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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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**COMMISSIONERS**

KRISTIN K. MAYES, Chairman  
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IN THE MATTER OF THE APPLICATION OF  
PALO VERDE UTILITIES COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

Docket No. SW-03575A-06-0545

IN THE MATTER OF THE APPLICATION OF  
SANTA CRUZ WATER COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

Docket No. W-03576A-06-0545

**MOTION FOR  
EXTENSION OF TIME**

Global Water – Santa Cruz Water Company and Global Water – Palo Verde Utilities Company (the “Global Utilities”) respectfully request that the Commission grant an extension of time for meeting certain compliance requirements in Decision No. 70381 (June 13, 2008). Under that Decision, the Global Utilities are required to file the following Approvals of Construction (“AOC”) by December 31, 2009:

Item	Page / Line Nos. of Ordering ¶	Status
AOC for two wells and Southwest Zone storage facility and distribution system	17:22-24	Filing concurrently except for second well (extension requested for second well)
AOC for Phase I sewer collection system for Southwest Zone	18:3-5	Filing concurrently
AOC for sewer line extension in the North Zone	18:10-12	Requesting Extension
AOC for lift station, force mains and sewer lines in the Northwest Zone	18:13-15	Requesting Extension
AOC for Rancho Mirage Well and 2.5 million gallon storage tank for North Zone	18:16-18	Filed on August 8, 2008

1 The Global Utilities request an extension of time until December 31, 2012 for (1) the AOC  
2 for sewer line extension in the North Zone; (2) the AOC for the lift station, force mains and sewer  
3 lines in the Northwest Zone; and (3) the AOC for the second well for the Southwest Zone. The  
4 extension of time until December 31, 2012 is consistent with the extension of time recently  
5 granted to affiliated utilities in Decision No. 71430 (December 8, 2009).

6 As shown on the chart above, the Global Utilities have met three of the five compliance  
7 requirements due on December 31, 2009. They have also met other compliance requirements,  
8 such as obtaining the Designation of Assured Water Supply (DAWS). Overall, the Global Utilities  
9 have invested many millions of dollars in the extension areas granted by Decision No. 70381. It  
10 would not be prudent at this time for them to make the further investments required to obtain the  
11 remaining AOCs specified in Decision No. 70381.

12 The Global Utilities' certificate areas are in and around the City of Maricopa, Arizona.  
13 Arizona has experienced a significant recession. The development and home-building industries  
14 have been particularly hard-hit. This has resulted in a slow-down in the development of many  
15 properties around the state that has often impacted utilities with compliance obligations under  
16 CC&N orders. In many such cases, the utilities have requested, and received, extensions of time.

17 Development in the Maricopa region has been significantly impacted by the recent  
18 economic crisis. For this reason, the extension areas approved in Decision No. 70381 have not  
19 developed as quickly as expected.

20 The Global Utilities filed for rate relief in February 2009. In addition to seeking rate relief,  
21 the Global Utilities have taken active steps to reduce expenses, such as sharply reducing capital  
22 expenditures, eliminating bonuses, substantial and painful lay-offs, renegotiating leases, and  
23 forming an economies and efficiencies task force.<sup>1</sup> In addition, the Commission Staff has  
24 encouraged the Global Utilities and their parent companies to take steps to improve their financial  
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<sup>1</sup> See Direct Testimony of Trevor T. Hill, Docket No. SW-20445A-09-0077 at pages 16-18.

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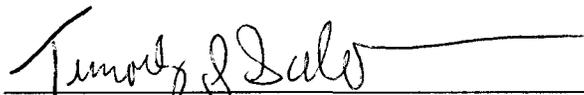
1 condition. In light of these factors, and the ongoing economic crisis, it is not prudent at this to  
2 spend the money – which would include significant capital expenditures – to obtain the AOCs.

3 An extension of time in obtaining the AOCs is prudent in light of the current economic  
4 crisis, the costs of constructing plant necessary to obtain the AOCs, Global’s prudent efforts to  
5 reduce expenses, as well as the availability of nearby facilities in the Southwest Zone.

6 The Global Utilities have made substantial efforts in complying with Decision No. 70381,  
7 and they have met many of the compliance requirements of that decision. They have also invested  
8 significantly to serve these extension areas. At this time, additional facilities are not needed, and  
9 further investments would be wasteful and unnecessary. Accordingly, the Global Utilities request  
10 an extension of time until December 31, 2012 to file (1) the AOC for sewer line extension in the  
11 North Zone; (2) the AOC for the lift station, force mains and sewer lines in the Northwest Zone;  
12 and (3) the AOC for the second well for the Southwest Zone.

13 RESPECTFULLY SUBMITTED this 31<sup>st</sup> day of December 2009.

14  
15 ROSHKA DEWULF & PATTEN, PLC

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24 filed this 31<sup>st</sup> day of December 2009, with:

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