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ARIZONA CORPORATION COMMISSION

2 CARL J. KUNASEK MAY 22 2000 2000 MAY 22 P 1:11
 CHAIRMAN
 3 JIM IRVIN
 COMMISSIONER
 4 WILLIAM A. MUNDELL
 COMMISSIONER

DOCKETED BY [Signature]
 AZ CORP COMMISSION
 DOCUMENT CONTROL

6 IN THE MATTER OF THE JOINT APPLICATION
 7 BETWEEN CITIZENS UTILITIES COMPANY,
 8 INC. AND CAP ROCK ENERGY CORPORATION
 9 FOR THE APPROVAL OF THE SALE OF
 10 CERTAIN ELECTRIC UTILITY PROPERTIES IN
 ARIZONA AND THE TRANSFER OF THE
 CERTIFICATE OF CONVENIENCE AND
 NECESSITY FROM CITIZENS AND THE
 ARIZONA ELECTRIC DIVISION TO CAP ROCK
 ENERGY.

DOCKET NOS. E-01032A-00-0163
 E-01032B-00-0163
 E-01032C-00-0163
 E-03851A-00-0163

PROCEDURAL ORDER

BY THE COMMISSION:

12 On March 10, 2000, Citizens Utilities Company ("Citizens") and Cap Rock Energy
 13 Corporation ("Cap Rock") filed with the Arizona Corporation Commission ("Commission") a joint
 14 application for approval of the sale of certain electric utility properties in Arizona and the transfer of
 15 the Certificate of Convenience and Necessity ("Certificate") from Citizens and its Arizona Electric
 16 Division to Cap Rock.

17 On May 9, 2000, Southwest Gas Corporation ("SWG") requested intervention in the above-
 18 captioned matter. No opposition has been filed.

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

21 IT IS THEREFORE ORDERED that a hearing shall commence on September 6, 2000 at
 22 10:00 a.m., or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington
 23 Street, Phoenix, Arizona 85007.

24 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on August 31, 2000
 25 at 1:30 p.m., at the Commission's office in Phoenix, Arizona for the purpose of discussing the
 26 scheduling of witnesses and the conduct of the hearing.

27 IT IS FURTHER ORDERED that any direct testimony and associated exhibits to be presented
 28 at hearing on behalf of Staff or Intervenors shall be reduced to writing and filed on or before 4:00

1 p.m. on July 24, 2000.

2 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
3 presented at hearing by Applicants shall be reduced to writing and filed on or before 4:00 p.m. on
4 August 14, 2000.

5 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
6 presented by the Staff or Intervenors shall be reduced to writing and filed on or before 4:00 p.m. on
7 August 28, 2000.

8 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
9 been prefiled as of August 28, 2000 shall be made on or before August 31, 2000.

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

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

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

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

20 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
21 regulations of the Commission, except that: any objection to discovery requests shall be made within
22 three days² of receipt; responses to discovery requests shall be made within five days of receipt; the
23 response time may be extended by mutual agreement of the parties involved if the request requires an
24 extensive compilation effort; and no discovery requests shall be served after August 31, 2000.

25 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
26 discovery, any party seeking discovery may telephonically contact the Commission's Hearing

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

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

1 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
2 request, a procedural hearing will be convened as soon as practicable; and that the party making such
3 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
4 hearing provide a statement confirming that the other parties were contacted.³

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

8 **PUBLIC NOTICE OF THE HEARING FOR**
9 **CITIZENS UTILITIES COMPANY, INC. AND**
10 **CAP ROCK ENERGY CORPORATION**
11 **FOR TRANSFER OF ITS CERTIFICATE OF CONVENIENCE**
12 **AND NECESSITY AND THE SALE OF**
13 **CERTAIN UTILITY PROPERTIES**

14 On March 10, 2000, Citizens Utilities Company ("Citizens") and Cap Rock Energy
15 Corporation ("Cap Rock") filed with the Arizona Corporation Commission
16 ("Commission") a joint application for approval of the sale of certain electric utility
17 properties in Arizona and the transfer of the Certificate of Convenience and Necessity
18 ("Certificate") from Citizens and its Arizona Electric Division to Cap Rock.

19 The Commission will hold a hearing on these matters commencing on September 6,
20 2000, at 10:00 a.m. at the Commission's offices, 1200 West Washington Street,
21 Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

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

- 28 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 3, 2000. The granting of
intervention, among other things, entitles a party to present sworn evidence at

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

1 hearing and to cross-examine other witnesses. However, failure to intervene will not
2 preclude any customer from appearing at the hearing and making a statement on
3 such customer's own behalf.

4 The Commission does not discriminate on the basis of disability in admission to its
5 public meetings. Persons with a disability may request a reasonable accommodation
6 such as a sign language interpreter, as well as request this document in an alternative
7 format, by contacting Cynthia Mercurio-Sandoval, ADA Coordinator, voice phone
8 number 602/542-0838, E-mail *csandoval@cc.state.az.us*. Requests should be made
9 as early as possible to allow time to arrange the accommodation.

10 IT IS FURTHER ORDERED that Applicants shall cause the above notice to be published at
11 least once in a newspaper of general circulation in its service territory, with publication to be
12 completed no later than June 23, 2000.

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

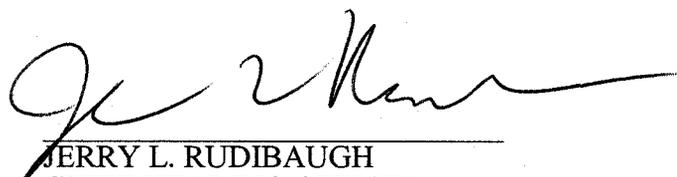
15 IT IS FURTHER ORDERED that notice shall be deemed complete upon publication of same,
16 notwithstanding the failure of an individual customer to read or receive the notice.

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

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

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

22 DATED this 22nd day of May, 2000.

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JERRY L. RUDIBAUGH
CHIEF HEARING OFFICER

29 Copies of the foregoing mailed/delivered
30 this 22nd day of May, 2000 to:

31 Craig Marks
32 Associate General Counsel
33 Citizens Utilities Company
34 2901 N. Central Avenue, Suite 1660
35 Phoenix, Arizona 85012

1 Michael C. Dotten
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4 Portland, Oregon 97201-5718
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6 And Cap Rock Electric Cooperative

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10 Phoenix, Arizona 85004

11 Walter M. Meek, President
12 Arizona Utility Investors Association
13 2100 N. Central Avenue, Suite 210
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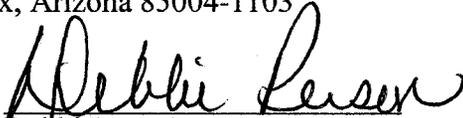
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27 Phoenix, Arizona 85007

28 Deborah Scott, Director
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ARIZONA CORPORATION COMMISSION
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ARIZONA REPORTING SERVICE, INC.
2627 N. Third Street, Suite Three
Phoenix, Arizona 85004-1103

22 By: 
23 Debbi Person
24 Secretary to Jerry L. Rudibaugh
25
26
27
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