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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

AUG 26 2015

DOCKETED BY [Signature]

COMMISSIONERS

- SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
TOM FORESE
DOUG LITTLE

IN THE MATTER OF THE APPLICATION OF CLEAR SPRINGS UTILITY COMPANY, INC. WATER DIVISION, FOR AUTHORITY TO INCUR LONG-TERM DEBT.

DOCKET NO. W-01689A-11-0401

IN THE MATTER OF THE APPLICATION OF CLEAR SPRINGS UTILITY COMPANY, INC. WATER AND WASTEWATER DIVISIONS, FOR PERMANENT RATE INCREASES.

DOCKET NO. WS-01689A-11-0402

ORDER EXTENDING TIME DEADLINE CONTAINED IN DECISION NO. 74037

Open Meeting
August 18 and 19, 2015
Phoenix, Arizona

Decision No. 75232

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On August 16, 2013, the Commission issued Decision No. 74037, approving rate increases for Clear Springs Utility Company, Inc.'s ("Clear Springs" or "Company") Water Division and Wastewater Division. The Decision also authorized Clear Springs to obtain a loan from the Arizona Water Infrastructure Finance Authority ("WIFA") in the amount of \$426,249 for improvements to Clear Springs' water system.

2. The Decision required that Clear Springs must complete the system improvements being funded by the WIFA loan by February 3, 2015, and file a completion affidavit within 10 days of finishing the projects. In addition, the Commission ordered that the debt authorization terminate on August 1, 2015.

3. On February 26, 2015, Clear Springs docketed a request to extend the completion deadline to February 3, 2016. The Company advised the Commission that Clear Springs' owner had

1 become ill and had relinquished control of the Company to Potable Products, Inc. In addition,
2 Southwestern Utility Management, Inc., the entity that oversees Clear Springs' day-to-day
3 management, has been focused on working with WIFA on completion of a project for another small,
4 troubled southern Arizona water company. Accordingly, Clear Springs seeks additional time to
5 complete its system improvements.

6 4. On July 28, 2015, the Commission's Utilities Division ("Staff") filed its Memorandum
7 addressing the request. Staff stated that, given the circumstances, Staff did not object to the requested
8 extension and recommended that the debt authorization be extended to December 31, 2015, and the
9 improvement projects be completed by February 3, 2016.

10 5. Staff noted that the Company's request for extension was filed 23 days after the
11 February 3, 2015, deadline. Staff recommended that Clear Springs be required to docket requests for
12 extension of time at least 90 days prior to any existing due dates, and that no further extensions of
13 time be granted in this matter.

14 6. We find that the Company's request for extension of time to complete the
15 improvements and to file the completion affidavit is reasonable and shall be granted.

16 **CONCLUSIONS OF LAW**

17 1. Clear Springs Utility Company, Inc. is a public service corporation within the meaning
18 of Article XV of the Arizona Constitution.

19 2. The Commission has jurisdiction over Clear Springs Utility Company, Inc. and over
20 the subject matter of the applications.

21 3. Clear Springs Utility Company, Inc.'s extension request is reasonable and should be
22 granted.

23 **ORDER**

24 IT IS THEREFORE ORDERED that termination of the debt authorization granted in
25 Decision No. 74037 is extended to December 31, 2015.

26 IT IS FURTHER ORDERED that the improvements to Clear Springs Utility Company, Inc.'s
27 PWS #02-048 and PWS #02-050 shall be completed no later than February 3, 2016.

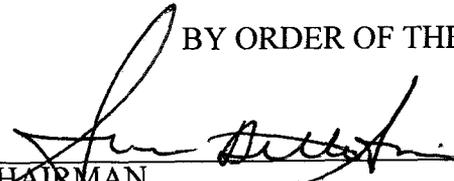
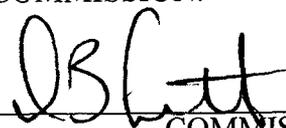
28 ...

1 IT IS FURTHER ORDERED that within 10 days after the projects' completion, Clear Springs
2 Utility Company, Inc. shall file with Docket Control an affidavit confirming that the improvements to
3 PWS #02-048 and PWS #02-050 have been completed.

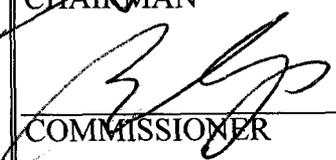
4 IT IS FURTHER ORDERED that Clear Springs Utility Company, Inc. shall docket any future
5 requests for extension of time at least 90 days prior to any existing due dates.

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

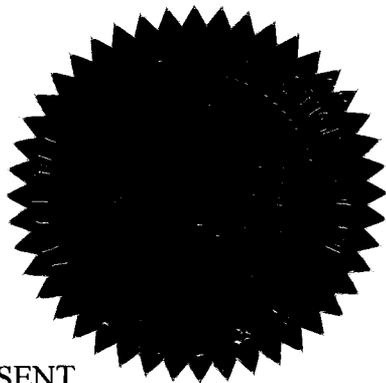
7 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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9 CHAIRMAN COMMISSIONER

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11 COMMISSIONER COMMISSIONER COMMISSIONER



12 IN WITNESS WHEREOF, I, JODI JERICH, Executive
13 Director of the Arizona Corporation Commission, have
14 hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of Phoenix,
16 this 20th day of August 2015.

17 
18 JODI JERICH
19 EXECUTIVE DIRECTOR

20 DISSENT _____

21 DISSENT _____
22 BAM:tv

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1 SERVICE LIST FOR: CLEAR SPRINGS UTILITY COMPANY, INC.

2 DOCKET NOS.: W-01689A-11-0401 and WS-01689A-11-0402

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