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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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DEC 15 2009

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IN THE MATTER OF THE APPLICATION OF
SULPHUR SPRINGS VALLEY ELECTRIC
COOPERATIVE, INC. FOR AN ORDER
INSTITUTING A MORATORIUM ON NEW
CONNECTIONS TO THE V-7 FEEDER LINE
SERVING THE WHETSTONE, RAIN VALLEY,
ELGIN, CANELO, SONOITA, AND PATAGONIA,
ARIZONA AREAS.

DOCKET NO. E-01575A-09-0453

PROCEDURAL ORDER

BY THE COMMISSION:

On September 18, 2009, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") filed with the Arizona Corporation Commission ("Commission") an Application to implement a moratorium on new and expanded service connections that would be serviced by the existing V-7 Feeder Line within the areas of Whetstone Ranch, Rain Valley, Elgin, Canelo, Sonoita and Patagonia ("Affected Areas").

Following a Procedural Conference on November 24, 2009, by Procedural Order dated November 30, 2009, the matter was set for hearing on January 20, 2010.

On December 3, 2009, SSVEC filed a Motion to Stay Procedural Schedule, requesting that the procedural schedule set in the November 30, 2009, Procedural Order, be vacated, and the hearing continued at least 45 days. SSVEC requested an expedited Procedural Conference to discuss its request.

By Procedural Order dated December 4, 2009, a telephonic Procedural Conference convened on December 11, 2009. SSVEC and Staff appeared through counsel, and Mr. Downing, the intervenor, represented herself.

At the December 11, 2009, Procedural Conference, SSVEC advocated for a stay of the procedural schedule, including discovery, pending the issuance of a feasibility study that is due to be

1 filed by December 31, 2009. SSVEC has taken the position that since it has been determined that a
2 hearing is required to determine the need for a moratorium, which will not allow for a moratorium in
3 place prior to the bulk of the winter heating season, that the process would benefit from the results of
4 the feasibility study. SSVEC stated that its request for stay includes discovery responses citing the
5 large amount of information requested, a busy time of year, and a limited staff available to compile
6 the responses.

7 Ms. Downing did not oppose continuing the hearing date, but complained that SSVEC has not
8 responded to her discovery requests sent on December 1, 2009. Ms Downing believed that
9 consolidating this matter with the re-hearing matter in Docket No. E-01575A-08-0328 might be the
10 best cost-effective way to proceed.

11 Staff believed that based on the Cooperative's earlier position that it faced a dire situation
12 concerning the capacity of the subject line, a hearing on January 20, 2010, was the best compromise
13 between a quick resolution and the need for a hearing. Ultimately, however, Staff did not oppose the
14 Company's request to stay the schedule.

15 The hearing on the application for moratorium was set for January 20, 2010 in an attempt to
16 be responsive to the Cooperative's request for moratorium with the need for a hearing to determine
17 the factual support for a moratorium. The Cooperative has requested more time to prepare for the
18 hearing.¹ The Cooperative is ultimately responsible for reliability of service and we must presume
19 makes an informed decision to request that the hearing be continued to a later date. The January 20,
20 2010, hearing date was an aggressive schedule based on the time needed to provide public notice and
21 file testimony. Given the circumstances which include the Cooperative's own request for the
22 continuance, the forthcoming feasibility study, and the time needed to respond to discovery, granting
23 the request for more time will result in a more complete record. Consequently, the January 20, 2010,
24 hearing will be vacated and the Commission will convene a Procedural Conference that day in order
25 to determine how to proceed in this matter. The decision whether to consolidate this matter with the
26 pending re-hearing in Docket No. E-01575A-08-0328 will be deferred to the January 20, 2010

27
28 ¹ The Cooperative filed its request under the apparent belief that no hearing would be required.

1 Procedural Conference.

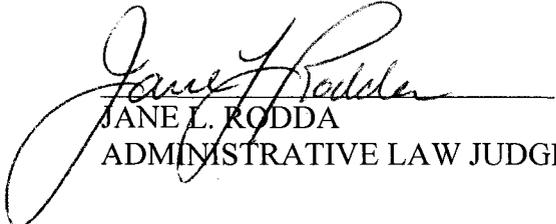
2 In the meantime, SSVEC should begin to respond to Ms. Downing's discovery requests.
3 SSVEC states that the proffered discovery is extensive and will require significant staff time at a busy
4 time of year. SSVEC has objected to some of Ms. Downing's requests, but admits that it is not
5 objecting to all of her requests. If SSVEC is unable to provide responses to those requests to which it
6 does not object within ten business days of this Procedural Order, SSVEC should provide Ms.
7 Downing with an estimate of when it will be able to provide the information she requests. The parties
8 are greatly encouraged to discuss the issue and work out a schedule for responding to the discovery
9 request. To the extent a discovery dispute persists, it will be discussed at the January 20, 2010,
10 Procedural Conference.

11 IT IS THEREFORE ORDERED that a **Procedural Conference** to discuss scheduling the
12 hearing in this matter shall commence on **January 20, 2010, at 10:00 a.m.** at the Commission's
13 Tucson office, Room 222, 400 West Congress, Tucson, Arizona 85701. **Parties may participate**
14 **telephonically and should contact the Hearing Division at (602) 542-4250 to obtain directions.**

15 IT IS FURTHER ORDERED that SSVEC shall attempt to respond to Ms. Downing's
16 discovery requests within ten business days of this Procedural Order, or if unable to provide
17 responses to all of her requests, shall provide her with an estimate of when the information will be
18 available.

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

21
22 DATED this 11th day of December, 2009.

23
24 
25 JANE L. RODDA
26 ADMINISTRATIVE LAW JUDGE
27
28

1 Copies of the foregoing mailed
2 this 11th day of December, 2009 to:

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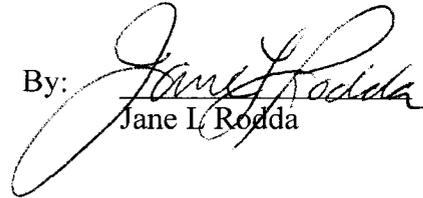
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