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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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Arizona Corporation Commission

DOCKETED

NOV - 5 2009

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF  
 CHAPARRAL CITY WATER COMPANY, INC.,  
 AN ARIZONA CORPORATION, FOR A  
 DETERMINATION OF THE FAIR VALUE OF  
 ITS UTILITY PLANT AND PROPERTY AND  
 FOR INCREASES IN ITS RATES AND CHARGES  
 FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. W-02113A-07-0551

PROCEDURAL ORDER

BY THE COMMISSION:

On October 21, 2009, the Arizona Corporation Commission ("Commission") issued Decision No. 71308 in the above-captioned matter.

On October 30, 2009, Chaparral City Water Company, Inc. ("Company" or "CCWC") docketed a Notice of Compliance to which was attached its full tariff incorporating the revised schedule of rates and charges approved in Decision No. 71308.

On November 2, 2009, the Company docketed a Notice of Filing Corrected Tariff Page.

On November 3, 2009, the Company filed a Motion for Order Amending Decision No. 71308 *NUNC PRO TUNC* ("Motion").

The Company states in the Motion that the rates authorized in Decision No. 71308 fail to produce the required annual revenue set forth in the Decision. The Company asserts in the Motion that the rates approved in Decision No. 71308 are unreasonable and unlawful, and requests that the error be addressed by issuance of an order.

The Company states in the Motion that "if corrected rates can be implemented for all service provided on and after November 20, 2009, the Company will waive its claim to the revenue shortfall produced by the erroneous rates. If the erroneous rates remain in effect beyond such date, then the Company requests approval of a surcharge designed to recover the resulting revenue deficiency together with interest at the rate of 10 percent per annum over a period of six months."

1 The Company states that it believes the error in rates is the result of an erroneous computation  
2 and can be corrected by means of a procedural order. The Company contends that no hearing is  
3 necessary because it has been in contact with the Commission's Utilities Division ("Staff"), and is in  
4 agreement with Staff on the correct rates. However, the Company also states in the Motion that  
5 "Staff's proposal is problematic in several respects."

6 The parties should respond to the Motion. Accordingly, a filing deadline for written  
7 responses should be set.

8 Responses should discuss how the Commission should address the Motion<sup>1</sup> including whether  
9 the Motion should be treated as an application for rehearing pursuant to A.R.S. § 40-253.

10 Responses should also address whether the computational error referred to in the Motion was  
11 also contained in or reflected in the Recommended Opinion and Order that was docketed on  
12 September 23, 2009, and considered by the Commission at the October 8, 2009, Open Meeting of the  
13 Commission.

14 **IT IS THEREFORE ORDERED that all parties shall file, by November 10, 2009, their**  
15 **Responses to the Motion.**

16 **IT IS FURTHER ORDERED that the Responses shall include both substantive and**  
17 **procedural recommendations as to how the Commission should address the Motion, including**  
18 **whether the Motion should be treated as an application for rehearing pursuant to A.R.S. § 40-**  
19 **253.**

20 **IT IS FURTHER ORDERED that the Responses shall address whether the computational**  
21 **error referred to in the Motion was also contained in or reflected in the Recommended Opinion**  
22 **and Order that was docketed on September 23, 2009, and considered by the Commission at the**  
23 **October 8, 2009 Open Meeting of the Commission.**

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

27  
28 <sup>1</sup> Both the procedural and substantive issues should be addressed.

1 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
2 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
3 Rules of Arizona Supreme Court). Representation before the Commission includes appearances at all  
4 hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled  
5 for discussion, unless counsel has previously been granted permission to withdraw by the  
6 Administrative Law Judge or the Commission.

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

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

13 DATED this 5th day of November, 2009.

14  
15  
16   
17 TEENA WOLFE  
ADMINISTRATIVE LAW JUDGE

18 Copies of the foregoing mailed/delivered  
19 this 5th day of November, 2009, to:  
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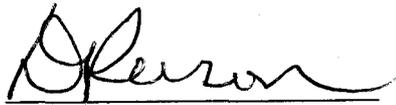
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By:



Debbi Person  
Secretary to Teena Wolfe