

ORIGINAL

OPEN MEETING ITEM

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



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ARIZONA CORPORATION COMMISSION

22

Arizona Corporation Commission

DOCKETED

MAY 04 2012

DATE: MAY 4, 2012  
DOCKET NOS.: W-01431A-09-0360 and W-01431A-09-0361  
TO ALL PARTIES:

DOCKETED BY *JM*

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

THE ESTATE OF WILLIAM F. RANDALL  
D/B/A VALLE VERDE WATER COMPANY  
(EXTENSION OF TIME DEADLINE CONTAINED  
IN DECISION NO. 71899)

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:

MAY 14, 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:

MAY 22, 2012 and MAY 23, 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.

*E. G. Johnson*  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

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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 [SABernal@azcc.gov](mailto:SABernal@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 THE ESTATE OF WILLIAM F. RANDALL D/B/A VALLE VERDE WATER COMPANY FOR AN INCREASE IN ITS WATER RATES.

DOCKET NO. W-01431A-09-0360

IN THE MATTER OF THE APPLICATION OF THE ESTATE OF WILLIAM F. RANDALL D/B/A VALLE VERDE WATER COMPANY FOR AUTHORITY TO INCUR LONG-TERM DEBT.

DOCKET NO. W-01431A-09-0361

DECISION NO. \_\_\_\_\_

**ORDER EXTENDING TIME  
DEADLINE CONTAINED IN  
DECISION NO. 71899**

Open Meeting  
May 22 and 23, 2012  
Phoenix, Arizona

**BY THE COMMISSION:**

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

**FINDINGS OF FACT**

1. On September 28, 2010, the Commission issued Decision No. 71899, granting The Estate of William F. Randall d/b/a Valle Verde Water Company's ("VVWC" or "Company") applications for an increase in rates and for authority to incur long-term debt. VVWC is managed by Southwestern Utility Management, Inc. ("SUM").

2. Decision No. 71899 noted that, according to Staff, one of the Company's wells did not have any storage capacity and the Company did not propose in its finance application to install a storage tank at that well site as part of VVWC's proposed overall system improvements. Staff recommended that a minimum of 175,000 gallons of storage capacity be installed at Well Site No. 2 (PWS 12-009).<sup>1</sup> Accordingly, VVWC was required to file by December 31, 2011, "a copy of the

<sup>1</sup> Decision No. 71899, page 14.

1 Approval of Construction of the additional storage.”<sup>2</sup>

2 3. On January 13, 2012, SUM, on behalf of VVWC, filed a letter with the Commission  
3 requesting an extension of time to file the Arizona Department of Environmental Quality (“ADEQ”)   
4 Approval of Construction (“AOC”) to December 31, 2012 (“Request”).

5 4. According to SUM, the Company has not yet obtained the AOC because of the length  
6 of time it has taken to design the storage tank and execute the contracts for the improvements to Well  
7 Site No. 2. SUM states that the Company hoped to begin construction in March 2012, and complete  
8 the storage tank’s installation by July 2012. Once the storage tank is installed, VVWC will then  
9 apply to ADEQ for the AOC. SUM concludes, “[w]e are requesting a one year extension because of  
10 the possible unknowns that can slow down this project even further.”<sup>3</sup>

11 5. VVWC requested that the Commission grant its Request and extend the time for filing  
12 the required ADEQ AOC for the Well Site No. 2 storage tank from December 31, 2011, to December  
13 31, 2013.

14 6. On April 10, 2012, the Commission’s Utilities Division Staff (“Staff”) filed its Staff  
15 Report. Based on the information provided in the Request, Staff recommended approval of VVWC’s  
16 Request to extend the AOC filing deadline from December 31, 2011, to December 31, 2012.<sup>4</sup>

17 7. Given the circumstances, we find that Staff’s recommendation is reasonable and we  
18 adopt it.

19 **CONCLUSIONS OF LAW**

20 1. VVWC is a public service corporation within the meaning of Article XV of the  
21 Arizona Constitution and A.R.S. §§40-281 and 40-282.

22 2. The Commission has jurisdiction over VVWC and the subject matter of the Request  
23 for extension for time to comply with Commission Decision No. 71899.

24 3. Staff’s recommendation is reasonable and should be adopted.

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27 <sup>2</sup> *Id.*, page 23.

28 <sup>3</sup> Request, page 1.

<sup>4</sup> Staff Report, page 1.

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**ORDER**

IT IS THEREFORE ORDERED that The Estate of William F. Randall d/b/a Valle Verde Water Company's Request for extension of time to comply with Decision No. 71899 is granted, extending the compliance deadline for filing the Arizona Department of Environmental Quality Approval of Construction to December 31, 2012.

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:

THE ESTATE OF WILLIAM F. RANDALL  
D/B/A VALLE VERDE WATER COMPANY

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3 DOCKET NOS.:

W-01431A-09-0360 and W-01431A-09-0361

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