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September 25, 2008

Kay Kilger  
Arizona Corporation Commission  
Docket Control  
1200 W. Washington  
Phoenix, AZ 85007

Re: Keaton Development Company-Docket No. W-02169A-08-0301; Affidavits of Mailing and Publication

Dear Ms. Kilger:

The Procedural Order in this matter required Notice to the Property Owners and the public, and certification of said Notice. Attached hereto are 15 copies of each of those Affidavits.

In the event you have any questions regarding these matters, please do not hesitate to call.

Sincerely,

Richard L. Sallquist

Enclosures

cc: Hearing Division  
Legal Division  
Alex Igwe  
Bill Scott

Arizona Corporation Commission

DOCKETED

SEP 26 2008

DOCKETED BY

ARIZONA CORPORATION  
DOCKET CONTROL

2008 SEP 26 A 10:30

RECEIVED

**AFFIDAVIT OF PUBLICATION**

STATE OF ARIZONA

COUNTY OF LA PAZ, ss

*Angelique Van Meter*

**ANGELIQUE VAN METER**

of said county, being duly sworn, deposes and says: that he/she is and at all times herein mentioned was a citizen of the United States, over the age of twenty-one years, and is competent to be a witness on the trial of the above entitled action, and that he/she is not a party to, nor interested in the above entitled matter.

That he/she is the Authorized Agent for the:

**PARKER PIONEER**

(published weekly) and which is a weekly newspaper of general circulation, published and circulated in the said County of La Paz, and is published for the dissemination of local news and intelligence of a general character, and has a bona fide subscription list of paying subscribers, and said newspaper has been established and published in the City of Parker, County of La Paz, State of Arizona, for at least one year before the publication of the first insertion of this notice and said newspaper is not devoted to the interests of, or published for the entertainment of any particular class, professions, trade, calling, race or denomination, or any number thereof.

**PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF KEATON DEVELOPMENT COMPANY FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY FOR THE PROVISION OF WATER SERVICE IN PORTIONS OF LA PAZ COUNTY DOCKET NO. W-02169A-08-0301**

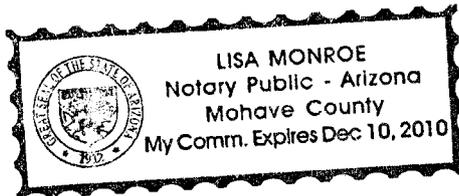
of which the annexed is a printed copy, was published in said newspaper at 1 time(s), commencing on the 17th day of September, 2008 and ending on the 17th day of September, 2008 all above days inclusive, and in the regular and entire issue of said newspaper proper, and not in a supplement and said notice was published therein on the following dates, to-wit:

September 17, 2008

Subscribed and sworn to before me the 17th day of September, 2008.

*[Signature]*  
Notary Public in and for the county of La Paz, State of Arizona

December 10, 2010  
My Commission Expires:



**PUBLIC NOTICE OF THE HEARING ON  
THE APPLICATION OF KEATON  
DEVELOPMENT COMPANY FOR  
APPROVAL OF AN EXTENSION OF ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR THE PROVISION OF  
WATER SERVICE IN PORTIONS OF LA  
PAZ COUNTY.**

**(Docket No. W-02169A-08-0301)**

On June 13, 2008, Keaton Development Company ("Keaton" or "Applicant") filed with the Arizona Corporation Commission ("Commission") an application for an extension of its Certificate of Convenience and Necessity ("Certificate" or "CC&N") to provide domestic water service in portions of La Paz County, Arizona. The Commission's Utilities Division ("staff") has not yet made a recommendation regarding Keaton's application, and the Commission is not bound by the proposals made by Keaton, Staff, or any intervenors. The Commission will issue a decision regarding Keaton's application following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the application are available at Keaton's offices 66798 Hwy 60, Salome, Arizona 85348 and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours 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 **October 30, 2008, at 10:00 a.m.**, in Hearing Room #1 at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit <http://www.azcc.gov/divisions/utilities/forms/publiccomment.pdf> for instructions) or by mailing a letter referencing Docket Number W-02169A-08-0301 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.); and
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that **all motions to intervene must be filed on or before October 14, 2008.** The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. **However, failure to intervene will not preclude any person or entity from appearing at the hearing and making a statement on their own behalf.**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Linda Hogan, E-mail [LHogan@azcc.gov](mailto:LHogan@azcc.gov), voice phone number 602/542-3931. Request should be made as early as possible to allow time to arrange the accommodation.

Publish: September 17, 2008 6108

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Richard L. Sallquist, Esq. (002774)  
SALLQUIST & DRUMMOND, P.C.  
2525 E Arizona Biltmore Circle, Suite 117  
Phoenix, Arizona 85016  
Telephone: (602) 224-9222  
Fax: (602) 224-9366  
Attorneys for Keaton Development Company

**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE )  
APPLICATION OF KEATON )  
DEVELOPMENT COMPANY FOR AN )  
EXTENSION OF ITS CERTIFICATE )  
OF CONVENIENCE AND NECESSITY )  
FOR THE PROVISION OF WATER )  
SERVICE IN PORTIONS OF LA PAZ )  
COUNTY, ARIZONA. )

DOCKET NO. W-02169A-08-0301

**AFFIDAVIT OF MAILING**

STATE OF ARIZONA )  
County of La Paz )

The undersigned being first duly sworn deposes and says as follows:

1. I am William Scott, President of Keaton Development Company. My business address is P.O. Box 905, Salome, Arizona 85348.

2. On or about September 08, 2008, I caused to be deposited in the United States mail, first class certified, postage prepaid, the Procedural Order dated September 4, 2008 to all property owners in the requested area, said notice being in the form attached hereto as Attachment One.

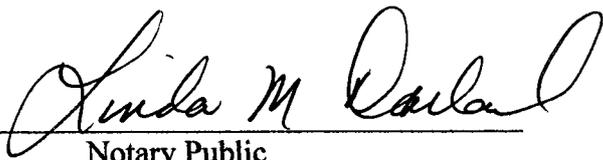
Further affiant sayeth not.

  
\_\_\_\_\_  
William Scott

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SUBSCRIBED AND SWORN to before me this 8 day of September \_\_, 2008, by

William Scott.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

7-31-11



**KEATON DEVELOPMENT CO**

**P.O. BOX 905**

**66477 65 Th ST.**

**SALOME, AZ 85348**

**Phone 928-859-3982 FAX 928-859-3984**

9/8/2008

Phoenix Atlantic Properties L.L.C.  
7349 Via Paseo Del Sur #515  
Scottsdale, AZ 85258

Sunland Estates Annexation to Keaton Development Co CC&N  
DOCKET NO. W-02169A-08-0301  
PROCEDURAL ORDER

Gentlemen,

Enclosed please find a copy of the referenced document. This letter will serve to satisfy the Order to **“mail to each property owner or property owner representative in the requested extension area a copy of the above notice.”**

Also, a copy of the “time clock” for the Order is included. Please note that the Hearing for this matter has been set for Oct. 30, 2008 at 10:00 AM.

Sincerely,



William Scott-Pres.  
Keaton Development Co.

CC: Dick Sallquist-Sallquist, Drummond and O'Connor

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

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

8 IN THE MATTER OF THE APPLICATION OF  
9 KEATON DEVELOPMENT COMPANY FOR  
10 APPROVAL OF AN EXTENSION OF ITS  
11 CERTIFICATE OF CONVENIENCE AND  
12 NECESSITY FOR THE PROVISION OF  
13 WATER SERVICE IN PORTIONS OF LA PAZ  
14 COUNTY, ARIZONA.

DOCKET NO. W-02169A-08-0301

PROCEDURAL ORDER

11 **BY THE COMMISSION:**

12 On June 13, 2008, Keaton Development Company ("Keaton" or "Applicant") filed with the  
13 Arizona Corporation Commission ("Commission") an application for an extension of its Certificate  
14 of Convenience and Necessity ("Certificate" or "CC&N") to provide domestic water service in  
15 portions of La Paz County, Arizona.

16 On July 3, 2008, Keaton filed an Amended Application.

17 On August 1, 2008, the Commission's Utilities Division ("Staff") filed an Insufficiency Letter  
18 and First Set of Data Requests.

19 On August 12, 2008, Applicant filed a second amended application withdrawing the  
20 amendment set forth in the July 3, 2008, filing.

21 On August 19, 2008, Staff filed a Sufficiency Letter indicating that Keaton's application had  
22 met the sufficiency requirements as outlined in the Arizona Administrative Code ("A.A.C.").

23 On August 20, 2008, Keaton filed a Response to Staff's First Set of Data Request.

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

26 IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall be held  
27 on **October 30, 2008, at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's  
28

1 offices, 1200 West Washington Street, Hearing Room #1, Phoenix, Arizona 85007.

2 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
3 105, except that all Motions to Intervene must be filed on or before **October 14, 2008**.

4 IT IS FURTHER ORDERED that **objections to any Motions to Intervene** must be filed no  
5 later than **October 23, 2008**.

6 IT IS FURTHER ORDERED that Keaton shall provide public notice of the hearing in this  
7 matter, in the following form and style, with the heading no less than 10 point bold type and the body  
8 no less than 10 point regular type:

9  
10 **PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF**  
11 **KEATON DEVELOPMENT COMPANY FOR APPROVAL OF AN**  
12 **EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND**  
13 **NECESSITY FOR THE PROVISION OF WATER SERVICE IN**  
14 **PORTIONS OF LA PAZ COUNTY.**  
15 **(Docket No. W-02169A-08-0301)**

16 On June 13, 2008, Keaton Development Company ("Keaton" or "Applicant") filed  
17 with the Arizona Corporation Commission ("Commission") an application for an  
18 extension of its Certificate of Convenience and Necessity ("Certificate" or "CC&N")  
19 to provide domestic water service in portions of La Paz County, Arizona. The  
20 Commission's Utilities Division ("Staff") has not yet made a recommendation  
21 regarding Keaton's application, and the Commission is not bound by the proposals  
22 made by Keaton, Staff, or any intervenors. The Commission will issue a decision  
23 regarding Keaton's application following consideration of testimony and evidence  
24 presented at an evidentiary hearing. Copies of the application are available at  
25 Keaton's offices [insert address] and the Commission's offices at 1200 West  
26 Washington, Phoenix, Arizona, for public inspection during regular business hours and  
27 on the internet via the Commission website (www.azcc.gov) using the e-docket  
28 function.

29 The Commission will hold a hearing on this matter beginning **October 30, 2008, at**  
30 **10:00 a.m.**, in Hearing Room #1 at the Commission's offices, 1200 West Washington,  
31 Phoenix, Arizona. Public comments will be taken on the first day of the hearing.  
32 Written public comments may be submitted via email (visit  
33 [http://www.azcc.gov/divisions/utilities/forms/public\\_comment.pdf](http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf) for instructions) or  
34 by mailing a letter referencing Docket Number W-02169A-08-0301 to: Arizona  
35 Corporation Commission, Consumer Services Section, 1200 West Washington,  
36 Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services  
37 Section at 1-800-222-7000 or 602-542-4251.

38 The law provides for an open public hearing at which, under appropriate  
39 circumstances, interested parties may intervene. Any person or entity entitled by law  
40 to intervene and having a direct and substantial interest in the matter will be permitted  
41 to intervene. If you would like to intervene, you must file a written motion to  
42 intervene with the Commission, and you must send copies of the motion to the  
43 Company or its counsel, and to all parties of record in the case. Your motion to  
44 intervene must contain the following:

- 1 1. Your name, address, and telephone number, and the name, address, and  
2 telephone number of any party upon whom documents are to be served in your  
place, if desired;
- 3 2. A short statement of your interest in the proceeding (e.g., a customer of the  
Company, a shareholder of the Company, etc.); and
- 4 3. A statement certifying that a copy of your motion to intervene has been mailed  
5 to the Company or its counsel and to all parties of record in the case.

6 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except  
7 that all motions to intervene must be filed on or before **October 14, 2008**. The  
8 granting of intervention, among other things, entitles a party to present sworn evidence  
at hearing and to cross-examine other witnesses. However, failure to intervene will  
not preclude any person or entity from appearing at the hearing and making a  
statement on their own behalf.

9 The Commission does not discriminate on the basis of disability in admission to its  
10 public meetings. Persons with a disability may request a reasonable accommodation  
11 such as a sign language interpreter, as well as request this document in an alternative  
12 format, by contacting the ADA Coordinator Linda Hogan, E-mail [Lhogan@azcc.gov](mailto:Lhogan@azcc.gov),  
voice phone number 602/542-3931. Requests should be made as early as possible to  
allow time to arrange the accommodation.

13 IT IS FURTHER ORDERED that Keaton shall **mail to each property owner or property**  
14 **owner representative** in the requested extension area a copy of the above notice and shall cause the  
15 above notice to be **published in a newspaper of general circulation** in its service territory, with  
16 publication and mailing to be completed no later than **September 26, 2008**.

17 IT IS FURTHER ORDERED that Keaton shall **file certification of mailing and publication**  
18 as soon as practicable after the mailing/publication has been completed, but not later than **October 3,**  
19 **2008**.

20 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and  
21 publication of same, notwithstanding the failure of an individual property owner to read or receive  
22 the notice.

23 IT IS FURTHER ORDERED that Staff shall file a **Staff Report** on or before **October 3,**  
24 **2008**.

25 IT IS FURTHER ORDERED that any **objections to the Staff Report** shall be filed on or  
26 before **October 13, 2008**.

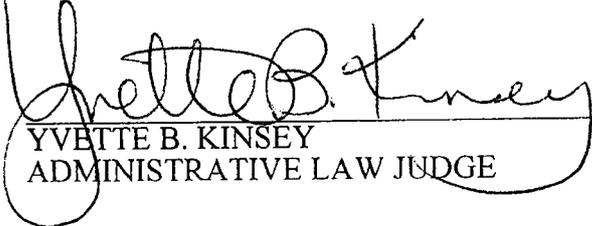
27 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
28 Communications) applies to this proceeding as the matter is now set for public hearing.

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

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

10 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
11 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
12 hearing.

13 Dated this 4<sup>th</sup> day of September, 2008.

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16 YVETTE B. KINSEY  
17 ADMINISTRATIVE LAW JUDGE

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1 Copies of the foregoing mailed/delivered  
this 4th day of September, 2008 to:

2 William Scott, President  
3 KEATON DEVELOPMENT COMPANY  
4 P.O. Box 905  
Salome, Arizona 85348

5 Richard L. Sallquist  
6 SALLQUIST, DRUMMOND & O'CONNOR, P.C.  
7 4500 South Lakeshore Drive, Suite 3389  
Tempe, Arizona 85282  
Attorney for Keaton Development Company

8 Janice Alward, Chief Counsel  
9 Legal Division  
10 ARIZONA CORPORATION COMMISSION  
11 1200 West Washington Street  
Phoenix, Arizona 85007

12 Ernest G. Johnson, Director  
13 Utilities Division  
ARIZONA CORPORATION COMMISSION  
14 1200 West Washington Street  
Phoenix, Arizona 85007

15 ARIZONA REPORTING SERVICE, INC.  
16 2200 N. Central Ave., Suite 502  
Phoenix, Arizona 85004

17 By:   
18 Debra Broyles  
Secretary to Yvette B. Kinsey

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**KEATON DEVELOPMENT COMPANY**

**CC&N CASE TIME TABLE**

**Docket No. W-02169A-08-0301**

**HEARING October 30, 2008 10:00 am**

Letter of Sufficiency	8/19/08
Procedural Order	9/4/08
Judge	Kinsey
Staff Attorney	Torrey
Staff Witness	Igwe, Ortiz, Liu
Staff Report and Testimony	10/3/08
Publish Notice	9/26/08
Mail Notice to Property Owner's	9/26/08
Objections to Staff Report	10/13/08
Motions to Intervene	10/14/08
Affidavit of Publish and Mailing	10/3/08
Objections to Motions to Intervene	10/23/08
Hearing	10/30/08 10:00 am
Last Open Meeting before Time Clock	1/13/09
Time Clock Deadline	1/16/09