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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

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AZ CORP COMMISSION  
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

NOV -8 2006

DOCKETED BY [Signature]

DOCKET NO. WS-04235A-06-0303

IN THE MATTER OF THE APPLICATION OF  
UTILITY SOURCE, LLC. FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PROPERTY AND FOR  
AN INCREASE IN ITS WATER AND  
WASTEWATER RATES AND CHARGES FOR  
UTILITY SERVICES.

PROCEDURAL ORDER

BY THE COMMISSION:

On May 1, 2006, Utility Source, LLC ("Utility Source" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a determination of the current fair value of its utility plant and property and for increases in its rates and charges for water and wastewater utility service provided to customers in the Company's service area in Coconino County, Arizona.

On May 31, 2006, the Commission's Utilities Division Staff ("Staff") filed a letter stating that the Company's application did not meet the sufficiency requirements pursuant to A.A.C. R14-2-103.

On June 16, 2006, Utility Source filed additional information in response to Staff's deficiency letter.

On July 3, 2006, Staff filed a letter indicating that the Company's application met the sufficiency requirements, and classifying the Company as a Class C utility.

By Procedural Order issued July 10, 2006, a hearing in this matter was scheduled for January 22, 2007, and other procedural deadlines were established.

On September 26, 2006, the Ponderosa Fire District filed a Motion to Intervene as a customer of the Company. No opposition to the request was received.

On October 25, 2006, Staff filed a Motion to Extend Filing Deadline and Schedule Procedural Conference ("Motion"). Staff claims that it has not received adequate information from the Company regarding plant in service and that data responses from the Company have taken longer than the time allowed. Staff therefore requests that the deadline for filing of its Direct Testimony, which is

1 currently due by November 15, 2006, should be extended by 60 days. Staff also requests that a  
2 procedural conference be scheduled to discuss adjustment of other filing deadlines and other  
3 procedural matters.

4 Utility Source has not, to date, filed a response to Staff's request for an extension of the filing  
5 deadline for its Direct Testimony.

6 IT IS THEREFORE ORDERED that Staff's Motion to Extend Filing Deadline and Schedule  
7 Procedural Conference shall be granted. **Direct testimony and exhibits for Staff and intervenors**  
8 **shall be filed on or before January 15, 2007.**

9 IT IS FURTHER ORDERED that a **Procedural Conference shall be scheduled for**  
10 **November 28, 2006, at 11:00 a.m.**, at the Commission's offices, 1200 W. Washington, Phoenix,  
11 Arizona.

12 IT IS FURTHER ORDERED that the Ponderosa Fire District's Motion to Intervene is hereby  
13 granted.

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

16 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the  
17 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

18 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
19 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
20 Rules of the Arizona Supreme Court). Representation before the Commission includes the obligation  
21 to appear at all hearings and procedural conferences, as well as all Open Meetings for which the  
22 matter is scheduled for discussion, unless counsel has previously been granted permission to  
23 withdraw by the Administrative Law Judge.

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

4 Dated this 8<sup>th</sup> day of November, 2006

5  
6 

7 DWIGHT D. NODES  
8 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 5<sup>th</sup> day of November, 2006 to:

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19 Ponderosa Fire District  
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