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BEFORE THE ARIZONA CORPORATION COMMISSION

25H

COMMISSIONERS

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2006 JUL -3 P 1: 20
AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
BEAVER VALLEY WATER COMPANY FOR
APPROVAL OF THE SALE OF ITS ASSETS FOR
THE TRANSFER OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY TO MICHAEL
DAVOREN.

DOCKET NO. W-02015A-03-0724

PROCEDURAL ORDER

BY THE COMMISSION:

On October 1, 2003, Beaver Valley Water Company ("BVWC") filed with the Arizona Corporation Commission ("Commission") an application for approval of the sale of its assets and the transfer of its Certificate of Convenience and Necessity ("Certificate") to Mr. Michael Davoren.

On August 17, 2005, in Decision No. 68083, the Commission conditionally granted the sale of assets and the Certificate, subject to conditions.

On April 13, 2006, the Commission's Utilities Division ("Staff") opened a new docket (W-02015A-06-0223) and filed a Complaint and Order to Show Cause against BVWC citing failure to comply with Commission Decision Nos. 66388, 68083 and Arizona Administrative Code ("A.A.C.") R14-2-411(D) (4).

On April 21, 2006, Mr. Michael Davoren filed an Answer to the Complaint and Order to Show Cause.

On May 3, 2006, the matter was presented at the Commission's Open Meeting. At the request of Staff, the Commission granted the parties an additional three weeks time or until the May 31, 2006 Open Meeting, to settle the matter.

On May 25, 2006, during the regularly scheduled Open Meeting and after discussions with the parties and a representative from Arizona Department of Environmental Quality ("ADEQ"), the Commission decided to reopen the record in this matter, pursuant to A.R.S. § 40-252 and directed the hearing division to conduct any proceedings necessary to resolve the outstanding issues in this

1 matter.

2 On June 8, 2006, by Procedural Order, Staff was ordered to file a procedural recommendation
3 regarding the outstanding issues.

4 On June 15, 2006, a Procedural Order was issued setting a Procedural Conference for June 29,
5 2006. At the Procedural Conference, a date was set for hearing along with other deadlines.

6 IT IS THEREFORE ORDERED that the hearing in this matter shall be held on **September**
7 **21, 2006 at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West
8 Washington Street, Phoenix, Arizona 85007.

9 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-
10 105, except that all Motions to Intervene must be filed on or before **August 25, 2006**.

11 IT IS FURTHER ORDERED that **objections to any Motions to Intervene** must be filed on
12 or before **September 8, 2006**.

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

16 **PUBLIC NOTICE OF THE HEARING FOR BEAVER VALLEY**
17 **WATER COMPANY, INC. FOR APPROVAL OF THE SALE**
18 **OF ASSETS AND TRANSFER OF ITS CERTIFICATE**
OF CONVENIENCE AND NECESSITY
Docket No. W-02015A-03-0724

19 On October 1, 2003, Beaver Valley Water Company ("Applicant" or "Company")
20 filed an application for approval of the sale of its assets and transfer of its CC&N.

21 On August 17, 2005, in Decision No. 68083, the Commission conditionally granted
22 the sale of assets and the transfer of Beaver Valley's Certificate to Mr. Michael
23 Davoren, a sole proprietor, subject to conditions. On April 13, 2006, the
24 Commission's Utilities Division ("Staff") opened a new docket (W-02015A-06-0223)
and filed a Complaint and Order to Show Cause against BVWC citing failure to
comply with Commission Decision Nos. 66388, 68083 and Arizona Administrative
Code R14-2-411(D) (4). On April 21, 2006, Mr. Michael Davoren filed an Answer to
the Complaint and Order to Show Cause.

25 On May 25, 2006, during Open Meeting and after discussions with the parties and a
26 representative from Arizona Department of Environmental Quality, the Commission
decided to reopen the record in this matter, pursuant to A.R.S. § 40-252.

27 The application, report of the Commission's Utilities Division Staff, and any written
28 exceptions to the Staff Report prepared by the Applicant are available for inspection
during regular business hours at the offices of the Commission located at 1200 West

1 Washington Street, Phoenix, Arizona 85007, and at the address of the Applicant at,
2 [address] and on the internet via the Commission website (www.azcc.gov) using the
3 e-docket function.

4 Under appropriate circumstances, interested parties may intervene in the proceedings
5 and participate as a party. You may have the right to intervene in the proceeding, or
6 you may make a statement for the record. **Intervention shall be in accordance with
7 A.A.C. R14-3-105, except that all Motions to Intervene must be filed on or before
8 August 25, 2006.** Persons desiring to intervene must file a written Motion to
9 Intervene with the Commission and send such motion to the Company or its counsel
10 and to all parties of record, and which at the minimum, shall contain the following:

11 1. The name, address, and telephone number of the proposed intervenor and of
12 any party upon whom service of documents is to be made if different than the
13 intervenor.

14 2. A short statement of the proposed intervenor's interest in the proceeding
15 (e.g. a customer of the company, a shareholder of the company, a competitor,
16 etc.).

17 3. A statement certifying that a copy of the Motion to Intervene has been
18 mailed to the Company or its counsel and to all parties of record in the case.

19 The granting of intervention, among other things, entitles a party to present sworn
20 evidence at the hearing and to cross-examine other witnesses. However, failure to
21 intervene will not preclude any interested person or entity from appearing at the
22 hearing and making a statement on their own behalf. **The hearing is scheduled to
23 commence on September 21, 2006 at 10:00 a.m.** at the Arizona Corporation
24 Commission, 1200 West Washington Street, Phoenix, Arizona 85007. Please check
25 with the Commission for any changes to the scheduled hearing date.

26 If you have any comments, mail them to:

27 The Arizona Corporation Commission
28 Attention Docket Control
re: Beaver Valley Water Company
W-02015A-03-0724
1200 West Washington Street
Phoenix, Arizona 85007

29 If you have any questions about this application, or want information on intervention,
30 you may contact the Consumer Services Section of the Commission at 1200 West
31 Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

32 The Commission does not discriminate on the basis of disability in admission to its
33 public meetings. Persons with a disability may request a reasonable accommodation
34 such as sign language interpreter, as well as request this document in an alternative
35 format, by contacting Linda Hogan, ADA Coordinator, voice phone number 602-542-
36 3931. Requests should be made as early as possible to allow time to arrange the
37 accommodation.

38 IT IS FURTHER ORDERED that Applicant shall cause the above notice to be **mailed to its
existing customers and published at least once in a newspaper of general circulation in its**

1 service territory, with publication and mailing to be completed no later than **July 21, 2006.**

2 IT IS FURTHER ORDERED that Applicant shall file **Certification of Mailing and**
3 **Publication** as soon as practicable after the mailing/publication has been completed but not later than
4 **August 18, 2006.**

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

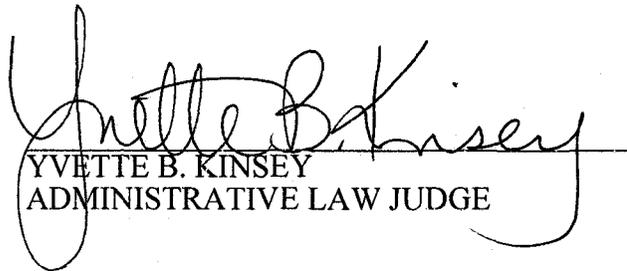
8 IT IS FURTHER ORDERED that Staff shall file a **Staff Report on or before August 14,**
9 **2006.**

10 IT IS FURTHER ORDERED that any **objections to the Staff Report shall be filed on or**
11 **before August 28, 2006.**

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

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

17 Dated this 3rd day of July, 2006

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YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

22 Copies of the foregoing mailed/delivered
23 this 3rd day of July, 2006 to:

24 Edgar M. Delaney
25 DELANEY & MELKONOFF
1013 East Washington
Phoenix, AZ 85034

26 R. E. Ward
27 P.O. Box 9031
Phoenix, AZ 85068

28

1 Michael Davoren
2 P.O. Box 421
3 Payson, AZ 85541

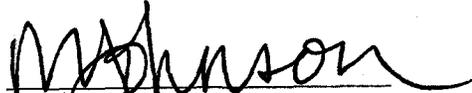
4 Gary F. Crisp
5 882 Beaver Trail Road
6 Payson, AZ 85541

7 Christopher Kempley, Chief Counsel
8 Legal Division
9 ARIZONA CORPORATION COMMISSION
10 1200 West Washington Street
11 Phoenix, AZ 85007

12 Ernest G. Johnson, Director
13 Utilities Division
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington
16 Phoenix, AZ 85007

17 ARIZONA REPORTING SERVICE, INC.
18 2627 N. Third Street, Ste. Three
19 Phoenix, Arizona 85004-1126

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By:


Molly Johnson
Secretary to Yvette B. Kinsey