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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2007 MAY -1 A 10: 35

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL, AZ CORP COMMISSION
JEFF HATCH-MILLER, DOCUMENT CONTROL
KRISTIN K. MAYES
GARY PIERCE

IN THE MATTER OF:

ARIZONA WATER COMPANY, AN ARIZONA CORPORATION,

Complainant,

vs.

GLOBAL WATER RESOURCES, LLC, A FOREIGN LIMITED LIABILITY COMPANY; GLOBAL WATER RESOURCES, INC., A DELAWARE CORPORATION; GLOBAL WATER MANAGEMENT, LLC, A FOREIGN LIMITED LIABILITY COMPANY; SANTA CRUZ WATER COMPANY, LLC, AN ARIZONA LIMITED LIABILITY CORPORATION; PALO VERDE UTILITIES COMPANY, LLC, AN ARIZONA LIMITED LIABILITY CORPORATION; GLOBAL WATER - SANTA CRUZ WATER COMPANY, AN ARIZONA CORPORATION; GLOBAL WATER - PALO VERDE UTILITIES COMPANY, AN ARIZONA CORPORATION; JOHN AND JANE DOES 1-20; ABC ENTITIES I-XX,

Respondents.

DOCKET NO. W-01445A-06-0200
SW-20445A-06-0200
W-20446A-06-0200
W-03576A-06-0200
SW-03575A-06-0200

Arizona Corporation Commission
DOCKETED

MAY -1 2007

DOCKETED BY *nr*

PROCEDURAL ORDER

BY THE COMMISSION:

On March 29, 2006, Arizona Water Company ("AWC") filed a complaint against Global Water Resources, LLC, Global Water Resources, Inc., Global Water Management, LLC, Santa Cruz Water Company, LLC, Palo Verde Utilities Company, LLC, Arizona Global Water - Santa Cruz Water Company and Arizona Global Water - Palo Verde Utilities Company (collectively "Respondents").

On October 6, 2006, the Commission's Utilities Division ("Staff") filed a Staff Report in Docket No. W-00000C-06-0149 (*In the Matter of the Commission's Generic Evaluation of the Regulatory Impact From the Use of Non-Traditional Financing Arrangements by Water Utilities and*

1 *Their Affiliates*) (“Generic Docket”) addressing the Comments that had been received regarding
2 regulatory treatment of non-traditional funding mechanisms.

3 By Procedural Order issued December 20, 2006, as amended by Procedural Order issued
4 January 23, 2007, Staff was directed to file a legal brief addressing the issue of whether entities
5 which employ non-traditional financing arrangements, such as ICFAs, should be considered public
6 service corporations or otherwise subject to the Commission’s jurisdiction.

7 Staff’s brief was filed on February 9, 2007, and reply briefs were filed by AWC and the
8 Respondents on February 23, 2007.

9 Also on February 23, 2007, AWC filed a Renewed Motion for an Order to Show Cause and
10 Request for Expedited Hearing and Proceedings.

11 On March 9, 2007, the Respondents filed a Response to AWC’s Motion for Order to Show
12 Cause.

13 On March 21, 2007, AWC filed a Reply in Support of its Renewed Motion for an Order to
14 Show Cause.

15 By Procedural Order issued March 27, 2007, a procedural conference was scheduled for April
16 6, 2007, to discuss pending procedural matters.

17 On April 3, 2006, Staff filed a Motion to Reschedule Procedural Conference due to the
18 unavailability of key Staff members on the date of the scheduled conference.

19 On April 4, 2007, a teleconference was conducted with the parties. All parties agreed to
20 reschedule the procedural conference for April 13, 2007, at 1:30 p.m.

21 By Procedural Order issued April 5, 2007, the procedural conference was rescheduled for
22 April 13, 2007.

23 The procedural conference was held on April 13, 2007, as scheduled. At the procedural
24 conference, the parties discussed potential hearing dates and other procedural deadlines. At the
25 conclusion of the conference, the parties were directed to discuss whether mutually agreeable dates
26 could be negotiated, and to file proposed dates for consideration.

27 On April 23, 2007, Global filed Comments Regarding Procedural Schedule. Global argues
28 that its CC&N application in Docket No. W-01445A-06-0199 (“CC&N Docket”) should not be

1 delayed pending completion of the above-captioned docket ("Complaint Docket"). Global proposes
2 three alternative procedural schedules: 1) Complete the CC&N Docket prior to the Complaint
3 Docket, with a hearing in the CC&N Docket by June 2007 and a hearing in the Complaint Docket by
4 December 2007; 2) Consolidate the CC&N Docket and the Compliant Docket and conduct a hearing
5 in August 2007; or 3) Complete the Complaint Docket first with a hearing beginning July 2, 2007.

6 On April 23, 2007, AWC filed a Proposed Schedule in the Complaint Docket setting forth
7 various discovery and testimony filing deadlines, with a five-day hearing beginning October 15,
8 2007.

9 On April 27, 2007, Staff filed Comments on Proposed Procedural Schedules. Staff states that
10 it supports AWC's proposed schedule, with the exception that Staff would file surrebuttal testimony
11 only if necessary.

12 IT IS THEREFORE ORDERED that a **hearing shall be scheduled in the above-captioned**
13 **docket for October 15, 2007, at 10:00 a.m.**, at the offices of the Commission, 1200 West
14 Washington, Phoenix, Arizona 85007.

15 IT IS FURTHER ORDERED that a **prehearing conference shall be scheduled for October**
16 **12, 2007, at 10:00 a.m.**, at the offices of the Commission.

17 IT IS FURTHER ORDERED that **the following procedural schedule shall be observed for**
18 **the conduct of this proceeding:**

19	Completion of Witness Depositions	June 29, 2007
20	AWC and Global Direct Testimony	July 27, 2007
21	Staff Direct Testimony	August 24, 2007
22	AWC and Global Rebuttal Testimony	September 14, 2007
23	Staff Surrebuttal Testimony (if necessary)	October 1, 2007
24	Completion of Discovery	October 1, 2007

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26 ...
27 ...
28 ...

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 15th day of May, 2007

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6 

7 DWIGHT D. NODES
8 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE
9

10
11 Copies of the foregoing mailed/delivered
12 this 15th day of May, 2007, to:

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