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MEMORANDUM

TO: Docket Control

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FROM: Steven M. Olea
Director
Utilities Division

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

JUN 06 2014

DATE: June 6, 2014

ORIGINAL

DOCKETED BY

RE: HASSAYAMPA UTILITIES COMPANY, INC. MOTION FOR EXTENSION OF COMPLIANCE FILING DATES (DOCKET NO. SW-20422A-05-0659)

In Decision No. 68922, dated August 29, 2006, the Arizona Corporation Commission (“A.C.C.” or “Commission”) approved the application of Hassayampa Utilities Company, Inc. (“HUC” or “Company”) for a certificate of Convenience and Necessity (“CC&N”) to provide wastewater utility service in Arizona. As part of Decision No. 68922 and, most recently Decision No. 72293, the Commission ordered HUC to docket the following Compliance items:

| Item | Compliance Item Description |
|------|---|
| a) | ATC for Phase I Wastewater Treatment Facility |
| b) | ATC for Phase I Collection System |
| c) | AOC for Phase I Wastewater Treatment Facility |
| d) | AOC for Phase I Collection System |

On December 31, 2013, HUC filed a “Motion For Extension of Time” for the Approvals of Construction (“AOC”) shown above. On February 12, 2013, HUC had filed a similar motion for extension of time on the Approvals to Construct (“ATC”) shown above. The applications discuss the “significant impact” the 2008 economic downturn had on the west valley region and that many projects were delayed.

Staff contacted Mr. Timothy Sabo, Attorney for HUC to discuss the request for extensions of time. Mr. Sabo referred to the above compliance filings and explained that the Company seeks an extension of time for both the ATC and the AOC on individual projects. He outlined that the updated request for service letters that had been pending were finally docketed on April 3, 2014.

Finally, Mr. Sabo added that the Company seeks the same extension deadlines for the ATC and the AOC (December 15, 2016) rather than having the ATC deadlines set a year prior to the AOC deadlines. Based on this, HUC's request for extensions of time with the Company proposed extension dates are as follows:

| Item | Compliance Item Description | Current Deadline (Dec. No. 72293) | Proposed HUC Extension Request |
|-------------|---|--|---------------------------------------|
| a) | ATC for Phase I Wastewater Treatment Facility | December 31, 2012 | December 15, 2016 |
| b) | ATC for Phase I Collection System | December 31, 2012 | December 15, 2016 |
| c) | AOC for Phase I Wastewater Treatment Facility | December 31, 2013 | December 15, 2016 |
| d) | AOC for Phase I Collection System | December 31, 2013 | December 15, 2016 |

Staff notes that the AOC application was made on the day of the existing due date and that the ATC application was made more than five weeks after the existing due date. Staff therefore recommends that the Company be advised to file requests for extensions of time (if it is allowed to do so in the future) at least 90 days prior to the existing due date.

Staff does not object to the requested extensions of time to the deadlines of the ATC and AOC requirements and therefore recommends that the deadlines for the above ATC and AOC compliance items be extended until December 15, 2016. However, Staff recommends that no further extensions be granted in this matter, especially if the extension application is filed after the due date of the compliance requirement.

SMO:BKB:vsc

Originator: Brian K. Bozzo

SERVICE LIST FOR: HASSAYAMPA UTILITIES COMPANY, INC.
DOCKET NO. SW-20422A-05-0659

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