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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

2007 MAY 18 A 11:40

DOCKETED

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

MAY 18 2007

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IN THE MATTER OF THE APPLICATION OF
GRAHAM COUNTY ELECTRIC COOPERATIVE,
INC. FOR AN ORDER SETTING JUST AND
REASONABLE RATES.

DOCKET NO. E-01749A-07-0236

PROCEDURAL ORDER

BY THE COMMISSION:

On April 11, 2007, Graham County Electric Cooperative, Inc. ("Graham" or "Cooperative") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase.

On May 3, 2007, Graham filed revised schedules.

On May 10, 2007, Commission Utilities Division Staff ("Staff") notified the Cooperative that its application was sufficient under the requirements outlined in A.A.C. R14-2-103, and classified the Cooperative 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 **January 30, 2008, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona 85701.**

IT IS FURTHER ORDERED that a **pre-hearing conference** shall be held on **January 24, 2008, at 10:00 a.m.** at the Commission's Tucson offices, Room 218, for the purpose of scheduling witnesses and the conduct of the hearing.¹

IT IS FURTHER ORDERED that the **Staff Report** and/or any testimony and associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before **November 6, 2007.**

¹ Parties may request to appear telephonically at the pre-hearing conference. Such requests should be made by January 21, 2008.

1 IT IS FURTHER ORDERED that any **testimony** and associated exhibits to be presented at
2 hearing on behalf of intervenors shall be reduced to writing and filed on or before **November 6,**
3 **2007.**

4 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be
5 presented at hearing by the Cooperative shall be reduced to writing and filed on or before **December**
6 **11, 2007.**

7 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
8 presented by the Staff or intervenors shall be reduced to writing and filed on or before **January 4,**
9 **2008.**

10 IT IS FURTHER ORDERED that any **rejoinder testimony and associated exhibits** to be
11 presented at hearing by the Cooperative shall be reduced to writing and filed on or before **January**
12 **18, 2008.**

13 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**
14 **filing is due, unless otherwise indicated.**

15 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
16 been prefiled as of January 18, 2008, shall be made before or at the January 24, 2008 pre-hearing
17 conference.

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

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

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

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

28

1 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
2 except that all motions to intervene must be filed on or before December 21, 2007.

3 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
4 regulations of the Commission, except that: until December 31, 2007, any objection to discovery
5 requests shall be made within 7 days² of receipt and responses to discovery requests shall be made
6 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and
7 responses shall be made in 7 days¹; the response time may be extended by mutual agreement of the
8 parties involved if the request requires an extensive compilation effort.

9 IT IS FURTHER ORDERED that in the alternative to filing a written motion to compel
10 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
11 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
12 request, a procedural hearing will be convened as soon as practicable; and that the party making such
13 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
14 hearing provide a statement confirming that the other parties were contacted.³

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

18 IT IS FURTHER ORDERED that any responses to motions shall be filed within ten days of
19 the filing date of the motion.

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

22 IT IS FURTHER ORDERED that the Cooperative shall provide public notice of the hearing
23 in this matter, in the following type size, form and style:
24
25
26

27 ² "Days" means calendar days.

28 ³ The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

PUBLIC NOTICE OF HEARING ON THE
RATE APPLICATION OF
GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.
DOCKET NO. E-01749A-07-0236

On April 11, 2007, Graham County Electric Cooperative, Inc. ("Graham" or "Cooperative") filed an application with the Arizona Corporation Commission for an approximate 24 percent increase in revenue (\$2,909,074). The Cooperative is proposing a decrease in its existing purchased power adjustor rate from \$0.015 to zero. The Cooperative estimates that average residential customer's bill would increase by \$5.30 per month, or 6.12 percent, from \$86.59 to \$91.89. Residential customers using less or more than the average 775 kWh per month will experience a lower or higher percent increase depending on their usage. Under the Cooperative's proposal, other rate class customers would experience increases between 5.53 percent and 10.55 percent depending on their class and usage.

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Cooperative's rate increase proposal, and the Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Cooperative, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above. Copies of the application and proposed tariffs are available at the Company's offices [INSERT ADDRESS] and on the internet via the Commission website ([/www.azcc.gov/](http://www.azcc.gov/)) using the e-docket function.

The Commission will hold a **hearing** on this matter beginning **January 30, 2008, at 10:00 a.m.**, at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any 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 no later than **December 21, 2007**. The motion to intervene must be sent to the Company or its counsel and to all parties of record, and must contain the following:

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 different from the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the

1 hearing and providing public comment on the application or from filing written
2 comments in the record of the case. You will not receive any further notice of this
3 proceeding unless you request it.

4 If you have any substantive questions about this application for an increase in water
5 and wastewater rates, you may contact the Company at: **[COMPANY SHOULD
6 INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL
7 ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE
8 APPLICATION].**

9 Public comments will also be taken on the first day of the hearing in this matter.
10 Written public comments may be submitted via email, or by mailing a letter
11 referencing Docket Number T-01749A-07-0236 (Graham County Electric
12 Cooperative, Inc.) to: Arizona Corporation Commission, Consumer Services Section,
13 1200 West Washington, Phoenix, AZ 85007 (visit
14 <http://www.azcc.gov/divisions/util/forms/publiccomment.pdf> for a form and
15 instructions). If you require assistance, you may contact the Consumer Services
16 Section of the Commission at 1-800-222-7000.

17 The Commission does not discriminate on the basis of disability in admission to its
18 public meetings. Persons with a disability may request a reasonable accommodation
19 such as a sign language interpreter, as well as request this document in an alternative
20 format, by contacting the ADA Coordinator Linda Hogan, E-mail Lhogan@azcc.gov,
21 voice phone number 602/542-3931.

22 IT IS FURTHER ORDERED that the Cooperative shall mail to each of its customers a copy
23 of the above notice by June 29, 2007.

24 IT IS FURTHER ORDERED that if the Cooperative has a newsletter that is sent to its
25 members, it shall also publish the above notice in such newsletter by October 31, 2007, if possible.

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

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

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

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

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

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

9

10 DATED this 16th day of May, 2007.


JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

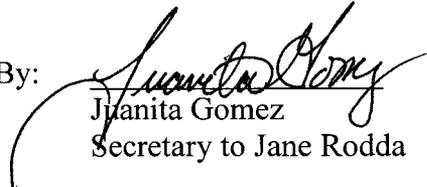
14 Copies of the foregoing mailed
15 this 16th day of May, 2007 to:

16 John Wallace
17 Grand Canyon State Electric Cooperative Assn. inc
18 120 North 44th street, Suite 100
19 Phoenix, AS 85034

20 Christopher Kempley, Chief Counsel
21 LEGAL DIVISION
22 Arizona Corporation Commission
23 1200 W. Washington Street
24 Phoenix, Arizona 85007

25 Ernest Johnson, Director
26 Utilities Division
27 Arizona Corporation Commission
28 1200 W. Washington Street
Phoenix, Arizona 85007

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

26 By: 
27 Juanita Gomez
28 Secretary to Jane Rodda