

JIM IRVIN
COMMISSIONER - CHAIRMAN
RENZ D. JENNINGS
COMMISSIONER
CARL J. KUNASEK
COMMISSIONER



ARIZONA CORPOR



0000156923

JACK ROSE
EXECUTIVE SECRETARY

DATE: MARCH 17, 1998

DOCKET NO: W-02450A-97-0312

TO ALL PARTIES:

Enclosed please find the recommendation of Hearing Officer Marc Stern. The recommendation has been filed in the form of an Opinion and Order on:

WATER UTILITY OF GREATER TONOPAH, INC.
(CC&N EXTENSION)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Hearing Officer by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

MARCH 26, 1998

The enclosed is NOT an order of the Commission, but a recommendation of the Hearing Officer to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

APRIL 6, 1998 and APRIL 7, 1998

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250.


JACK ROSE
EXECUTIVE SECRETARY

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 JIM IRVIN
3 COMMISSIONER - CHAIRMAN
4 RENZ D. JENNINGS
5 COMMISSIONER
6 CARL J. KUNASEK
7 COMMISSIONER

8 IN THE MATTER OF THE APPLICATION OF)
9 WATER UTILITY OF GREATER TONOPAH,)
10 INC. FOR AN EXTENSION TO ITS EXISTING)
11 CERTIFICATE OF CONVENIENCE AND)
12 NECESSITY.)
13 _____)

DOCKET NO. W-02450A-97-0312

14 DECISION NO. _____

15 **OPINION AND ORDER**

16 DATE OF HEARING: February 23, 1998

17 PLACE OF HEARING: Phoenix, Arizona

18 PRESIDING OFFICER: Marc E. Stern

19 APPEARANCES: Mr. J. John Mihlik, President, on behalf of Water Utility of
20 Greater Tonopah, Inc.; and

21 Mr. Peter Breen, Staff Attorney, Legal Division, on behalf of the
22 Utilities Division of the Arizona Corporation Commission.

23 **BY THE COMMISSION:**

24 On June 26, 1997, Water Utility of Greater Tonopah, Inc. ("Applicant") filed with the Arizona
25 Corporation Commission ("Commission") an application for an extension of its Certificate of
26 Convenience and Necessity ("Certificate") to provide water utility service in Maricopa County, Arizona.

27 On January 9, 1998, the Commission's Utilities Division ("Staff") filed its Staff Report.

28 On January 15, 1998, the Commission issued a Procedural Order setting the hearing. On February
29 23, 1998, a full public hearing was held before a duly authorized Hearing Officer of the Commission at
30 its offices in Phoenix, Arizona. Applicant and Staff appeared and presented evidence. At the conclusion
31 of the hearing, the matter was taken under advisement pending submission of a Recommended Opinion
32 and Order to the Commission.

33 * * * * *

34 Having considered the entire record herein and being fully advised in the premises, the
35 Commission finds, concludes, and orders that:

36 ...

FINDINGS OF FACT

1
2 1. Applicant is an Arizona corporation engaged in providing water utility service to 78
3 customers by means of seven systems located between 25 and 50 miles west of Phoenix near Tonopah,
4 Maricopa County, Arizona.

5 2. On June 26, 1997, Applicant filed with the Commission an application for an extension
6 of its existing Certificate to include approximately 250 more acres (the "extension area") which is more
7 fully described in Exhibit A, attached hereto and incorporated herein by reference.

8 3. Applicant has received a request for water service from a developer who plans to
9 subdivide the extension area into 201 residential lots.

10 4. There are no other providers to provide water service in the area sought to be certificated
11 herein.

12 5. On January 9, 1998, Staff filed its Staff Report, which recommended approval of the
13 application.

14 6. Applicant provided notice of the hearing on the application to its customers and to the
15 landowner of the extension area in the manner prescribed in the Commission's Procedural Order of
16 January 15, 1998.

17 7. Construction of the facilities to serve the extension area will be financed through a main
18 extension agreement.

19 8. Applicant has not obtained a copy of the developer's Certificate of Approval to Construct
20 ("CAC") which will be issued by the Arizona Department of Environmental Quality ("ADEQ"), but
21 Applicant will be required to file a copy of the CAC when it requests the Commission's approval of the
22 main extension agreement.

23 9. The developer of the area has not yet received its Certificate of Assured Water Supply
24 ("CAWS") from the Arizona Department of Water Resources ("ADWR").

25 10. Applicant has not obtained a Maricopa County Franchise for the extension area, but will
26 do so in the near future.

27 11. Applicant is current on its filings with the Commission, the payment of its taxes and is
28 in compliance with ADEQ requirements with regard to meeting the requirements of the Safe Drinking

1 Water Act.

2 12. Staff is also recommending and that: Applicant file, within 365 days of the effective date
3 of this Decision, a copy of its Maricopa County Franchise for the area described in Exhibit A and a copy
4 of the developer's CAWS issued by ADWR; and Applicant charge it existing rates and charges in the
5 extension area until further Order of the Commission.

6 **CONCLUSIONS OF LAW**

7 1. Applicant is a public service corporation within the meaning of Article XV of the Arizona
8 Constitution and A.R.S. §§ 40-281 and 40-282.

9 2. The Commission has jurisdiction over Applicant and of the subject matter of the
10 application.

11 3. Notice of the hearing was given in accordance with the law.

12 4. Applicant is a fit and proper entity to receive an amended Certificate which encompasses
13 the area described in Exhibit A.

14 5. The public convenience and necessity require the extension of Applicant's Certificate to
15 include the extension area.

16 6. The Staff recommendations, as set forth in Findings of Fact No. 11, should be adopted.

17 **ORDER**

18 IT IS THEREFORE ORDERED that the application of Water Utility of Greater Tonopah, Inc.
19 for an extension of its Certificate of Convenience and Necessity for the operation of a water utility in the
20 area more fully described in Exhibit A be, and is hereby granted; provided, that within one year of the
21 effective date of this Decision, Water Utility of Greater Tonopah, Inc. files a copy of the developer's
22 Certificate of an Assured Water Supply issued by the Arizona Department of Water Resources and a copy
23 of its Maricopa County Franchise for the area described in Exhibit A.

24 IT IS FURTHER ORDERED that in the event that Water Utility of Greater Tonopah, Inc. does
25 not timely file copies of the Certificate of an Assured Water Supply and the Maricopa County Franchise,
26 then the extension of its Certificate of Convenience and Necessity shall be deemed to be denied without
27 further Order of the Arizona Corporation Commission.

28 ...

1 IT IS FURTHER ORDERED that Water Utility of Greater Tonopah, Inc. shall charge its existing
2 rates and charges in the extension area until further Order of the Commission.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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8 _____
COMMISSIONER - CHAIRMAN COMMISSIONER COMMISSIONER

9 IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona
10 Corporation Commission, have hereunto set my hand and caused the official seal
11 of the Commission to be affixed at the Capitol, in the City of Phoenix, this
_____ day of _____, 1998.

12 _____
13 JACK ROSE
EXECUTIVE SECRETARY

14 DISSENT _____
15 MES:dap

1 SERVICE LIST FOR: WATER UTILITY OF GREATER TONOPAH,
INC.

2 DOCKET NO.: W-02450A-97-0312

3
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EXHIBIT A

The East Half of Section Thirteen (13), Township One (1) North, Range Six (6) West of the Gila and Salt River Base and Meridian, except the West Half of the North West Quarter of the Northeast Quarter of Section 13 and; except the Southeast Quarter of the Southeast Quarter of said Section 13.

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