



BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF FAR WEST WATER AND SEWER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

DOCKET NO.WS-03478A-05-0801

AMENDED  
RATE CASE PROCEDURAL ORDER

BY THE COMMISSION:

On November 1, 2005, Far West Sewer Company ("Company," "Applicant," or "Far West") filed an application with the Arizona Corporation Commission ("Commission") requesting an increase in its rates for sewer utility services.

On November 22, 2005, the Residential Utility Consumer Office ("RUCO") filed an Application to Intervene, which was granted by Procedural Order of December 2, 2005.

On December 2, 2005, the Commission's Utilities Division Staff ("Staff") docketed a letter informing the Company that its application was sufficient, and classifying the Company as a Class B utility.

By Procedural Order issued December 20, 2005, the hearing in this matter was set to convene on July 11, 2006, and associated deadlines were set to govern the preparation and conduct of the proceeding.

On January 4, 2006, Far West filed a Request for Change in Procedural Schedule. Therein, Applicant stated that the scheduled hearing date presents a conflict for counsel for Applicant, and requested that the hearing be rescheduled, if possible, to commence on July 18, 2006 at 10:00 a.m. Far West's filing stated that it reached agreement with Staff and RUCO that such change in the hearing date would allow all other dates for prehearing filings to be extended by one week.

A Procedural Teleconference was held on January 13, 2006 for the purpose of discussing Far West's request. Counsel for Far West, Staff and RUCO attended. The parties were informed that a

1 change in the hearing date would necessitate an extension of the timeclock governing this case in  
2 order to allow adequate time for post-hearing briefing and the preparation of a Recommended  
3 Opinion and Order. Counsel for Far West agreed to a 30 day extension of the timeclock in this case.

4 Far West's request is reasonable and should be granted, with the timeclock extended for a  
5 period of thirty days. Prehearing filing dates, discovery deadlines and the intervention deadline  
6 should accordingly be extended by one week.

7 IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter formerly  
8 scheduled to commence on July 11, 2006, is hereby **rescheduled** to commence on **July 18, 2006, at**  
9 **10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington  
10 Street, Arizona 85007.

11 IT IS FURTHER ORDERED that the **pre-hearing conference** formerly scheduled for June  
12 29, 2006, is hereby **rescheduled** to **July 14, 2006, at 2:00 p.m.**, or as soon thereafter as is practical,  
13 at the Commission's offices, for the purpose of scheduling witnesses and the conduct of the hearing.

14 IT IS FURTHER ORDERED that the timeclock in this proceeding is hereby extended for a  
15 period of 30 days.

16 IT IS FURTHER ORDERED that direct testimony and associated exhibits to be presented at  
17 hearing on behalf of Staff shall be reduced to writing and filed on or before **April 11, 2006**.

18 IT IS FURTHER ORDERED that direct testimony and associated exhibits to be presented at  
19 hearing on behalf of intervenors shall be reduced to writing and filed on or before **April 11, 2006**.

20 IT IS FURTHER ORDERED that rebuttal testimony and associated exhibits to be presented  
21 at hearing by the Company shall be reduced to writing and filed on or before **May 9, 2006**.

22 IT IS FURTHER ORDERED that surrebuttal testimony and associated exhibits to be  
23 presented at hearing by the Staff or intervenors shall be reduced to writing and filed on or before  
24 **June 13, 2006**.

25 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be  
26 presented at the hearing on behalf of the Company shall be reduced to writing and filed on or before  
27 **June 27, 2006**.

28 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have

1 been prefiled as of **June 27, 2006**, shall be made before or at the **July 14, 2006** pre-hearing  
2 conference.

3 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents listing  
4 the issues discussed.

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

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

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

13 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
14 except that all motions to intervene must be filed on or before **March 24, 2006**.

15 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
16 regulations of the Commission, except that: until **March 31, 2006**, any objection to discovery  
17 requests shall be made within 7 days<sup>1</sup> of receipt and responses to discovery requests shall be made  
18 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and  
19 responses shall be made within 7 days of receipt. The response time may be extended by mutual  
20 agreement of the parties involved if the request requires an extensive compilation effort. No  
21 discovery requests shall be served after **June 30, 2006**.

22 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
23 discovery, any party seeking discovery may telephonically contact the Commission's Hearing  
24 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a  
25 request, a procedural hearing will be convened as soon as practicable; and that the party making such  
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<sup>1</sup> "Days" means calendar days.

1 a request shall contact all other parties to advise them of the hearing date and shall at the procedural  
2 hearing provide a statement confirming that the other parties were contacted.<sup>2</sup>

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

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

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

9 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
10 this matter, in the following form and style, with the heading in no less than 12 point bold type and  
11 the body in no less than 10 point regular type:

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF FAR  
WEST WATER AND SEWER COMPANY FOR AN INCREASE IN  
ITS SEWER RATES**

**Docket No. SW-03478A-05-0801**

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15 On November 1, 2005, Far West Water and Sewer Company ("Applicant") filed an  
16 application with the Arizona Corporation Commission for an increase in rates for its  
17 sewer utility services only. Applicant has proposed an increase in revenues of 35.2  
18 percent, which, if approved, would result in an increase in rates for the average  
19 residential sewer customer of 29.94 percent. The rates ultimately approved by the  
20 Commission may be higher or lower than those proposed by Applicant. The  
21 Commission's Utilities Division Staff and any intervenors will file their initial  
22 recommendations by April 4, 2006, and may propose rates that are higher or lower  
23 than the rates requested by Applicant. However, neither Applicant's proposal nor  
24 other recommendations are binding on the Commission, which will make an  
25 independent decision following a hearing and public deliberation at an Open Meeting.  
26 Copies of the application and proposed tariffs are available at Applicant's offices  
27 [APPLICANT INSERT ADDRESS HERE], and at the Commission's offices in the  
28 Docket Control Center for public inspection during regular business hours.  
Alternative recommendations and proposals which may be filed by other parties to the  
proceeding will also be available at those locations for public inspection during  
regular business hours. All filings made in this docket will be available on the internet  
via the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function.

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

The law provides for an open public hearing at which, under appropriate circumstances,

<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 interested parties may intervene. Any person or entity entitled by law to intervene and  
2 having a direct and substantial interest in the matter will be permitted to intervene. If you  
3 would like to intervene, you must file a written motion to intervene with the Commission,  
4 and you must send copies of the motion to the Applicant or its counsel, and to all parties  
5 of record in the case. Your motion to intervene must contain the following:

- 6 1. Your name, address, and telephone number, and the name, address, and  
7 telephone number of any party upon whom documents are to be served in  
8 your place, if desired.
- 9 2. A short statement of your interest in the proceeding (e.g., a customer of  
10 Applicant, a shareholder of the Applicant, etc.).
- 11 3. A statement certifying that a copy of your motion to intervene has been  
12 mailed to Applicant or its counsel and to all parties of record in the case.  
13 (Names and addresses of parties of record are available at the  
14 Commission's offices in the Docket Control Center.)

15 Arizona Administrative Code R14-3-105 governs the granting of intervention, except that  
16 all motions to intervene must be filed on or before **March 24, 2006**. The granting of  
17 intervention, among other things, will entitle an intervenor to present sworn evidence at  
18 hearing and to cross-examine other witnesses, and to be mailed copies of all filings made  
19 in the case. You do not need to intervene in order to appear at the hearing and make a  
20 statement for the record, or to file written comments in the record of the case.

21 If you have any questions or concerns about this application or have any objections to its  
22 approval, or wish to make a statement in support of it, you may write the Consumer  
23 Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007,  
24 call 1-800-222-7000, or appear at the hearing and provide comment.

25 The Commission does not discriminate on the basis of disability in admission to its public  
26 meetings. Persons with a disability may request a reasonable accommodation such as a  
27 sign language interpreter, as well as request this document in an alternative format, by  
28 contacting Linda Hogan, ADA Coordinator, voice phone number 602/542-3931, E-mail  
[lhogan@azcc.gov](mailto:lhogan@azcc.gov). 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 **February, 2006**, and shall  
cause the above notice to be published at least once in a newspaper of general circulation in its  
service territory, with publication to be completed no later than **February 15, 2006**.

IT IS FURTHER ORDERED that the Company shall file certification of mailing and  
publication as soon as practicable, but not later than **March 10, 2006**.

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

1 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
2 Communications) applies to this proceeding and shall remain in effect until the Commission's  
3 Decision in this matter is final and non-appealable.

4 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
5 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

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

8 Dated this 17<sup>th</sup> day of January, 2006

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11   
TEENA WOLFE  
12 ADMINISTRATIVE LAW JUDGE

13 Copies of the foregoing mailed  
this 17 day of of January, 2006 to:

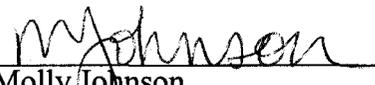
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By:   
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Secretary to Teena Wolfe