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**BEFORE THE ARIZONA CORPORATION COMMISSION**

COMMISSIONERS

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

2009 MAY 11 A 9:05  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

MAY 11 2009

DOCKETED BY

DOCKET NO. E-01345A-08-0172

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR A HEARING TO DETERMINE THE FAIR VALUE OF THE UTILITY PROPERTY OF THE COMPANY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RATE OF RETURN THEREON, AND TO APPROVE RATE SCHEDULES DESIGNED TO DEVELOP SUCH RETURN.

**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On March 24, 2008, Arizona Public Service Company ("APS") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase.

By Procedural Order issued July 29, 2008, the hearing on the permanent rate application was scheduled to commence on April 2, 2009.

On January 23, 2009, APS filed a Notice of Settlement Discussions.

On January 30, 2009, APS filed a Motion to Suspend Procedural Schedule.

On February 4, 2009, a Procedural Order was issued which granted a 30 day extension and ordered that the parties make a filing prior to the end of the 30 day suspension period.

On March 5, 2009, APS filed a Motion to Further Suspend the Procedural Schedule and by Procedural Order dated March 9, 2009, the procedural schedule was suspended.

By Procedural Order issued March 19, 2009, the March 25, 2009 procedural conference and the April 2, 2009 hearing date were vacated, and a procedural conference was scheduled for April 7, 2009 to discuss the status of the settlement discussions and the procedural schedule in this matter.

The April 7, 2009 procedural conference was held as scheduled and the parties reported that discussions were continuing and requested another procedural conference in two weeks.

On April 21, 2009, a procedural conference was held to update the Commission as to the

1 status of settlement discussions in this matter. During the procedural conference, the Settling Parties<sup>1</sup>  
2 indicated that there was an agreement in principle on revenue requirement issues and that substantial  
3 agreement had been reached on other issues. The Settling Parties agreed to file a Term Sheet  
4 containing the major provisions of the Settlement Agreement on May 4, 2009.

5 On May 4, 2009, the Term Sheet containing the major provisions of the Settlement  
6 Agreement was filed along with a Request for Procedural Order ("Request"). The Request proposed  
7 a procedural schedule for filing testimony and a hearing date on the contemplated Settlement  
8 Agreement. Accordingly, a new procedural schedule should be adopted in this matter.

9 IT IS THEREFORE ORDERED that the **hearing** shall commence on **August 19, 2009, at**  
10 **10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington,  
11 Hearing Room 1, Phoenix, Arizona.

12 IT IS FURTHER ORDERED that a **pre-hearing conference** shall be held on **August 13,**  
13 **2009, at 1:00 p.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West  
14 Washington, Hearing Room 1, Phoenix, Arizona.

15 IT IS FURTHER ORDERED that the final Settlement Agreement shall be filed on or before  
16 **June 12, 2009.**

17 IT IS FURTHER ORDERED that the Settling Parties shall file a joint proposed form of  
18 notice no later than **June 12, 2009.**<sup>2</sup>

19 IT IS FURTHER ORDERED that **each supporting party** to the Settlement Agreement shall  
20 file testimony and associated exhibits on or before **July 1, 2009.**

21 IT IS FURTHER ORDERED that **each opposing party** shall file rebuttal testimony and  
22 associated exhibits on or before **July 22, 2009.**

23 IT IS FURTHER ORDERED that **each supporting party** shall file reply testimony and  
24 associated exhibits on or before **August 6, 2009.**

25 IT IS FURTHER ORDERED that **each party shall file either testimony in support,**

26 <sup>1</sup> Settling Parties include: Arizona Corporation Commission Utilities Division Staff, APS, RUCO, SWEEP, AECC, AIC,  
27 Az-Ag Group, Cynthia Zwick, IBEW Locals 387, 640 and 769, Bowie Power Station, L.L.C., Freeport-McMoRan  
28 Copper & Gold, Inc., Mesquite Power, L.L.C., Southwestern Power Group II, Western Resources Advocates, and the  
Kroger Company.

<sup>2</sup> A subsequent Procedural Order will require the Company to provide public notice.

1 **testimony in opposition, or a statement of neither support nor opposition.**

2 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**  
3 **filing is due.**

4 IT IS FURTHER ORDERED that any **objections to any testimony or exhibits which have**  
5 **been prefiled as of August 13, 2009, shall be made at or before the August 13, 2009, pre-hearing**  
6 **conference.**

7 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
8 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is  
9 scheduled to testify.

10 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the  
11 pre-filed testimony of each of their witnesses and shall file each summary at least two working days  
12 before the witness is scheduled to testify.

13 IT IS FURTHER ORDERED that copies of summaries should be served upon the Presiding  
14 Officer, the Commissioners, and the Commissioners' aides as well as the parties of record.

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

18 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
19 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

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

23 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
24 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
25 Rules of Arizona Supreme Court). Representation before the Commission includes the obligation to  
26 appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter  
27  
28

1 is scheduled for discussion, unless counsel has previously been granted permission to withdraw by  
2 the Administrative Law Judge or the Commission.

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

6 DATED this 11<sup>th</sup> day of May, 2009.

7  
8  
9   
10 LYN FARMER  
CHIEF ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed/delivered  
12 This 11<sup>th</sup> day of May, 2009 to:

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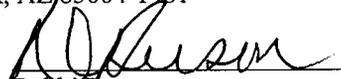
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