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**ORIGINAL**

**BEFORE THE ARIZONA CORPORATION COMMISSION**

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Arizona Corporation Commission

**DOCKETED**

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AZ CORP COMMISSION  
DOCKET CONTROL

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

7 IN THE MATTER OF THE APPLICATION OF  
 8 FISHER'S LANDING WATER AND SEWER  
 9 WORKS, LLC, FOR APPROVAL OF A RATE  
 10 APPLICATION FOR WATER COMPANIES  
 WITH ANNUAL GROSS OPERATING  
 REVENUES (INCLUDING REQUESTED RATE  
 RELIEF) OF LESS THAN \$250,000.

DOCKET NO. WS-04047A-07-0700

11 IN THE MATTER OF THE APPLICATION OF  
 12 FISHER'S LANDING WATER AND SEWER  
 13 WORKS, LLC, FOR APPROVAL OF A RATE  
 14 APPLICATION FOR WASTEWATER  
 COMPANIES WITH ANNUAL GROSS  
 OPERATING REVENUES (INCLUDING  
 REQUESTED RATE RELIEF) OF LESS THAN  
 \$250,000.

DOCKET NO. WS-04047A-07-0708

**PROCEDURAL ORDER**

**BY THE COMMISSION:**

17 On December 19, 2007, Fisher's Landing Water and Sewer Works, LLC, ("Company") filed  
 18 with the Arizona Corporation Commission ("Commission"), in the above-captioned dockets, separate  
 19 applications for an increase in water rates and wastewater rates.

20 On January 22, 2008, the Commission's Utilities Division Staff ("Staff") filed a Letter of  
 21 Insufficiency in each docket.

22 On February 15, February 27, and February 28, 2008, the Company filed additional  
 23 information in the water rate case. On February 27, 2008, the Company filed additional information  
 24 in the wastewater rate case.

25 On March 24, 2008, Staff filed a Letter of Sufficiency in each docket, informing the Company  
 26 that each application had met the requirements of Arizona Administrative Code ("A.A.C.")  
 27 R14-2-103 and classifying the Company as a Class D utility for both water and wastewater.

28 On April 29, 2008, Staff filed a Motion to Suspend Time Clock in each docket. Staff stated

1 therein that the Company had requested an extension of time to provide responses to Staff's first set  
2 of data requests, issued at the same time as the Letters of Sufficiency, and that Staff needed additional  
3 time to prepare its Staff Reports in the dockets. Staff requested that the time clock for the Staff  
4 Report in each docket be suspended in light of the Company's need for additional time.

5 On May 19, 2008, a Procedural Order was issued granting Staff's request to suspend the time  
6 clock in each docket and consolidating the dockets.

7 On July 25, 2008, Staff issued a Staff Report in each docket, in which Staff recommended  
8 approval of Staff's recommended rates and charges. The Company did not file a response to either  
9 Staff Report.

10 On October 24, 2008, the Hearing Division issued a Recommended Opinion and Order  
11 ("ROO") for the consolidated dockets, for consideration at the Open Meeting on November 12 and  
12 13, 2008.

13 On October 31, 2008, the Company filed exceptions to the ROO that include new financial  
14 information regarding a lease agreement for the wastewater system for which the annual payments  
15 total \$79,992. The Company had not previously included this information in its wastewater  
16 ratemaking application or in its data responses to Staff. The Company requested that the capitalized  
17 cost of the lease payments or the value of the leased property be considered in setting the Company's  
18 rates for wastewater service.

19 On November 6, 2008, Staff filed a Motion to Suspend Time Clock, stating that the  
20 Company's exceptions include information not previously in the record and that Staff has not had an  
21 opportunity to review the lease agreement and recommend a specific treatment in the rate case. Staff  
22 stated that to analyze the implications of the lease fully, it must issue a data request, review the  
23 Company's response, and perhaps conduct additional follow up. Thus, Staff requested that the time  
24 clock in this matter be suspended until Staff has had an opportunity to request and review the  
25 documentation necessary to evaluate the Company's exceptions.

26 In light of the completely new information included by the Company in its exceptions, and the  
27 need for Staff to evaluate this information fully to determine what bearing it should have on the  
28 Company's wastewater ratemaking application, it is appropriate to suspend the time clock in these

1 consolidated dockets indefinitely to allow Staff sufficient time to analyze the information fully and  
2 formulate its recommendations related thereto. It is also appropriate to require Staff to file a  
3 Supplemental Staff Report setting out its analysis of the new information and any changes in its  
4 recommendations resulting therefrom along with Staff's procedural recommendation, including  
5 whether Staff believes that a hearing is necessary to address the new information.

6 It is also appropriate to provide the Company time to reply to the Supplemental Staff Report.

7 IT IS THEREFORE ORDERED that the **time clock in these consolidated dockets is hereby**  
8 **suspended indefinitely.**

9 IT IS FURTHER ORDERED that Staff shall file, by **January 30, 2009, a Supplemental**  
10 **Staff Report** setting out its analysis of the new information and any changes in its recommendations  
11 resulting therefrom along with Staff's procedural recommendation, including whether Staff believes  
12 that a hearing is necessary to address the new information.

13 IT IS FURTHER ORDERED that the **Company shall, by February 23, 2009, file any**  
14 **response** that it may have to the Supplemental Staff Report.

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

17 Dated this 7th day of November, 2008.

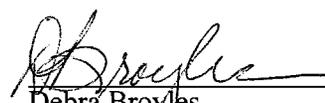
18  
19   
20 SARAH N. HARPRING  
21 ADMINISTRATIVE LAW JUDGE

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

24 Don Fisher  
25 FISHER'S LANDING WATER  
26 AND SEWER WORKS, LLC  
27 P.O. Box 72188  
28 Yuma, AZ 85365-0188

Ernest G. Johnson, Director  
Utilities Division  
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26 Janice Alward, Chief Counsel  
27 Legal Division  
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By:   
Debra Broyles  
Secretary to Sarah N. Harpring