6 development work in the area. Notably, Staff cites no Commission Decision that has ever required
7 a “date certain” in a request for service – even for a new CC&N, much less a motion for extension
8 of time. Staff did not address the ongoing development efforts in the area as stated by the
9 developers in their letters. Although the developers specifically reaffirmed their need for service,
10 Staff states there is no “apparent need for service.”¹⁰ Staff also claims that “many developers have
11 gone bankrupt.”¹¹ Staff thus appears highly skeptical of developers – paradoxically, the very same
12 developers who would sign the “date certain” letters demanded by Staff. Most importantly, Staff
13 did not address policy issues such as the need for regional planning, sustainable water use, and
14 recycled water.

15 Moreover, the Global Utilities do not understand how a developer could honestly provide –
16 or any utility could honestly submit – a request for service with a true “date certain” for
17 development. As the Commission knows, development timetables can change due to a multitude
18 of reasons – including economic factors that are difficult, at best, to predict. The Global Utilities
19 see no value in false certainty, and they feel that candor is preferable to telling the government
20 what it wants to hear.

21 The Global Utilities then filed a request for a hearing, pointing out (1) the important issues
22 raised by Staff’s demand for a “date certain”, (2) the important policies implicated by the Belmont
23 CC&N – such as regional planning, sustainable water use, and recycled water, and (3) the proven
24 efforts the Global Utilities have made in conjunction with other agencies and numerous
25

26 ⁹ Staff Memorandum dated September 11, 2009 at 2.

27 ¹⁰ Staff Memorandum dated September 11, 2009 at 2.

¹¹ Id.

1 landowners in this region. The Global Utilities also noted that much of the speculation in Staff's
2 memorandum has no basis in fact, and that the Global Utilities had spent more than \$1 million
3 complying with the Belmont CC&N Order.

4 The ROO summarily finds that no hearing should be held and that the motion for extension
5 of time should not be approved. Although the ROO mentions the policy issues raised in the
6 Global Utilities' request for hearing, it does not evaluate them, and simply states "Therefore, the
7 Utilities' request for an extension of time should be denied."¹² Moreover, the ROO does not
8 address the lack of precedent for Staff's demand for a date certain – it follows Staff's new
9 proposed policy without discussion of the merits of the policy.

10 **V. If the motion for extension if time is not granted, a hearing should be held.**

11 Under the United States and Arizona Constitutions, due process is required before the
12 government can take a property interest away. In Arizona, a CC&N has always been considered a
13 property interest. Moreover, in this case, the Global Utilities have more than \$1 million in reliance
14 on this CC&N. The cornerstone of due process is notice and an opportunity to be heard. For this
15 reason, Arizona precedent requires a hearing before revoking a CC&N. *See Tonto Creek Estates*
16 *Homeowners Assoc. v. Arizona Corp. Comm'n*, 177 Ariz. 49, 57, 864 P.2d 1081, 1089 (App.
17 1993)(notice and hearing required to revoke CC&N); *James P. Paul Water Co. v. Arizona Corp.*
18 *Comm'n*, 137 Ariz. 426, 428 n.1, 671 P.2d 404, 406 (1983)("notice and an opportunity to contest"
19 required). Here, it appears that Staff considers denial of the motion for extension of time as
20 equivalent to revocation of the CC&N. Accordingly, unless the Commission grants an extension
21 of time, it should set this case for a hearing.

22 **VI. Conclusion.**

23 Accordingly, the Global Utilities request that the Commission grant the following
24 extensions of time:

- 25 • ATC for wastewater tie-in to Campus No. 1 WRF to December 31, 2012;

26
27 ¹² ROO at Finding of Fact No. 9.

- 1 • AOC for water plant facilities for Phase I to December 31, 2012; and
- 2 • APP to December 31, 2012.

3 A proposed amendment granting the extension of time is attached as Exhibit E. Alternatively,
4 attached as Exhibit F is a proposed amendment ordering a hearing in this case.

5
6 RESPECTFULLY SUBMITTED this 17th day of November 2009.

7 ROSHKA DEWULF & PATTEN, PLC

8
9 By Timothy J. Sabo

10 Michael W. Patten
11 Timothy J. Sabo
12 One Arizona Center
13 400 East Van Buren Street, Suite 800
14 Phoenix, Arizona 85004

15 ROSHKA DEWULF & PATTEN, PLC
16 ONE ARIZONA CENTER
17 400 EAST VAN BUREN STREET - SUITE 800
18 PHOENIX, ARIZONA 85004
19 TELEPHONE NO 602-256-6100
20 FACSIMILE 602-256-6800

ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Original + 15 copies of the foregoing
2 Notice was filed this 12th day of November 2009, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington
6 Phoenix, Arizona 85007

7 Copies of the foregoing were hand-delivered/mailed
8 this 12th day of November 2009, to:

9 Lyn A. Farmer, Esq.
10 Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Mr. Steve Olea
16 Director, Utilities Division
17 Arizona Corporation Commission
18 1200 West Washington
19 Phoenix, Arizona 85007

20 Janice Alward Esq.
21 Chief Counsel, Legal Division
22 Arizona Corporation Commission
23 1200 West Washington
24 Phoenix, Arizona 85007

25 Mr. Brian Bozzo
26 Compliance Manager, Utilities Division
27 Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

By *Althea Arnold*

EXHIBIT

"A"

April 31, 2009

Water Utility of Greater Tonopah
Hassayampa Utilities Company
Attn: Ms. Cindy Liles
21410 N. 19th Ave., Ste. 201
Phoenix, AZ 85027

RE: Request for Services from Water Utility of Greater Tonopah and Hassayampa Utilities Company

Dear Ms. Liles:

Our ownership group owns the property described in Exhibit A attached hereto which is generally known as Belmont and we hereby request water, service for this property from Water Utility of Greater Tonopah and wastewater and recycled water services for this property from Hassayampa Utilities Company. Belmont has a need for this service for this property.

Belmont is continuing to pursue development for this property and we should obtain zoning for our first phase consisting of approximately 1200 acres by August. Feel free to contact me with any questions.

Sincerely yours,

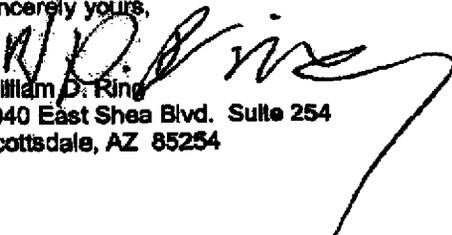

William D. Ring
6040 East Shea Blvd. Suite 254
Scottsdale, AZ 85254

EXHIBIT A
INFRASTRUCTURE COORDINATION AND FINANCE AGREEMENT

LEGAL DESCRIPTION OF LAND

PARCEL NO. 1: [INTENTIONALLY DELETED]

PARCEL NO. 2:

Lots 1 through 4, inclusive; the South half of the North half and the South half of Section 3, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 3:

Lots 1 through 4, inclusive; the South half of the North half and the South half of Section 4, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 4:

Lots 1 through 4, inclusive, the South half of the North half and the South half of Section 5, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 5:

Lots 1 through 7, inclusive; the South half of the Northeast quarter, the Southeast quarter of the Northwest quarter, the Southeast quarter and the East half of the Southwest quarter of Section 6, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 6:

Lots 1 through 4, inclusive; the East half of the West half and the East half of Section 7, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 7:

All of Section 8, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 8:

All of Section 9, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 9:

The West half of the East half and the West half of Section 10, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 10:

Lots 1 through 4, inclusive; the East half of the West half and the East half of Section 18, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 11:

Lot 1, the East half of the Northwest quarter and the East half of Section 19, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 12:

Lot 1, Lots 4 through 7, inclusive; the Southeast quarter of the Northeast quarter, the South half of the Southwest quarter and the Southeast quarter of Section 17, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 13:

Lots 9 and 10 of Section 18, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 14:

Lots 2 through 6, inclusive; the Southeast quarter of the Northwest quarter, the East half of the Southwest quarter and the East half of Section 19, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 15:

All of Section 20, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 16:

All of Section 21, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 17:

All of Section 28, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 18:

All of Section 29, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 19:

Lots 1 through 4, inclusive; the East half of the West half and the East half of Section 30, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 20:

Lots 1 through 4, inclusive; the East half of the West half and the East half of Section 31, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 21:

All of Section 33, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 22:

The East half of Section 34, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 23:

Lots 1 through 4, inclusive; the South half of the North half and the South half of Section 1, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 24:

All of Section 11, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 25:

All of Section 12, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 26:

The North half and the Southwest quarter of Section 13, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 27:

The East half of Section 14, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 28:

The Northeast quarter of Section 24, Township 2 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 29:

Lot 3 of Section 14, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 30:

The South half of the Northeast quarter and the Southeast quarter of Section 22, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 31:

Lots 1 through 3, inclusive; the Northeast quarter of the Northeast quarter, the South half of the North half and the South half of Section 23, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 32:

Lots 2 through 4, inclusive, the South half of the Northwest quarter and the South half of Section 24, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 33:

All of Section 25, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 34:

The East half and the East half of the West half of Section 26, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 35:

The East half of Section 27, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 36:

All of Section 34, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 37:

All of Section 35, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 38:

The West half, the West half of the East half, the Northeast quarter of the Northeast quarter, the South half of the North half of the Southeast quarter of the Northeast quarter and the South half of the Southeast quarter of the Northeast quarter of Section 29, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

EXCEPT COMMENCING at the Northeast corner of said Northeast quarter of the Northeast quarter of Section 29;

THENCE South 00 degrees 11 minutes 16 seconds West, along the East line of said Northeast quarter of the Northeast quarter, 1291.13 feet to the POINT OF BEGINNING;

THENCE continuing South 00 degrees 11 minutes 16 seconds West, 26.41 feet;

THENCE North 89 degrees 25 minutes 24 seconds West, along the South line of said Northeast quarter of the Northeast quarter, 808.80 feet;

THENCE North 01 degrees 25 minutes 28 seconds West, 101.26 feet;

THENCE South 84 degrees 09 minutes 42 seconds East, 815.59 feet to the POINT OF BEGINNING.

PARCEL NO. 39:

The Northeast quarter, the Southeast quarter of the Northwest quarter, the North half of the Southeast quarter and the Southeast quarter of the Southeast quarter of Section 30, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 40:

The East half of the East half of Section 31, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 41:

The Southwest quarter of the Northwest quarter of Section 26, Township 3 North, Range 6 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 42:

GLO Lot (fractional Southwest quarter of the Southwest quarter) and the Southeast quarter of the Southwest quarter and the Southwest quarter of the Southeast quarter of Section 30, Township 2 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

PARCEL NO. 43: [INTENTIONALLY DELETED]

PARCEL NO. 44: [INTENTIONALLY DELETED]

PARCEL NO. 45: [INTENTIONALLY DELETED]

EXHIBIT

"B"

339th & I-10, LLC

14400 N. 76th Place
Scottsdale, Arizona 85260

April 20, 2009

Water Utility of Greater Tonopah
Hassayampa Utility Company
C/O Global Water Resources
21410 N. 19th Avenue
Suite 201
Phoenix, Arizona 85027

Re: Water, Wastewater, and Recycled Water Services for Hidden Waters Ranch

Dear Trevor,

Please consider this letter as our formal renewal of our request that Water Utility of Greater Tonopah serve as our potable water provider and that Hassayampa Utility Company serve as our wastewater and recycled water provider for our Hidden Waters Ranch project.

We continue to process the project through Maricopa County Community Development and have secured approval for our Development Master plan. We have submitted plans to secure the desired zoning classifications and the preliminary plat and expect to have those cases before the County Board of Supervisors within the next 30 to 45 days for approvals. We have proposed a mixture of industrial warehousing and residential uses that will bring much needed jobs and affordable housing to the region. We also have proposed badly needed commercial sites for the future residents of the region as 339th Avenue is planned as a major hub of commercial activity.

We are currently marketing our industrial sites to several regional developers and have received significant interest in the project. We will keep you posted on any developments along those lines in order to maintain consistent timeframes for activity.

If you have any questions, please contact us at (480) 368-5205. Thank you for your help.

Best Regards,


Jeff Dana – Agent for 339th & I-10, LLC

EXHIBIT

"C"

SIERRA NEGRA RANCH LLC

SNR MANAGEMENT LLC

July 8, 2009

Ms. Cindy Liles
Water Utility of Greater Tonopah
Hassayampa Utilities Company
21410 N. 19th Ave., Ste. 201
Phoenix, AZ 85027

RE: Continuing Need for Services from
Water Utility of Greater Tonopah
Hassayampa Utilities Company

Dear Ms. Liles:

Sierra Negra Ranch LLC owns the property described in legal descriptions attached hereto known as the Silver Springs Ranch and Silver Water Ranch Master Planned Communities. Both properties have a continuing need for water, wastewater and recycled water service from the Water Utility of Greater Tonopah. Without services for these properties from Hassayampa Utilities Company, Maricopa County will not allow the properties to continue with zoning for future development and our projects success will be substantially jeopardized.

We are continuing to pursue entitlements for this property and to date have expended approximately eight million dollars to secure future utility services and bring the properties through entitlements thus far. As we proceed through zoning, our expenditures continue as we plan for interchanges, purchase right of ways and work with the County to ensure a successful community is eventually developed.

We thank you for your continued support and services.

Sincerely yours,

SIERRA NEGRA RANCH LLC,
a Nevada limited liability company

By: SNR Management LLC, a Nevada limited liability company, Manager

By: Becker SNR LLC, a Nevada limited liability company, Manager

By: *Barry W. Becker*
Barry W. Becker, Manager

May 1, 2006

LEGAL DESCRIPTION FOR
SILVER WATER RANCH

PARCEL NO. 1:

The West Half of Section 21, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

EXCEPT the East 200 acres thereof.

PARCEL NO. 2:

The Northwest Quarter of Section 28, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 3:

The Northeast Quarter of Section 29, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

EXCEPT that portion of the South Half of the Northeast Quarter of Section 29, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona, which lies within a strip of land 308 feet in width, being 154 feet wide on each side of the following described line:

BEGINNING at a point on the West line of said Section 29, which point bears South 0 degrees 00 minutes 38 seconds West, 1476.85 feet from the Northwest corner of said Section 29;

Thence South 75 degrees 04 minutes 23 seconds East, 5470.76 feet to a point on the East line of said Section 29, which point bears South 0 degrees 03 minutes 23 seconds West, 243.12 feet from the East Quarter Corner of said Section 29, as conveyed to State of Arizona by and through its Highway Commission by Warranty Deed recorded in Docket 6586, Page 69.

PARCEL NO. 4:

The West Half of the Southwest Quarter of the Northeast Quarter; and

The West Half of the Southeast Quarter of the Southwest Quarter of the Northeast Quarter; and



Legal Description for
Silver Water Ranch
May 1, 2006

The West Half of the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of Section 28, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 5:

The Southeast Quarter of the Northeast Quarter; and

The Southeast Quarter of the Northeast Quarter of the Northeast Quarter of Section 28, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 6:

The Northeast Quarter of the Northeast Quarter of the Northeast Quarter of Section 28, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 7:

The East Half of the Southeast Quarter of the Southwest Quarter of the Northeast Quarter; and

The East Half of the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of Section 28, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.



May 1, 2006

LEGAL DESCRIPTION FOR
SILVER SPRINGS RANCH

PARCEL NO. 1:

The West Half of the Northeast Quarter and the North Half of the Southeast Quarter of Section 7, Township 1 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

EXCEPT that portion of the following described parcel of land lying within a 200 foot strip, being 100 feet on each side of the following described centerline:

BEGINNING at a point North 07 degrees 7 minutes 30 seconds East, 1223.03 feet from the Southeast Corner of Section 16, Township 1 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

Thence North 56 degrees 07 minutes 30 seconds West, 1783.55 feet to the Point of Curve of a 0 degrees 15 minutes curve to the right, having a radius of 22,918.3 feet;

Thence along the arc of said curve, a distance of 433.33 feet to the Point of Tangent of said curve;

Thence North 55 degrees 02 minutes 30 seconds West, 9949.29 feet to the Point of Curve of a 4 degrees 00 minutes curve to the left, having a radius of 1432.69 feet;

Thence along the arc of said curve, 417.29 feet to the Point of Tangent of said curve;

Thence North 71 degrees 44 minutes West, 4963.49 feet to the Point of Curve of a 2 degrees 00 minutes curve to the right having a radius of 2864.79 feet;

Thence along the arc of said curve, 489.17 feet to the Point of Tangent of said curve;

Thence North 61 degrees 57 minutes West, 211.49 feet to a point on the West line of Section 7, Township 1 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona, said point being South 0 degrees 16 minutes West, 394.03 feet from the Northwest corner of said Section 7;

The West Half of the Northeast Quarter of Section 7, Township 1 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona, as conveyed to MARICOPA COUNTY, a political subdivision of the State of Arizona by Quit Claim Deed recorded in Docket 2747, Page 161.



Legal Description for
Silver Springs Ranch
May 1, 2006

PARCEL NO. 2:

All of Section 6, Township 1 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 3:

The South Half and the Northwest Quarter of Section 31, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

EXCEPT from Lots 1 and 2 and the East Half of the Northwest Quarter thereof, all minerals as reserved unto the United States in the recorded Patent to said land recorded in Docket 2623, Page 394.

PARCEL NO. 4:

All of Section 32, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

EXCEPT all minerals as reserved unto the State of Arizona in Book 334 of Deeds, Page 248 (as to the Southeast Quarter) and in Book 360 of Deeds, Pages 10 (as to the North Half and the Southwest Quarter).

PARCEL NO. 5:

The Southwest Quarter of Section 33, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

PARCEL NO. 6:

The Northeast Quarter of Section 31, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.



May 1, 2006

**LEGAL DESCRIPTION FOR
SILVER SPRINGS RANCH
STATE TRUST LAND PARCEL**

The Southeast Quarter of Section 33, Township 2 North, Range 6 West of the Gila and Salt River Meridian, Maricopa County, Arizona.

Containing 159.437 Acres, more or less.



EXHIBIT

"D"



July 8, 2009

Water Utility of Greater Tonopah
Hassayampa Utilities Company
Attn: Ms. Cindy Liles
21410 N. 19th Ave., Ste. 201
Phoenix, AZ 85027

RE: Continuing Need for Services from
Water Utility of Greater Tonopah
Hassayampa Utilities Company

Dear Ms. Liles:

As you are aware, I represent New World Properties in regards to all entitlement activities on its Copperleaf project in Tonopah. New World Properties owns the property described in Exhibit A attached hereto. Our development has a continuing need for water service for this property from Water Utility of Greater Tonopah and wastewater and recycled water services for this property from Hassayampa Utilities Company. New World has a critical need for this service for this property.

Our Development Master Plan has been approved and is still in force. We have and are continuing to pursue development for this property. We have recently completed a final submittal for zoning on the entire property. With acquisition, utility advances, site engineering, legal fees and various other fees, New World has already invested in excess of \$14,500,000 on this project. Regardless of current market conditions, it is imperative that we continue our entitlement process and having a viable wastewater, reclaimed water and water solution critical to our success.

Please feel free to contact me directly if you have any questions.

Regards,

A handwritten signature in black ink that reads "Richard Jellies".

Richard Jellies
For: New World Properties

Land • Entitlement • Acquisition • Development

2141 EAST BROADWAY ROAD • SUITE 111 • TEMPE, ARIZONA 85282 • (480) 557-7771 • FAX (480) 557-7772
EML: LEADGROUPLAND@AOL.COM

EXHIBIT "A"

PARCEL NO. 1:

**THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER SECTION 20,
TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA.**

PARCEL NO. 2:

**THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2
NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.**

PARCEL NO. 3:

**THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 30, TOWNSHIP 2
NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.**

PARCEL NO. 4:

**THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 2 NORTH, RANGE 6 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,
ARIZONA;**

**EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE FOLLOWING
DESCRIBED PARCELS OF LAND:**

**BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30,
WHICH POINT BEARS NORTH 00 DEGREES 00 MINUTES 38 SECONDS EAST, 2805.94
FEET FROM THE CORNER COMMON TO SECTIONS 29, 30, 31 AND 32;**

THENCE NORTH 89 DEGREES 59 MINUTES 22 SECONDS WEST, 33.00 FEET;

**THENCE NORTH 07 DEGREES 33 MINUTES 28 SECONDS WEST, 888.33 FEET TO THE
EXISTING SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10
(BHRENBERG-PHOENIX HIGHWAY);**

**THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, ALONG SAID RIGHT-
OF-WAY LINE, A DISTANCE OF 310.42 FEET;**

THENCE SOUTH 08 DEGREES 19 MINUTES 27 SECONDS WEST, 809.17 FEET;

**THENCE NORTH 89 DEGREES 59 MINUTES 22 SECONDS WEST, 33.00 FEET TO THE
POINT OF BEGINNING; AND**

EXCEPT THAT PORTION OF SAID NORTHWEST QUARTER OF SAID SECTION 29, WHICH LIES WITHIN AND NORTH OF A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SAID SECTION 29, WHICH POINT BEARS SOUTH 00 DEGREES 00 MINUTES 38 SECONDS WEST, 1476.85 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 29;

THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, 5470.76 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 29, WHICH POINT BEARS SOUTH 00 DEGREES 03 MINUTES 23 SECONDS WEST, 243.12 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 20.

PARCEL NO. 5:

THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN AND NORTH OF A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS SOUTH 00 DEGREES 00 MINUTES 05 SECONDS WEST, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;

THENCE SOUTH 75 DEGREES 07 MINUTES 10 SECONDS EAST, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT SOUTH 75 DEGREES 07 MINUTES 10 SECONDS EAST = SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST;

THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS SOUTH 00 DEGREES 00 MINUTES 38 SECONDS WEST, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 EAST;

THENCE CONTINUING SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29;
AND

EXCEPT THEREFROM THOSE PORTIONS LYING WITH THE FOLLOWING DESCRIBED PARCELS OF LAND:

BEGINNING AT A POINT ON THE LINE COMMON TO SAID SECTIONS 29 AND 30, WHICH POINT BEARS NORTH 00 DEGREES 00 MINUTES 38 SECONDS EAST, 2805.94 FEET FROM THE CORNER COMMON TO SECTIONS 29, 30, 31 AND 32;

THENCE NORTH 89 DEGREES 59 MINUTES 22 SECONDS WEST, 33.00 FEET;

THENCE NORTH 07 DEGREES 33 MINUTES 28 SECONDS WEST, 888.33 FEET TO THE EXISTING SOUTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (BHRENBERG-PHOENIX HIGHWAY);

THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 310.42 FEET;

THENCE SOUTH 08 DEGREES 19 MINUTES 27 SECONDS WEST, 809.17 FEET;

THENCE NORTH 89 DEGREES 59 MINUTES 22 SECONDS WEST, 33.00 FEET TO THE POINT OF BEGINNING; AND

EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE FOLLOWING DESCRIBED PARCELS OF LAND:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 30;

THENCE WEST ALONG THE NORTH SECTION LINE 511 FEET;

THENCE SOUTH 90 FEET;

THENCE WEST 50 FEET;

THENCE SOUTH 1098 FEET;

THENCE EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE HIGHWAY 10 (BHRENBERG-PHOENIX HIGHWAY) TO A POINT COMMON TO SECTIONS 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST;

THENCE NORTH ALONG THE EAST SECTION LINE TO THE POINT OF BEGINNING.

PARCEL NO. 6:

THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 6 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THEREFROM THAT PORTION WHICH LIES WITHIN AND NORTH OF A STRIP OF LAND 308 FEET IN WIDTH, BEING 154 FEET WIDE ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE WEST LINE OF SECTION 30, WHICH POINT BEARS SOUTH 00 DEGREES 00 MINUTES 05 SECONDS WEST, 76.94 FEET FROM THE NORTHWEST CORNER OF SAID SECTION 30;

THENCE SOUTH 75 DEGREES 07 MINUTES 10 SECONDS EAST, 2990.74 FEET TO A BEARING EQUATION POINT, AT WHICH POINT SOUTH 75 DEGREES 07 MINUTES 10 SECONDS EAST=SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST;

THENCE SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST, 2445.44 FEET TO A POINT ON THE LINE COMMON TO SAID SECTION 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 WEST, WHICH POINT BEARS SOUTH 00 DEGREES 00 MINUTES 38 SECONDS WEST, 1476.85 FEET FROM THE SECTION CORNER COMMON TO SECTIONS 19, 20, 29 AND 30, TOWNSHIP 2 NORTH, RANGE 6 EAST;

THENCE CONTINUING SOUTH 75 DEGREES 04 MINUTES 23 SECONDS EAST TO THE EAST LINE OF SAID WEST HALF OF THE NORTHWEST QUARTER OF SECTION 29.

EXHIBIT

"E"

Exhibit E

- (1) Page 4, line 22 to Page 5, line 1:

DELETE Finding of Fact No. 9, and INSERT a new Finding of Fact No. 9, as follows:

Based on the arguments presented, we find it is reasonable to grant an extension of time. This is the first request for an extension of time in this docket, and the Utilities' have made considerable progress in meeting the other compliance requirements of Decision No. 70357, including spending more than \$ 1 million on compliance related activities. Moreover, the developer letters submitted by the Global Utilities demonstrate an ongoing need for service in the area covered by Decision No. 70357. Lastly, we find that an extension of time is consistent with concepts of regional planning and sustainable water use.

- (2) Page 5, line 9, DELETE Conclusion of Law No. 3 and INSERT a new Conclusion of Law No. 3 as follows: "The Utilities' request for extension of time should be granted."

- (3) Page 6, lines 2-4, delete first ordering paragraph, and replace with the following: "IT IS THEREFORE ORDERED that Water Utility of Greater Tonopah's and Hassayampa Utility Company's request for an extension of time to comply with Commission Decision No. 70357 is granted."

- (4) Page 6, line 4, insert new ordering paragraphs:

"IT IS FURTHER ORDERED that Water Utility of Greater Tonopah shall file with Docket Control, as a compliance item in this docket, a copy of the Certificate of Approval of Construction issued by the Maricopa County Environmental Services Department for the initial water plant facilities, including production, storage and water distribution system, needed to serve the initial phase of development in the extension area, no later than December 31, 2012."

"IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc. shall file with Docket Control, as a compliance item in this docket, a copy of the Approval to Construct issued by the Maricopa County Environmental Services Department for the sewer tie-in between the Hassayampa Ranch Water Reclamation Facility Campus No. 1, and the initial phase of the development, no later than December 31, 2012.

IT IS FURTHER ORDERED that Hassayampa Utility Company, Inc. shall file with Docket Control, as a compliance item in this docket, a copy of the Aquifer Protection Permit for the Hassayampa Ranch Water Reclamation Facility Campus No. 1, and the initial phase of the development, no later than December 31, 2012.

EXHIBIT

"F"

Exhibit F

(1) Page 4, line 22 to Page 5, line 1:

DELETE Finding of Fact No. 9, and INSERT a new Finding of Fact No. 9, as follows:

“Based on the arguments presented, we find it is reasonable to direct the Hearing Division to schedule a hearing on the Utilities’ request for an extension of time.”

(2) Page 5, line 9, DELETE Conclusion of Law No. 3 and INSERT a new Conclusion of Law No. 3 as follows: “A hearing should be scheduled on the Utilities’ request for extension of time.”

(3) Page 6, lines 2-4, delete first ordering paragraph, and replace with the following:

“IT IS THEREFORE ORDERED that the Hearing Division shall schedule a hearing on Water Utility of Greater Tonopah’s and Hassyampa Utility Company’s request for an extension of time to comply with Commission Decision No. 70357, and that until further order of the Commission, the extensions to Certificates of Convenience and Necessity approved by Decision No. 70357 shall remain in full force and effect.”