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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
TACNA WATER MANAGEMENT COMPANY
FOR AN EXTENSION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY TO PROVIDE
WATER SERVICE TO VARIOUS PARTS OF
YUMA COUNTY, ARIZONA.

DOCKET NO. W-01344A-04-0815

PROCEDURAL ORDER

BY THE COMMISSION:

On November 10, 2004, Tacna Water Management Company ("Tacna"), filed with the Arizona Corporation Commission ("Commission") an application for an extension of the territory under its existing Certificate of Convenience and Necessity ("CC&N").

On December 1, 2005, the Commission's Utilities Division Staff ("Staff") filed its Staff Report on Tacna's application, recommending approval with conditions.

Mohawk Utility Company ("Mohawk") was granted intervention in this matter by Procedural Order issued January 5, 2006.

On January 10, 2006, Tacna filed proof of publication and mailing of notice of the hearing on its application as required.

On January 24, 2006, Mohawk filed an application for extension of its CC&N in Docket No. W-02341A-06-0040, requesting that its service territory be extended to include an area overlapping Tacna's requested area.¹

A hearing was held on Tacna's application on February 21, 2006. Tacna's Manager, Steve Kelland and its President, Don Kelland, appeared; Mohawk's Owner/President, Robert Chris Rockwell, appeared; and Staff appeared through counsel. Tacna, Mohawk, and Staff presented evidence. At the hearing, Mohawk requested that its CC&N extension request be considered in the

¹ By letter dated February 23, 2006, Staff informed Mohawk that its application has not yet met the Commission's sufficiency requirements.

1 hearing on Tacna Water's CC&N. At the hearing, Staff stated that after Mohawk filed its competing
2 CC&N application, Staff had evaluated its position, and continued to recommend that Tacna be
3 granted the service territory extension requested in its application. At the close of the hearing, the
4 parties were directed to file legal briefs on the issue of the proper procedural treatment of two
5 existing CC&N extension applications that request overlapping service territory. Tacna, Mohawk
6 and Staff subsequently made filings in the docket addressing the issue.

7 By Procedural Order issued April 7, 2006, a procedural conference was set in order to allow
8 the parties to discuss an appropriate means of clarifying the record regarding the location of
9 Mohawk's facilities and customers in relation to the service territory extension requested by Tacna.
10 The Procedural Order directed the parties to be fully prepared to discuss the nature of the evidence
11 that might be presented if further evidentiary proceedings are required. The Procedural Order also
12 encouraged the parties to meet and communicate prior to the procedural conference to attempt to
13 resolve disputed issues.

14 On April 14, 2006, Mohawk made a filing in this docket consisting of a map depicting its
15 service territory and facilities.

16 A Procedural Conference was held as scheduled on April 19, 2006. Tacna and Staff appeared
17 through counsel and Mr. Rockwell appeared for Mohawk. The parties indicated at the procedural
18 conference that a settlement of the disputed issues had been reached, and that Tacna and Mohawk
19 planned to file a copy of a signed settlement agreement by May 19, 2006. Staff was directed to
20 review any settlement agreement and make a filing in this docket indicating Staff's opinion on the
21 settlement agreement, and indicating whether Staff believes further proceedings are required in this
22 docket.

23 On April 21, 2006, Staff filed a copy of a map that Mohawk furnished to Staff.

24 On May 3, 2006, a Procedural Order was issued in this matter extending the timeclock for a
25 final Commission decision in this matter for a period of 90 days.

26 On May 16, 2006, Tacna filed in this docket and in Docket No. W-02341A-06-0040 a copy of
27 a settlement agreement signed by Tacna and Mohawk.

28 IT IS THEREFORE ORDERED that Staff shall review the settlement agreement filed May

1 16, 2006, including the amended legal description, and shall file in this docket, on or before June 2,
2 2006, its response thereto. Staff's response shall include its analysis of the settlement agreement,
3 including the amended legal description, and Staff's recommendation to the Commission based on
4 that analysis. Staff's response shall also indicate whether Staff believes further proceedings are
5 required in this docket.

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

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

12 Dated this 17th day of May, 2006

13
14 
15 TEENA WOLFE
16 ADMINISTRATIVE LAW JUDGE

17 Copies of the foregoing mailed/delivered
this 17 day of May, 2006 to:

18 Don Kelland
19 Tacna Water Management Company
20 2993 South Arizona Avenue
Yuma, AZ 85364

Christopher Kempley, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, AZ 85007

21 John Weil
22 WEIL & WEIL
1600 South 4th Ave., Ste. C
Yuma, Arizona 85364

Ernest G. Johnson, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, AZ 85007

23 Robert Chris Rockwell
24 Mohawk Utility Company
36140 Antelope Drive
25 P.O. Box 1194
Wellton, AZ 85356

26 By: 
27 Molly Johnson
28 Secretary to Teena Wolfe