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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WEST WATER AND WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0867

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WATER AND WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0868

Arizona Corporation Commission

DOCKETED

MAR 14 2003

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER DISTRICT AND ITS HAVASU WATER DISTRICT.

DOCKET NO. W-01303A-02-0869

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER DISTRICT, ITS AGUA FRIA WATER DISTRICT, AND ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT.

DOCKET NO. WS-01303A-02-0870

1
2 IN THE MATTER OF THE APPLICATION OF
3 ARIZONA-AMERICAN WATER COMPANY,
4 INC., AN ARIZONA CORPORATION, FOR A
5 DETERMINATION OF THE CURRENT FAIR
6 VALUE OF ITS UTILITY PLANT AND
7 PROPERTY AND FOR INCREASES IN ITS
8 RATES AND CHARGES BASED THEREON FOR
9 UTILITY SERVICE BY ITS TUBAC WATER
10 DISTRICT.

DOCKET NO. W-01303A-02-0908

RATE CASE
PROCEDURAL ORDER

7
8 **BY THE COMMISSION:**

9 On November 22, and December 13, 2002, Arizona-American Water Company, Inc.
10 (“Arizona-American” or “Applicant”) filed with the Arizona Corporation Commission
11 (“Commission”) applications in the above-captioned dockets for rate increases in the Applicant’s
12 water and wastewater districts.

13 On January 30, 2003, the Commission’s Utilities Division Staff (“Staff”) filed a letter stating
14 that the applications met the sufficiency requirements set forth in A.A.C. R14-2-103¹.

15 On February 19, 2003, a procedural conference was conducted in this proceeding to discuss
16 consolidation of the dockets and to discuss other procedural matters.

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

19 IT IS THEREFORE ORDERED that the above-captioned dockets shall be consolidated.

20 IT IS FURTHER ORDERED that the hearing in the above-captioned matter shall commence
21 on October 14, 2003, at 10:00 a.m., or as soon thereafter as is practical, at the Commission’s offices,
22 1200 West Washington Street, Arizona 85007.

23 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on October 9, 2003,
24 at 10:00 a.m., at the Commission’s offices, for the purpose of scheduling witnesses and the conduct
25 of the hearing.

26
27
28 ¹ Although Staff indicated that it intended to process these cases in accordance with the Commission’s timeclock rules, pursuant to A.A.C. R14-2-103(B)(11), the timeclock deadlines are not mandatory in these cases.

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 August 1, 2003.

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 August 1, 2003.

6 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
7 presented at hearing by Arizona-American shall be reduced to writing and filed on or before August
8 29, 2003.

9 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
10 presented by the Staff or intervenors shall be reduced to writing and filed on or before September 19,
11 2003.

12 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be
13 presented at the hearing on behalf of Arizona-American shall be reduced to writing and filed on or
14 before October 3, 2003.

15 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
16 been prefiled as of October 3, 2003, shall be made before or at October 9, 2003 pre-hearing
17 conference.

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

1 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
2 except that all motions to intervene must be filed on or before August 1, 2003. Although each
3 intervention request shall be reviewed on its individual merits, an intervenor's participation in this
4 consolidated proceeding will, absent good cause shown, be limited to the docket and/or issues in
5 which the intervenor has a direct and substantial interest.

6 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
7 regulations of the Commission, except that any objection to discovery requests shall be made within
8 5 **calendar** days of receipt and responses to discovery requests shall be made within 10 **business**
9 days of receipt. The response time may be extended by mutual agreement of the parties involved if
10 the request requires an extensive compilation effort. No discovery requests shall be served after
11 October 20, 2003.

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 contacted²

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 Company shall provide public notice of the hearing in
26 this matter, in the following form and style, taking note of the individualized information required for
27

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 the customers of each Division, with the heading in no less than 24 point bold type and the body in no
2 less than 10 point regular type:

3
4 **PUBLIC NOTICE OF HEARING ON THE**
5 **RATE APPLICATIONS OF ARIZONA-AMERICAN WATER CO., INC.**
6 **FOR ITS SUN CITY WEST WATER AND WASTEWATER**
7 **DISTRICTS (DOCKET NO. WS-01303A-02-0867); SUN CITY WATER AND**
8 **WASTEWATER DISTRICTS (DOCKET NO. WS-01303A-02-0868);**
9 **MOHAVE AND HAVASU WATER DISTRICTS (DOCKET NO.**
10 **W-01303A-02-0869; ANTHEM WATER DISTRICT AND**
11 **ANTHEM/AGUA FRIA WASTEWATER DISTRICT (DOCKET NO.**
12 **WS-01303A-02-0870); AND TUBAC WATER DISTRICT**
13 **(DOCKET NO. W-01303A-02-0908)**

14 On November 22, and December 13, 2002, Arizona-American Water Company, Inc.
15 (“Arizona-American” or “Applicant”) filed with the Arizona Corporation Commission
16 (“Commission”) applications in the above-captioned dockets for rate increases in the
17 above-stated water and wastewater districts. The actual percentage rate increases
18 requested by the Applicant will vary depending upon the type and quantity of service
19 provided. The proposed monthly increase for an average residential customer in the
20 [name of Division] would be approximately [insert average percentage increase].
21 Copies of the application and proposed tariffs are available at the Applicant’s offices
22 [insert address] and the Commission’s offices for public inspection during regular
23 business hours.

24 The Commission will hold a hearing on this matter beginning **October 14, 2003**, at
25 10:00 a.m., at the Commission’s offices, 1200 West Washington, Phoenix, Arizona.
26 Public comments will be taken on the first day of the hearing.

27 The law provides for an open public hearing at which, under appropriate
28 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 Arizona-American or its counsel and to
all parties of record, and which, at the minimum, shall contain the following³:

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 Arizona-American, a stockholder of Arizona-American, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to Arizona-American or its counsel and to all parties of record in the case.

³ Motions to Intervene should include a statement requesting that the document be filed in “Docket No. WS-01303A-02-0867 et al.” and should also indicate the Division of Arizona-American in which the customer resides.

1 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
2 that all motions to intervene must be filed on or before August 1, 2003. The granting
3 of intervention, among other things, entitles a party to present sworn evidence at
4 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.

5 The Commission does not discriminate on the basis of disability in admission to its
6 public meetings. Persons with a disability may request a reasonable accommodation
7 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.

8 IT IS FURTHER ORDERED that the Arizona-American shall mail to each of its customers a
9 copy of the above notice as a bill insert beginning with the first billing cycle in May, 2003 and shall
10 cause the above notice to be published at least once in a newspaper of general circulation in its
11 service territory, with publication to be completed no later than May 30, 2003.

12 IT IS FURTHER ORDERED that Arizona-American shall file certification of
13 mailing/publication as soon as practicable after the mailing/publication has been completed.

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

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

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

20 DATED this 14th day of March 2003.

21
22 

23 DWIGHT D. NODES
24 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

25 ...
26 ...
27 ...
28 ...

1 Copies of the foregoing mailed/delivered
this 14 day of March, 2003 to:

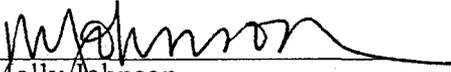
2
3 Norman D. James
4 Jay L. Shapiro
5 FENNEMORE CRAIG
6 3003 N. Central Avenue, Ste. 2600
7 Phoenix, AZ 85012
8 Attorneys for Arizona-American Water Company

9 Daniel Pozefsky
10 RUCO
11 1110 W. Washington, Ste. 220
12 Phoenix, AZ 85007

13 Christopher Kempley, Chief Counsel
14 Legal Division
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, Arizona 85007

18 Ernest Johnson, Director
19 Utilities Division
20 ARIZONA CORPORATION COMMISSION
21 1200 West Washington Street
22 Phoenix, Arizona 85007

23 ARIZONA REPORTING SERVICE, INC.
24 2627 N. Third Street, Suite Three
25 Phoenix, Arizona 85004-1104

26
27 By: 
28 Molly Johnson
Secretary to Dwight D. Nodes