

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



ORIGINAL



0000133686

ARIZONA CORPORATION COMMISSION

RECEIVED

2012 JAN 26 P 4:46

January 26, 2012

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Garry D. Hays
Law Offices of Garry D. Hays.
1702 E. Highland Ave., Suite 204
Phoenix, Arizona 85016

RE: Tusayan Ventures, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) Docket No. W-20828A-11-0475

INSUFFICIENCY LETTER

Dear Mr. Hays:

In reference to the above mentioned application filed on December 28, 2011, this letter is to inform you that the application has not met the sufficiency requirements as outlined in the Arizona Administrative Code. The deficiencies are:

1. Please clarify the type of service to be provided if the application is approved. On Page 1 of the application, Tusayan seeks approval for water and on Page 2, it seeks approval for wastewater.
2. Please provide a copy of the Development Agreement that was entered into by the Developer and the Town of Tusayan;
3. The following minimum requirements of R14-2-402 were not submitted:
 - B5a. The applicant's telephone number;
 - B5c. The telephone number of a management contact for the applicant;
 - B5d. The telephone number of the attorney for the applicant, if any;
 - B5e. The full name, mailing address, and telephone number of the operator certified by the Arizona Department of Environmental Quality who is or will be working for the applicant;
 - B5f. The full name, mailing address, and telephone number of the on-site manager for the applicant;
 - B5j. If the applicant is a limited liability company, the following:

Arizona Corporation Commission
DOCKETED

JAN 26 2012



- i. The full names and mailing addresses of the applicant's managers or, if management is reserved to the members, the applicant's members;
 - ii. A copy of the applicant's articles of organization;
- B5m. A description of the area's location in relation to the closest municipality;
- B5n. A complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provided under subsection (B)(5)(o) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met;
- B5o. The estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof;
-
- B5p. Documentation establishing the applicant's financial condition, including at least the applicant's current assets and liabilities, an income statement, the applicant's estimated revenue and expenses for the first five years following approval of the application, and the estimated value of the applicant's utility plant in service for the first five years following approval of the application;
- B5r. The estimated annual operating revenues and expenses for the first five years of operation for the requested service area or extension area, expressed separately for residential, commercial, industrial, and irrigation services, and including a description of each assumption made to derive the estimates;
- B5s. A detailed description of the proposed construction timeline for facilities, with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction;
- B5u. Maps of the proposed service area. or extension area identifying:
- iv. Any municipality corporate limits that overlap with or are within five miles of the area;
 - v. The service area of any public service corporation, municipality, or district currently providing water or wastewater service within one mile of the area, with identification of the entity providing service and each type of service being provided;
 - vi. The location within the area of any known water service connections that are already being provided service by the applicant;

- vii. The location of all proposed developments within the area;
 - viii. The proposed location of each water system and the principal components described in subsection (B)(5)(n); and
 - ix. The location of all parcels for which a copy of a request for service has been submitted per subsection (B)(5)(t);
- B5v. A copy of each notice to be sent, as required under subsection (B)(4), to a municipal manager or administrator;
- B5y. A copy of each city, county, or state agency approval required by law to construct the proposed facilities or operate the utility within the proposed service area or extension area or, for any approval not yet obtained, the status of the applicant's application for the approval;
- B5z. The estimated number of customers to be served for each of the first five years of operation, expressed separately for residential, commercial, industrial, and irrigation customers and including documentation to support the estimates.;
-
- B5aa. A description of how wastewater service is to be provided in the proposed service area or extension area and the name of each wastewater service provider for the area, if any;
- B5bb. A letter from each wastewater service provider identified under subsection (B)(5)(aa), confirming the provision of wastewater service for the proposed service area or extension area;
- B5cc. Plans for or a description of water conservation measures to be implemented in the proposed service area or extension area, including, at a minimum:
- i. A description of the information about water conservation or water saving measures that the utility will provide to the public and its customers;
 - ii. A description of how the applicant will work with each wastewater service provider identified under subsection (B)(5)(aa) to encourage water conservation;
 - iii. A description of the sources of water that will be used to supply parks, recreation areas, golf courses, greenbelts, ornamental lakes, and other aesthetic water features;
 - iv. A description of any plans for the use of reclaimed water;
 - v. A description of any plans for the use of recharge facilities;
 - vi. A description of any plans for the use of surface water; and

- vii. A description of any other plans or programs to promote water conservation;
- B5dd. A backflow prevention tariff that complies with Commission standards, if not already on file;
- B5ff. A copy of a Physical Availability Determination, Analysis of Adequate Water Supply, or Analysis of Assured Water Supply issued by the Arizona Department of Water Resources for the proposed service area or extension area or, if not yet obtained, the status of the application for such approval;

Staff would like to use this opportunity to bring the following to your attention:

- Pursuant to the Arizona Administrative Code ("A.A.C.") R-14-2-411(C), upon meeting sufficiency requirements, the Commission has 150 calendar days for its substantive review. This includes conducting a hearing and preparing Opinion and Order to present to the Commission at an Open Meeting; and
- Pursuant to A.A.C. R14-2-411(C)(3), Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.

Please file your response to this Insufficiency Letter with Docket Control.

If you have any questions concerning this matter, please do not hesitate to contact me at 602-542-0840 or Marlin Scott, Jr. at 602-542-7272.

Very truly yours,



Blessing N. Chukwu
Executive Consultant III

BNC:red

cc: Docket Control
Del Smith
Lyn Farmer
Brian Bozzo
ConnieWalczak