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THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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2 COMMISSIONERS

3 MARC SPITZER, Chairman
4 JIM IRVIN
5 WILLIAM MUNDELL
6 JEFF HATCH-MILLER
7 MIKE GLEASON

DOCKETED BY *ck*

ARIZONA CORPORATION COMMISSION
DOCUMENT CONTROL

8 IN THE MATTER OF THE APPLICATION OF
9 AJO IMPROVEMENT COMPANY FOR A RATE
10 INCREASE.

DOCKET NO. WS-01025A-03-0350

PROCEDURAL ORDER

11 **BY THE COMMISSION:**

12 On May 28, 2003, Ajo Improvement Company ("AIC" or "Company") filed with the Arizona
13 Corporation Commission ("Commission") a rate application.

14 On June 25, 2003, Commission Utilities Division Staff ("Staff") notified the Company that its
15 application did not meet the sufficiency requirements as outlined in the Arizona Administrative Code
16 R14-2-103.

17 On July 1, 2003, AIC filed information requested by Staff in its June 25, 2003 letter.

18 On July 14, 2003, Staff notified the Company that its rate application was sufficient and
19 classified the Company as a Class B utility.

20 Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern
21 the preparation and conduct of this proceeding.

22 IT IS THEREFORE ORDERED that the hearing in the above-captioned matter shall
23 commence on **April 1, 2004 at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's
24 offices, **1200 West Washington Street, Phoenix, Arizona 85007.**

25 IT IS FURTHER ORDERD that a public comment meeting shall be held on **March 18, 2004**
26 at **6:00 p.m.** at the **Ajo Community Center, Multi-purpose Room, 290 5th St., Ajo, Arizona.**

27 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **March 25, 2004,**
28 at 1:30 p.m. at the Commission's Tucson offices, for the purpose of scheduling witnesses and the

1 conduct of the hearing.¹

2 IT IS FURTHER ORDERED that the Staff Report and/or any testimony and associated
3 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before
4 **January 9, 2004.**

5 IT IS FURTHER ORDERED that any testimony and associated exhibits to be presented at
6 hearing on behalf of intervenors shall be reduced to writing and filed on or before **February 6, 2004.**

7 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
8 presented at hearing by the Company shall be reduced to writing and filed on or before **February 27,**
9 **2004.**

10 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
11 presented by the Staff or intervenors shall be reduced to writing and filed on or before **March 12,**
12 **2004.**

13 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be
14 presented at the hearing on behalf of the Cooperative shall be reduced to writing and filed on or
15 before **March 24, 2004.**

16 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
17 been prefiled as of March 12, 2004, shall be made before or at the March 25, 2004 pre-hearing
18 conference.

19 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents which
20 lists the issues discussed.

21 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
22 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
23 scheduled to testify.

24 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the
25 pre-filed testimony of each of their witnesses and shall file each summary at least two working days
26 before the witness is scheduled to testify.

27

28 ¹ The parties may appear telephonically by making prior arrangements with the Administrative Law Judge.

1 IT IS FURTHER ORDERED that copies of summaries should be served upon the Presiding
2 Officer, the Commissioners, and the Commissioners' aides as well as the parties of record.

3 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
4 except that all motions to intervene must be filed on or before March 25, 2004.

5 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
6 regulations of the Commission, except that: until March 12, 2004, any objection to discovery requests
7 shall be made within 7 days² of receipt and responses to discovery requests shall be made within 10
8 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and responses
9 shall be made in 7 days¹; the response time may be extended by mutual agreement of the parties
10 involved if the request requires an extensive compilation effort; and no discovery requests shall be
11 served after March 25, 2004.

12 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
13 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
14 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
15 request, a procedural hearing will be convened as soon as practicable; and that the party making such
16 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
17 hearing provide a statement confirming that the other parties were contacted³

18 IT IS FURTHER ORDERED that any motions which are filed in this matter and which are
19 not ruled upon by the Commission within 10 days of the filing date of the motion shall be deemed
20 denied.

21 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of
22 the filing date of the motion.

23 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date
24 of the response.

25 IT IS FURTHER ORDERED that the Cooperative shall provide public notice of the hearing
26 in this matter, in the following form and style:

27 ² "Days" means calendar days.

28 ³ The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

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**PUBLIC NOTICE OF HEARING ON THE
RATE APPLICATION OF
AJO IMPROVEMENT COMPANY**

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On May 28, 2003, Ajo Improvement Company ("AIC" or "Company") filed an application with the Arizona Corporation Commission for an approximate 17.3 percent increase in water service revenues and an approximate 163.7 percent increase in wastewater revenues. The actual percentage rate increase for individual customers will vary depending upon the type and quantity of service provided. Copies of the Cooperative's application and proposed tariffs are available at its office and the Commission's offices for public inspection during regular business hours.

The Commission will hold a hearing on this matter beginning April 1, 2004 at 10:00 a.m. at the Commission's offices, 1200 West Washington, Phoenix, Arizona. The Commission will hold a public comment meeting on this matter on March 18, 2004, at 6:00 p.m. at the Ajo Community Center, 290 5th Street, Ajo, Arizona. In addition, public comments will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to the Cooperative or its counsel and to all parties of record, and which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Company, a stockholder of the Company, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 25, 2004. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf. All correspondence should contain the Docket No. WS-01025A-03-0350.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shelly Hood, ADA Coordinator, voice phone number 602/542-3931, E-mail shood@cc.state.az.us. Requests should be made as early as possible to allow time to arrange the accommodation.

1 IT IS FURTHER ORDERED that the Company shall mail to each of its customers a copy of
2 the above notice by October 15, 2003.

3 IT IS FURTHER ORDERED that the Company shall file certification of mailing as soon as
4 practicable after the mailing has been completed.

5 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing of same,
6 notwithstanding the failure of an individual customer to read or receive the notice.

7 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
8 Communications) applies to this proceeding as the matter is now set for public hearing.

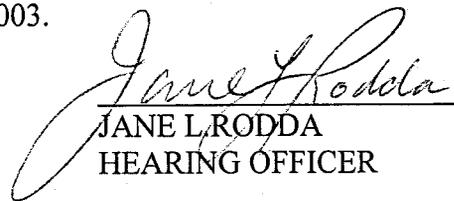
9 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
10 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

11

12 DATED this 11th day of August, 2003.

13

14



JANE L. RODDA
HEARING OFFICER

15

16 Copies of the foregoing mailed
17 this 11th day of December, 2002 to:

18

19 Fred Menzer
20 Ajo Improvement Company
21 New Cornelia Branch
22 PO Drawer
23 Ajo, Arizona 85321

24

25 Michael Patten
26 Roshka Heyman & DeWulf, PLC
27 One Arizona Center
28 400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

29

30 Dan Neidlinger
31 Neidlinger & Associates
32 3020 North 17th Drive
33 Phoenix, Arizona 85015

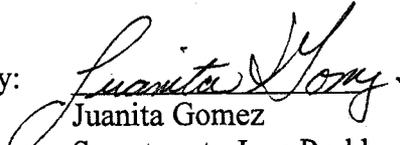
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35 Christopher Kempley, Chief Counsel
36 LEGAL DIVISION
37 Arizona Corporation Commission
38 1200 W. Washington Street
Phoenix, Arizona 85007

1 Ernest Johnson, Director
2 Utilities Division
3 Arizona Corporation Commission
4 1200 W. Washington Street
5 Phoenix, Arizona 85007

6 Arizona Reporting Service, Inc.
7 2627 N. Third Street, Suite Three
8 Phoenix, Arizona 85004-1103

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By: 
Juanita Gomez
Secretary to Jane Rodda

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RETURN RECEIPT SERVICE	POSTAGE	\$ 0.37	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$ 0.00	
	CERTIFIED FEE	\$ 2.30	
	RETURN RECEIPT FEE	\$ 1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$ 4.42
ARIZONA REPORTING SERVICE, INC. 2627 North Third Street, Suite Three Phoenix, Arizona 85004-1103			



PS FORM 3800 WS-01025A-03-0350



RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

7188 4442 0100 0000 2290

RETURN RECEIPT SERVICE	POSTAGE	\$ 0.37	POSTMARK OR DATE
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	RETURN RECEIPT FEE	\$ 1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$ 4.42
Fred Menzer Ajo Improvement Company New Cornelia Branch PO Drawer Ajo, Arizona 85321			



PS FORM 3800 WS-01025A-03-0350

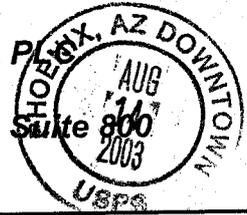


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	RETURN RECEIPT FEE	\$ 1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$ 4.42
Michael Pattern Roshka Heyman & DeWulf, PLLC One Arizona Center 400 East Van Buren Street, Suite 800 Phoenix, Arizona 85004			



PS FORM 3800 WS-01025A-03-0350

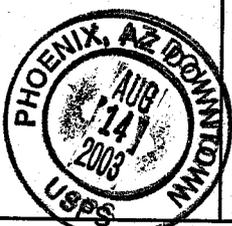


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	CERTIFIED FEE	\$ 2.30	
	RETURN RECEIPT FEE	\$ 1.75	
SENT TO:		TOTAL POSTAGE AND FEE	\$ 4.42
Dan Neidlinger Neidlinger & Associates 3020 North 17th Drive Phoenix, Arizona 85015			



PS FORM 3800 WS-01025A-03-0350



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