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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

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COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF  
 INDIADA WATER COMPANY FOR AN  
 EMERGENCY SURCHARGE  
 IMPLEMENTATION.

DOCKET NO. W-02031A-09-0285

PROCEDURAL ORDER

**BY THE COMMISSION:**

On June 2, 2009, Indiada Water Company (“IWC” or “Company”) filed with the Arizona Corporation Commission (“Commission”) an application for the emergency implementation of a surcharge. The Company asserts the water system faces potential water shortage and storage problems and ARWC also asserts it is in dire financial straights and does not have the financial resources to pay for the necessary improvements. ARWC seeks a monthly surcharge of \$23.30 per customer in order to provide needed repairs and additional storage to the Company’s water system.

On June 26, 2009, a Procedural Conference was held at which the parties discussed a tentative schedule for filing deadlines and hearing dates. The owner of ESWC also owns two other companies, Antelope Run Water Company (“ARWC”) and Indiada Water Company (“IWC”), for which the owner has also filed applications with the Commission for emergency surcharges: ARWC is Docket No. W-02327A-09-0284, and IWC is Docket No. W-02031A-09-0285.

At the Procedural Conferences for the three dockets, the parties determined that for purposes of administrative efficiency and convenience, the hearings for the three companies should be held consecutively. Following the first hearing for ESWC at 10:00a.m., the hearing for ARWC will be heard at 11:00 a.m., or upon conclusion of the hearing for ESWC, whichever is later. The hearing for IWC will be heard at 12:00 p.m., or upon conclusion of the hearing for ARWC, whichever is later.

For the public’s convenience, public comment on all three matters will be taken at 9:30 a.m., prior to the start of the first hearing.

1 Accordingly, a hearing shall be held to determine if an emergency exists pursuant to Attorney  
2 General Opinion No. 71-17 and whether an emergency increase/surcharge should be granted.

3 Pursuant to A.A.C. R14-3-101, the Commission makes the following orders governing the  
4 preparation and conduct of this matter.

5 IT IS THEREFORE ORDERED the **hearing on this application shall commence on August**  
6 **18, 2009, at 12:00 p.m. or immediately upon completion of the hearing for Antelope Run Water**  
7 **Company, scheduled to begin at 11:00 a.m. in Docket No. W-02327A-09-0285, whichever is later,**  
8 at the Commission's Tucson offices, 400 West Congress, Room 222, Tucson, Arizona 85701.

9 IT IS FURTHER ORDERED that **Public Comment in this matter shall be heard on August**  
10 **18, 2009, at 9:30 a.m.** at the Commission's Tucson offices, 400 West Congress, Room 222, Tucson,  
11 Arizona 85701.

12 IT IS FURTHER ORDERED that the **Staff Report** shall be filed on or before **July 24, 2009.**

13 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
14 except that **all motions to intervene must be filed on or before August 4, 2009.**

15 IT IS FURTHER ORDERED that **any objections** to the Staff Report or motions for  
16 **intervention must be filed on or before August 12, 2009.**

17 IT IS FURTHER ORDERED that the Company shall provide public notice of the  
18 Commission's hearing by **mailing the following notice to each customer in the Company's affected**  
19 **service area on or before July 22, 2009:**

20  
21 **PUBLIC NOTICE OF THE HEARING ON INDIADA WATER COMPANY'S**  
22 **REQUEST FOR AN**  
23 **EMERGENCY WATER RATE INCREASE/SURCHARGE**  
24 **DOCKET NO. W-02031A-09-0285**

25 Indiada Water Company ("Company") has requested the Arizona Corporation  
26 Commission determine if an emergency increase/surcharge of approximately \$23.30 per  
27 customer, per month should be granted. Such surcharge would increase the average  
28 monthly customer bill, based on 8000 gallons of usage, from \$39.50 to \$62.80.  
According to the request, the Company's water system has severe water shortage and  
storage problems which must be addressed. The Commission may approve the amount  
of the request or modify the amount higher or lower, or may deny the request.

THE COMMISSION WILL HOLD A PUBLIC EVIDENTIARY HEARING ON  
AUGUST 18, 2009, AT 12:00 P.M., OR UPON COMPLETION OF THE

1 **HEARING SCHEDULED TO BEGIN AT 11:00 A.M. IN DOCKET NO. W-**  
2 **02327A-09-0284, WHICHEVER IS LATER, AT THE COMMISSION'S TUCSON**  
3 **OFFICES AT 400 WEST CONGRESS, ROOM 222, TUCSON, ARIZONA 85701.**  
**CUSTOMERS CAN ATTEND THE HEARING AND MAKE PUBLIC COMMENT,**  
**OR FILE WRITTEN COMMENTS WITH THE COMMISSION.**

4 **PUBLIC COMMENT ON THIS MATTER WILL BE HEARD AT 9:30 A.M. ON**  
5 **AUGUST 18, 2009, AT THE COMMISSION'S TUCSON OFFICES AT 400**  
6 **WEST CONGRESS, ROOM 222, TUCSON, ARIZONA 85701. INTERESTED**  
7 **PARTIES MAY INTERVENE THROUGH AUGUST 4, 2009.**

8 IF YOU DESIRE MORE INFORMATION ON HOW TO INTERVENE OR SUMBIT  
9 PUBLIC COMMENT, CONTACT THE COMMISSION'S CONSUMER SERVICES  
10 SECTION AT 1-800-222-7000. THE APPLICATION AND ALL FILINGS ARE  
11 AVAILABLE ON THE INTERNET VIA THE COMMISSION WEBSITE  
12 ([WWW.AZCC.GOV](http://WWW.AZCC.GOV)) USING THE E-DOCKET FUNCTION.

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

19 IT IS FURTHER ORDERED that the Company **shall file with the Commission's Docket**  
20 **Control no later than July 31, 2009, certification that public notice was given in accordance with**  
21 **this Procedural Order.**

22 IT IS FURTHER ORDERED that notice in accordance with this Procedural Order shall be  
23 deemed complete upon the mailing of notice, notwithstanding the failure of an individual customer to  
24 read or receive the notice.

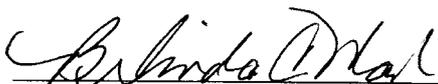
25 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
26 Communications) applies to this proceeding as the matter is now set for public hearing.

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

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

3 DATED this 29<sup>th</sup> day of June, 2009.

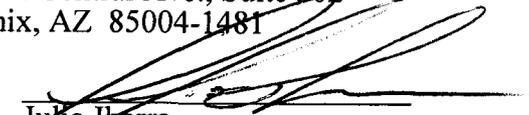
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5   
6 BELINDA A. MARTIN  
ADMINISTRATIVE LAW JUDGE

7 Copies of the foregoing mailed/delivered  
8 This 29<sup>th</sup> day of June, 2009 to:

9 Bonnie L. O'Connor, President  
10 SOUTHWESTERN UTILITIES  
11 MANAGEMENT, INC. for  
12 EAST SLOPE WATER COMPANY  
13 P.O. Box 85160  
14 Tucson, Arizona 85754  
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Ernest Johnson, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, Arizona 85007

ARIZONA REPORTING SERVICE, INC.  
2200 N. Central Ave., Suite 502  
Phoenix, AZ 85004-1481

By:   
Julio Ibarra  
Secretary to Belinda A. Martin