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1 BE IT REMEMBERED that the above-entitled and
 2 numbered matter came on regularly to be heard before the
 3 Arizona Corporation Commission, 1200 West Washington
 4 Street, Phoenix, Arizona, commencing 10:05 a.m. on the 7th
 5 day of January, 2009.

6

7 BEFORE: YVETTE B. KINSEY, Administrative Law Judge

8

9 APPEARANCES:

10 For Complainant - In Propria Persona:

11 MR. TONY GRANILLO
 12 9017 North 14th Street.
 13 Phoenix, Arizona 85020

14 For Southwest Gas Corporation:

15 SOUTHWEST GAS CORPORATION
 16 By: Mr. Keith A. Brown
 17 Associate General Counsel
 18 5241 Spring Mountain Road
 19 Las Vegas, Nevada 89150

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MICHELE E. BALMER
 Certified Reporter
 Certificate No. 50489

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1 ALJ KINSEY: We'll go on the record. Good
2 morning, I'm Administrative Law Judge Yvette Kinsey, and
3 this is the time set for the procedural conference on the
4 complaint by Tony Granillo versus Southwest Gas
5 Corporation. This is Docket No. G-01551A-08-0383.

6 May I have appearances for the record.

7 MR. BROWN: Yes. Good morning, Judge Kinsey.
8 I'm Keith Brown representing Southwest Gas Corporation in
9 this proceeding. I also have available with me Julie
10 Williams who is the director of our central support and
11 our Central Arizona Division, as well as Luanne Cooper who
12 is the manager of customer assistance for central Arizona.

13 ALJ KINSEY: Thank you.

14 MR. GRANILLO: And my name is Tony Granillo. I'm
15 the complainant.

16 ALJ KINSEY: All right. Thank you, Mr. Granillo.

17 And I've reviewed the pleadings that have been
18 filed in the docket so far. And Mr. Granillo, have you
19 had a chance to review the utility's motion to dismiss?

20 MR. GRANILLO: Yes. They're asking for dismissal
21 on the grounds of Arizona Rules of Civil Procedure Rule
22 12(b)6.

23 ALJ KINSEY: And were you planning to file a
24 response to the motion to dismiss?

25 MR. GRANILLO: I was planning to make a motion

1 today that that motion -- that their request be denied
2 based on precedent.

3 ALJ KINSEY: Okay. What I'm going to ask you to
4 do is to go ahead and just file a written response to the
5 motion to dismiss.

6 MR. GRANILLO: Okay.

7 ALJ KINSEY: And give your point of view. How
8 quickly do you believe you could do that for us? Today is
9 the 7th. Do you believe you could have it done by the end
10 of the month?

11 MR. GRANILLO: Oh, certainly.

12 ALJ KINSEY: So why don't we just set a date for
13 your response to be due by January 30.

14 MR. GRANILLO: Okay.

15 ALJ KINSEY: And if you file it sooner, then that
16 will be fine.

17 MR. GRANILLO: And it's the same procedure?
18 Thirteen copies, with a copy to the respondent?

19 ALJ KINSEY: That's correct.

20 MR. GRANILLO: Okay.

21 ALJ KINSEY: And Mr. Brown, I'll give you time to
22 do a reply, if you would like, to the motion to dismiss as
23 well. So 10 days from the date that he files his
24 response. Okay?

25 MR. BROWN: All right. Thank you very much.

1 ALJ KINSEY: And have the parties had a chance to
2 talk since the complaint has been filed to try to initiate
3 some settlement discussions?

4 MR. GRANILLO: I have not been in any
5 conversation. The last conversation, last formal
6 conversation that I had on the matter of settlement was
7 with the Commission Staff, Connie Walczak, and it was
8 prior to my filing the formal complaint.

9 Because during the informal proceeding, the last
10 step is supposed to be an informal hearing and mediation,
11 and Ms. Walczak indicated that Southwest Gas was not
12 amenable to changing any terms of their previous
13 settlement conditions. And that was reconfirmed to me as
14 late as July in conversation with Ms. Williams that
15 they're just not interested in the interpretation of the
16 applicable tariff.

17 ALJ KINSEY: Okay. Mr. Brown.

18 MR. BROWN: Yes. Well, first of all, let me say
19 that Southwest Gas values all of its customers, and we do
20 regret we were unable to reach a reasonable compromise in
21 this matter for Mr. Granillo prior to the time he filed
22 the formal complaint.

23 Southwest believes it has complied with its
24 Arizona gas tariff and the Commission's administrative
25 code with respect to utility service billing and

1 collection efforts. We don't believe there's material
2 factual or legal dispute in this matter inasmuch as
3 Mr. Granillo admits in his written complaint that he pays
4 his bills after legitimate due dates and Southwest has
5 discretionary authority to charge a suitable deposit based
6 on that payment history.

7 ALJ KINSEY: Well, as you know, the docket does
8 include the e-mails and letters that have gone back and
9 forth, and I have had a chance to review those.

10 And during the pendency of the response by
11 Mr. Granillo and your reply, Mr. Brown, I would like the
12 parties to try to get at the table and see if you can have
13 some settlement discussions. Give it one last shot and
14 see where we are.

15 And I really would like for the parties to
16 discuss the payment options that were listed in the
17 company's letter, as well as the option of maybe resetting
18 the due date on the bills. And once I review all of the
19 response and replies to the motion to dismiss, I will make
20 a ruling on that.

21 But in the meantime, if we have to go to trial --
22 I'm going to start with Mr. Brown, if you don't mind,
23 Mr. Granillo.

24 How many witnesses do you think that you would be
25 calling if this case goes to trial?

1 MR. BROWN: I would anticipate two witnesses.

2 ALJ KINSEY: Okay. And Mr. Granillo, any
3 witnesses other than yourself?

4 MR. GRANILLO: I would like to hold open the
5 possibility of having Ms. Walczak appear to corroborate
6 the fact that Southwest Gas refused to mediate the
7 complaint prior to the formal complaint since that's the
8 basis of their response, that they did not refuse
9 mediation.

10 ALJ KINSEY: Okay. Have you all had a chance to
11 review your calendars? Are there any days that we should
12 set aside as not good for trial, a trial date -- and I
13 don't think we'll need more than one day -- that I should
14 consider if I decide to set it for trial within the next
15 two months?

16 MR. GRANILLO: The only dates that I know of that
17 at this time that I couldn't work around would be Passover
18 in April, and I can provide those dates in my response by
19 the 30th.

20 ALJ KINSEY: Well, I would anticipate that we
21 would go to trial before then, if necessary.

22 Mr. Brown?

23 MR. BROWN: Yes, Your Honor. Thank you. I am
24 involved in hearings in California the last week of
25 February and the first week of March, so my preference

1 would be a trial date after March 10.

2 MR. GRANILLO: And if I can be excused for a
3 comeback, the week of February 16, I'll be in California.

4 ALJ KINSEY: February 16, for the entire week?

5 MR. GRANILLO: Right.

6 MR. BROWN: I'm sorry, Judge Kinsey. I have also
7 been informed that one of our potential witnesses may not
8 be available March 9 through 19. I apologize for that.

9 ALJ KINSEY: No problem. Okay. And is there
10 anything else that either of the parties would like to
11 discuss today regarding procedural schedules?

12 I will issue a procedural order just outlining
13 the times that we've set forth today for the response and
14 the reply, but is there anything else that we should
15 consider while we're here today.

16 MR. GRANILLO: Nothing more from me. Thank you.

17 ALJ KINSEY: Okay. And Mr. Brown, anything else?

18 MR. BROWN: No, Your Honor. I believe we have
19 your direction to attempt again to discuss the matter with
20 Mr. Granillo.

21 ALJ KINSEY: That sounds great. And in the
22 meantime, if anything comes up, just file something in the
23 docket alerting me of what is happening and we'll just
24 take care of it from there. And if there's nothing
25 further, I think we can conclude this morning.

1 MR. BROWN: Thank you, Judge Kinsey.

2 ALJ KINSEY: Thank you.

3 MR. GRANILLO: Thank you very much.

4 (The Procedural Conference concluded at

5 10:20 a.m.)

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 2 COUNTY OF MARICOPA)

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4 I, MICHELE E. BALMER, Certified Reporter
 5 No. 50489 for the State of Arizona, do hereby certify that
 6 the foregoing printed pages constitute a full, true and
 7 accurate transcript of the proceedings had in the
 8 foregoing matter, all done to the best of my skill and
 9 ability.

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11 WITNESS my hand this 15th day of January, 2009.

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MICHELE E. BALMER
 Certified Reporter
 Certificate No. 50489

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