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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF
NORTHERN SUNRISE WATER COMPANY FOR
A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER SERVICE IN
COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20453A-06-0247

IN THE MATTER OF THE APPLICATION OF
SOUTHERN SUNRISE WATER COMPANY FOR
A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER SERVICE IN
COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20454A-06-0248

IN THE MATTER OF THE JOINT APPLICATION
OF NORTHERN SUNRISE WATER COMPANY
AND SOUTHERN SUNRISE WATER COMPANY
FOR THE APPROVAL OF SALE AND
TRANSFER OF WATER UTILITY ASSETS, AND
CANCELLATION OF CERTIFICATES OF
CONVENIENCE AND NECESSITY, FOR
MIRACLE VALLEY WATER COMPANY,
COCHISE WATER COMPANY, HORSESHOE
RANCH WATER COMPANY, CRYSTAL WATER
COMPANY, MUSTANG WATER COMPANY,
CORONADO ESTATES WATER COMPANY,
AND SIERRA SUNSET WATER COMPANY,
LOCATED IN COCHISE COUNTY, ARIZONA.

DOCKET NOS. W-20453A-06-0251
W-20454A-06-0251
W-01646A-06-0251
W-01868A-06-0251
W-02235A-06-0251
W-02316A-06-0251
W-02230A-06-0251
W-01629A-06-0251
W-02240A-06-0251

PROCEDURAL ORDER

BY THE COMMISSION:

On January 3, 2008, Northern Sunrise Water Company and Southern Sunrise Water Company (collectively "Applicants") filed with the Arizona Corporation Commission ("Commission") a "Compliance with Decision No. 68826." By their filing, Applicants seek to amend their Certificates of Convenience and Necessity ("CC&Ns") pursuant to Decision No. 68826 (June 29, 2006).

By Procedural Order dated February 28, 2008, the matter was set for hearing on July 8, 2008, and the Applicants were ordered to mail notice to the affected property owners.

1 On April 29, 2008, Applicants filed a Notice of Filing Proof of Publication and Mailing,
2 indicating they mailed notice to affected property owners on April 18, 2008 and April 24, 2008.

3 In response to the notice, the Commission received a large number of requests from property
4 owners to have their property excluded from the proposed extension area. It appeared from the
5 responses to the notice that property owners were confused about the effect of the application.

6 Consequently, by Procedural Order dated June 3, 2008, the Commission scheduled a Public
7 Comment meeting in Sierra Vista, Arizona on June 23, 2008.

8 The June 23, 2008 Public Comment meeting highlighted that there remains confusion about
9 which areas are being sought to be included in the Applicants' certificated areas.

10 On June 27, 2008, the Commission's Utilities Division ("Staff") filed its Staff Report
11 addressing the Applicants' request to extend their Certificates of Convenience and Necessity. Staff
12 recommends approval with conditions.

13 On June 30, 2008, Commissioner Mundell filed a letter in the Docket requesting that the July
14 8, 2008, hearing be continued to allow additional notice to the landowners in the requested extension
15 area.

16 On July 1, 2008, Applicants filed a Request for Revised Procedural Schedule. Applicant's
17 state they support Commissioner Mundell's request. In addition, they report that they did not receive
18 the Staff Report until June 30, 2008, and pursuant to the existing procedural schedule, without a
19 continuance, would have only four business days to respond to the Staff Report. Due to the issues
20 raised in the Staff Report, Applicant's request additional time to provide a thorough response.
21 Applicants report further that Staff does not object to the request for additional time.

22 The requests for additional notice and a continuance of the procedural schedule are
23 reasonable, and should result in a more complete and accurate record. Consequently, the current
24 procedural schedule which calls for Applicants to file a response to the Staff Report by July 3, 2008,
25 and a hearing on July 8, 2008, will be suspended. Because the July 8, 2008 date was noticed to
26 interested parties as a time when the Commission would take public comment in this matter, the
27 Commission will convene as scheduled for the purpose of taking any additional public comment. In
28 addition, the Commission will convene a Procedural Conference on July 8, 2008, immediately

1 following the public comment, to discuss additional notice and a schedule for going forward in this
2 matter.

3 IT IS THEREFORE ORDERED that the deadline for Applicants to file a response to the Staff
4 Report, and the evidentiary portion of the July 8, 2008 hearing, are continued indefinitely pending
5 further order of the Commission.

6 IT IS FURTHER ORDERED that the Commission will convene on **July 8, 2008**, at 10 a.m.
7 as originally scheduled, for the purpose of taking **public comment** in this matter.

8 IT IS FURTHER ORDERED that as soon as practicable following any public comment, a
9 **Procedural Conference** shall commence at the Commission's Tucson offices, 400 West Congress,
10 Room 222, Tucson, Arizona 85701, for the purpose of discussing additional notice and establishing a
11 new schedule for the proceeding.

12 IT IS FURTHER ORDERED that parties **may participate telephonically** in the Procedural
13 Conference. The telephone number to participate is **(602) 771-9957**.

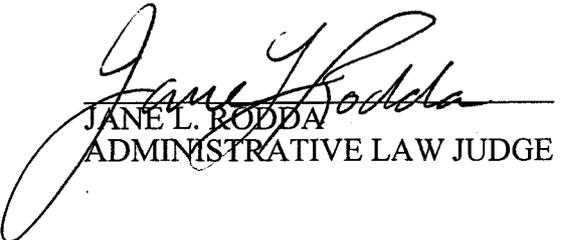
14 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
15 Communications) continues to apply to this proceeding.

16 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
17 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*
18 *hac vice*.

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

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

23 Dated this 2nd day of July, 2008.

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JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed
2 this 2nd day of July 2008 to:

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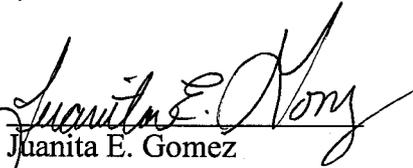
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26
27 By: 
28 Juanita E. Gomez
Secretary to Jane L. Rodda