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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

JUL 30 2013

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

DOCKETED BY nr

IN THE MATTER OF THE APPLICATION OF
DAIRYLAND WATER COOPERATIVE TO
CANCEL ITS CERTIFICATE OF CONVENIENCE
AND NECESSITY

DOCKET NO. W-01984A-10-0152

DECISION NO. 74008

ORDER

Open Meeting
July 17 and 18, 2013
Phoenix, Arizona

BY THE COMMISSION:

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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 April 21, 2010, Dairyland Water Cooperative ("Dairyland" or "Company") filed with the Arizona Corporation Commission ("Commission") an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide water services in Arizona.¹ Dairyland's application states that the Company is no longer in operation.

2. On July 23, 2010, the Commission's Utilities Division ("Staff") issued a Letter of Insufficiency requesting that Dairyland provide an explanation why the current owner is no longer operating the water company.

3. On June 3, 2013, Staff filed a memorandum in response to Dairyland's Request recommending approval of the application to cancel Dairyland's CC&N. Staff states that Dairyland received a CC&N in 1966, but has not had any customers in over 20 years. Further, Staff conducted a field inspection and determined that Dairyland no longer serves the CC&N area and that the Town

¹ Dairyland was granted a CC&N to provide water services in Decision No. 38420 (1966).

1 of Gilbert ("Town") is providing water services to Dairyland's service area. Staff states that the
2 Arizona Department of Environmental Quality ("ADEQ") and Maricopa County Environmental
3 Services Department ("MCESD") no longer regulate the Dairyland water system. According to Staff,
4 on September 16, 2005, MCESD issued a Notification of Deactivation of Dairyland's water system
5 as of June 30, 2005, due to the fact that Dairyland's customers had been connected to the Town's
6 water system.² Staff states that there are no outstanding customer deposits.

7 4. Based on the above factors, Staff recommends approval of Dairyland's request to
8 cancel its CC&N.

9 5. Staff's recommendation is reasonable and should be adopted.

10 **CONCLUSIONS OF LAW**

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

13 2. The Commission has jurisdiction over Dairyland and the subject matter of the
14 application to cancel the Company's CC&N.

15 3. The cancellation of Dairyland's CC&N is in the public interest.

16 4. Staff's recommendations are reasonable and should be adopted.

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28 ² Public Water System No. 07-024.

ORDER

IT IS THEREFORE ORDERED that Dairyland Water Cooperative's Certificate of Convenience and Necessity to provide water service is hereby cancelled.

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

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

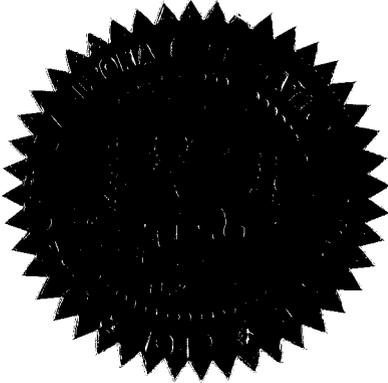
CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, 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 30th day of July 2013.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: DAIRYLAND WATER COOPERATIVE

2 DOCKET NO: W-01984A-10-0152

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