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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

Arizona Corporation Commission
DOCKETED

DOCKETED BY [Signature]

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

DOCKET NO. W-01906A-09-0283

PROCEDURAL ORDER

BY THE COMMISSION:

On June 2, 2009, East Slope Water Company ("ESWC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for the emergency implementation of a surcharge. The Company asserts the water system is in imminent danger of failing and ESWC also asserts it is in dire financial straights and does not have the financial resources to pay for the necessary improvements. ESWC seeks a monthly surcharge of \$19.55 per customer in order to provide the 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 10:00 a.m.** or as soon thereafter as practicable, at the Commission's Tucson offices, 400
7 West Congress, Room 222, Tucson, Arizona 85701.

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

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

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

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

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

19
20 **PUBLIC NOTICE OF THE HEARING ON EAST SLOPE WATER COMPANY'S**
21 **REQUEST FOR AN**
22 **EMERGENCY WATER RATE INCREASE/SURCHARGE**
23 **DOCKET NO. W-01906A-09-0283**

24 East Slope Water Company ("Company") has requested the Arizona Corporation
25 Commission determine if an emergency increase/surcharge of approximately \$19.55 per
26 customer, per month should be granted. Such surcharge would increase the average
27 monthly customer bill, based on 8000 gallons of usage, from \$19.26 to \$38.81.
28 According to the Company, if one source of water fails, there is no adequate source of
water available, and the Company does not have adequate storage available. The
Company asserts that it does not have the funds necessary to effectuate needed repairs.
The Commission may approve the amount of the request or modify the amount higher or
lower, or may deny the request.

1 THE COMMISSION WILL HOLD A **PUBLIC EVIDENTIARY HEARING ON**
2 **AUGUST 18, 2009, AT 10:00 A.M.** AT THE COMMISSION'S TUCSON OFFICES
3 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 SUBMIT
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) 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. 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.

29 ...
30 ...
31 ...
32 ...
33 ...

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 29th day of June, 2009.

4 
5 _____
6 BELINDA A. MARTIN
7 ADMINISTRATIVE LAW JUDGE

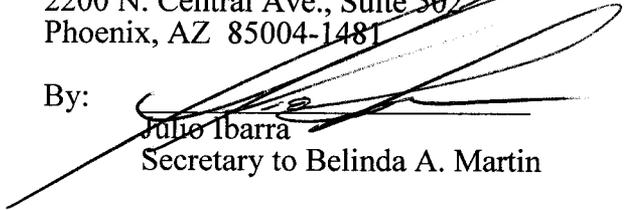
8 Copies of the foregoing mailed/delivered
9 This 29th day of June, 2009 to:

10 Bonnie L. O'Connor, President
11 SOUTHWESTERN UTILITIES
12 MANAGEMENT, INC. for
13 EAST SLOPE WATER COMPANY
14 P.O. Box 85160
15 Tucson, Arizona 85754

Ernest Johnson, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, Arizona 85007

16 Janice Alward, Chief Counsel
17 Legal Division
18 ARIZONA CORPORATION COMMISSION
19 1200 West Washington Street
20 Phoenix, AZ 85007

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

By: 
Julio Ibarra
Secretary to Belinda A. Martin