



0000162489

MEMORANDUM

RECEIVED

TO: Docket Control

FROM: Steven M. Olea
Director
Utilities Division

Arizona Corporation Commission
DOCKETED

2015 JUL 21 P 4: 53

AZ CORP COMMISSION
DOCKET CONTROL

JUL 21 2015

DATE: July 21, 2015

DOCKETED BY

ORIGINAL

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

In Decision No. 74294, dated January 29, 2015, the Arizona Corporation Commission (“ACC” or “Commission”) approved the application of New River Utility Company (“New River” or “Company”) for an increase in its water rates and charges.

As part of Decision No. 74294, the Commission ordered New River to provide the following:

“... 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 request for extension of time until June 2, 2015, for the above compliance item. The application outlined several large expenditures totaling over \$250,000 that the Company incurred relating to the repair of various wells and pumps in the water system. These expenditures caused the company to request the extension of time on the approximate \$133,000 tank recoating project. On March 16, 2015, the Commission issued Decision No. 74977 which extended the due date for the tank recoating project to June 2, 2015.

On May 22, 2015, New River docketed a subsequent request for an extension of time until June 2, 2016, for the provision of the tank recoating documentation. The application for extension states the following:

“On April 7, 2015, the Peoria City Council held an executive session to consider the potential acquisition of New River Utility Company. A copy of the meeting minutes from the April 7 council meeting are attached hereto as Attachment A. Because the City of Peoria is considering the acquisition of New River, the Company requests an additional one-year extension of the deadline for completing the tank recoating work on the 1,000,000 gallon storage tank through and including June 2, 2016. New River has inspected the storage tank and has determined that the tank recoating work can wait another year without any risk of damage or deterioration to the tank.”

On July 21, 2015, Staff contacted Jeffrey Crockett, attorney for New River, to discuss the requested extension of time. Staff asked if the Company’s June 2, 2016, due date was still adequate considering the ongoing process of discussion and negotiations over the potential acquisition of New River. Mr. Crockett stated that due date was adequate as the tank

recoating would likely take place this winter if the Company was not purchased by the City of Peoria.

Based on the application and all of the above, Staff does not object to the Company request for an extension of time in this matter. Staff therefore recommends that the due date for the provision of the documentation/invoice information on New River's tank recoating project be extended from June 2, 2015 to June 2, 2016.

Staff further recommends that no further extensions of time be granted in this matter.

SMO:BKB:nr

Originator: Brian K. Bozzo

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

Mr. Jeffrey W. Crockett
Crockett Law Group, PLLC
1702 East Highland Avenue, #204
Phoenix, Arizona 85016

Mr. Steven M. Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Janice M. Alward
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Dwight Nodes
Acting Chief Administrative Law Judge, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007