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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission  
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IN THE MATTER OF THE APPLICATION  
OF GRANITE MOUNTAIN WATER  
COMPANY, INC. FOR APPROVAL OF A  
RATE INCREASE.

**DOCKET NO. W-02467A-09-0333**

IN THE MATTER OF THE APPLICATION  
OF GRANITE MOUNTAIN WATER  
COMPANY, INC. FOR APPROVAL OF  
FINANCINGS.

**DOCKET NO. W-02467A-09-0334**

IN THE MATTER OF THE APPLICATION  
OF GRANITE MOUNTAIN WATER  
COMPANY, INC. FOR AUTHORITY TO  
INCUR LONG-TERM DEBT.

**DOCKET NO. W-02467A-10-0483**

**REQUEST FOR EXTENSION OF  
DEADLINE**

1 Granite Mountain Water Company, Inc. ("Granite Mountain") hereby asks for an  
 2 extension of a deadline included in Decision No. 71869 and previously extended in  
 3 Decision No. 73155 in the above-captioned docket. At page 38, Decision No. 71839  
 4 ordered: "that Granite Mountain Water Company, Inc. shall, within two years after the  
 5 effective date of this decision, file with the Commission's Docket Control a permanent  
 6 rate case application." Decision No. 71839 was docketed on September 1, 2010, so the  
 7 Decision would require Granite Mountain to file a rate application by August 3, 2012.  
 8 At Page 3, Decision No. 73155 ordered: "that Granite Mountain Water company, Inc. is  
 9 hereby granted an extension of time, until September 30, 2013, to file with the  
 10 Commission's Docket Control, as a compliance item in this docket, its next permanent  
 11

1 rate case application, which shall use a test year with an end date no earlier than March  
2 31, 2013.”

3 On February 21, 2012, the Commission issued Decision No. 72896 concerning  
4 Chino Meadows Water Co, Inc. ("Chino Meadows") in Docket No. W-02370A-10-0519.  
5 At page 17, Decision No. 72896 ordered “that in order to eliminate further disputes  
6 related to cost allocations, Chino Meadows II Water Company shall file its next general  
7 rate case using the same test year as is used in the next rate case for its sister utility,  
8 Granite Mountain Water Company Inc.” Accordingly, Granite Mountain and Chino  
9 Meadows are effectively currently required to file simultaneous rate cases by September  
10 30, 2013 using a test year of March 31, 2013.

11 On September 23, 2013, a Procedural Conference was held in Docket Nos. W-  
12 02467A-09-0333, W-02467A-09-0334 and W-02467A-10-0483. During the Procedural  
13 Conference discussions were held regarding Granite Mountain’s pending financing  
14 approval request, the expected completion date for facilities to be constructed using the  
15 requested financing, and the Company’s preparedness to make the required rate case  
16 filing on by September 30, 2013.

17 After careful consideration of the matters discussed at the Procedural Conference,  
18 additional discussion with Commission Staff regarding the pending financing approval  
19 request and consultation with Mr. Ray Jones of ARICOR Water Solutions, LC.<sup>1</sup>, Granite  
20 Mountain now understands that it is not prepared to file a rate case for Granite Mountain  
21 by September 30, 2013. Furthermore, Granite Mountain now believes that due to the  
22 expected requirements related to approval of its financing request, construction of  
23 facilities being financed will not be completed until June 30, 2014.

24 Mr. Jones has advised that, if acceptable to the Commission and an extension of  
25 time is allowed, Granite Mountain consider two scenarios for filing a rate case. One  
26 scenario would utilize a December 31, 2013 test year with the facilities being constructed

27 \_\_\_\_\_  
28 <sup>1</sup> Mr. Jones was contacted on September 24, 2013 and has not previously advised or assisted Granite Mountain with preparation of the required rate case.

1 using expected WIFA financing treated as post-test year plant and appropriate capital  
2 structure adjustments being made. The second scenario would utilize a June 30, 2014  
3 test year and would not require pro forma adjustments for post-test year plant or capital  
4 structure. Mr. Jones advises that he will need to make a thorough review of Granite  
5 Mountain's books and records as well as discuss the issues with Commission Staff prior  
6 to recommending a course of action for Granite Mountain.

7 Therefore, Granite Mountain requests that the deadline contained in Decision No.  
8 71869 as previously extended in Decision No. 73155 in the above-captioned docket be  
9 extended until December 31, 2014 and that Granite Mountain be allowed to base its next  
10 permanent rate case application on a test year end date no later than June 30, 2014.

11  
12 RESPECTIVELY SUBMITTED this 30<sup>th</sup> day of September, 2013.

13  
14  
15 

16 Paul D. Levie  
17 Attorney for Granite Mountain Water  
Company, Inc.

18 Original and 13 copies filed  
19 On September 30, 2013, with

20 Docket Control  
21 Arizona Corporation Commission  
22 1200 West Washington  
Phoenix, AZ 85007

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