

ORIGINAL

OPEN MEETING ITEM



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



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Executive Director

ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

DATE: DECEMBER 14, 2009

DOCKET NOS.: W-01537A-07-0264 and W-01537A-07-0265

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Marc E. Stern. The recommendation has been filed in the form of an Order on:

SHEPARD WATER COMPANY
(EXTENSION OF TIME DEADLINE CONTAINED
IN DECISION NO. 70651)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

DECEMBER 23, 2009

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

JANUARY 12, 2010 and JANUARY 13, 2010

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

DEC 14 2009

DOCKETED BY [Signature]

[Signature]
ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1200 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET, TUCSON, ARIZONA 85701-1347

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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SBernal@azcc.gov

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 KRISTIN K. MAYES, Chairman
4 GARY PIERCE
5 PAUL NEWMAN
6 SANDRA D. KENNEDY
7 BOB STUMP

8 IN THE MATTER OF THE APPLICATION
9 OF SHEPARD WATER COMPANY, INC.
10 FOR APPROVAL OF A PERMANENT RATE
11 INCREASE.

DOCKET NO. W-01537A-07-0264

12 IN THE MATTER OF THE APPLICATION
13 OF SHEPARD WATER COMPANY, INC.
14 FOR APPROVAL OF A FINANCING
15 APPLICATION.

DOCKET NO. W-01537A-07-0265

16 DECISION NO. _____

17 **ORDER EXTENDING TIME**
18 **DEADLINE CONTAINED IN**
19 **DECISION NO. 70651**

20 Open Meeting
21 January 12 and 13, 2010
22 Phoenix, Arizona

23 **BY THE COMMISSION:**

24 * * * * *

25 Having considered the entire record herein and being fully advised in the premises, the
26 Commission finds, concludes, and orders that:

27 **FINDINGS OF FACT**

28 1. On December 17, 2008, the Arizona Corporation Commission ("Commission") issued
Decision No. 70651 which approved the application of Shepard Water Company, Inc. ("Company"
or "Applicant") for a rate increase and for financing approval.

2. A condition of the Commission's approval for the Company's financing application
required the Company to do the following: to draw the funds from the loan (up to \$112,100) from the
Water Infrastructure Finance Authority ("WIFA") within one year of the effective date of the
Decision or the authorization for the loan would be rescinded.

3. On November 24, 2009, the Company filed a Motion for an Extension of Time

1 (“Motion”) for approval by the Commission to have until March 31, 2010, to draw the funds from
2 WIFA because the WIFA Board will not meet until February 2010 to approve the final loan
3 documents.

4 4. On December 3, 2009, the Commission’s Utilities Division (“Staff”) filed the Staff
5 Memorandum responding to the Motion.

6 5. The Staff Memorandum indicates that a member of Staff has spoken with a WIFA
7 representative and confirmed that the WIFA Board will not meet until February 2010 to approve the
8 final loan documents.

9 6. Staff’s Memorandum indicates that Staff does not oppose the Motion by the Company
10 and recommends approval of the extension of time until March 31, 2010.

11 7. Under the circumstances, the Company’s Motion is reasonable and should be granted
12 for the extension of time sought herein, until March 31, 2010, as recommended by Staff.

13 **CONCLUSIONS OF LAW**

14 1. The Company is a public service corporation within the meaning of Article XV of the
15 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

16 2. The Commission has jurisdiction over the Company and the subject matter of the
17 extension request addressed herein.

18 3. Staff’s recommendation for the extension of time until March 31, 2010, should be
19 adopted.

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ORDER

IT IS THEREFORE ORDERED that Shepard Water Company, Inc. shall be granted an extension of time, until March 31, 2010, to draw the funds approved from the WIFA loan as ordered in Decision No. 70651.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 2009.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

MES:db

1 SERVICE LIST FOR:

SHEPARD WATER COMPANY, INC.

2 DOCKET NOS.:

W-01537A-07-0264 and W-01537A-07-0265

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