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Arizona Corporation Commission

BEFORE THE ARIZONA CORPORATION COMMISSION

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

JUN 20 2000  
JUN 20 11 51 AM '00  
DOCKETED BY [Signature]  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF  
BLACK MOUNTAIN GAS COMPANY, CAVE  
CREEK OPERATIONS, FOR A HEARING TO  
DETERMINE THE EARNINGS OF THE  
COMPANY, THE FAIR VALUE OF THE  
COMPANY FOR RATEMAKING PURPOSES, TO  
FIX A JUST AND REASONABLE RATE OF  
RETURN THEREON AND TO APPROVE RATE  
SCHEDULES.

DOCKET NO. G-03703A-00-0283

AMENDED  
RATE CASE  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On April 28, 2000, Black Mountain Gas Company – Cave Creek Operations (“BMGC” or “Company”) filed with the Arizona Corporation Commission (“Commission”) a rate application.

On May 26, 2000, the Utilities Division (“Staff”) of the Commission filed a letter indicating that U S West’s rate application was sufficient and classifying the utility as a Class A utility.

On May 30, 2000, the Residential Utility Consumer Office (“RUCO”) filed a Motion for Leave to Intervene. There has been no opposition to the request to intervene.

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 the hearing in the above-captioned matter shall commence on January 23, 2001 at 10:00 a.m., or as soon thereafter as is practical, at the Commission’s offices in Phoenix, 1200 West Washington Street, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that all parties shall also set aside January 24, 25, and 26, 2001 for purposes of hearing.

IT IS FURTHER ORDERED that the request to intervene by RUCO is hereby granted.

IT IS FURTHER ORDERED that a pre-hearing conference shall be held on January 17, 2001 at 1:30 p.m. at the Commission’s Phoenix offices, for the purpose of scheduling witnesses and the conduct of the hearing.

1 IT IS FURTHER ORDERED that the Staff Report and/or any testimony and associated  
2 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before  
3 November 22, 2000.

4 IT IS FURTHER ORDERED that any testimony and associated exhibits to be presented at  
5 hearing on behalf of intervenors shall be reduced to writing and filed on or before November 22,  
6 2000.

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 December 20,  
9 2000.

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 **January 8,**  
12 2001.

13 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be  
14 presented at the hearing on behalf of the Company shall be reduced to writing and filed on or before  
15 **January 15,** 2001.

16 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have  
17 been prefiled as of **January 15,** 2001 shall be made on or before **January 18,** 2001.

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

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

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

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

28 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,

1 except that all motions to intervene must be filed on or before November 1, 2000.

2 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
3 regulations of the Commission, except that: any objection to discovery requests shall be made within  
4 7 days<sup>1</sup> of receipt; responses to discovery requests shall be made within 10 days of receipt; the  
5 response time may be extended by mutual agreement of the parties involved if the request requires an  
6 extensive compilation effort; and no discovery requests shall be served after January 17, 2001.

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

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

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

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

20 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
21 this matter, in the following form and style, with the heading in no less than 24 point bold type and  
22 the body in no less than 10 point regular type:

23 **PUBLIC NOTICE OF HEARING ON THE**  
24 **RATE APPLICATION OF**  
**BLACK MOUNTAIN GAS COMPANY, CAVE CREEK OPERATIONS**

25 On April 28, 2000, Black Mountain Gas Company – Cave Creek Operations  
26 (“Company”) filed an application with the Arizona Corporation Commission  
requesting an average increase of 6.6 percent for gas services. The actual percentage

27 <sup>1</sup> All reference to “days” is to calendar days.

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

1 rate increase for individual customers will vary depending upon the type and quantity  
2 of service provided. Copies of the Company's application and proposed tariffs are  
3 available at its office and the Commission's offices for public inspection during  
4 regular business hours.

5 The Commission will hold a hearing on this matter beginning January 23, 2001 at  
6 10:00 a.m. at the Commission's offices, 1200 West Washington Street, Phoenix,  
7 Arizona. Public comments will be taken on the first day of the hearing. Public  
8 comment sessions to be held in other cities will be announced at a later date.

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

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

24 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except  
25 that all motions to intervene must be filed on or before November 1, 2000. The  
26 granting of intervention, among other things, entitles a party to present sworn evidence  
27 at hearing and to cross-examine other witnesses. However, failure to intervene will  
28 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 the Company shall mail to each of its customers a copy of  
the above notice as a bill insert beginning with the first billing cycle in August 2000.

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

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing 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

1 Communications) applies to this proceeding as the matter is now set for public hearing.

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

4 DATED this 20<sup>th</sup> day of June, 2000.



MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 20<sup>th</sup> day of June, 2000 to:

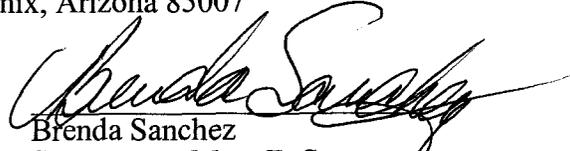
11 James H. Willson  
12 BLACK MOUNTAIN GAS CO.  
13 P.O. Box 427  
14 Cave Creek, Arizona 85327

15 Timothy Berg  
16 FENNEMORE CRAIG  
17 3003 N. Central Avenue, Suite 2600  
18 Phoenix, Arizona 85012  
19 Attorneys for Black Mountain Gas Co.

20 Scott S. Wakefield, Chief Counsel  
21 RUCO  
22 2828 North Central Avenue, Suite 1200  
23 Phoenix, Arizona 85004

24 Lyn Farmer, Chief Counsel  
25 Legal Division  
26 ARIZONA CORPORATION COMMISSION  
27 1200 West Washington Street  
28 Phoenix, Arizona 85007

Deborah Scott, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

26 By:   
27 Brenda Sanchez  
28 Secretary to Marc E. Stern