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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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2 COMMISSIONERS

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

AZ CORP COMMISSION
DOCKET CONTROL

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8 IN THE MATTER OF THE APPLICATION OF
9 GRAHAM COUNTY UTILITIES, INC. FOR A
10 RATE INCREASE.

DOCKET NO. G-02527A-09-0088

11 IN THE MATTER OF THE APPLICATION OF
12 GRAHAM COUNTY UTILITIES, INC. GAS
13 DIVISION FOR APPROVAL OF A LOAN.

DOCKET NO. G-02527A-09-0032

14 IN THE MATTR OF THE APPLICATION OF
15 GRAHAM COUNTY UTILITIES, INC. WATER
16 DIVISION FOR A RATE INCREASE.

DOCKET NO. W-02527A-09-0201

17 IN MATTER OF THE APPLICATION OF
18 GRAHAM COUNTY UTILTIEIS, INC. WATER
19 DIVISION FOR APPROVAL OF A LOAN.

DOCKET NO. W-02527A-09-0033

**PROCEDURAL ORDER
Consolidates Dockets**

20 **BY THE COMMISSION:**

21 On February 26, 2009, Graham County Utilities, Inc. ("GCU" or "Cooperative") filed with
22 the Arizona Corporation Commission ("Commission") an application for a rate increase for its Gas
23 Division. By Procedural Order dated May 11, 2009, the Gas Division rate case was set for hearing on
24 January 5, 2010, and a schedule for pre-filed testimony was established.¹

25 On April 27, 2009, GCU filed a rate application for its Water Division. By Procedural Order
26 dated July 29, 2009, the Water Division rate hearing was set to commence on January 28, 2010, and a
27 schedule for pre-filed testimony was established.²

28 On January 29, 2009, GCU filed a Finance Application for authority to borrow \$250,000 from
the National Rural Utilities Cooperative Finance Corporation ("CFC") for its Water Division (Docket

¹ Staff had determined the Gas Division's application to be sufficient on April 17, 2009, and classified the Cooperative a Class B utility. As such the deadline for the Commission to issue a final order in the Gas Division Rate Case was April 12, 2010.

² Staff determined the Water Division's rate application was sufficient on July 27, 2009, and classed the Water Division as a Class C utility. Consequently, the deadline for a final Commission decision on the Water Division Rate Application was April 23, 2010.

1 No. W-02527A-09-0033), and a Finance Application to borrow \$800,000 from the CFC for its Gas
2 Division (Docket No. G-02527A-09-0032).

3 On September 14, 2009, in each of the above-captioned dockets, the Commission's Utilities
4 Division ("Staff") filed Motions to Consolidate these dockets. Staff states that the issues in these
5 matters are substantially related and no parties' rights would be prejudiced by consolidation. Staff
6 states that because GCU is one company, the applications for rates in its two divisions and the
7 applications for financing are intertwined. Staff asserts that consolidation would allow GCU to
8 appear at only one hearing, instead of multiple hearings and the discovery process would be aided.
9 Moreover, Staff asserts consolidation would allow for the efficient use of Staff resources to process
10 these applications and avoid a duplication of effort. Staff has requested that the procedural schedule
11 and time clock in place for the Water Division Rate Application (Docket No. W-02527A-09-0201) be
12 adopted for the consolidated matter. Finally, Staff reports that it has consulted with GCU and the
13 Cooperative agrees with Staff's requests.

14 For the reasons enumerated in its Motion, Staff's request to consolidate these matters is
15 reasonable. Because the final order in the consolidated matters must address the issues raised in all
16 four of these dockets, an extension of the deadline for a final Commission Order until April 30, 2010,
17 is warranted. The extension is for a period of only seven days after the original deadline in the Water
18 Division rate case, but would allow the matter to be heard on the April 27 and 28, 2010, regularly
19 scheduled Commission Open Meeting, if necessary.

20 IT IS THEREFORE ORDERED that **the above-captioned dockets shall be consolidated.**

21 IT IS FURTHER ORDERED that the hearing and the procedural schedule for the Gas
22 Division rate case (Docket No. G-02527A-09-0088) set in the May 11, 2009, Procedural Order is
23 vacated, except that the Commission will convene a **public comment session on January 5, 2010,**
24 the date of the previously scheduled, and noticed, Gas Division hearing.
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1 IT IS FURTHER ORDERED that the **hearing** in the consolidated matter shall commence on
2 **January 28, 2010, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices,
3 **Room 222, 400 West Congress, Tucson, Arizona 85701.**³

4 IT IS FURTHER ORDERED that **the Staff Report and/or any direct testimony** and
5 associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed
6 on or before **December 9, 2009**.

7 IT IS FURTHER ORDERED that any **direct testimony** and associated exhibits to be
8 presented at hearing on behalf of intervenors shall be reduced to writing and filed on or before
9 **December 9, 2009**.

10 IT IS FURTHER ORDERED that any **response to the Staff Report or rebuttal testimony**
11 and associated exhibits to be presented at hearing by the Cooperative shall be reduced to writing and
12 filed on or before **January 6, 2010**.

13 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
14 presented by the Staff and/or intervenors shall be reduced to writing and filed on or before **January**
15 **20, 2009**.

16 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits shall be
17 presented orally at the hearing.

18 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
19 been prefiled as of January 20, 2010, shall be made on or before January 26, 2010.

20 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-
21 105, except that all motions to intervene must be filed on or before **November 30, 2009.**⁴

22 IT IS FURTHER ORDERED that the **deadline for a final Commission Order** in these
23 dockets pursuant to A.A.C. R14-2-103 shall be extended until **April 30, 2010**.

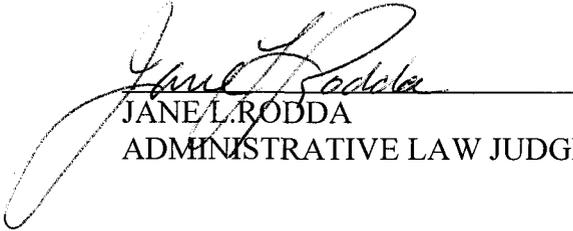
24 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
25 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

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27
28 ³ This is the date originally set for the Water Division Rate Case pursuant to Procedural Order dated July 29, 2009.

⁴ This is the date originally established in the Water Division Rate Case and shall now apply to the consolidated matter.

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
4 DATED this 18th day of September, 2009.

5
6 
7 JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed
9 this 18th day of September, 2009 to:

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12 Cooperative Association
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