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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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AZ CORP COMMISSION
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IN THE MATTER OF THE APPLICATION OF
ANTELOPE LAKES WATER COMPANY, INC. ,
AN ARIZONA CORPORATION, FOR AN
EXTENSION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY TO PROVIDE
WATER SERVICE TO VARIOUS PARTS OF
YAVAPAI COUNTY, ARIZONA.

DOCKET NO. W-02740A-05-0089

PROCEDURAL ORDER

BY THE COMMISSION:

On February 11, 2005, Antelope Lakes Water Company, Inc. ("Company" or "Applicant"), filed an application for an extension of its Certificate of Convenience and Necessity ("Certificate") with the Arizona Corporation Commission ("Commission") to provide public water utility service to various parts of Yavapai County, Arizona.

On March 10, 2005, pursuant to A.A.C. R14-2-411, the Commission's Utilities Division ("Staff") issued a notice of insufficiency.

On August 3, 2005, pursuant to A.A.C. R14-2-411, Staff issued a letter of sufficiency.

On August 8, 2005, by Procedural Order, the Company was ordered to provide notice of the proceeding by September 2, 2005, Staff was ordered to file its Staff Report by September 15, 2005, and a hearing was scheduled for October 5, 2005.

On September 8, 2005, Staff filed its report.

On September 14, 2005, the Company filed a Motion to Vacate ("Motion") the hearing. The Company requested the hearing be vacated because it had failed to provide public notice pursuant to the Commission's Procedural Order. The Company also agreed to the waiver of the time-frame rule, A.A.C. R14-2-411. Staff does not oppose the Company's Motion.

On September 21, 2005, by Procedural Order, the Company's Motion was granted and the hearing vacated. The Company was ordered to provide public notice by October 14, 2005, and the

1 hearing was rescheduled for November 15, 2005. Pursuant to the Company's waiver, the time-frame
2 was suspended.

3 On October 24, 2005, the Company filed certification that it had provided public notice.

4 On November 15, 2005, a full public hearing was convened before a duly authorized
5 Administrative Law Judge of the Commission at its offices in Phoenix, Arizona. The Company and
6 Staff appeared with counsel. At the conclusion of the hearing, the matter was taken under
7 advisement pending submission of a Recommended Opinion and Order to the Commission.

8 On December 5, 2005, by Procedural Order, the Company was ordered to file, by February 4,
9 2006, a copy of its Inorganic Chemical Analysis Report ("Report"), which shows the results of
10 testing for the arsenic level of its new well, and the costs, if necessary, for bringing the arsenic level
11 into compliance with the current applicable maximum contaminant level for arsenic. Staff was
12 ordered to review such information, and to file, within 21 days of the Company's filing, a response.
13 Following submission of this additional information, a determination would be made as to whether an
14 additional hearing is necessary or whether this matter can proceed directly to the issuance of a
15 Recommended Opinion and Order.

16 On February 6, 2006, the Company filed a request for an extension until February 28, 2006, to
17 file a copy of its Report which shows the results of its water tests including the arsenic level.

18 On February 24, 2006, by Procedural Order, the Company's request for an extension was
19 granted. However, the Company's filing of a copy of its Report was delayed.

20 On March 16, 2006, the Company filed a copy of the Report which shows the results of its
21 water tests which indicate extremely high levels of arsenic.

22 On March 24, 2006, Staff filed its response.

23 Under the circumstances, it is necessary that a procedural conference be scheduled.

24 **IT IS THEREFORE ORDERED** that a **procedural conference** shall be held on **April 20,**
25 **2006, at 10:00 a.m.,** at the offices of the Commission, 1200 West Washington Street, Phoenix,
26 Arizona.

27 **IT IS FURTHER ORDERED** that the time-frame shall remain suspended as previously
28 ordered.

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

4 DATED this 27TH day of March, 2006



MARC E. STERN
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/delivered
9 this 27 day of March, 2006 to:

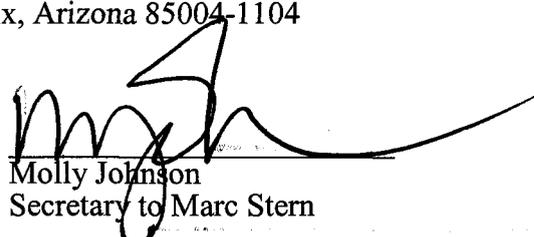
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26 By:



Molly Johnson
Secretary to Marc Stern