



0000008354

2574
ORIGINAL

Arizona Corporation Commission

RECEIVED DOCKETED
ION COMMISSION

2000 MAY 30 AM 10:30 2000

DOCKETED BY
AZ CORP COMMISSION
DOCUMENT CONTROL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK
CHAIRMAN
JIM IRVIN
COMMISSIONER
WILLIAM A. MUNDELL
COMMISSIONER

DOCKET NOS. W-01032A-00-0192
W-01032B-00-0192
W-01032C-00-0192
S-02276A-00-0192
WS-02334A-00-0192
WS-03454A-00-0192
WS-03455A-00-0192
W-02013A-00-0192
W-01595A-00-0192
W-0302A-00-0192
W-01303A

IN THE MATTER OF THE JOINT APPLICATION
OF CITIZENS UTILITIES COMPANY; AGUA
FRIA WATER DIVISION OF CITIZENS
UTILITIES COMPANY; MOHAVE WATER
DIVISION OF CITIZENS WATER COMPANY;
SUN CITY WATER COMPANY; SUN CITY
SEWER COMPANY; SUN CITY WEST
UTILITIES COMPANY; CITIZENS WATER
SERVICES COMPANY OF ARIZONA; CITIZENS
WATER RESOURCES COMPANY OF ARIZONA;
HAVASU WATER COMPANY AND TUBAC
VALLEY WATER COMPANY, INC., FOR
APPROVAL OF THE TRANSFER OF THEIR
WATER AND WASTEWATER UTILITY ASSETS
AND THE TRANSFER OF THEIR
CERTIFICATES OF PUBLIC CONVENIENCE
AND NECESSITY TO ARIZONA-AMERICAN
WATER COMPANY AND FOR CERTAIN
RELATED APPROVALS.

PROCEDURAL ORDER

BY THE COMMISSION:

On March 24, 2000, Citizens Utilities Company, Agua Fria Water Division, Mohave Water Division, Sun City Water Company, Sun City Sewer Company, Sun City West Utilities Company, Citizens Water Services Company of Arizona, Citizens Water Resources Company of Arizona, Havasu Water Company and Tubac Valley Water Company (collectively "Citizens") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") a joint application for approval of the sale of their water and wastewater utility assets in Arizona and the transfer of the Certificate of Convenience and Necessity ("Certificate") from Citizens to Arizona-American.

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

IT IS THEREFORE ORDERED that a hearing shall commence on September 27, 2000 at 10:00 a.m., or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington

1 Street, Phoenix, Arizona 85007.

2 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on September 22,
3 2000 at 1:30 p.m., at the Commission's office in Phoenix, Arizona for the purpose of discussing the
4 scheduling of witnesses and the conduct of the hearing.

5 IT IS FURTHER ORDERED that any direct testimony and associated exhibits to be presented
6 at hearing on behalf of Staff or Intervenors shall be reduced to writing and filed on or before 4:00
7 p.m. on August 14, 2000.

8 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
9 presented at hearing by Applicants shall be reduced to writing and filed on or before 4:00 p.m. on
10 September 5, 2000.

11 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
12 presented by the Staff or Intervenors shall be reduced to writing and filed on or before 4:00 p.m. on
13 September 19, 2000.

14 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
15 been prefiled as of September 19, 2000 shall be made on or before September 22, 2000.

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

19 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the
20 pre-filed testimony of each of their witnesses and shall file each summary at least two working days
21 before the witness is scheduled to testify.¹

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

24 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
25 except that all motions to intervene must be filed on or before July 24, 2000.

26 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
27

28 ¹ These summaries are for the administrative convenience of the Commission at hearing and will not become evidence in the case. Oral summaries will not be taken at hearing.

1 regulations of the Commission, except that: any objection to discovery requests shall be made within
 2 three days² of receipt; responses to discovery requests shall be made within five days of receipt; the
 3 response time may be extended by mutual agreement of the parties involved if the request requires an
 4 extensive compilation effort; and no discovery requests shall be served after September 22, 2000.

5 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
 6 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
 7 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
 8 request, a procedural hearing will be convened as soon as practicable; and that the party making such
 9 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
 10 hearing provide a statement confirming that the other parties were contacted.³

11 IT IS FURTHER ORDERED that Applicants shall provide public notice of the hearing in this
 12 matter, in the following form and style, with the hearing in no less than 24 point bold type and the
 13 body in no less than 10 point regular type:

14 **PUBLIC NOTICE OF THE HEARING FOR**
 15 **THE SALE OF WATER AND WASTEWATER ASSETS AND**
 16 **TRANSFER OF CITIZENS UTILITIES COMPANY, INC.'S**
 17 **CERTIFICATE OF CONVENIENCE AND NECESSITY TO**
 18 **ARIZONA-AMERICAN WATER COMPANY**

19 On March 24, 2000, Citizens Utilities Company, Agua Fria Water Division, Mohave
 20 Water Division, Sun City Water Company, Sun City Sewer Company, Sun City West
 21 Utilities Company, Citizens Water Services Company of Arizona, Citizens Water
 22 Resources Company of Arizona, Havasu Water Company and Tubac Valley Water
 23 Company (collectively "Citizens") and Arizona-American Water Company
 24 ("Arizona-American") filed with the Arizona Corporation Commission
 25 ("Commission") a joint application for approval of the sale of their water and
 26 wastewater utility assets in Arizona and the transfer of the Certificate of Convenience
 27 and Necessity ("Certificate") from Citizens to Arizona-American.

28 The Commission will hold a hearing on these matters commencing on September 27,
 2000, at 10:00 a.m. at the Commission's offices, 1200 West Washington Street,
 Phoenix, Arizona. 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 Applicants or its counsel and to all

² All reference to "days" is to calendar days.

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

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 Applicants, a shareholder of Applicants, a competitor, 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 July 24, 2000. 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.

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 Cynthia Mercurio-Sandoval, ADA Coordinator, voice phone number 602/542-0838, E-mail csandoval@cc.state.az.us. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that Applicants shall cause the above notice to be published at least once in a newspaper of general circulation in its service territory, with publication to be completed no later than July 14, 2000.

IT IS FURTHER ORDERED that Applicants shall file certification of publication as soon as practicable after the publication has been completed.

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

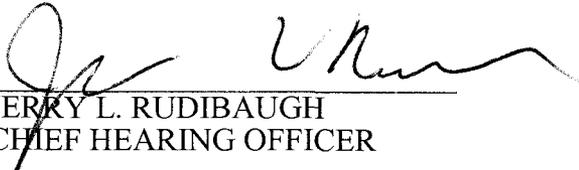
IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) applies to this proceeding as the matter is now set for public hearing.

IT IS FURTHER ORDERED that Southwest Gas Corporation is hereby granted intervention.

...
...
...
...
...

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

3 DATED this 30th day of May, 2000.

4
5
6 
7 JERRY L. RUDIBAUGH
8 CHIEF HEARING OFFICER

9 Copies of the foregoing mailed/delivered
10 this 30th day of May, 2000 to:

11 Craig Marks
12 Associate General Counsel
13 Citizens Utilities Company
14 2901 N. Central Avenue, Suite 1660
15 Phoenix, Arizona 85012

16 Norman D. James
17 FENNEMORE CRAIG
18 3003 N. Central Avenue, Suite 2600
19 Phoenix, Arizona 85012
20 Attorneys for Arizona-American Water Company

21 Lyn Farmer, Chief Counsel
22 Legal Division
23 ARIZONA CORPORATION COMMISSION
24 1200 West Washington Street
25 Phoenix, Arizona 85007

26 Deborah Scott, Director
27 Utilities Division
28 ARIZONA CORPORATION COMMISSION
29 1200 West Washington Street
30 Phoenix, Arizona 85007

31 ARIZONA REPORTING SERVICE, INC.
32 2627 N. Third Street, Suite Three
33 Phoenix, Arizona 85004-1103

34 By: 
35 Debbi Person
36 Secretary to Jerry L. Rudibaugh
37
38