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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER
MARC SPITZER
COMMISSIONER

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AZ CORP COMMISSION
DOCUMENT CONTROL

DOCKET NO. W-01445A-02-0619

IN THE MATTER OF THE APPLICATION OF
ARIZONA WATER COMPANY, AN ARIZONA
CORPORATION, FOR ADJUSTMENTS TO ITS
RATES AND CHARGES FOR UTILITY SERVICE
FURNISHED BY ITS EASTERN GROUP AND
FOR CERTAIN RELATED APPROVALS

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On August 14, 2002, Arizona Water Company ("Company") filed the above-captioned rate application with the Arizona Corporation Commission ("Commission").

On September 16, 2002, the Residential Utility Consumer Office ("RUCO") filed a Motion to Intervene, which was granted by Procedural Order on September 27, 2002.

On October 11, 2002, the Commission's Utilities Division Staff ("Staff") filed a letter indicating the Company's rate application was sufficient and classifying the Company as a Class A utility.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the hearing in the above-captioned matter shall commence on **June 23, 2003 at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington, Phoenix, Arizona 85007.

IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **June 20, 2003, at 1:30 p.m.** at the Commission's Phoenix offices, for the purpose of scheduling witnesses and the conduct of the hearing.

IT IS FURTHER ORDERED that direct testimony and associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before **April 9, 2003.**

IT IS FURTHER ORDERED that direct testimony and associated exhibits to be presented at

1 hearing on behalf of intervenors shall be reduced to writing and filed on or before **April 9, 2003**.

2 IT IS FURTHER ORDERED that rebuttal testimony and associated exhibits to be presented
3 at hearing by the Company shall be reduced to writing and filed on or before **May 7, 2003**.

4 IT IS FURTHER ORDERED that surrebuttal testimony and associated exhibits to be
5 presented by the Staff and intervenors shall be reduced to writing and filed on or before **June 5,**
6 **2003**.

7 IT IS FURTHER ORDERED that rejoinder testimony and associated exhibits to be presented
8 at the hearing on behalf of the Company shall be reduced to writing and filed on or before **June 13,**
9 **2003**.

10 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
11 been prefiled as of June 13, 2003, shall be made before or at the June 20, 2003 pre-hearing
12 conference.

13 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents that lists
14 the issues discussed.

15 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
16 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is
17 scheduled to testify.

18 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the
19 pre-filed testimony of each of their witnesses and shall file each summary by 1:30 p.m. on **June 20,**
20 **2003**.

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

23 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
24 except that all motions to intervene must be filed on or before February 26, 2003.

25 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
26 regulations of the Commission, except that: until June 13, 2003, any objection to discovery requests
27
28

1 shall be made within 7 days¹ of receipt and responses to discovery requests shall be made within 10
2 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and responses
3 shall be made in 7 days¹; the response time may be extended by mutual agreement of the parties
4 involved if the request requires an extensive compilation effort; and no discovery requests shall be
5 served after June 17, 2003.

6 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
7 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
8 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
9 request, a procedural hearing will be convened as soon as practicable; and that the party making such
10 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
11 hearing provide a statement confirming that the other parties were contacted.²

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

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

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

19 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
20 this matter, in the following form and style:

21 **PUBLIC NOTICE OF HEARING ON THE**
22 **RATE APPLICATION OF**
23 **ARIZONA WATER COMPANY FOR ITS EASTERN GROUP**
24 **Docket No. W-01445A-02-0619**

25 On August 14, 2002, Arizona Water Company ("Company") filed an application with
26 the Arizona Corporation Commission for an increase in revenues of approximately
27 29.5 percent for its Eastern Group systems, which include the Company's Apache
28 Junction, Superior, Bisbee, Sierra Vista, San Manuel, Oracle, Winkelman, and Miami
systems. The actual percentage rate increase requested for individual customers will
vary depending upon the type and quantity of service provided. Copies of the

¹ "Days" means calendar days.

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

1 Company's application and proposed tariffs are available at its office and the
Commission's offices for public inspection during regular business hours.

2 The Commission will hold a public hearing on this matter beginning June 23, 2003 at
3 10:00 a.m. at the Commission's offices, 1200 West Washington Street, Phoenix,
Arizona. Public comments will be taken on the first day of the hearing.

4 The law provides for an open public hearing at which, under appropriate
5 circumstances, interested parties may intervene. Intervention shall be permitted to any
6 person entitled by law to intervene and having a direct and substantial interest in the
7 matter. Persons desiring to intervene must file a written motion to intervene with the
Commission no later than **February 26, 2003**. The motion to intervene must be sent
to the Company or its counsel and to all parties of record, and shall contain the
following:

- 8 1. The name, address, and telephone number of the proposed intervenor
9 and of any party upon whom service of documents is to be made if
different than the intervenor.
- 10 2. A short statement of the proposed intervenor's interest in the
11 proceeding (e.g., a customer of the Company, a shareholder of the
Company, etc.).
- 12 3. A statement certifying that a copy of the motion to intervene has been
13 mailed to the Company or its counsel and to all parties of record in the
case.

14 The granting of intervention, among other things, entitles a party to present sworn
15 evidence at the hearing and to cross-examine other witnesses. However, failure to
16 intervene will not preclude any interested person or entity from appearing at the
17 hearing and providing public comment on the application or from filing written
comments in the record of the case. You will not receive any further notice of this
proceeding unless you request it.

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

20 The Commission does not discriminate on the basis of disability in admission to its
21 public meetings. Persons with a disability may request a reasonable accommodation
22 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
allow time to arrange the accommodation.

23 IT IS FURTHER ORDERED that the Company shall mail to each of its customers a copy of
24 the above notice by **January 29, 2003**.

25 IT IS FURTHER ORDERED that the Company shall file certification of mailing as soon as
26 practicable after the mailing has been completed.

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

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

4 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
5 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

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

8 DATED this 23 day of October, 2002.

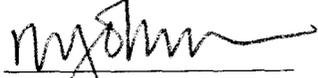

TEENA WOLFE
ADMINISTRATIVE LAW JUDGE

12 Copies of the foregoing mailed
13 this 23 day of October, 2002 to:

14 Robert W. Geake
15 Vice President and General Counsel
16 ARIZONA WATER COMPANY
17 P.O. Box 29006
18 Phoenix, AZ 85038-9006

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