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BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

Arizona Corporation Commission

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1 WILLIAM A. MUNDELL
2 CHAIRMAN
3 JIM IRVIN
4 COMMISSIONER
5 MARC SPITZER
6 COMMISSIONER

DOCKETED BY CAR

7 IN THE MATTER OF THE APPLICATION OF
8 CITIZENS COMMUNICATIONS COMPANY,
9 ARIZONA GAS DIVISION, FOR A HEARING TO
10 DETERMINE THE FAIR VALUE OF ITS
11 PROPERTIES FOR RATEMAKING PURPOSES,
12 TO FIX A JUST AND REASONABLE RATE OF
13 RETURN THEREON, AND TO APPROVE RATE
14 SCHEDULES DESIGNED TO PROVIDE SUCH
15 RATE OF RETURN.

DOCKET NO. G-01032A-02-0598

PROCEDURAL ORDER

BY THE COMMISSION:

11 On August 6, 2002, Citizens Communications Company, Arizona Gas Division ("Citizens" or
12 "Company"), filed with the Arizona Corporation Commission ("Commission") an application for
13 increase in rates.

14 On October 16, 2002, Staff filed a letter indicating that the Company's application was
15 sufficient and classifying Citizens as a Class A utility.

16 On October 18, 2002, a Procedural Order was issued setting a hearing date for April 14,
17 2003 and establishing various other filing deadlines.

18 On October 22, 2002, Staff filed a Request to Modify the Procedural Order. Staff states in its
19 Motion that counsel for Citizens, Staff and RUCO reached agreement on a procedural that is in
20 accordance with the timelines set forth in A.A.C. Rule R14-2-103, and will allow Staff and the other
21 parties sufficient time to prepare testimony. The agreed-upon procedural schedule is as follows:

| | |
|---|----------------|
| 22 Staff and Intervenor Direct Testimony | April 14, 2003 |
| 23 Citizens Rebuttal Testimony | May 13, 2003 |
| 24 Staff and Intervenor Surrebuttal Testimony | June 2, 2003 |
| 25 Citizens Rejoinder Testimony | June 16, 2003 |
| 26 Hearing Begins | June 24, 2003 |

1 IT IS THEREFORE ORDERED that Staff's Motion to Modify the Procedural Order is
2 granted.

3 IT IS FURTHER ORDERED that the hearing in the above-captioned matter shall commence
4 on June 24, 2003, at 10:00 a.m., or as soon thereafter as is practical, at the Commission's offices,
5 1200 West Washington Street, Arizona 85007.

6 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on June 17, 2003, at
7 10:00 a.m., at the Commission's offices, for the purpose of scheduling witnesses and the conduct of
8 the hearing.

9 IT IS FURTHER ORDERED that the Staff Report and/or any testimony and associated
10 exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before
11 April 14, 2003.

12 IT IS FURTHER ORDERED that any testimony and associated exhibits to be presented at
13 hearing on behalf of intervenors shall be reduced to writing and filed on or before April 14, 2003.

14 IT IS FURTHER ORDERED that any rebuttal testimony and associated exhibits to be
15 presented at hearing by Citizens shall be reduced to writing and filed on or before May 13, 2003.

16 IT IS FURTHER ORDERED that any surrebuttal testimony and associated exhibits to be
17 presented by the Staff or intervenors shall be reduced to writing and filed on or before June 2, 2003.

18 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be
19 presented at the hearing on behalf of Citizens shall be reduced to writing and filed on or before June
20 16, 2003.

21 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
22 been prefiled as of June 16, 2003, shall be made before or at the June 17, 2003 pre-hearing
23 conference.

24 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents which
25 lists the issues discussed.

26 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
27 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
28

1 scheduled to testify.

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

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

7 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
8 except that all motions to intervene must be filed on or before April 14, 2003.

9 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
10 regulations of the Commission, except that: any objection to discovery requests shall be made within
11 7 days¹ of receipt and responses to discovery requests shall be made within 10 days of receipt; the
12 response time may be extended by mutual agreement of the parties involved if the request requires an
13 extensive compilation effort; and no discovery requests shall be served after June 17, 2003.

14 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
15 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
16 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
17 request, a procedural hearing will be convened as soon as practicable; and that the party making such
18 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
19 hearing provide a statement confirming that the other parties were contacted²

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

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

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

27 ¹ "Days" means calendar days.

28 ² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
 2 this matter, in the following form and style with the heading in no less than 24 point bold type and the
 3 body in no less than 10 point regular type:

4
 5 **PUBLIC NOTICE OF HEARING ON THE**
RATE APPLICATION OF
 6 **CITIZENS COMMUNICATIONS COMPANY,**
ARIZONA GAS DIVISION

7 On August 6, 2002, Citizens Communications Company, Arizona Gas Division
 8 ("Citizens") filed an application with the Arizona Corporation Commission for a
 9 28.75 percent increase over adjusted test year revenues. The actual percentage rate
 10 increase for individual customers will vary depending upon the type and quantity of
 service provided. Copies of the Citizen's application and proposed tariffs are available
 at its office and the Commission's offices for public inspection during regular business
 hours.

11 The Commission will hold a hearing on this matter beginning June 24, 2003, at 10:00
 12 a.m., at the Commission's offices, 1200 West Washington Avenue, Phoenix, Arizona.
 Public comments will be taken on the first day of the hearing.

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

- 16
- 17 1. The name, address, and telephone number of the proposed intervenor
 and of any party upon whom service of documents is to be made if
 18 different than the intervenor.
 - 19 2. A short statement of the proposed intervenor's interest in the
 proceeding (e.g., a customer of the Citizens, a stockholder of Citizens,
 20 etc.).
 - 21 3. A statement certifying that a copy of the motion to intervene has been
 mailed to Citizens or its counsel and to all parties of record in the case.

22 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
 23 that all motions to intervene must be filed on or before April 14, 2003. The granting
 of intervention, among other things, entitles a party to present sworn evidence at
 24 hearing and to cross-examine other witnesses. However, failure to intervene will not
preclude any customer from appearing at the hearing and making a statement on such
 25 customer's own behalf.

26 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
 27 such as a sign language interpreter, as well as request this document in an alternative
 format, by contacting Shelly Hood, ADA Coordinator, voice phone number 602/542-
 3931, E-mail shood@cc.state.az.us. Requests should be made as early as possible to
 28 allow time to arrange the accommodation.

1 IT IS FURTHER ORDERED that the Citizens shall mail to each of its customers a copy of
2 the above notice as a bill insert beginning with the first billing cycle in January, 2003 and shall cause
3 the above notice to be published at least once in a newspaper of general circulation in its service
4 territory, with publication to be completed no later than January 15, 2003.

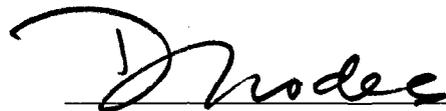
5 IT IS FURTHER ORDERED that Citizens shall file certification of mailing/publication as
6 soon as practicable after the mailing/publication has been completed.

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

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

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

13 DATED this 8th day of November, 2002.

14
15 

16 DWIGHT D. NODES
17 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

18 Copies of the foregoing mailed/delivered
19 this 8th day of November, 2002 to:

20 Deborah R. Scott
21 CITIZENS COMMUNICATIONS COMPANY
22 2901 N. Central Ave., Suite 1660
23 Phoenix, AZ 85012

24 Susan Mikes Doherty
25 HUBER, LAWRENCE & ABELL
26 605 3rd Avenue
27 New York, New York 10158

28 Scott S. Wakefield
RUCO
1110 W. Washington Ave., Suite 200
Phoenix, Arizona 85007

1 Ernest G. Johnson
2 Utilities Division
3 ARIZONA CORPORATION COMMISSION
4 1200 W. Washington Street
5 Phoenix, Arizona 85007

6 Christopher K. Kempley
7 Legal Division
8 ARIZONA CORPORATION COMMISSION
9 1200 W. Washington Street
10 Phoenix, Arizona 85007

11 Arizona Reporting Service, Inc.
12 2627 N. Third Street, Suite Three
13 Phoenix, Arizona 85004-1103

14 By: 
15 Debbi Person
16 Secretary to Dwight D. Nodes
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