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BEFORE THE ARIZONA CORPORATION C

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

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

SEP 23 2013

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IN THE MATTER OF THE APPLICATION OF
 GREAT PRAIRIE OASIS L.L.C. DBA SUNLAND
 WATER COMPANY FOR APPROVAL OF
 FINANCING.

DOCKET NO. W-04015A-12-0050

IN THE MATTER OF THE APPLICATION OF
 GREAT PRAIRIE OASIS L.L.C. DBA SUNLAND
 WATER COMPANY FOR A RATE INCREASE.

DOCKET NO. W-04015A-12-0051

DECISION NO. 74091

**ORDER EXTENDING TIME
 DEADLINE CONTAINED IN
 DECISION NO. 73254**

Open Meeting
 September 10 and 11, 2013
 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. Great Prairie Oasis L.L.C. dba Sunland Water Company ("Sunland") is an Arizona limited liability company and Class E public service corporation providing water utility service, pursuant to a Certificate of Convenience and Necessity ("CC&N") granted by the Commission, to approximately 80 residential customers in a rural subdivision near the junction of Interstates 8 and 10, southeast of the City of Casa Grande, in Pinal County.¹

2. In Decision No. 73254 (July 30, 2012), the Commission granted Sunland a rate increase and authority to incur long-term debt in the form of a loan from the Water Infrastructure

¹ Decision No. 73254 (July 30, 2012).

1 Finance Authority of Arizona (“WIFA”) in an amount not to exceed \$122,050.² The purpose of the
2 loan was to enable Sunland to complete the facilities necessary to blend water from its existing well
3 with water from a second well, so as to bring Sunland’s water supply into compliance with the 10
4 parts per billion (“ppb”) maximum contaminant level (“MCL”) for arsenic. The Decision required,
5 among other things, that Sunland file with the Commission’s Docket Control, by April 30, 2013, as a
6 compliance item, a copy of the Arizona Department of Environmental Quality (“ADEQ”) Certificate
7 for Approval of Construction (“AOC”) for the blending system facilities. ADEQ had granted
8 Sunland a Certificate of Approval to Construct (“ATC”) for the blending system facilities on October
9 4, 2011.

10 3. On April 1, 2013, Sunland filed a “Request for 90 Day Extension from April 30, 2013
11 to July 31, 2013 for Filing the Compliance Item Pursuant to Decision No. 73254, Page 22, in
12 Particular Line 14: Copy of ADEQ Certificate of Approval of Construction for Blending System”
13 (“Request”). In its Request, Sunland explained that its WIFA loan had closed in December 2012;
14 that construction of the blending system facilities had commenced on March 1, 2013; that
15 construction was approximately 35-percent completed; and that Sunland needed an additional 90
16 days to obtain and file the AOC for the blending system facilities.

17 4. On July 12, 2013, the Commission’s Utilities Division (“Staff”) filed a Memorandum
18 stating that Staff had discussed the Request with Sunland that day and learned that Sunland had
19 experienced both general construction delays and legal delays in constructing the blending system
20 facilities. Specifically, Sunland told Staff that Sunland had had a disagreement with Kinder Morgan
21 Gas Company (“KMGC”) over Sunland’s right to construct water lines over intersecting KMGC
22 lines. Sunland also reported that additional time would be needed to allow ADEQ to issue an AOC
23 after construction was completed. Staff accepted the information as a verbal amendment to
24 Sunland’s Request and conducted its analysis assuming a December 31, 2013, filing deadline. Staff
25 recommends that the deadline for Sunland’s AOC filing be extended to December 31, 2013.

26 5. Because Sunland filed its Request prior to the due date for its AOC filing, appears to

27 ² This was Sunland’s first completed rate case since receiving its CC&N in 1969. A request for rehearing of Decision
28 No. 73254 was filed by intervenor Allen Cameron, with 21 other signatures, on August 17, 2012, but was deemed denied
by the Commission under A.R.S. § 40-253(A) after September 6, 2012.

1 have made a good faith effort to complete the construction for which the AOC would be provided,
2 and has encountered unexpected delay in completing the construction, we find that it is reasonable
3 and appropriate to modify Decision No. 73254 by extending, to December 31, 2013, the deadline for
4 Sunland to file its AOC for the blending system facilities.

5 **CONCLUSIONS OF LAW**

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

8 2. The Commission has jurisdiction over Sunland and the subject matter of Sunland's
9 Request.

10 3. Staff's recommendation to extend Sunland's filing deadline for the AOC for the
11 blending system facilities, established in Decision No. 73254, is reasonable and should be followed.

12 **ORDER**

13 IT IS THEREFORE ORDERED that Great Prairie Oasis L.L.C. dba Sunland Water Company
14 is hereby granted an extension of time, until December 31, 2013, to file with the Commission's
15 Docket Control, as a compliance item in this docket, the Approval of Construction issued by the
16 Arizona Department of Environmental Quality for the blending system facilities being constructed to
17 bring Sunland's water supply into compliance with the maximum contaminant level for arsenic.

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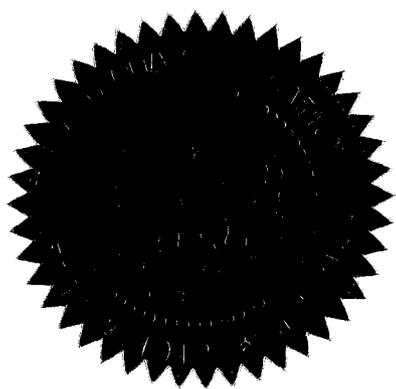
1 IT IS FURTHER ORDERED that all other requirements of Decision No. 73254 remain in
2 effect.

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

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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6
7  CHAIRMAN  COMMISSIONER

8  COMMISSIONER  COMMISSIONER  COMMISSIONER



10 IN WITNESS WHEREOF, I, JODI JERICH, Executive
11 Director of the Arizona Corporation Commission, have
12 hereunto set my hand and caused the official seal of the
13 Commission to be affixed at the Capitol, in the City of Phoenix,
14 this 23rd day of September 2013.

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16 JODI JERICH
17 EXECUTIVE DIRECTOR

18 DISSENT _____

19 DISSENT _____

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SERVICE LIST FOR:

GREAT PRAIRIE OASIS L.L.C. DBA SUNLAND
WATER COMPANY

DOCKET NOS.:

W-04015A-12-0050 and W-04015A-12-0051

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