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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

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

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF DIVERSIFIED WATER UTILITIES, INC. TO EXPAND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO INCLUDE ALL OF SECTION 13, 14, 15, 23 AND THAT PORTION OF SECTION 16 EAST OF RAILROAD TRACKS ALL IN T3S, R83, PINAL COUNTY, ARIZONA.

DOCKET NO. W-02859A-04-0844

IN THE MATTER OF THE APPLICATION OF JOHNSON UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY FOR WATER SERVICE.

DOCKET NO. WS-02987A-04-0869

PROCEDURAL ORDER

BY THE COMMISSION:

On November 24, 2004, Diversified Water Utilities, Inc. ("Diversified") filed with the Arizona Corporation Commission ("Commission") an application in Docket No. W-02859A-04-0844 for an extension of its Certificate of Convenience and Necessity ("CC&N") in Pinal County by either amending Decision No. 63690 (September 4, 2001)¹ or alternatively by treating the filing as a new application ("Diversified Application").

On December 3, 2004, Johnson Utilities Company ("Johnson") filed an application ("Johnson Application") for an extension of its CC&N in Pinal County. The area originally sought by Johnson overlapped with a portion of the extension area requested by Diversified.

By Procedural Order issued March 2, 2005, the above-captioned dockets were consolidated.

By Procedural Order issued May 11, 2005, Johnson's Motion to Continue the hearing date was granted, and a Procedural Conference was scheduled for October 17, 2005 to address the status of the consolidated proceedings.

On October 6, 2005, Diversified filed a Motion to Continue the Procedural Conference due to

¹ Decision No. 63690 was amended by Decision No. 64062 (October 4, 2001) and Decision No. 65840 (April 22, 2003).

1 a conflict in the schedule of Diversified's counsel.

2 On October 7, 2005, Johnson filed an Amended Application and Request for Tariff Approval.
3 By its Amended Application filing, Johnson seeks to include only "Section 23" from its original
4 request. Johnson also seeks approval of a proposed tariff amendment that would permit the water
5 provider in areas where Johnson provides only wastewater service to terminate water service in the
6 event that the same customer fails to pay Johnson for wastewater service.

7 By Procedural Order issued October 12, 2005, the Procedural Conference was rescheduled for
8 December 12, 2005.

9 On November 30, 2005, Diversified filed an Amended and Supplemented Application
10 requesting to serve areas consistent with an agreement Diversified entered into with Johnson
11 regarding their respective service areas for provision of water service.

12 On December 12, 2005, the Procedural Conference was held as scheduled. At the Procedural
13 Conference, Diversified and Johnson asked that this proceeding be bifurcated so that the amended
14 Johnson application would proceed and the Diversified amended application would be continued for
15 approximately 6 months. Staff did not oppose the bifurcation request, but asked that the Staff report
16 on the Johnson application not be due until early March 2006.

17 IT IS THEREFORE ORDERED that the above-captioned dockets shall remain consolidated,
18 but the separate Diversified and Johnson applications shall be bifurcated for purposes of processing
19 and hearing.

20 IT IS FURTHER ORDERED that Diversified's application shall be continued for 180 days.

21 IT IS FURTHER ORDERED that the **hearing on Johnson's amended application** shall
22 commence on **April 18, 2006, at 10:00 a.m.**, or as soon thereafter as is practical, at the
23 Commission's offices, 1200 West Washington Street, Phoenix, Arizona 85007.

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 March 17, 2006.

26 IT IS FURTHER ORDERED that objections to any motions to intervene must be filed on or
27 before March 31, 2006.

28 IT IS FURTHER ORDERED that Johnson shall provide public notice of the hearing in this

1 matter, in the following form and style:

2 **PUBLIC NOTICE OF HEARING ON THE AMENDED**
 3 **APPLICATION OF JOHNSON UTILITIES COMPANY**
 4 **FOR AN EXTENSION OF ITS CERTIFICATE OF**
 5 **CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICE**
 6 **(WS-02987A-04-0869)**

7 On December 3, 2004, as amended on October 7, 2005, Johnson Utilities Company
 8 (“Company”) filed an application with the Arizona Corporation Commission
 9 (“Commission”) for an extension of its Certificate of Convenience and Necessity
 10 (“CC&N”) to provide water service to an area in Pinal County more specifically
 11 identified in the application. If the application is granted, the Company would be the
 12 exclusive provider of water to the proposed area, and would be required by the
 13 Commission to provide service under rates and charges and terms and conditions
 14 established by the Commission. The application is available for inspection during regular
 15 business hours at the offices of the Commission in Phoenix, at 1200 West Washington
 16 Street, Phoenix, Arizona, and at the offices of the Company, [insert address].

17 The Commission will hold a hearing on this matter beginning on **April 18, 2006, at**
 18 **10:00 a.m.**, at the Commission’s offices, 1200 West Washington Street, Phoenix,
 19 Arizona. Public comment will be taken on the first day of the hearing.

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

- 26 1. The name, address, and telephone number of the proposed intervenor and
 27 of any party upon whom service of documents is to be made if different
 28 than the intervenor.
2. A short statement of the proposed intervenor’s interest in the proceeding
 (e.g., a customer of the Applicants, a shareholder of the Applicants, etc.).
3. A statement certifying that a copy of the motion to intervene has been
 mailed to the Applicants or their 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 March 17, 2006. The granting of
 intervention, among other things, entitles a party to present sworn evidence at hearing
 and to cross-examine other witnesses. Failure to intervene will not preclude any potential
 customer from appearing at the hearing and making a statement on such person’s own
 behalf. You will not, however, receive any further notice of the proceeding unless
 requested by you.

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 Linda Hogan, ADA Coordinator, voice phone number 602/542-3931, E-mail
 Lhogan@admin.cc.state.az.us. Requests should be made as early as possible to allow
 time to arrange the accommodation.

1 IT IS FURTHER ORDERED that Johnson shall publish notice of the Amended Application
2 in a newspaper of general circulation in the proposed extension area and shall mail to each property
3 owner in the requested extension area a copy of the above notice by February 17, 2006.

4 IT IS FURTHER ORDERED that Johnson shall file certification of mailing/publication as
5 soon as practical after the mailing/publication has been completed but not later than March 17, 2006.

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

8 IT IS FURTHER ORDERED that Staff shall file a Staff Report by March 17, 2006.

9 IT IS FURTHER ORDERED that any objections to the Staff Report shall be filed by March
10 31, 2006.

11 IT IS FURTHER ORDERED that, in accordance with the Procedural Order issued May 11,
12 2005, the applicable time clock requirements shall remain suspended in this consolidated docket until
13 further Order of the Commission.

14 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
15 Communications) continues to apply to this proceeding.

16 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
17 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
18 hearing.

19 Dated this 13th day of December, 2005

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21 

22 DWIGHT D. NODES
23 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

24 The foregoing was mailed/delivered
this 13 day of December, 2005 to:

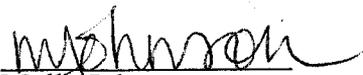
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6 Ernest G. Johnson, Director
7 Utilities Division
8 ARIZONA CORPORATION COMMISSION
9 1200 West Washington Street
10 Phoenix, AZ 85007

11 ARIZONA REPORTING SERVICE, INC.
12 2627 N. Third Street, Ste. Three
13 Phoenix, Arizona 85004-1104

14 By: 
15 Molly Johnson
16 Secretary to Dwight D. Nodes
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23
24
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