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Arizona Corporation Commission

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AZ CORP COMMISSION
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 Phoenix, Arizona 85012
 4 Attorneys for Pine Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

6 IN THE MATTER OF THE APPLICATION
 7 OF PINE WATER COMPANY FOR A
 DETERMINATION OF THE CURRENT
 8 FAIR VALUE OF ITS UTILITY PLANT
 AND PROPERTY AND FOR INCREASES
 9 IN ITS RATES AND CHARGES BASED
 THEREON FOR UTILITY SERVICE AND
 10 FOR APPROVAL TO INCUR LONG-
 TERM DEBT

DOCKET NO: W-03512A-03-0279

**PINE WATER COMPANY'S
SECOND REQUEST FOR
MODIFICATION OF DEADLINE TO
FILE RATE CASE**

12 In Decision No. 67166 (August 10, 2004), the Arizona Corporation Commission
 13 ordered Pine Water Company to file a rate case by June 1, 2008 using a 2007 test year.
 14 On February 27, 2008, Pine Water Company filed a Request for Extension of Deadline to
 15 File Rate Case. Pine Water's request was granted in Decision No. 70452 (August 6,
 16 2008), extending the deadline to file a rate application based on a 2008 test year until
 17 June 1, 2009. By this motion, the Company seeks to vacate any requirement that it file a
 18 rate case.

19 As this Commission is aware, the Pine-Strawberry Water Improvement District has
 20 filed a lawsuit seeking to condemn all of the Company's assets. In addition, Pine Water
 21 and the District are embroiled in litigation and arbitration over the K2 project (Docket No.
 22 W-03512A-07-0362). These lawsuits have put a halt to the Company's efforts to drill a
 23 deep well and obtain additional water supplies, as well as other efforts to improve the
 24 Company's system. The outcome of the K2 arbitration is unknown, and both the outcome
 25 and timing of the condemnation is unknown.


26 Under these circumstances, neither the Company, nor its customers would benefit

1 from filing of a rate case. Nor should Pine Water, the Commission or any other
2 stakeholders be forced to incur the time and expense associated with a rate case until the
3 cloud of condemnation has been removed one way or another.

4 Based on the foregoing, Pine Water respectfully asserts it is in the public interest to
5 grant this motion and issue an order vacating any pending requirement to file a rate case
6 and directing the Company to report to the Commission on a quarterly basis the status of
7 the condemnation and K2 litigation. In the alternative, the Commission should order the
8 Company to file a rate case within 6 months of a final determination that the District will
9 not condemn the Company's assets.

10 RESPECTFULLY SUBMITTED this 15th day of December, 2008.

11 FENNEMORE CRAIG

12
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18 ORIGINAL and 13 copies were filed
19 this 15th day of December, 2008:

20 Docket Control
21 Arizona Corporation Commission
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24 COPY of the foregoing hand-delivered
25 this 15th day of December, 2008 to:

26 Dwight D. Nodes, Assistant Chief ALJ
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11 **COPY** sent by regular mail
12 this 15th day of December, 2008 to:

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