

ORIGINAL

OPEN MEETING ITEM



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



ARIZONA CORPORATION COMMISSION

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2012 JUL -3 A 10:44

DATE: JULY 3, 2012
DOCKET NO.: W-03720A-08-0225
TO ALL PARTIES:

AZ CORP COMMISSION
DOCKET CONTROL

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

WATER UTILITY OF NORTHERN SCOTTSDALE, INC.
(EXTENSION OF TIME DEADLINE CONTAINED
IN DECISION NO. 70562)

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:

JULY 12, 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:

JULY 18, 2012 AND JULY 19, 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

JUL 03 2012

DOCKETED BY [Signature]

[Signature]
ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 GARY PIERCE - Chairman
4 BOB STUMP
5 SANDRA D. KENNEDY
6 PAUL NEWMAN
7 BRENDA BURNS

8 IN THE MATTER OF THE APPLICATION OF
9 WATER UTILITY OF NORTHERN
10 SCOTTSDALE, INC. FOR A RATE INCREASE.

DOCKET NO. W-03720A-08-0225

DECISION NO. _____

ORDER EXTENDING TIME
DEADLINE CONTAINED IN
DECISION NO. 70562

11 Open Meeting
12 July 18 and 19, 2012
13 Phoenix, Arizona

14 **BY THE COMMISSION:**

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

17 * * * * *

18 **FINDINGS OF FACT**

19 1. Water Utility of Northern Scottsdale, Inc. (“WUNS”) is an Arizona corporation and
20 Class D water utility providing water utility service, pursuant to a Certificate of Convenience and
21 Necessity (“CC&N”) granted by the Commission in 2000,¹ in a small CC&N service area located
22 approximately 40 miles northeast of downtown Phoenix, in Maricopa County.

23 2. WUNS’s ultimate parent company is Global Water Resources, Inc. (“Global”), which
24 is also the ultimate parent for several other regulated water utilities, such as Water Utility of Greater
25 Tonopah and Water Utility of Greater Buckeye Inc.

26 3. In Decision No. 70562 (October 23, 2008), the Commission granted WUNS a rate
27 increase and, among other things, required WUNS to file with the Commission’s Docket Control, on

28 ¹ Decision No. 62362 (March 6, 2000).

1 or before April 30, 2012, a permanent rate case application, using a test year ended December 31,
2 2011.

3 4. On April 30, 2012, WUNS filed a Motion for Extension of Time, requesting that
4 WUNS's filing deadline be extended to August 30, 2012, so that WUNS can be included in a
5 consolidated rate case with other Global operational utilities. WUNS asserted that Global's other
6 operating utilities have been working on a rate case filing, which they intend to file on or before June
7 30, 2012. WUNS states that the extension requested would allow WUNS to be included in the
8 consolidated rate case, which would be more efficient due to the common issues of the various
9 utilities. WUNS further stated that the August 30, 2012, deadline requested would provide a little
10 more time than WUNS expects to need, in case there are any unforeseen delays in filing the
11 consolidated rate application.

12 5. On June 14, 2012, the Commission's Utilities Division ("Staff") filed a Memorandum
13 stating that extending WUNS's deadline as requested would allow WUNS to be included in Global's
14 consolidated rate case filing, which WUNS asserts would be more efficient due to similar issues
15 shared amongst the Global companies. Staff stated that it does not object to WUNS's proposed
16 extension of time to file its rate case application, but also stated that WUNS "should be put on notice
17 that requests for extension of time should be filed prior to the due date with sufficient time to allow
18 the Commission to rule on the request prior to the due date." Staff also noted that WUNS is not
19 requesting to change the 2011 test year required by Decision No. 70562.

20 6. Although we agree with Staff that WUNS should have filed its Motion for Extension
21 of Time earlier than on the due date for its rate application, we also agree with WUNS that extending
22 WUNS's deadline so as to allow for contemporaneous rate case filings, and potentially
23 consolidation,² may result in greater efficiency in processing the rate cases for the Global companies.
24 Thus, we find that it is reasonable and appropriate to modify Decision No. 70562 by extending the
25 deadline for WUNS to file its general rate case application to August 30, 2012.

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28 ² WUNS stated that the Global utilities that will file will request that their filings be consolidated.

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CONCLUSIONS OF LAW

1. WUNS is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-250, 40-251, and 40-256.

2. The Commission has jurisdiction over WUNS and the subject matter of WUNS's Motion for Extension of Time.

3. Staff's recommendation to extend WUNS's filing deadline for its general rate case application, established in Decision No. 70562, is reasonable and should be followed.

ORDER

IT IS THEREFORE ORDERED that Water Utility of Northern Scottsdale, Inc. is hereby granted an extension of time, until August 30, 2012, to file with the Commission's Docket Control, as a compliance item in this docket, its general rate case application, which shall use a test year with an end date no earlier than December 31, 2011.

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IT IS FURTHER ORDERED that all other requirements of Decision No. 70562 shall remain in effect.

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 _____

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SERVICE LIST FOR:

WATER UTILITY OF NORTHERN SCOTTSDALE,
INC.

DOCKET NO.:

W-03720A-08-0225

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