

OPEN MEETING ITEM



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



ORIGINAL

ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

DATE: DECEMBER 15, 2011
DOCKET NOS.: SW-20494A-09-0016 and W-20495A-09-0016

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Yvette B. Kinsey. The recommendation has been filed in the form of an Order on:

GLOBAL WATER – PICACHO COVE UTILITIES COMPANY and
GLOBAL WATER – PICACHO COVE WATER COMPANY
(ORDER DENYING EXTENSION OF TIME AND DELETING TERRITORIES
APPROVED IN DECISION NO. 71238)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

DECEMBER 28, 2011

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

JANUARY 10, 2012 and JANUARY 11, 2012

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

DEC 15 2011

DOCKETED BY

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1200 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET, TUCSON, ARIZONA 85701-1347

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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SBernal@azcc.gov

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – PICACHO COVE UTILITIES
COMPANY FOR AN EXTENSION OF ITS
EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY.

DOCKET NO. SW-20494A-09-0016

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – PICACHO COVE WATER
COMPANY FOR AN EXTENSION OF ITS
EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY.

DOCKET NO. W-20495A-09-0016

DECISION NO. _____

**ORDER DENYING EXTENSION OF
TIME AND DELETING
TERRITORIES APPROVED IN
DECISION NO. 71238**

Open Meeting
January 10 and 11, 2012
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. On August 6, 2009, the Arizona Corporation Commission (“Commission”) issued Decision No. 71238, approving Global Water – Picacho Cove Utilities Company’s (“Picacho Utilities” or “PCUC”) and Global Water – Picacho Cove Water Company’s (“Picacho Water” or “PCWC”) (collectively “Global Utilities” or “Applicants” or “Company”) application for an extension of their existing Certificates of Convenience and Necessity (“CC&N”). The Decision required Global Utilities, among other things, to:

- (a) file with Docket Control, as a compliance item in this docket, copies of the Approval to Construct for Phase 1 of the development when it is received by Global Water - Picacho Cove Water Company, but no later than two (2) years

after the effective date of this Decision;

- 1
- 2 (b) file with Docket Control, as a compliance item in this docket, a copy of the
- 3 Arizona Department of Water Resources Designation of Assured Water Supply
- 4 or Physical Availability Demonstration for the extension area described in
- 5 Exhibit A, when it is received, but no later than two (2) years after the effective
- 6 date of this Decision;
- 7 (c) file with Docket Control, as a compliance item in this docket, copies of the
- 8 General Permits for Phase 1 of the construction for the wastewater facilities,
- 9 when it is received, but no later than two (2) years after the effective date of
- 10 this Decision; and
- 11 (d) file with Docket Control, as a compliance item in this docket, a copy of the
- 12 Aquifer Protection Permit, within two (2) years of the effective date of this
- 13 Decision.

14 2. On July 14, 2011, Global Utilities filed a Motion for Extension of Time ("Motion")
15 requesting a two year extension of time, until August 6, 2013, to comply with conditions set forth in
16 Decision No. 71238. Global Utilities' Motion states that development in the extension area has not
17 moved forward "due to the well-known downturn in the housing market, especially in Pinal County."

18 3. On November 10, 2011, the Commission's Utilities Division ("Staff") filed a
19 memorandum in response to Global Utilities' request for an extension of time. Staff states that on
20 July 29, 2011, Staff informed the Global Utilities that its request for an extension of time did not
21 include the necessary "updated request for service letter" and that Staff needed the updated request
22 for its analysis. Staff also states that Staff placed the Global Utilities' request on hold to allow the
23 Company time to seek a new request for service from the City of Mesa, who is the property owner in
24 the extension area. Staff states that on November 1, 2011, Staff received an email from the Company
25 which stated that the City of Mesa had decided not to renew the request for service. Staff concluded
26 that with no current request for service there is no reason to allow an extension of time for Global
27 Utilities to comply with Decision No. 71238. Staff recommends denial of Global Utilities' request
28 for an extension of time as the CC&N territories conditionally approved in Decision No. 71238 are no
longer appropriate. Further, Staff recommends that the extension areas granted to Global Utilities in
Decision No. 71238 be deleted from the Companies' CC&Ns.

4. Global Utilities have not objected to Staff's recommendations.

5. Staff recommendations are reasonable and should be adopted.

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CONCLUSIONS OF LAW

1. Global Utilities are a public service corporations within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281, 40-282 and 40-245.

2. The Commission has jurisdiction over Global Utilities and the subject matter of the request for an extension of time to comply with Commission Decision No. 71238.

3. Staff's recommendation denying Global Utilities' request for an extension of time is in the public interest.

4. Staff's recommendation that, the CC&N extension areas conditionally approved in Decision No. 71238 be deleted from Global Utilities' CC&Ns is reasonable and should be adopted.

ORDER

IT IS THEREFORE ORDERED that Global Water – Picacho Cove Utilities Company's and Global Water – Picacho Cove Water Company's request for an extension of time to comply with Decision No. 71238 (August 9, 2009) is hereby denied.

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1 IT IS FURTHER ORDERED that the conditions set forth in Decision No. 71238 having not
2 been met and the extension of the Certificates of Convenience and Necessity conditionally granted to
3 Picacho Cove Utilities Company and Global Water – Picacho Cove Water Company therein, are
4 hereby null and void and the Commission’s records shall so reflect deletion of those territories.

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

6 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
7

8 CHAIRMAN

COMMISSIONER

9
10 COMMISSIONER

COMMISSIONER

COMMISSIONER

11
12 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
13 Executive Director of the Arizona Corporation Commission,
14 have hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of
16 Phoenix, this _____ day of _____ 2012.

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18 _____
ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

19
20 DISSENT _____
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22 DISSENT _____
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YBK: db

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SERVICE LIST FOR: GLOBAL WATER – PICACHO COVE UTILITIES COMPANY and GLOBAL WATER – PICACHO COVE WATER COMPANY

DOCKET NOS.: SW-20494A-09-0016 and W-20495A-09-0016

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