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BEFORE THE ARIZONA CORPORATI

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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

IN THE MATTER OF THE APPLICATION) DOCKET NO. WS-20432A-05-0874
 OF WILLOW SPRINGS UTILITIES, L.L.C.,)
 FOR A CERTIFICATE OF CONVENIENCE) MOTION FOR FURTHER
 AND NECESSITY TO PROVIDE WATER) EXTENSION OF COMPLIANCE
 AND WASTEWATER SERVICE IN PINAL) FILING DEADLINE DATE
 COUNTY, ARIZONA)

I.

INTRODUCTION

Pursuant to A.A.C. R14-3-106, Willow Springs Utilities, L.L.C. ("Company") submits this Motion for Further Extension of Compliance Filing Deadline Date ("Motion") for an extension of the time period within which to submit an Approval of Construction ("AOC") for the Phase I water service/treatment and distribution facilities for the Willow Springs ("WSP") master-planned community. In support of its Motion, the Company submits the following information.

II.

DISCUSSION

On September 21, 2006, the Commission issued its Decision No. 68963 granting the Company a Certificate of Convenience and Necessity ("CC&N") to provide water and wastewater service to WSP. As noted in a December 18, 2013 letter from Willow Springs Properties ("Developer"), WSP is a 4,600 master-planned community in a rural portion of Pinal County, Arizona, located near Oracle, Arizona, and approximately 30 miles north of Tucson, Arizona. A copy of that letter is attached hereto as Appendix "A"

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1 and is incorporated herein by this reference.

2 Like numerous proposed master-planned communities in Arizona, the WSP
3 project was substantially and adversely impacted by the financial crisis of 2008 and the
4 subsequent recession. While the housing market and homebuilding industry have begun
5 to experience some recovery in the metropolitan urban areas of the state, that recovery
6 has not as yet materially benefitted rural areas such as WSP. However, despite these
7 adverse circumstances, the Developer has continued to do that which is economically
8 feasible to continue to move the WSP project forward; and, the Company similarly has
9 endeavored to satisfy each of the compliance conditions set forth in Decision No. 68963.¹

10 As of this juncture, only one (1) compliance condition remains to be satisfied from
11 Decision No. 68963, and that condition is submission of the AOC for the Phase I water
12 service/treatment and distribution system for the WSP project. Due to the
13 aforementioned lingering adverse effects from the 2008 financial crisis and subsequent
14 recession, the Developer and the Company have not begun construction on those
15 facilities. However, as indicated in the aforementioned Developer's December 18, 2013
16 letter to the Commission, the Developer remains committed to the WSP project, and
17 continues to desire that the Company be the provider of water and wastewater service to
18 the same.² In that regard, the Managing Member of the Developer is Lennar Arizona,
19 Inc., a highly regarded homebuilder with an impressive track record of success in
20 Arizona.

21 _____
22
23 ¹ Thus far, the Company has submitted copies of the following documents to the Commission, each of which was a
24 compliance condition in Decision No. 68963: (i) Designation of Certificate of Assured Water Supply from Arizona
25 Department of Water Resources; (ii) Approval to Construct Phase I water service/treatment and distribution system
26 facilities from Arizona Department of Environmental Quality ("ADEQ"); (iii) Arizona Pollutant Discharge and
27 Elimination System permit from ADEQ; and (iv) Aquifer Protection Permit from ADEQ.

28 In its Decision Nos. 70647 and 72011, the Commission granted previous requests of the Company that the
deadline(s) for satisfying the various compliance conditions specified in Decision No. 68963 be extended. In that
regard, the Company again wishes to express its appreciation for the Commission's past understanding of the
circumstances surrounding the Company's ability to comply.

² Illustrative of such commitment are the millions of dollars already expended in furtherance of the WSP project and
on the Company in preparation for its provision of water and wastewater service, as discussed in Appendix "A"
hereto.

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III.

CONCLUSION

WHEREFORE, based on the preceding discussion, the Company respectfully requests that the Commission issue an appropriate form of order extending the deadline for filing the AOC for the Phase I water service/treatment and distribution facilities for the WSP project from December 31, 2013 to December 31, 2016.

Dated this 26th of December 2013.

Respectfully submitted,



Lawrence V. Robertson, Jr.
Attorney for Willow Springs Utilities,
L.L.C.

The original and thirteen (13) copies of the foregoing Motion will be filed this 26th day of December 2013 with:

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

A copy of the foregoing Motion will be emailed or mailed this same date to:

Lyn A. Farmer,
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Steve Olea, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

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Brian Bozzo, Manager
Compliance Section
Utilities Division
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Appendix “A”

**Willow Springs Utilities, L.L.C.
Docket No. WS-20432A-05-0874
December 26, 2013**

Willow Springs

December 18, 2013

Arizona Corporation Commission
Docket Control
1200 W. Washington
Phoenix, AZ 85007

Re: Willow Springs Utilities, L.L.C.
Docket No. WS-20432A-05-0874
Forthcoming Motion for Further Extension of Compliance Filing Deadline Date

To Whom It May Concern:

Willow Springs Properties ("WSP") is the sole developer of the 4,600 acre Master Planned Community known as Willow Springs in Pinal County, Arizona.

Willow Springs Utilities, L.L.C. ("WSU") obtained its CC&N to provide water and wastewater service to the Willow Springs project on September 21, 2006. In that decision, the Commission specified certain filing requirements as compliance conditions to its granting of the CC&N, and prescribed various filing due dates in connection with each compliance condition. WSU thereafter was able to complete certain compliance filings as due. However, it became necessary to request extension(s) of other filing due dates.

The Commission has previously granted two extensions: one in December 2008 under Docket Number WS-20432A-05-0874 and Decision Number 70647; and the second in November 2010 under Docket Number WS-20432A-05-0874 and Decision Number 72011. In that regard, Decision Number 72011 provided that the new due dates for satisfying the remaining two compliance conditions were as follows:

1. APP - December 31, 2011; and
2. AOC for Phase I water service/treatment and distribution system - December 31, 2013

WSU did receive approval of the above APP on March 15, 2011. Proof of such compliance was filed with the Commission in January 2012. Currently WSU has yet to commence construction of the Phase I water service/treatment and distribution system facilities for the Willow Springs project, and has no current firm projections as to when this may occur.

Willow Springs Properties, LLC
3275 West Ina Road, Suite 275 • Tucson, Arizona 85741

Willow Springs

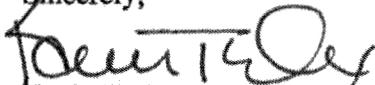
At this time, and by means of a Motion to which this letter is to be appended, WSU will be requesting that the Commission grant WSU a further extension of the compliance filing deadline for the following remaining compliance condition:

1. The AOC for the Phase I water service/treatment and distribution system from December 31, 2013 to December 31, 2016.

WSP has a sizable investment (in terms of millions of dollars) in the Willow Springs project of which WSU's CC&N is a critical component. WSP has invested approximately \$1.3 Million Dollars to date towards enabling WSU to be in position to provide the needed water and wastewater service at a future date. We understand that the Commission wants to be diligent in granting extensions, so in connection with its consideration of the aforesaid Motion to be filed by WSU, we ask that the Commission consider the time, money and effort WSP has invested to date in the Willow Springs project as a whole and WSU itself. In that regard, although there has been some marginal improvement in the overall economy and the housing market, this improvement has not been significant enough to date to allow WSP to commence construction of the Phase I water service/treatment and distribution facilities thus far. Our hopes are that the housing market will continue to improve to such a level as to allow us to bring this project to fruition in the not too distant future.

In closing, we ask that the Commission favorably consider WSU's request and approve the aforementioned extension for the remaining compliance condition. Thank you for your consideration in this matter.

Sincerely,



Kevin Tarbox

Managing Member

Willow Springs Properties

Willow Springs Properties, LLC
3275 West Ina Road, Suite 275 • Tucson, Arizona 85741
