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MEMORANDUM
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Arizona Corporation Commission

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JUN 24 2011

TO: Docket Control Center

2011 JUN 24 P 2:40

FROM: Steven M. Olea
Director
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

DATE: June 24, 2011

RE: JOHNSON UTILITIES, L.L.C. - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINES (DOCKET NO. WS-02987A-06-0663 – DECISION NO. 69414)

In Decision No. 69414, dated April 16, 2007, the Arizona Corporation Commission (“Commission”) approved the application of Johnson Utilities, L.L.C. (“Johnson”) for extension of the existing Certificate of Convenience and Necessity (“CC&N”).

As part of Decision No. 69414, the Commission ordered that Johnson:

“...file with Docket Control, as a compliance item in this docket within two years of the effective date of this Decision, copies of the Approval to Construct for water facilities and the General Permit for wastewater facilities needed to serve the extension area.”

“...file with Docket Control, as a compliance item in this docket within two years of the effective date of this Decision, a copy of the Aquifer Protection Permit amendment indicating approval of the expansion of Johnson Utilities Company’s Section 11 Wastewater Treatment Plant to 4.0 MGD.”

Based on the Decision date of April 16, 2007, the compliance items were originally due on April 16, 2009.

On March 16, 2009, Johnson docketed a 24 month extension of time request to provide the above compliance items. The Company provided that the extension request was due to the slow down in the real estate market. Staff filed a response on June 3, 2009, recommending that the Company’s extension request be granted. On August 6, 2009, the Commission issued Decision No. 71242 which extended the due date for the above compliance items until April 16, 2011.

On April 15, 2011, the Company docketed a subsequent two year request for extension of time of the above compliance items. The application states that “the severe economic downturn” has persisted and affected the start of the development but that the developer has reconfirmed both its intent to proceed and its desire to have water and wastewater services provided by Johnson. In support of the latter, Johnson attached an updated request for service letter to the application as Attachment I.

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Based on the application and all of the above, Staff does not object to the Company's request for further extension of time in this matter. Staff recommends that the due dates for provision of the Approval to Construct, the General Permit and the Aquifer Protection Permit requirements be extended from April 16, 2011 until April 16, 2013.

SMO:BKB:lm

Attachment

Originator: Brian K. Bozzo

SERVICE LIST FOR: JOHNSON UTILITIES, LLC.
DOCKET NO. WS-02987A-06-0663

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LeSueur Investments

April 15, 2011

Mr. Brian Tompsett
Mr. Daniel Hodges
Johnson Utilities
5230 E. Shea Boulevard
Scottsdale, AZ 85254

RE: Skyview Farms - Utility Service Request

Dear Mr. Tompsett and Mr. Hodges,

I am writing in regards to the Skyview Farms project, an approximately 1,863 acre master planned community, located north and south of Arizona Farms Road in Florence, Arizona. With the significant slowdown in the residential real estate market, the development activities on Skyview Farms have been delayed. However, the ownership of Skyview Farms is still very much interested in obtaining Water, Wastewater, and Reclaimed Water services from Johnson Utilities (without any delays) when more favorable market conditions return. Please feel free to contact me if you have any additional questions or concerns at (480) 424-3400. We look forward to working with Johnson Utilities in the future.

Sincerely,



Ty LeSueur
Managing Member of Skyview Farms