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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

JUN - 5 2012

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

DOCKETED BY *JM*

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. 73224

**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).¹ Accordingly, VVWC was required to file by December 31, 2011, "a copy of the

¹ Decision No. 71899, page 14.

1 Approval of Construction of the additional storage.”²

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.”³

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, 2012.⁴

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 ² *Id.*, page 23.

28 ³ Request, page 1.

⁴ Staff Report, page 1.

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
EXCUSED
COMM. KENNEDY

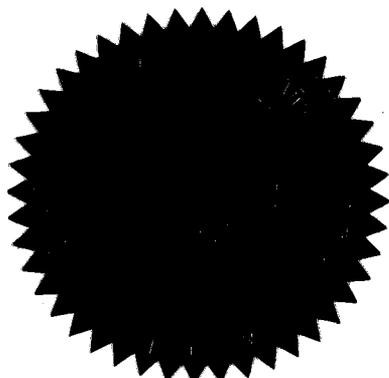
EXCUSED
COMM. NEWMAN


COMMISSIONER

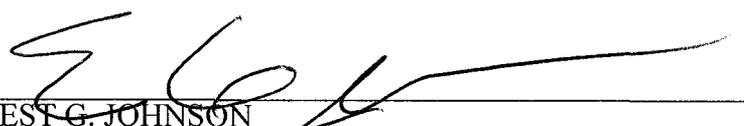
COMMISSIONER

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 5th day of June, 2012.


ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

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SERVICE LIST FOR:

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

DOCKET NOS.:

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

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