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BEFORE THE ARIZONA CORPORATION CO.

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COMMISSIONERS

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

2006 JUL 10 A 11: 51

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION
DOCUMENT CONTROL

JUL 10 2006

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-01445A-06-0199

IN THE MATTER OF THE APPLICATION OF PALO VERDE UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION OF SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS CERTIFICATE OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-03576A-05-0926

PROCEDURAL ORDER

BY THE COMMISSION:

On December 28, 2005, Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") filed an application with the Arizona Corporation Commission ("Commission") for an extension of their Certificates of Convenience and Necessity ("Certificate") in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926.

On March 29, 2006, Arizona Water Company ("AWC") filed an application with the Commission to extend its Certificate in Docket No. W-01445A-06-0199. On this same day, AWC requested to intervene in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926. AWC's request for intervention was granted by Procedural Order on April 12, 2006.

On April 7, 2006, Palo Verde and Santa Cruz filed an application to intervene in Docket No. W-01445A-06-0199.

On April 24, 2006, by Procedural Order, Palo Verde and Santa Cruz were granted intervention and the above-captioned matters were consolidated for purposes of hearing.

On May 18, 2006, Ridgeview Utility Company, Picacho Water Company, Lago Del Oro

1 Water Company and Santa Rosa Water Company (“Robson Utilities”) filed a Motion to Intervene.

2 On May 31, 2006, Gallup Financial, LLC filed a Motion to Intervene.

3 On June 1, 2006, Staff filed an insufficiency letter.

4 On June 1, 2006, Palo Verde and Santa Cruz filed a Response in Support of the Motion to
5 Intervene by Robson Utilities.

6 On June 1, 2006, CHI Construction, which was granted intervention in this matter on May 15,
7 2006, filed a Motion to Exclude the Property of CHI from the requested extension area.

8 On June 1, 2006, CP Water Company, which was granted intervention on May 15, 2006, filed
9 a Motion to Exclude CP from the requested extension area.

10 On June 7, 2006, Staff filed an Objection to the Motion to Intervene by Robson Utilities.

11 On June 12, 2006, Robson Utilities filed a Reply in Support of its Motion to Intervene.

12 On June 13, 2006, by Procedural Order, Gallup Financial, LLC was granted intervention in
13 this matter.

14 On June 20, 2006, AWC filed a Response to CHI’s and CP’s Motions to Exclude Territory
15 from Requested Extension Area.

16 On June 23, 2006, Staff filed a Sufficiency Letter in this docket indicating that the Applicant’s
17 applications have met the sufficiency requirements as outlined in the Arizona Administrative Code.

18 On June 23, 2006, Santa Cruz and Palo Verde filed a Motion to Vacate the Consolidation and
19 a Motion to Dismiss the Application filed by AWC.

20 Regarding Robson Utilities’ request for intervention, pursuant to A.A.C. R14-3-105.A,
21 intervention may be granted to “persons . . . who are directly and substantially affected by the
22 proceedings.” Additionally, A.A.C. R14-3-105.B states that “no application for leave to intervene
23 shall be granted where by so doing the issues theretofore presented will be unduly broadened.”
24 Here, Robson Utilities’ Motion to Intervene states that they oppose AWC’s application in this docket
25 because AWC is requesting to add 69,000 acres to its CC&N and AWC has submitted requests for
26 service totaling less than 200 acres. Robson Utilities’ Motion goes on to state that it is Commission
27 policy to deny requests for CC&N extensions where there are no requests for service. Futher, Robson
28 Utilities’ Motion states that they have a “direct interest in the uniform and equitable application of the

1 Commission's policies, decisions and rules," AWC's application, if granted, would forever preclude
2 Robson Utilities from providing service in the extension area, and AWC's application is not in the
3 public interest because AWC is not an integrated water provider. Staff filed an Objection to Robson
4 Utilities' Motion stating that because the Robson Utilities companies have not applied for an
5 extension into the area that is the subject of this docket, and Robson does not have any requests for
6 service in the proposed extension area their intervention would unduly broaden the issues in this case.
7 We agree with Staff, that the Robson Utilities companies do not have standing to address the issues
8 raised in the Motion because they do not have any requests for service or an application for a CC&N
9 for the proposed extension area. Robson Utilities also raises the issue that because AWC is not an
10 integrated utility it would not be in the public interest for it to receive an extension of its CC&N. On
11 this issue, allowing Robson Utilities to intervene would unduly broaden the scope of this proceeding
12 because it would require Staff to conduct a comparison between competing water providers, when
13 one of them has no pending application or request for service in the area. Robson Utilities has not
14 demonstrated that it is directly and substantially affected by AWC's application. Therefore, Robson
15 Utilities' Motion to Intervene should be denied.

16 IT IS THEREFORE ORDERED that Robson Utilities' Motion to Intervene is hereby denied
17 for the foregoing reasons.

18 IT IS FURTHER ORDERED that a Procedural Conference shall be held on **July 27, 2006 at**
19 **10:00 a.m.** to hear oral arguments on Santa Cruz and Palo Verde's Motion to Vacate the
20 Consolidation and Motion to Dismiss AWC's application as well as to set other procedural deadlines.

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

24 ...

25 ...

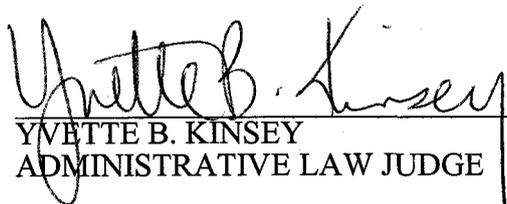
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1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3 Dated this 10th day of July, 2006

4
5 
6 YVETTE B. KINSEY
7 ADMINISTRATIVE LAW JUDGE
8

9 Copies of the foregoing mailed/delivered
10 this 10th day of July, 2006 to:

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