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# NEW APPLICATION

**MUNGER CHADWICK, P.L.C.** RECEIVED  
AZ CORP COMMISSION

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MAR 4 1 00 PM '98

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February 27, 1998

W-03529A-98-0123

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

MAR 04 1998

Attention: Carmen Madrid  
Administrative Assistant II

DOCKETED BY

**Re: Application of Logan Hills Water, L.L.C., An Arizona Limited Liability Company, for an Opinion and Order (i) Extinguishing the Certificate of Convenience and Necessity and (ii) Orderly Disposing of the Remaining Public Service Obligations of Logan Hills Water Company; Docket No. W-\_\_\_\_\_**

Dear Ms. Madrid:

I am enclosing the original and eleven (11) copies of an Application in the above-referenced matter to be filed with Docket Control.

This Application and the Application of Vernon S. Schweigert, Trustee in Bankruptcy for an Opinion and Order (i) Approving Sale of the Assets of Logan Hills Water Company and (ii) Transferring Related Certificate of Convenience and Necessity are related and should be considered together.

Please return one conformed copy of this letter in the enclosed self-addressed postage-paid envelope.

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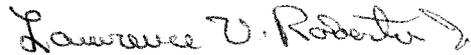
Carmen Madrid  
February 27, 1998  
Page 2

In the event you have any questions please call me.

Thank you for your assistance in this matter.

Very truly yours,

MUNGER CHADWICK, P.L.C.



Lawrence V. Robertson, Jr.  
Of Counsel to Munger Chadwick, P.L.C.  
Attorneys for Applicant/Petitioner

Enclosures

cc: Vernon S. Schweigert  
Richard Fitzgerald  
Mark Weinberg

NEW APPLICATION

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BEFORE THE ARIZONA CORPORATION COMMISSION

ARIZONA CORPORATION COMMISSION

MAR 4 1 00 PM '98  
Arizona Corporation Commission

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W-03529A-98-0123

Carl J. Kunasek  
Chairman  
  
James M. Irvin  
Commissioner  
  
Renz D. Jennings  
Commissioner

IN THE MATTER OF THE APPLICATION	)	DOCKET NO. W-_____
OF LOGAN HILLS WATER, L.L.C., AN	)	
ARIZONA LIMITED LIABILITY COMPANY,	)	
FOR AN OPINION AND ORDER	)	<b>APPLICATION FOR</b>
(i) EXTINGUISHING THE CERTIFICATE	)	<b>EXTINGUISHMENT OF</b>
OF CONVENIENCE AND NECESSITY	)	<b>CERTIFICATE OF</b>
AND (ii) ORDERLY DISPOSING OF THE	)	<b>CONVENIENCE AND</b>
REMAINING PUBLIC SERVICE	)	<b>NECESSITY AND</b>
OBLIGATIONS OF LOGAN HILLS WATER	)	<b>DISPOSITION OF</b>
COMPANY	)	<b>REMAINING OBLIGATIONS</b>

Pursuant to A.R.S. 40-285, A.A.C. R14-3-106(F) and Opinion No. 62-7 of the Arizona Attorney General, Logan Hills Water, L.L.C. ("Applicant"), an Arizona limited liability company, by and through its attorney undersigned, hereby makes application to the Commission for an opinion and order (i) extinguishing the certificate of convenience and necessity and (ii) orderly disposing of the remaining public service obligations of Logan Hills Water Company.

I.

DESCRIPTION OF RELEVANT BACKGROUND

Attached hereto as Appendix "A" and incorporated herein by reference is a copy of an Application For Approval of Sale of Assets and Transfer of Certificate of Convenience and Necessity which is contemporaneously being filed in Docket No. W-1666-97.

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1 That document provides a detailed description of the background  
2 circumstances relevant to Commission consideration of the instant  
3 Application. As may be noted therefrom, and briefly summarized  
4 here, Applicant is proposing to (i) acquire the water utility  
5 system assets and related certificate of convenience and necessity  
6 of Logan Hills Water Company from WGI, Inc., and, (ii) immediately  
7 thereafter, convey the same assets to the City of Tucson ("City").  
8 In connection therewith, through the instant Application, Applicant  
9 is requesting that the Commission extinguish the certificate of  
10 convenience and necessity previously applicable to the water  
11 utility operations of Logan Hills Water Company; and that it  
12 provide for an orderly disposition of the remaining public service  
13 obligations of Logan Hills Water Company.

14 As noted in Section IV of Appendix "A," at page 7, Commission  
15 approval of the requests set forth in that Application is a  
16 jurisdictional predicate to the actions requested in the instant  
17 Application. Absent favorable Commission action in the former,  
18 Applicant herein has no meaningful standing or business to bring  
19 before the Commission.  
20

21 II.

22 DESCRIPTION OF AGREEMENT WITH  
23 CITY OF TUCSON

24 Prior to the hearing on the instant Application, Applicant  
25 will file a copy of the Agreement pursuant to which the City will  
26 acquire the assets of which the Logan Hills Water Company system is  
27 comprised. The effectiveness of such agreement will be contingent  
28

1 upon Commission approval of the instant Application. The assets to  
2 be so acquired would become a part of the municipal water system  
3 owned and operated by the City; and each customer currently served  
4 by Logan Hills Water Company would become a customer of the City.  
5 It is contemplated in this regard that such customers would not  
6 experience any adverse effects in the reliability and quality of  
7 water service they receive by reason of such change in ownership of  
8 the Logan Hills system.

9  
10 **III.**

11 **DISPOSITION OF REMAINING PUBLIC**

12 **SERVICE OBLIGATIONS**

13 As a practical matter, little, if any, dispositive action may  
14 be required with regard to the remaining public service obligations  
15 of Logan Hills Water Company in connection with the instant  
16 Application. That is because of a combination of (i) the fact that  
17 Logan Hills Water Company has no line extension agreements and few,  
18 if any, customer deposits; and, (ii) the compressed time frame  
19 envisioned for the transfer of the assets of that system from WGI,  
20 Inc. to Applicant, and then from Applicant to the City.  
21 Nevertheless, Applicant is prepared and willing to do that which is  
22 lawfully necessary in order to effect a prompt discharge of Logan  
23 Hills Water Company's remaining public service obligations in  
24 connection with Commission approval of the instant Application.

25 **IV.**

26 **CONCLUSION**

27 WHEREFORE, Applicant hereby requests that the Commission  
28

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1 promptly conduct a hearing upon the instant Application, if  
2 necessary, and thereafter (b) issue an opinion and order providing  
3 as follows:

- 4 (i) extinguishing the certificate of convenience and  
5 necessity heretofore applicable to the water utility  
6 operations of Logan Hills Water Company; and  
7 (ii) orderly disposing of the remaining public service  
8 obligations, if any, of Logan Hills Water Company.  
9

10 Dated this 27th day of February, 1998.

11 Respectfully Submitted  
12 Logan Hills Water, L.L.C.

13 By Lawrence V. Robertson, Jr.  
14 Lawrence V. Robertson, Jr.  
15 Attorney for Applicant  
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