

OPEN MEETING



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MEMORANDUM

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Arizona Corporation Commission

TO: THE COMMISSION **DOCKETED** 2014 NOV 25 P 3: 58

FROM: Utilities Division NOV 25 2014 AZ CORP COMMISSION
DOCKET CONTROL

DATE: November 25, 2014 **DOCKETED BY** 

RE: 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 EXTENSION OF THE CERTIFICATE OF CONVENIENCE AND NECESSITY FOR WATER SERVICE. (W-03718A-07-0687)

SUBJECT: ELIMINATION OF ADDITIONAL BMP REQUIREMENT PER §A.R.S. 40-252

On November 19, 2008, the Arizona Corporation Commission ("Commission") issued Decision No. 70620, which ordered Sahuarita Water Company ("SWC" or "Company") to implement at least five more Best Management Practices ("BMP"), as outlined in the Arizona Department of Water Resources ("ADWR") Modified Non-Per Capita Conservation Program ("NMPCCP"), than would otherwise be required by ADWR for a water company of its customer size by December 31, 2009; and to submit those BMPs to Docket Control within thirty days of implementation.

On December 9, 2009, in compliance with Decision No. 70620, SWC filed ten BMP tariffs and a Public Education Program tariff.

On October 22, 2014, SWC filed a motion to amend Decision No. 70620 to eliminate the additional BMP requirement, pursuant to Arizona Revised Statute ("A.R.S.") §40-252.

SWC indicates that its request to eliminate its BMP tariffs requirements is due to the additional BMP tariffs imposing unnecessary costs and work load which outweigh any benefits gained.

SWC states that it currently holds a Designation of Assured Water Supply ("DAWS") from ADWR and is a provider in the Tucson Active Management Area ("AMA") and is subject to the groundwater management act enforced by ADWR.

SWC states that it participates in the Gallons-Per-Capita-Per-Day ("GPCD") program and is in compliance with the management plan for the Tucson AMA. The Company further states that it is a member service area of the Central Arizona Groundwater Replenishment District ("CAGR").

ORIGINAL

THE COMMISSION

November 26, 2014

Page 2

On November 5, 2014, the Commission considered SWC's motion to amend Decision No. 70620 in a Commission Staff Open Meeting, with notice and opportunity to be heard. No parties to this matter objected to the grant of SWC's request.

Staff recommends that the Commission approve SWC's motion to amend Decision No. 70620 pursuant to A.R.S. §40-252 and eliminate the Company's requirement to implement five additional BMP tariffs.

Staff further recommends that within thirty (30) days of this decision, Sahuarita Water shall file with Docket Control a copy of the Best Management Practice tariffs that will remain in effect pursuant to Arizona Department of Water Resources requirements.

Staff further recommends that all other provisions set forth in Decision No. 70620 remain in full force and effect.



Steven M. Olea
Director
Utilities Division

SMO:GO:sms:RRM

ORIGINATOR: Guadalupe Ortiz

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 BOB STUMP

Chairman

3 GARY PIERCE

Commissioner

4 BRENDA BURNS

Commissioner

5 BOB BURNS

Commissioner

6 SUSAN BITTER SMITH

Commissioner

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8 IN THE MATTER OF THE APPLICATION
9 OF RANCHO SAHUARITA WATER
10 COMPANY, L.L.C. FOR THE TRANSFER
11 OF ITS CERTIFICATE OF CONVENIENCE
12 AND NECESSITY TO SAHUARITA
13 WATER COMPANY, L.L.C. AND
14 EXTENSION OF THE CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
WATER SERVICE.—RE ELIMINATION OF
ADDITIONAL BMP REQUIREMENT PER
A.R.S. § 40-252

DOCKET NO. W-03718A-07-0687

DECISION NO. _____

ORDER

15 Open Meeting
16 December 11 and 12, 2014
17 Phoenix, Arizona

17 **BY THE COMMISSION:**

18 Having considered the matter and voting to reopen Decision No. 70620 (issued November 19,
19 2008) pursuant to Arizona Revised Statute (“A.R.S.”) §40-252, the Arizona Corporation Commission
20 (“Commission”) finds, concludes, and orders that:

21 **FINDINGS OF FACT**

22 1. On November 19, 2008, the Commission issued Decision No. 70620 which ordered
23 Sahuarita Water Company (“SWC” or “Company”) to implement by December 31, 2009, at least five
24 more Best Management Practices (“BMP”), as outlined in the Arizona Department of Water
25 Resources (“ADWR”) Modified Non-Per Capita Conservation Program (“NMPCCP”), than would
26 otherwise be required by ADWR for a water company of its customer size and to submit those BMPs
27 to Docket Control within thirty days of implementation.

28 ...

1 2. On December 9, 2009, in compliance with Decision No. 70620 SWC filed ten BMP
2 tariffs and a Public Education Program tariff.

3 3. On October 22, 2014, SWC filed a motion to amend Decision No. 70620 to eliminate
4 its additional BMP requirement, pursuant to A.R.S. §40-252.

5 4. SWC indicates that its request to eliminate its BMP tariff requirements is due to the
6 additional BMP tariffs imposing unnecessary costs and work load which outweigh any benefits gained.

7 5. SWC states that it currently holds a Designation of Assured Water Supply ("DAWS")
8 from ADWR and is a provider in the Tucson Active Management Area ("AMA") and is subject to the
9 groundwater management act enforced by ADWR.

10 6. SWC states that the Company participates in the Gallons-Per-Capita-Per-Day
11 ("GPCD") program and is in compliance with the management plan for the Tucson AMA. The
12 Company further states that it is a member service area of the Central Arizona Groundwater
13 Replenishment District ("CAGRDR").

14 7. On November 5, 2014, the Commission considered SWC's motion to amend Decision
15 No. 70620 in a Commission Staff Open Meeting, with notice and opportunity to be heard. No party
16 to this matter objected the grant of SWC's request.

17 8. Staff recommends that the Commission approve SWC's motion to amend Decision
18 No. 70620 pursuant to A.R.S. §40-252 and eliminate the Company's requirement to implement five
19 additional BMP tariffs.

20 9. Staff further recommends that all other matters set forth in Decision No. 70620
21 continue to be in full force and effect except where inconsistent with this Decision.

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CONCLUSIONS OF LAW

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2 1. Sahuarita Water Company is a public service corporation within the meaning of Article
3 XV of the Arizona Constitution and A.R.S. §40-250, 40-251, 40-281 and 40-282.

4 2. The Commission has jurisdiction over Sahuarita Water Company and over the subject
5 matter herein pursuant to Article XV of the Arizona Constitution and A.R.S. §40-252.

6 3. Pursuant to A.R.S. §40-252, the Commission having reviewed Sahuarita Water
7 Company's motion concludes that it is in the public interest to approve modifications to Decision No.
8 70620, as discussed herein.

ORDER

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10 IT IS THEREFORE ORDERED that Decision No. 70620 is hereby amended to eliminate
11 Sahuarita Water Company's requirement to implement five more Best Management Practice tariffs, as
12 outlined in the Arizona Department of Water Resources Modified Non-Per Capita Conservation
13 Program, than would otherwise be required for a water company of its customer size.

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1 IT IS FURTHER ORDERED that within thirty (30) days of this decision, Sahuarita Water
2 shall file with Docket Control a copy of the Best Management Practice tariffs that will remain in effect
3 pursuant to Arizona Department of Water Resources requirements.

4 IT IS FURTHER ORDERED that all other provisions set forth in Decision No. 70620
5 continue to be in full force and effect.

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

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8 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSIO**

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CHAIRMAN

COMMISSIONER

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COMMISSIONER

COMMISSIONER

COMMISSIONER

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IN WITNESS WHEREOF, I, JODI JERICH, Executive
Director of the Arizona Corporation Commission, have
hereunto, set my hand and caused the official seal of this
Commission to be affixed at the Capitol, in the City of
Phoenix, this _____ day of _____, 2014.

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JODI JERICH
EXECUTIVE DIRECTOR

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DISSENT: _____

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DISSENT: _____

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SMO:GO:sms/RRM

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1 SERVICE LIST FOR: Sahuarita Water Company
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8 Arizona Corporation Commission
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