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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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Arizona Corporation Commission

DOCKETED

APR -7 2010

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IN THE MATTER OF THE APPLICATION OF
MT. TIPTON WATER COMPANY, INC. FOR
AN INCREASE IN ITS WATER RATES.

DOCKET NO. W-02105A-09-0522

PROCEDURAL ORDER

BY THE COMMISSION:

On November 13, 2009, Mt. Tipton Water Company, Inc. ("Mt. Tipton") filed with the Arizona Corporation Commission ("Commission") an application for a permanent increase in its water rates and charges, using a test year ("TY") of July 1, 2008, through June 30, 2009. Mt. Tipton requests authorization to increase its rates to generate an additional \$78,014 in gross revenues per year. In its application, Mt. Tipton reports unaudited actual TY operating income of \$19,803 and unaudited adjusted TY operating income of (\$17,643). Mt. Tipton proposes to increase its monthly usage charges, its commodity rates, most of its service charges, and its service line and meter installation charges.

On December 4, 2009, Mt. Tipton filed a copy of an Arizona Department of Revenue ("ADOR") Certificate of Compliance Letter of Good Standing showing that Mt. Tipton is in compliance with ADOR requirements relating to Mt. Tipton's federal employer identification number, transaction privilege tax license, and withholding license.

On December 14, 2009, the Commission's Utilities Division Staff ("Staff") issued a Letter of Sufficiency stating that Mt. Tipton's application has met the sufficiency requirements outlined in Arizona Administrative Code ("A.A.C.") R14-2-103 and that Mt. Tipton has been classified as a Class C utility.

On December 21, 2009, a Procedural Order was issued scheduling the hearing in this matter for June 21 and, if necessary, June 24, 2010; scheduling a prehearing conference for June 17, 2010; and establishing other procedural requirements and deadlines.

1 On January 25, 2010, comments were received opposing the requested rate increase.

2 On January 28, 2010, Mt. Tipton filed an affidavit verifying that notice of the rate application
3 and hearing had been mailed to its customers on January 19, 2010.

4 On February 3, 2010, Mt. Tipton filed a notice informing the Commission of changes in its
5 Board of Directors along with a Board Resolution authorizing President Donald Bertroch, Treasurer
6 Gilbert Sanchez, and Director George Lee to speak on Mt. Tipton's behalf in active dockets and
7 expressly providing that former board members John Janik, Karen Carter, and Charlotte Cleveland
8 are no longer authorized to speak for Mt. Tipton.

9 On February 8, 2010, comments were received opposing the requested rate increase and
10 asserting that the Commission should travel to Dolan Springs rather than holding a hearing in
11 Phoenix.

12 On February 19, 2010, Mt. Tipton filed an affidavit affirming that notice of the rate
13 application and hearing had been published in *The Hometown Crier* on January 22, 2010.

14 On March 2, 2010, Mt. Tipton filed a Motion to Consolidate, requesting that this docket be
15 consolidated with Docket No. W-02105A-09-0145, a financing application docket in which a
16 Commission Decision has already been issued.

17 On March 18, 2010, Mt. Tipton filed a Motion to Withdraw Request to Consolidate Rate and
18 Finance Dockets.

19 On April 7, 2010, Staff filed a Motion to Extend Filing Deadline and Schedule Procedural
20 Conference, requesting that the deadline for Staff's direct testimony and exhibits be extended from
21 April 28, 2010, to May 26, 2010, and requesting a procedural conference to adjust other filing
22 deadlines accordingly. Staff asserts that the extension is necessary, in spite of Staff's best efforts,
23 because of previously scheduled hearings, existing case requirements, and Staff's current work load.
24 Staff further asserts that it has been in contact with Mt. Tipton and that Mt. Tipton does not object to
25 the request.

26 In light of Staff's inability to meet the existing deadline despite its efforts, and Mt. Tipton's
27 acquiescence in Staff's requested extension, it is reasonable to grant Staff's requested extension of
28 the deadline to file its direct testimony and exhibits. Furthermore, it is reasonable to schedule a

1 procedural conference, as requested by Staff, to discuss the remaining procedural schedule for this
2 matter, which will need to be adjusted accordingly.

3 In addition, because it is apparent that the evidentiary portion of the hearing will not proceed
4 on June 21, 2010, it is appropriate at this time to declare that the hearing scheduled on that date shall
5 proceed only for the taking of public comment and, furthermore, to vacate the prehearing conference
6 scheduled for June 17, 2010.

7 IT IS THEREFORE ORDERED that a **procedural conference** in the above-captioned matter
8 shall commence on **April 15, 2010, at 1:00 p.m.**, or as soon thereafter as is practicable, at the
9 Commission's offices, Room 100, 1200 West Washington, Phoenix, Arizona 85007. **Staff and**
10 **counsel for Mt. Tipton shall appear in person.** Any authorized representative of Mt. Tipton who
11 desires to attend may attend telephonically by calling 602-542-0375 at the scheduled time.

12 IT IS FURTHER ORDERED that **Staff's deadline to file its direct testimony** and associated
13 exhibits to be presented at hearing is hereby **extended to May 26, 2010.**

14 IT IS FURTHER ORDERED that the hearing scheduled for **June 21, 2010**, at 10:00 a.m.
15 shall proceed only for the taking of **public comment** and that the additional hearing date of **June 24,**
16 **2010**, is hereby **vacated.**

17 IT IS FURTHER ORDERED that the prehearing conference scheduled for **June 17, 2010**, is
18 hereby **vacated.**

19 IT IS FURTHER ORDERED that the parties shall be prepared to respond to the following
20 **tentative procedural schedule** at the procedural conference on April 15, 2010:

Item/Event	Current Date	New Date
Mt. Tipton Rebuttal Testimony	May 21, 2010	June 18, 2010
Staff Surrebuttal Testimony	June 4, 2010	July 2, 2010
Mt. Tipton Rejoinder Testimony	June 14, 2010	July 16, 2010
Prehearing Conference; Objections; Issues Matrix; Corrections, etc.; & Summary of Testimony	June 17, 2010	July 22, 2010
Evidentiary Hearing	June 21, 2010 (& June 24, 2010, if necessary)	July 29, 2010 (& July 30, 2010, if necessary)

27
28 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules

1 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
2 *pro hac vice*.

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

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

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

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

16 DATED this 7th day of April, 2010.

17
18 
19 SARAH N. HARPRING
ADMINISTRATIVE LAW JUDGE

20 Copies of the foregoing mailed/delivered
21 this 7th day of April, 2010, to:

22 Steve Wene
23 MOYES SELLERS & SIMS LTD.
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24 Phoenix, Arizona 85004
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28 By: 
Debra Broyles
Secretary to Sarah N. Harpring