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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

Arizona Corporation Commission
DOCKETED

2004 NOV 15 P 1:20

- MARC SPITZER, Chairman
- WILLIAM A. MUNDELL
- JEFF HATCH-MILLER
- MIKE GLEASON
- KRISTIN K. MAYES

NOV 15 2004

AZ CORP COMMISSION
DOCUMENT CONTROL

DOCKETED BY *[Signature]*

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS WESTERN GROUP AND FOR CERTAIN RELATED APPROVALS.

DOCKET NO. W-01445A-04-0650

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On September 8, 2004, Arizona Water Company ("AWC" or "Applicant") filed an application with the Arizona Corporation Commission ("Commission") to adjust its rates and charges for utility service provided by the Applicant's Western Group.

On September 15, 2004, AWC filed a page omitted from its bill count and the corrected direct testimony of one of its witnesses.

On September 24, 2004, the Commission's Utilities Division Staff ("Staff") filed a Motion to Require Supplemental Sufficiency Information, or in the Alternative, to Suspend the Rate Case Time Clock ("Motion"). Staff requested oral argument on its Motion, and expedited consideration.

On October 1, 2004, AWC filed a Response to the Motion.

On October 6, 2004, the Residential Utility Consumer Office ("RUCO") filed an Application to Intervene.

On October 8, 2004, Staff filed a Reply in Support of its Motion. Staff also filed a Letter of Deficiency on that date.

A procedural teleconference was held on October 8, 2004, for discussion of the requested oral argument. AWC, RUCO and Staff attended.

On October 12, 2004, RUCO filed a Notice of Lodging RUCO's Response to Staff's Motion.

1 A Procedural Order was issued On October 12, 2004, setting the date of October 15, 2004 for
2 oral argument on the issues raised in the Motion and subsequent pleadings, and on any other pertinent
3 procedural matters.

4 On October 15, 2004, AWC, Staff and RUCO appeared through counsel at the time set for
5 oral argument and presented their respective arguments in favor of and against granting the Motion.
6 The arguments were considered, and the Motion was denied.

7
8 On October 18, 2004, Staff filed a Letter of Sufficiency indicating that AWC's application
9 met the sufficiency requirements outlined in A.A.C. R14-2-103, and classifying AWC as a Class A
10 utility.

11 A Procedural Order was issued on October 18, 2004 granting RUCO's Application to
12 Intervene.

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

15 IT IS THEREFORE ORDERED that the hearing in the above-captioned matter shall
16 commence on **June 16, 2005, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's
17 offices, 1200 West Washington Street, Arizona 85007.

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19 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on June 13, 2005, at
20 1:30 p.m., at the Commission's offices, for the purpose of scheduling witnesses and the conduct of
21 the hearing.

22 IT IS FURTHER ORDERED that the Staff Report and/or any direct testimony and associated
23 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before
24 April 18, 2005.

25
26 IT IS FURTHER ORDERED that any direct testimony and associated exhibits to be presented
27 at hearing on behalf of intervenors shall be reduced to writing and filed on or before April 18, 2005.
28

1 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
2 presented at hearing by the Company shall be reduced to writing and filed on or before May 11,
3 2005.

4 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
5 presented by the Staff or intervenors shall be reduced to writing and filed on or before May 25, 2005.

6 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be
7 presented at the hearing on behalf of the Company shall be reduced to writing and filed on or before
8 June 9, 2005.

9 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
10 been prefiled as of June 9, 2005, shall be made before or at the June 13, 2005 pre-hearing conference.

11 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents that lists
12 the issues discussed.

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

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

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

21 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
22 except that all motions to intervene must be filed on or before April 8, 2005.

23 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
24 regulations of the Commission, except that: until June 2, 2005, any objection to discovery requests
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1 shall be made within 7 days¹ of receipt and responses to discovery requests shall be made within 10
2 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and responses
3 shall be made within 7 days of receipt. The response time may be extended by mutual agreement of
4 the parties involved if the request requires an extensive compilation effort. No discovery requests
5 shall be served after June 10, 2005.

6 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
7 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
8 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
9 request, a procedural hearing will be convened as soon as practicable; and that the party making such
10 a request shall contact all other parties to advise them of the hearing date and shall at the procedural
11 hearing provide a statement confirming that the other parties were contacted.²

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

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

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

18 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
19 this matter, in the following form and style, with the heading in no less than 18 point bold type and
20 the body in no less than 10 point regular type:

21 **PUBLIC NOTICE OF HEARING ON THE**
22 **RATE APPLICATION OF ARIZONA WATER COMPANY**
23 **(DOCKET NO. W-01445A-04-0650)**

24 On September 8, 2004, Arizona Water Company ("Company") filed an

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27 ¹ "Days" means calendar days.

28 ² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 application with the Arizona Corporation Commission ("Commission") for an overall
2 increase in revenues of approximately 25.3 percent for its Western Group systems,
3 which include the Company's Casa Grande, Stanfield, White Tank, Ajo Heights,
4 and Coolidge systems. The actual percentage revenue increase requested for each
5 system varies. Copies of the application and proposed tariffs are available at the
6 Company's offices [insert address] and the Commission's offices for public
7 inspection during regular business hours.

8 The Commission will hold a hearing on this matter beginning **June 16, 2005,**
9 **at 10:00 a.m.,** at the Commission's offices, 1200 West Washington, Phoenix,
10 Arizona. Public comments will be taken on the first day of the hearing.

11 The law provides for an open public hearing at which, under appropriate
12 circumstances, interested parties may intervene. Intervention shall be permitted to any
13 person entitled by law to intervene and having a direct and substantial interest in the
14 matter. Persons desiring to intervene must file a written motion to intervene with the
15 Commission no later than **April 8, 2005.** The motion to intervene must be sent to the
16 Company or its counsel and to all parties of record, and must contain the following:

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

26 The granting of intervention, among other things, entitles a party to present
27 sworn evidence at the hearing and to cross-examine other witnesses. However, failure
28 to intervene will not preclude any interested person or entity from appearing at the
29 hearing and providing public comment on the application or from filing written
30 comments in the record of the case. You will not receive any further notice of this
31 proceeding unless you request it.

32 If you have any questions about this application, wish to file written comments
33 on the application, or want further information on intervention, you may contact the
34 Consumer Services Section of the Commission at 1200 West Washington Street,
35 Phoenix, Arizona 85007, or call 1-800-222-7000.

36 The Commission does not discriminate on the basis of disability in admission
37 to its public meetings. Persons with a disability may request a reasonable
38 accommodation such as a sign language interpreter, as well as request this document
39 in an alternative format, by contacting the ADA Coordinator, Linda Hogan, at
40 LHogan@admin.cc.state.az.us, voice phone number 602/542-3931. Requests should
41 be made as early as possible to allow time to arrange the accommodation.

42 IT IS FURTHER ORDERED that the Company shall mail to each of its customers a copy of
43 the above notice as a bill insert beginning with the first billing cycle in February, 2005, and shall
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1 cause the above notice to be published at least once in a newspaper of general circulation in its
2 service territory, with publication to be completed no later than February 28, 2005.

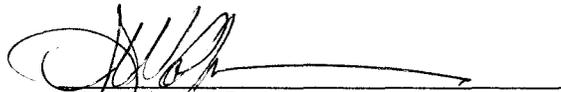
3 IT IS FURTHER ORDERED that Company shall file certification of mailing/publication as
4 soon as practicable after the mailing/publication has been completed.

5 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication
6 of same, 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 Dated this 15th day of November, 2004

12
13 
14 TEENA WOLFE
15 ADMINISTRATIVE LAW JUDGE

16 The foregoing was mailed/delivered
17 this 15th day of November, 2004 to:

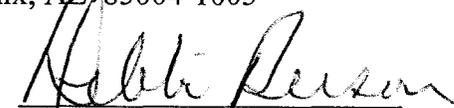
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Ernest G. Johnson, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, AZ 85007

ARIZONA REPORTING SERVICE
2627 N. Third Street, Ste. Three
Phoenix, AZ, 85004-1003

By: 
Debbi Person
Secretary to Teena Wolfe