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BEFORE THE ARIZONA CORPORATION COMMISSION

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2 COMMISSIONERS

3 MIKE GLEASON - Chairman
4 WILLIAM A. MUNDELL
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6 KRISTIN K. MAYES
7 GARY PIERCE

2008 AUG -7 A 11: 27

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION
DOCKET CONTROL

AUG -7 2008

DOCKETED BY *MM*

7 STAFF OF THE UTILITIES DIVISION,

DOCKET NO. W-02258A-07-0470

8 COMPLAINANT,

9 VS.

10 AMERICAN REALTY AND MORTGAGE CO.,
11 INC., DBA HACIENDA ACRES WATER
12 SYSTEM,

12 RESPONDENT.

PROCEDURAL ORDER

13 **BY THE COMMISSION:**

14 On August 13, 2007, the Arizona Corporation Commission's ("Commission") Utilities
15 Division Staff ("Staff") filed a memorandum with the Commission's Docket Control Center
16 requesting that a docket be opened in the above-captioned matter.

17 On August 13, 2007, Staff filed a Complaint and Petition for an Order to Show Cause
18 ("Complaint") against American Realty and Mortgage Co., Inc., dba Hacienda Acres Water System
19 ("American Realty and Mortgage").

20 On August 23, 2007, the Commission issued Decision No. 69865 which ordered American
21 Realty and Mortgage to appear and show cause why the Commission should not make findings and
22 orders on the enumerated counts; ordered American Realty and Mortgage, if it intended to appear and
23 show cause as ordered, to file preliminary statement describing how it will respond to the Order to
24 Show Cause and an Answer to the Complaint; and ordered the Hearing Division to schedule further
25 appropriate proceedings.

26 By Procedural Order issued November 7, 2007, the hearing in this matter was scheduled to
27 commence on February 8, 2008.
28

1 On February 8, 2008, the hearing commenced as scheduled, but was continued pending filing
2 of testimony and exhibits by the parties.

3 On February 28, 2008, by Procedural Order, Staff was ordered to file its prefiled its testimony
4 and exhibits by March 7, 2008, and American Realty and Mortgage was ordered to file testimony and
5 exhibits by April 4, 2008.

6 On March 7, 2008, Staff filed its testimony and evidence.

7 On March 17, 2008, Mr. Joseph W. Lee filed a Request to Withdraw as Attorney for the
8 corporation known as American Realty and Mortgage Company, Inc. The Request was granted
9 pursuant to our Procedural Order dated March 31, 2008.

10 American Realty and Mortgage did not file its testimony and exhibits.

11 On April 25, 2008, by Procedural Order, Staff was directed to file a recommendation on how
12 to proceed in this matter.

13 On May 1, 2008, Staff filed a procedural recommendation. In its recommendation, Staff
14 requested that a procedural conference be scheduled and American Realty and Mortgage be put on
15 notice that if it chooses not to appear and participate, a hearing may be scheduled and convene in its
16 absence.

17 On May 29, 2008, a procedural conference was held and Staff appeared but American Realty
18 and Mortgage did not appear. Staff recommended that the hearing be recommenced and indicated
19 that Staff had mailed correspondence by certified mail to American Realty and Mortgage and its
20 statutory agent, but had not received a response.

21 On June 6, 2008, a Procedural Order was issued scheduling the hearing to recommence on
22 July 27, 2008.

23 On June 27, 2008, an evidentiary hearing was held. American Realty and Mortgage did not
24 appear at the hearing. At the conclusion of the hearing, Staff proposed that it submit a
25 comprehensive closing statement in writing. The Administrative Law Judge requested that Staff
26 further brief two additional issues that had arisen in this matter and such filings were to be filed by
27 July 18, 2008.

28 On July 22, 2008, Staff filed a Request for Extension to File Closing Briefs ("Request"). In

1 its Request, Staff stated that it needed additional time to obtain and review the transcripts of a least
2 two open meetings.

3 Our July 28, 2008, Procedural Order granted Staff additional time until August 1, 2008 to file
4 its Closing Brief and also granted American Realty and Mortgage, dba Hacienda Acres Water System
5 until August 15, 2008, to file its response to Staff's Closing Brief.

6 On August 1, 2008, Staff filed another Request for Extension to File Closing Brief. Staff
7 states that additional time is necessary due to the need to have Open Meeting transcripts prepared.
8 Staff requested the additional time to file until August 8, 2008. Staff's request is reasonable, and
9 accordingly, additional time for filing the Closing Brief should be granted.

10 IT IS THEREFORE ORDERED that Staff shall file its Closing Brief on or before August 8,
11 2008.

12 IT IS FURTHER ORDERED that any response to the Staff Closing Brief by American Realty
13 and Mortgage, dba Hacienda Acres Water System, shall be filed with Docket Control no later than
14 August 22, 2008.

15 DATED this 7th day of August, 2008.

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LYN FARMER
CHIEF ADMINISTRATIVE LAW JUDGE

23 Copies of the foregoing mailed/delivered
24 this 7th day of August, 2008 to:

25 Alma R. Lee, Jr.
26 AMERICAN REALTY
27 & MORTGAGE CO., INC.
28 32241 South Center Street
Wittmann, AZ 85361
U.S. Mail and Certified Mail

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By: 

Debbi Person
Secretary to Lyn Farmer