



0000125678

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

Arizona Corporation Commission

DOCKETED

MAY 27 2011

DOCKETED BY nr

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY AT COOLIDGE, PINAL COUNTY, ARIZONA.

DOCKET NO. W-01445A-06-0317

DECISION NO. 72373

ORDER EXTENDING TIME DEADLINE CONTAINED IN DECISION NO. 69386 AND DECISION NO. 70950

Open Meeting
May 24 and 25, 2011
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On May 4, 2006, Arizona Water Company ("AWC") filed with the Commission an application for an extension of its Certificate of Convenience and Necessity ("Certificate" or "CC&N") for its Coolidge system.

2. On March 22, 2007, the Commission issued Decision No. 69386, which approved AWC's application to extend its CC&N to include approximately 21 square miles of land adjacent to its Coolidge System. The Decision required AWC, among other things, to comply with the following:

- a. That AWC file within one year of the Decision, a copy of the first Approval to Construct ("ATC") from the Arizona Department of Environmental Quality ("ADEQ") for the facilities needed to serve the requested area.

CD

1 b. That AWC file within one year of the Decision, a copy of the first
2 developer's Certificate of Assured Water Supply ("CAWS") from the
3 Department of Water Resources ("ADWR").

4 3. On January 9, 2008, in compliance with Decision No. 69386, AWC filed a copy of the
5 first ATC for the facilities needed to serve the extension area. In the same filing, AWC requested an
6 extension of time, until March 22, 2009, to file a copy of the first developer's CAWS. By Procedural
7 Order issued on March 4, 2008, AWC was granted an extension until March 22, 2009, to file the first
8 developer's CAWS.

9 4. On January 16, 2009, AWC filed a Request for Additional Time to Comply with
10 Filing Requirements ("Second Request") set forth in Decision No. 69386. The Second Request
11 sought to extend the compliance deadline to file a copy of the CAWS for the first developer, until
12 March 22, 2011.

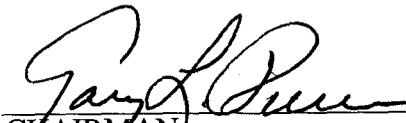
13 5. On April 7, 2009, the Commission issued Decision No. 70950 approving AWC's
14 Second Request, and extending the due date for the CAWS filing until March 22, 2011. At the time
15 of the Second Request, Staff recommended that any additional requests for extensions of time to
16 comply with Decision No. 69386, should include a strong showing that there is an imminent need for
17 service for each section of land in the CC&N extension. In Decision No. 70950, the Commission
18 determined that it would evaluate the specific facts and circumstances of any future requests for
19 extension of time by AWC, and put AWC on notice that future requests must demonstrate that
20 extraordinary circumstances exist to warrant granting additional time for compliance.

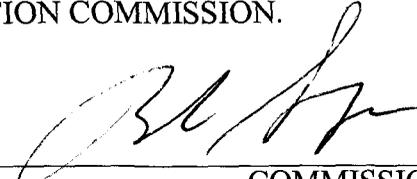
21 6. On January 24, 2011, AWC filed the current request for an extension of time, seeking
22 an additional two years, or until March 22, 2013, to file a copy of the CAWS from ADWR. The
23 application stated that AWC is serving eight customers in the extension area and that the CAWS is
24 the final required compliance item under Decision No. 69386. The Company further stated that its
25 receipt of the physical availability demonstration from the ADWR, a precursor to the CAWS,
26 demonstrates that the Company is moving toward total compliance. The Company also provided
27 letters from developer updating the need for service from AWC and believes that any potential loss of
28 the CC&N would harm the "slowly improving market." The developers express the hope that the
29 market will improve such that they can begin development within the next two years.

1 IT IS FURTHER ORDERED that Arizona Water Company shall be on notice that any future
2 requests for extensions of time to comply with Decision No. 69386, must demonstrate that issuance
3 of the Certificate of Assured Water Supply is imminent or that harm to the public interest will result
4 if the extension is not granted.

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

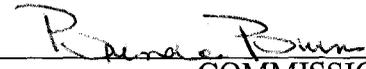
6 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

7
8 
9 CHAIRMAN

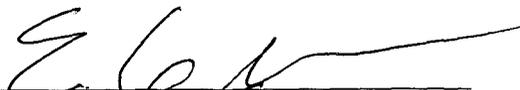

COMMISSIONER

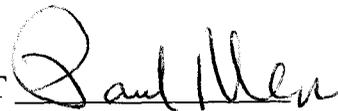
10
11
12 COMMISSIONER

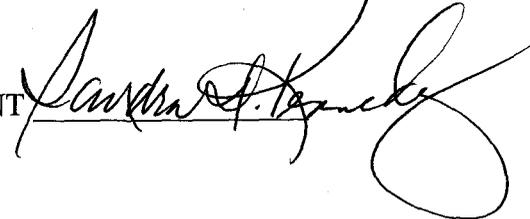
COMMISSIONER


COMMISSIONER

13
14 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
15 Executive Director of the Arizona Corporation Commission,
16 have hereunto set my hand and caused the official seal of the
17 Commission to be affixed at the Capitol, in the City of Phoenix,
18 this 27th day of MAY, 2011.

19 
ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

20
21 DISSENT 

22
23
24 DISSENT 
25 jlr:db

1 SERVICE LIST FOR: ARIZONA WATER COMPANY

2 DOCKET NO. W-01445A-06-0317

3 Robert W. Geake
4 Vice President and General Counsel
5 ARIZONA WATER COMPANY
6 P.O. Box 29006
7 Phoenix, AZ 85038-9006

8 Janice Alward, Chief Counsel
9 Legal Division
10 ARIZONA CORPORATION COMMISSION
11 1200 West Washington Street
12 Phoenix, AZ 85007

13 Steven M. Olea, Director
14 Utilities Division
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, AZ 85007

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34