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MEMORANDUM

TO: Docket Control Center

FROM: Steven M. Olea
Director
Utilities Division

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AZ CORP COMMISSION
DOCKET CONTROL

2015 JAN 20 PM 1 07

DATE: January 20, 2015

ORIGINAL

RE: NEW RIVER UTILITY COMPANY - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINE (DOCKET NO. W-01737A-12-0478)

In Decision No. 74294, dated January 29, 2014, the Arizona Corporation Commission ("Commission") approved the application of New River Water Company ("New River" or "Company") for an increase in its water rates and charges.

As part of Decision No. 74294, the Commission ordered that the Company provide the following by June 2, 2014:

"... Documentation obtained from ACAI establishing that the recoating work for New River Utility Company's storage tank built in 1997 has been completed and showing the final invoiced amount for that work."

On June 27, 2014, New River docketed a new filing seeking an extension of time until June 2, 2015, for the provision of the above compliance item. The current application for extension of time outlined that the Company incurred a total of \$158,482 in expenditures in May and June 2013 relating to the repair two of its wells and pumps. The Company subsequently incurred an expenditure of approximately \$100,000 in June 2014 for additional repair work on a pump and well in the water system. The application further identifies the cost of tank recoating for the 1,000,000 gallon storage tank at \$133,000 and states that the Company does not have the funds to complete the work. New River seeks an extension for the June 2, 2014 deadline until June 2, 2015.

Staff notes that the June 27, 2014, application for extension of time was docketed after the June 2, 2014, due date for completion of the tank recoating. Staff recommends that the Company be required to file requests for extension of time (if allowed to do so in the future) at least 90 days prior to the existing due date (in this or any other docket).

Based on all of the above, Staff does not object to New River's request for further extension of time in this matter. Therefore, Staff recommends that the requirement for provision of the remaining tank recoating documentation extended until June 2, 2015. Staff further recommends that no further extensions of time be granted in this matter.

SMO:BKB:vsc

Originator: Brian K. Bozzo

Arizona Corporation Commission
DOCKETED

JAN 20 2015

DOCKETED BY

SERVICE LIST FOR: NEW RIVER WATER COMPANY
DOCKET NO. W-01737A-12-0478

E. Robert Spear
General Counsel
ARIZONA WATER COMPANY
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