

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
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Arizona Corporation Commission

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IN THE MATTER OF THE
APPLICATION OF FARMERS WATER
CO. FOR AN EXTENSION OF ITS
EXISTING CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
WATER SERVICE.

DOCKET NO. W-01654A-14-0034 -

APPLICATION FOR AUTHORITY
TO ABANDON A PORTION OF
FARMERS WATER CO.'S CC&N
APPROVED IN DECISION NO.
70462

Applicant, Farmers Water Co., ("Farmers Water" or the "Company") hereby applies, pursuant to Arizona Administrative Code Rule R-14-2-402D, for an Order of the Arizona Corporation Commission ("Commission") approving the abandonment of that portion of Farmers Water's CC&N approved in Decision No. 70462 (August 2008) ("Extension Area"). Currently Farmers Water has no customers or infrastructure in the Extension Area and no longer has any pending or anticipated requests for service for the Extension Area.

I. BACKGROUND

On October 18, 2007, the Company filed an Application to extend its CC&N to extend its provision of water service an unincorporated portion of Pima County, Arizona (the legal description of the Extension Area is attached hereto as **Exhibit A**). At that time, the Company received a request for water service in the Extension Area from Canoa Preserve Partners II, LLC, for approximately 650 acres. The area sought to be included in the Extension Area comprised of approximately one square mile and was contiguous to the Company's certificated area. The estimated starting date for the construction of the

1 development was early 2009.

2 **II. DECISION NO. 70462**

3 On August 6, 2008, the Commission issued Decision No. 70462 approving the
4 Company's Application, subject to the conditions and requirements set forth therein.
5 Specifically, the Company was required to file with Docket Control within two years of
6 the effective date of the Decision, a copy of the ADEQ approval to construct the facilities
7 needed to serve the Canoa Preserve II development as well as a copy of the developer's
8 Certificate of Assured Water Supply for that development.

9 Subsequent to Commission approval, a change in circumstance occurred in which a
10 severe economic recession affected the real estate development and homebuilding
11 industries in Southern Arizona, including the Canoa Preserve II development. The
12 dramatic decline in new home construction which began in 2008 had continued in the
13 Company's service area and surrounding areas thereby causing Canoa Preserve Partners
14 II, LLC to abandon the development, resulting in the properties intended to be used for
15 such development to be foreclosed upon by the previous owner. Currently the property is
16 being used for ranching and no request for service is expected within the foreseeable
17 future.

18 Given there is no foreseeable need for service in the Extension Area, the Company
19 would be unable to comply with the conditions set forth in Decision No. 70462. As a
20 result, the Company hereby requests the Commission provide authority for the Company
21 to abandon and cancel its CC&N in the Extension Area previously approved by Decision
22 No. 70462.

23 **III. RELIEF REQUESTED**

24 Farmers Water Co. respectfully requests that the Commission:

25 A. Approve the cancellation and extinguishment of the Certificate of
26 Convenience and Necessity for Farmers Water Co. as depicted in Attachment A, as

1 approved in Decision No. 70462.

2 B. Grant such further relief as may be appropriate in the circumstances.

3

4 RESPECTFULLY SUBMITTED this 4th day of February, 2014.

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MUNGER CHADWICK, P.L.C.

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12 ORIGINAL and thirteen (13) copies
filed this 4th day of February, 2014, with:

13

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

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16 COPY of the foregoing hand-delivered
this 4th day of February, 2014, to:

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Janice Alward
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Steven M. Olea, Director
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

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By 

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Exhibit A

EXHIBIT "A"

- FARMERS WATER COMPANY -
DOCKET NO. W-01654A-07-0603
SECOND AMENDED LEGAL DESCRIPTION

CANOA PRESERVE II

A PORTION OF SECTIONS 35 AND 36, TOWNSHIP 18 SOUTH, RANGE 13 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 36;

THENCE S 02° 16' 04" E ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 2457.63 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 36;

THENCE S 00° 06' 37" W ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 2084.55 FEET TO A POINT LYING 552.36 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 36;

THENCE S 89° 00' 13" W A DISTANCE OF 552.35 FEET;

THENCE S 00° 06' 37" W A DISTANCE OF 552.35 FEET TO A POINT LYING ON THE SOUTH LINE OF SAID SOUTHEAST QUARTER, SAID POINT LYING S 89° 00' 13" W A DISTANCE OF 552.35 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 36;

THENCE S 89° 00' 13" W ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2108.21 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 36;

THENCE N 89° 57' 08" W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36, A DISTANCE OF 2636.41 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 36, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF SAID SECTION 35;

THENCE S 89° 56' 05" W ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 35, A DISTANCE OF 1180.47 FEET TO THE CLOSING CORNER OF SAID SECTION 35 AND SECTION 2, TOWNSHIP 19 SOUTH, RANGE 13 EAST, SAID CLOSING CORNER ALSO LYING ON THE EAST LINE OF THE NORTH HALF OF THE SAN IGNACIO DE LA CANOA PRIVATE LAND GRANT AS MADE BY THE UNITED STATES SURVEYOR GENERAL ON MARCH 10, 1901;

THENCE N 23° 02' 50" E ALONG THE EAST LINE OF SAID LA CANOA LAND GRANT, A DISTANCE OF 2500.57 FEET TO A POINT BEING THE "20 ½ MILE MONUMENT";

THENCE N 22° 55' 22" E ALONG SAID EAST LINE, A DISTANCE OF 510.11 FEET TO THE CLOSING CORNER OF SECTIONS 35 AND 36, TOWNSHIP 18 SOUTH, RANGE 13 EAST;

THENCE N 23° 02' 04" E ALONG SAID EAST LINE, A DISTANCE OF 2216.55 FEET TO A POINT BEING THE "21 MILE MONUMENT";

THENCE N 22° 58' 35" E, A DISTANCE OF 517.92 FEET TO THE CLOSING CORNER OF SECTIONS 25 AND 36, TOWNSHIP 18 SOUTH, RANGE 13 EAST;

THENCE S 89° 49' 59" E ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36, A DISTANCE OF 1560.73 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 36;

THENCE S 86° 47' 21" E ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 36, A DISTANCE OF 2580.18 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 27,619,839 SQUARE FEET OR 634.06 ACRES, MORE OR LESS.

ALONG WITH A 7 ACRE PARCEL OF LAND FOR SANTA RITA RANCH LLC DESCRIBED AS FOLLOWS:

THE SOUTH 552.35 FEET OF THE EAST 552.35 FEET OF SECTION 36, TOWNSHIP 18 SOUTH, RANGE 13 EAST.

EXHIBIT "A"

DECISION NO. 70462