

OPEN MEETING ITEM

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

ORIGINAL



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ARIZONA CORPORATION COMMISSION

RECEIVED

DATE: JANUARY 18, 2012
DOCKET NOS.: W-01990A-09-0572 and W-01990A-09-0573
TO ALL PARTIES:

2012 JAN 18 A 9:29

AZ CORP COMMISSION
DOCKET CONTROL

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

CASA GRANDE WEST WATER COMPANY, INC.
(EXTENSION OF TIME DEADLINE CONTAINED
IN DECISION NO. 72035)

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:

JANUARY 27, 2012

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:

FEBRUARY 14, 2012 and FEBRUARY 15, 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

JAN 18 2012

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 CASA GRANDE WEST WATER
COMPANY, INC. FOR APPROVAL OF
FINANCING.

DOCKET NO. W-01990A-09-0572

IN THE MATTER OF THE APPLICATION
OF CASA GRANDE WEST WATER
COMPANY, INC. FOR A RATE INCREASE.

DOCKET NO. W-01990A-09-0573

DECISION NO. _____

**ORDER EXTENDING TIME
DEADLINE ORDERED BY
DECISION NO. 72035**

Open Meeting
February 14 and 15, 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 December 10, 2010, the Arizona Corporation Commission ("Commission") issued Decision No. 72035 in this docket.
2. Decision No. 72035 authorized Casa Grande West Water Company, Inc. ("Casa Grande" or "Company") to incur Water Infrastructure Financing Authority ("WIFA") debt for the purpose of financing arsenic treatment facilities and 100,000 gallons of additional storage capacity.
3. Decision No. 72035 ordered Casa Grande to file, by March 31, 2011, an Arizona Department of Environmental Quality ("ADEQ") Approval of Construction ("AOC") for the arsenic treatment facilities, and to file, by December 31, 2011, an ADEQ AOC for 100,000 gallons of additional storage capacity.

1 4. Decision No. 72035 authorized the Company to file an application for approval of an
2 arsenic remediation surcharge after it secured the WIFA financing.

3 5. On September 29, 2011, as authorized by Decision No. 72035, Casa Grande filed a
4 request to implement an arsenic remediation surcharge.

5 6. On December 9, 2011, the Commission issued Decision No. 72717 in these dockets
6 authorizing implementation of the arsenic remediation surcharge. Decision No. 72717 ordered the
7 Company to file a tariff in conformance with the approved surcharge, and to notify its customers of
8 the surcharge.

9 7. On December 19, 2011, Casa Grande filed a letter requesting an extension of time of
10 one year to file the AOC for the additional storage capacity. In the letter, Casa Grande states that
11 while it has been planning the additional storage facilities, it has not yet completed construction of
12 the additional storage capacity because it has been devoting its personnel to operating the Company
13 and completing the arsenic treatment facilities in order to provide safe drinking water to its
14 customers.

15 8. On December 30, 2011, Casa Grande filed an Arsenic Surcharge Tariff as ordered by
16 Decision No. 72717.

17 9. Also December 30, 2011, Casa Grande filed a Notice of Surcharge that was mailed to
18 its customers on December 27, 2011, in compliance with Decision No. 72717.

19 10. Also on December 30, 2011, the Commission's Utilities Division ("Staff") filed a
20 response to Casa Grande's extension of time request. Staff states that it does not object to a one year
21 extension of time for the filing of the AOC demonstrating completion of the additional storage
22 capacity.

23 11. It is reasonable to extend the deadline for the filing of the AOC demonstrating
24 completion of the additional 100,000 gallons of storage capacity to December 31, 2012.

25 12. It is reasonable to put the Company on notice that any future requests for extensions of
26 time to comply with Decision No. 72035 must demonstrate the existence of extraordinary
27 circumstances that warrant additional time.

28

CONCLUSIONS OF LAW

1
2 1. Casa Grande is a public service corporation within the meaning of Article XV of the
3 Arizona Constitution and A.R.S. §§ 40-250, 40-251, 40-301, 40-302, and 40-303.

4 2. The Commission has jurisdiction over Casa Grande, and the subject matter of this
5 proceeding, including Casa Grande's request for an extension of time to comply with Commission
6 Decision No. 72035.

7 3. Under the circumstances, it is reasonable and in the public interest to grant Casa
8 Grande's request for a time extension to file the AOC demonstrating construction of the additional
9 storage facilities.

10 **ORDER**

11 IT IS THEREFORE ORDERED that the compliance deadline set by Decision No. 72035 for
12 Casa Grande West Water Company, Inc. to file an Arizona Department of Environmental Quality
13 Approval of Construction demonstrating construction of 100,000 gallons of additional storage
14 capacity is hereby extended to December 31, 2012.

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IT IS FURTHER ORDERED no additional extensions of time will be granted regarding this matter absent extraordinary circumstances.

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

BY 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 the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____, 2012.

ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: CASA GRANDE WEST WATER COMPANY, INC.

2 DOCKET NOS.: W-01990A-09-0572 and W-01990A-09-0573

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