

ORIGINAL



0000149296

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

COMMISSIONERS
BOB STUMP- CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER-SMITH

2013 NOV -4 A 8: 27

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

NOV 04 2013

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
RANCHO SAHUARITA WATER COMPANY,
L.L.C. FOR THE TRANSFER OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO SAHUARITA WATER
COMPANY, L.L.C. AND THE EXTENSION OF
THE CERTIFICATE OF CONVENIENCE AND
NECESSITY FOR WATER SERVICE

Docket No. W-03718A-07-0687

**MOTION FOR EXTENSION
OF COMPLIANCE DATE**

Sahuarita Water Company, L.L.C. ("Sahuarita") moves to extend the compliance date initially set forth in Decision No. 70620 (November 19, 2008) and extended previously in Decision No. 73157 (May 18, 2012) to submit its Approval To Construct ("ATC") for an additional five years. This request arises from the continuing downturn in the economy, particularly regarding the real estate market that continues to delay development in Sahuarita's extended service territory. Further, Sahuarita's request is specific to the parcel regarding the Sahuarita Mission Partners, L.L.C. ("SMP") development, although it would support an extension covering the entire extended service territory originally awarded to it.

Sahuarita therefore requests that the Commission extend the deadline for filing this compliance item from November 19, 2013 to November 19, 2018. In support of its Motion, Sahuarita provides the following information:

1. In Decision No. 70620, Sahuarita received an extension to its Certificate of Convenience and Necessity ("CCN") to provide water service to three parcels owned by different entities: (1) Mission Peaks 4000, L.L.C., which was developing the Mission Peaks Master Planned Community ("Mission Peaks"); (2) SMP for its development; and (3) Arizona State Land

1 Department (“ASLD”). A condition of the approved CCN extension was for Sahuarita to submit
2 copies of the ATC from the Arizona Department of Environmental Quality (“ADEQ”) for the
3 additional facilities necessary to serve the initial subdivision in the extension area.

4 2. The 2008 economic downturn significantly impacted the timing and development
5 within Sahuarita’s extended service territory. In addition, Freeport McMoRan Copper & Gold’s
6 Sierrita Division (“Freeport”) then acquired the Mission Peaks parcel. This affected the types of
7 facilities Sahuarita planned to construct to serve the area.

8 3. On November 4, 2011, Sahuarita requested an extension to file the ATC to
9 November 19, 2013 from November 19, 2011, citing the reasons above. The Commission
10 approved Sahuarita’s request in Decision No. 73157.

11 4. The economic downturn continues to impact the timing of residential and
12 commercial development. Whatever recovery that has occurred has not restored the real estate
13 market in Sahuarita’s service territory, which has and continues to affect the planning and timing
14 for the SMP development. Further, Sahuarita understands that the ASLD parcel was sold to
15 ASARCO, L.L.C. (“ASARCO”) – and that ASARCO will relocate some of its mine tailings to that
16 parcel. This is another change that will likely affect what facilities Sahuarita will ultimately need
17 to serve the area.

18 5. Because of the current circumstances, it remains premature to engineer the
19 additional facilities that Sahuarita will need to serve the developments in the extended service
20 territory. The costs to prepare the system designs to ADEQ for approval is significant, and it is not
21 prudent to incur those engineering costs until the plans for development are known. Even so,
22 Sahuarita maintains that development will occur and that SMP has indicated that they still want
23 Sahuarita to continue to be the provider of future water service for their respective parcel.

24 6. While Sahuarita is still willing and able to provide water service to all three parcels,
25 Sahuarita has only received notification from SMP that it still plans to develop, and still requests
26 that Sahuarita be its water service provider. Attached to this request as Exhibit 1 is SMP’s
27 updated request for water service from Sahuarita. Because of these circumstances, Sahuarita’s

ROSHKA DeWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 request is specific to the SMP parcel. Even so, Sahuarita would support an extension covering the
2 entire extended service territory awarded to it in Decision No. 70620 and as extended in Decision
3 No. 73157.

4 7. Further, Sahuarita has complied with all other conditions of Decision No. 70620 –
5 including filing its Modification of Designation of Assured Water Supply (“DAWS”) on May 19,
6 2009.

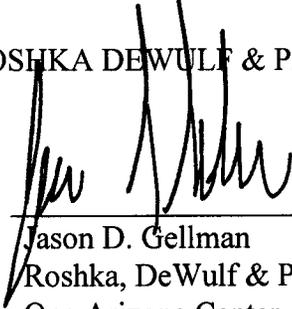
7 8. Given the uncertainties regarding when the real estate market may be restored in
8 this area, Sahuarita believes a five-year extension to November 19, 2018 is reasonable. Sahuarita
9 believes it is compliant with all other Commission orders and regulations.

10 9. Thus, Sahuarita believes granting its Motion is reasonable and appropriate, and
11 consistent with the public interest.

12 WHEREFORE, Sahuarita requests that the Commission grant its request to extend the
13 compliance date for filing its ATC from ADEQ for the necessary water facilities, as amended in
14 Decision No. 73157, until November 19, 2018.

15 RESPECTFULLY submitted this 4th day of November 2013.

16 ROSHKA DEWULF & PATTEN, PLC

17
18 By 

19 Jason D. Gellman
20 Roshka, DeWulf & Patten, PLC
21 One Arizona Center
22 400 East Van Buren Street, Suite 800
23 Phoenix, Arizona 85004

24 Attorney for Sahuarita Water Company, L.L.C.

25 Original and 13 copies of the foregoing
26 filed this 4th day of November, 2013, with:

27 Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Copy of the foregoing hand-delivered/mailed
this 4th day of November, 2013 to:

2
3 Belinda A. Martin, Esq.
4 Administrative Law Judge
5 Hearing Division
6 Arizona Corporation Commission
7 400 West Congress Street, Suite 221
8 Tucson, Arizona 85701

9
10 Janice M. Alward, Esq.
11 Chief Counsel, Legal Division
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15
16 Steve Olea
17 Director, Utilities Division
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, Arizona 85007

21
22 Brian Bozzo
23 Utilities Division
24 Arizona Corporation Commission
25 1200 West Washington Street
26 Phoenix, Arizona 85007

27
By *Rebekah Amador*

Exhibit

"1"



October 30, 2013

Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

RE: Motion for Extension of compliance – Filing Deadline
Sahuarita Water Company

To Whom It May Concern:

Sahuarita Mission Partners, L.L.C. (“Sahuarita Mission”) intends to cause or facilitate the development of approximately 3,000 single family residential units on approximately 471 acres of land which Sahuarita Mission owns in an unincorporated area of Pima County, Arizona, northwest of the Town of Sahuarita that Sahuarita Water Company, L.L.C. (“Sahuarita Water”) has agreed to serve.

We understand that Sahuarita Water’s ability to eventually serve our property is subject to a November 19, 2013 deadline to provide the Arizona Corporation Commission with “Approvals to Construct” water infrastructure in accordance with Docket W-03718A-0687 (the “Decision”).

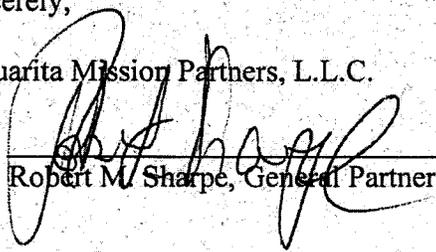
In light of development delays induced by the nationwide recession that we have experienced and changes in ownership and land use to a neighboring parcel that is also subject to the Decision, we support Sahuarita Water’s request to extend the Filing Deadline as described in the Motion to which this letter is attached.

Please feel free to contact me with any questions or thoughts that you may have on this matter.

Sincerely,

Sahuarita Mission Partners, L.L.C.

By:


Robert M. Sharpe, General Partner