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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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JAN - 9 2009

DOCKETED BY [Signature]

2 COMMISSIONERS

3 KRISTIN K. MAYES- Chairman
4 GARY PIERCE
5 PAUL NEWMAN
6 SANDRA D. KENNEDY
7 BOB STUMP

2009 JAN -9 P 1:59
AZ CORP COMMISSION
DOCKET CONTROL

6 IN THE MATTER OF THE APPLICATION OF
7 CROSS CREEK RANCH COMMUNITY
8 ASSOCIATION, AN ARIZONA NON-PROFIT
9 CORPORATION, FOR AN ADJUDICATION
10 NOT A PUBLIC SERVICE CORPORATION.

DOCKET NO. W-20619A-08-0470

11 IN THE MATTER OF THE APPLICATION OF
12 CROSS CREEK RANCH WATER COMPANY
13 FOR THE TRANSFER OF SALE OF ITS
14 ASSETS TO CROSS CREEK RANCH
15 COMMUNITY ASSOCIATION AND
16 CANCELLATION OF ITS CERTIFICATE OF
17 CONVENIENCE AND NECESSITY.

DOCKET NO. W-04131A-08-0471
DOCKET NO. W-20619A-08-0471

PROCEDURAL ORDER

14 BY THE COMMISSION:

15 On September 8, 2008, the Cross Creek Ranch Community Association (the "Association")
16 filed an application with the Arizona Corporation Commission ("Commission") for Adjudication Not
17 a Public Service Corporation ("Adjudication Docket").

18 On the same date, Cross Creek Ranch Water Company (the "Water Company") filed an
19 application, in Docket Nos. W-20619A-08-0471 and W-04131A-08-0417, with the Commission for
20 approval to transfer its water utility assets to its sole shareholder, the Association ("Transfer
21 Docket").

22 On September 19, 2008, the Association filed the legal description for the Cross Creek Ranch
23 subdivision.

24 On the same date, the Association filed a Motion to Consolidate the Adjudication Docket and
25 the Transfer Docket. The Motion stated that the two dockets are inextricably linked and that their
26 consolidation would be administratively efficient and judicially economical.

27 On September 22, 2008, the Association filed a Notice of Errata, which provided a revised
28 legal description.

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1 On October 7, 2008, the Commission's Utilities Division ("Staff") filed Insufficiency Letters
2 in the Transfer and Adjudication Dockets.

3 On October 29, 2008, the Water Company docketed responses in the Transfer Docket to
4 Staff's Insufficiency Letter.

5 On November 28, 2008, Staff filed a second Insufficiency Letter in the Adjudication and
6 Transfer Dockets.

7 On December 3, 2008, the Water Company docketed responses in the Transfer Docket to
8 Staff's second Insufficiency Letter.

9 On December 5, 2008, by Procedural Order, Staff was directed to file a response to the
10 Motion to Consolidate.

11 On the same date, the Association docketed responses in the Adjudication Docket to Staff's
12 Insufficiency Letters.

13 On December 11, 2008, Staff filed a Response to the Motion to Consolidate, stating that Staff
14 believes granting the consolidation will aid the Commission in its evaluation of both applications and
15 will not prejudice the rights of the parties.

16 On December 17, 2008, by Procedural Order, the Motion to Consolidate Docket Nos. W-
17 020619A-08-0470, W-04131A-08-0471 and W-20619A-08-0471 was granted.

18 On December 24, 2008, Staff filed Sufficiency Letters in the consolidated dockets.

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

21 IT IS THEREFORE ORDERED that the **hearing** in the consolidated matters shall be held on
22 **March 5, 2009, at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's offices,
23 1200 West Washington Street, Hearing Room #1, Phoenix, Arizona 85007.

24 IT IS FURTHER ORDERED that the Association and the Water Company ("Applicants")
25 shall provide public notice of the hearing in this matter, in the following form and style, with the
26 heading in no less than 12-point bold type and the body in no less than 10-point regular type:
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**PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF CROSS CREEK RANCH
COMMUNITY ASSOCIATION FOR AN ADJUDICATION NOT A PUBLIC SERVICE
CORPORATION AND CROSS CREEK RANCH WATER COMPANY FOR APPROVAL
TO TRANSFER ITS ASSETS TO CROSS CREEK RANCH COMMUNITY
ASSOCIATION AND TO CANCEL ITS CERTIFICATE
OF CONVENIENCE AND NECESSITY**

(DOCKET NOS. W-20619A-08-0470, W-04131A-08-0471 AND W-20619A-08-0471)

On September 8, 2008, Cross Creek Ranch Community Association ("Association") filed an application with the Arizona Corporation Commission ("Commission") for an Adjudication Not a Public Service Corporation. On the same date, Cross Creek Ranch Water Company ("Water Company") filed an application with the Commission, requesting Commission approval to transfer its water utility assets to the Association and to cancel its Certificate of Convenience and Necessity. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by the Association, Water Company ("Applicants"), Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the applications are available at the Applicants' offices [insert addresses] and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the applications on **March 5, 2009, at 10:00 a.m.**, at the Commission's offices, in Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. W-20619A-08-0470, W-04131A-08-0471 and W-20619A-08-0471 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. 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 wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **February 17, 2009**, and send a copy of the motion to the Applicants or their counsel and to all parties of record. 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 service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Water company, a member of the Association, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to the Applicants or their counsel and to all parties of record in the case.

1 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
2 that all motions to intervene must be filed on or before February 17, 2009. If
3 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme
4 Court, intervention will be conditioned upon the intervenor's obtaining counsel to
5 represent the intervenor. For information about requesting intervention, visit the
6 Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.
7 The granting of intervention, among other things, entitles a party to present sworn
8 evidence at hearing and to cross-examine other witnesses. However, failure to
9 intervene will not preclude any interested person or entity from appearing at the
10 hearing and providing public comment on the applications or from filing written
11 comments in the record of the case.

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

18 IT IS FURTHER ORDERED that the Applicants shall mail to each member of the
19 Association and to each customer in the Water Company's service area, a copy of the above notice
20 and shall cause the above notice to be published in a newspaper of general circulation in their service
21 territories, with publication and mailing to be completed no later than **January 30, 2009**.

22 IT IS FURTHER ORDERED that the Applicants shall **file certification of mailing and
23 publication** as soon as practicable after the mailing/publication has been completed, but not later
24 than **February 17, 2009**.

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

27 IT IS FURTHER ORDERED that Staff shall file a **Staff Report** and associated exhibits to be
28 presented at the hearing on or before **January 30, 2009**.

IT IS FURTHER ORDERED that any **objections to the Staff Report** shall be reduced to
writing and filed on or before **February 17, 2009**.

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
except that **all motions to intervene must be filed on or before February 17, 2009**.

IT IS FURTHER ORDERED that **objections to any Motions to Intervene** must be filed no
later than **February 24, 2009**.

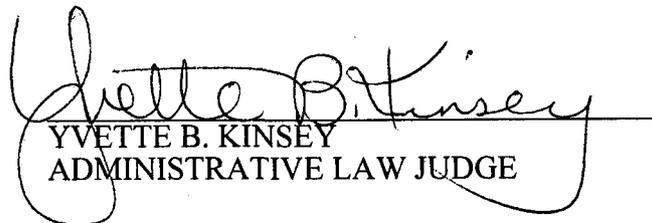
1 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
2 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
3 *pro hac vice*.

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 appearing at
7 all hearings, procedural conferences, Open Meetings at which the matter is scheduled for discussion,
8 unless counsel has previously been granted permission to withdraw by the Administrative Law Judge
9 or the Commission.

10 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
11 Communications) applies to this proceeding and shall remain in effect until the Commission's
12 Decision in this matter is final and non-appealable.

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

16 DATED this 9th day of January, 2009.

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20 YVETTE B. KINSEY
21 ADMINISTRATIVE LAW JUDGE
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1 Copies of the foregoing mailed/delivered
2 this 9th day of January, 2009 to:

3 Patrick J. Black
4 Sarah A. Kubiak
5 FENNEMORE CRAIG, PC
6 3003 North Central Avenue, Suite 2600
7 Phoenix, AZ 85012-2913
8 Attorneys for Cross Creek Ranch Water Company, Inc.
9 and Cross Creek Ranch Community Association

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

10 Ernest G. Johnson, Director
11 Utilities Division
12 ARIZONA CORPORATION COMMISSION
13 1200 West Washington
14 Phoenix, AZ 85007

13 ARIZONA REPORTING SERVICE, INC.
14 2200 North Central Avenue, Suite 502
15 Phoenix, Arizona 85004-1481

15 By: 
16 Debra Broyles
17 Secretary to Yvette B. Kinsey

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