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BEFORE THE ARIZONA CORPORATION COMMISSION

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

Arizona Corporation Commission

DOCKETED

JUL 25 2011

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| DOCKETED BY | nr |
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IN THE MATTER OF JOHNSON UTILITIES,)
L.L.C. dba JOHNSON UTILITIES COMPANY)
FOR AN EXTENSION OF ITS SEWER)
CERTIFICATE OF CONVENIENCE AND)
NEXESSITY IN PINAL COUNTY, ARIZONA.)

DOCKET NO. WS-02987A-07-0487

DECISION NO. 72502

ORDER

AMEND DECISION NO. 70849

Open Meeting
July 12 and 13, 2010
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Johnson Utilities, L.L.C. dba Johnson Utilities Company (“Johnson” or “Company”) is engaged in providing water and wastewater services within portions of Arizona, pursuant to authority granted by the Arizona Corporation Commission (“Commission”).

2. In Decision No. 70849, dated March 17, 2009, the Commission granted extensions of Johnson’s wastewater Certificates of Convenience and Necessity (“CC&N”) with conditions. Specifically, the Decision contained the following ordering paragraphs:

- IT IS FURTHER ORDERED that Johnson Utility L.L.C. shall file by December 31, 2009, with Docket Control, as a compliance item in this docket, documentation from the Arizona Department of Environmental Quality demonstrating that Johnson Utility L.L.C.’s Pecan Water Reclamation Plant (ADEQ Inventory #105324) is in full compliance and that the Notice of Violations issued on March 4, 2008, and June 5, 2008, have been closed.
- IT IS FURTHER ORDERED that if Johnson Utility L.L.C. fails to meet the above timeframe, the Utilities Division Staff shall file a pleading requesting the Commission

1 to order Johnson Utility L.L.C. to appear and show cause why the conditional extension
2 of its wastewater Certificate of Convenience and Necessity granted herein, should not
3 be considered null and void.

- 4 • IT IS FURTHER ORDERED that if Johnson Utility L.L.C. achieves full compliance
5 with the Arizona Department of Environmental Quality for its Pecan Water
6 Reclamation Plant (ADEQ Inventory #105324) on or before December 31, 2009, the
7 extension of Johnson Utility L.L.C.'s wastewater Certificate of Convenience shall
8 become effective on the first day of the month following Johnson Utility L.L.C.'s filing
9 with Docket Control proof of its compliance and the Utilities Division Staff's
10 confirmation of such compliance with Docket Control.

11 3. On May 6, 2011, Johnson filed a "Petition To Amend Decision 70849 Pursuant to
12 A.R.S. §40-252" requesting an order that removes the requirement that Johnson file documentation
13 from the Arizona Department of Environmental Quality ("ADEQ") that the Notice of Violations
14 ("NOVs") issued by ADEQ on March 4, 2008 and June 5, 2008 for Johnson's Pecan Water
15 Reclamation Plant ("PWRP") have been closed. Alternatively, Johnson requests that the
16 Commission issue its order that the foregoing requirement has been deemed satisfied by the
17 Company, based upon the documented actions taken by the Company in compliance with the
18 NOVs.

19 4. At a Commission Staff Meeting on June 21, 2011, the Commission approved the
20 Company's request for reconsideration of Decision No. 70849 and requested Staff to prepare a
21 recommended order for the July 12 and 13, 2011 Open Meeting.

22 5. As part of Johnson's May 6, 2011 filing, Johnson described how it worked closely
23 with ADEQ to fully comply with the two NOVs for more than two years. Johnson also provided
24 numerous documentations showing its compliance with the NOVs and how Johnson fulfilled all
25 requirements contained in the NOVs. Johnson stated that ADEQ has never notified Johnson of
26 any deficiency in the reported responses or actions taken by Johnson to comply with the NOVs,
27 nor has ADEQ ever rebutted any of Johnson's statements that it fulfilled all requirements
28 contained in the NOVs.

6. Staff has reviewed Johnson's May 6, 2011 filing and noted one particular
document, Attachment 6 – ADEQ Inspection of Pecan Water Reclamation Plant, dated March 9,
2011, stating that the PWRP was in full compliance.

1 7. Due to the fact that ADEQ's latest inspection report states that the PWRP is in full
2 compliance, Staff believes that Johnson has complied with the intent of Decision No. 70849.

3 8. Staff concludes that Johnson has taken actions to bring the PWRP into full
4 compliance with ADEQ and has therefore met the intent of Decision No. 70849.

5 9. Staff recommends that Johnson be considered to have complied with the three
6 ordering paragraphs of Decision No. 70849 listed in Finding of Fact No. 2 above.

7 CONCLUSIONS OF LAW

8 1. Johnson Utilities, L.L.C. dba Johnson Utilities Company is a public service
9 corporation within the meaning of Article XV of the Arizona Constitution and Arizona Revised
10 Statutes §§ 40-252, 40-281 and 40-282.

11 2. The Commission has jurisdiction over Johnson and of the subject matter of the
12 application.

13 ORDER

14 IT IS THEREFORE ORDERED that Johnson Utilities, L.L.C. dba Johnson Utilities
15 Company's is hereby deemed to have complied with the following ordering paragraphs of
16 Decision No. 70849:

- 17 • *IT IS FURTHER ORDERED that Johnson Utility L.L.C. shall file by December 31,*
18 *2009, with Docket Control, as a compliance item in this docket, documentation from the*
19 *Arizona Department of Environmental Quality demonstrating that Johnson Utility*
20 *L.L.C.'s Pecan Water Reclamation Plant (ADEQ Inventory #105324) is in full*
compliance and that the Notice of Violations issued on March 4, 2008, and June 5,
2008, have been closed.
- 21 • *IT IS FURTHER ORDERED that if Johnson Utility L.L.C. fails to meet the above*
22 *timeframe, the Utilities Division Staff shall file a pleading requesting the Commission to*
23 *order Johnson Utility L.L.C. to appear and show cause why the conditional extension of*
24 *its wastewater Certificate of Convenience and Necessity granted herein, should not be*
considered null and void.
- 25 • *IT IS FURTHER ORDERED that if Johnson Utility L.L.C. achieves full compliance*
26 *with the Arizona Department of Environmental Quality for its Pecan Water*
27 *Reclamation Plant (ADEQ Inventory #105324) on or before December 31, 2009, the*
extension of Johnson Utility L.L.C.'s wastewater Certificate of Convenience shall

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become effective on the first day of the month following Johnson Utility L.L.C.'s filing with Docket Control proof of its compliance and the Utilities Division Staff's confirmation of such compliance with Docket Control.

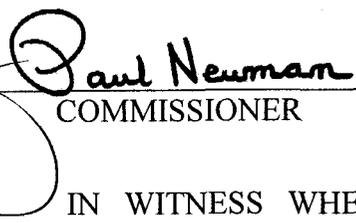
IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE 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 this Commission to be affixed at the Capitol, in the City of Phoenix, this 25th day of July, 2011.


ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

SMO:MSJ:lh\MAS

1 SERVICE LIST FOR: Johnson Utilities, L.L.C. dba Johnson Utilities Company
2 DOCKET NO. WS-02987A-07-0487

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