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BEFORE THE ARIZONA CORPORATION COMMISSION

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2 COMMISSIONERS

- 3 KRISTIN K. MAYES - Chairman
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AZ CORP COMMISSION  
DOCKET CONTROL

6

7 IN THE MATTER OF THE APPLICATION OF  
8 ARIZONA-AMERICAN WATER COMPANY, AN  
9 ARIZONA CORPORATION, FOR A  
10 DETERMINATION OF THE CURRENT FAIR  
11 VALUE OF ITS UTILITY PLANT AND  
12 PROPERTY AND FOR INCREASES IN ITS  
13 RATES AND CHARGES BASED THEREON FOR  
14 UTILITY SERVICE BY ITS ANTHEM WATER  
15 DISTRICT AND ITS SUN CITY WATER  
16 DISTRICT, AND POSSIBLE RATE  
17 CONSOLIDATION FOR ALL OF ARIZONA-  
18 AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. W-01303A-09-0343

Arizona Corporation Commission  
**DOCKETED**

JUL 14 2010

DOCKETED BY	<i>MM</i>
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13 IN THE MATTER OF THE APPLICATION OF  
14 ARIZONA-AMERICAN WATER COMPANY, AN  
15 ARIZONA CORPORATION, FOR A  
16 DETERMINATION OF THE CURRENT FAIR  
17 VALUE OF ITS UTILITY PLANT AND  
18 PROPERTY AND FOR INCREASES IN ITS  
19 RATES AND CHARGES BASED THEREON FOR  
20 UTILITY SERVICE BY ITS ANTHEM/AGUA  
21 FRIA WASTEWATER DISTRICT, ITS SUN CITY  
22 WASTEWATER DISTRICT AND ITS SUN CITY  
23 WEST WASTEWATER DISTRICT, AND  
24 POSSIBLE RATE CONSOLIDATION FOR ALL  
25 OF ARIZONA-AMERICAN WATER  
26 COMPANY'S DISTRICTS.

DOCKET NO. SW-01303A-09-0343

**PROCEDURAL ORDER**

21 **BY THE COMMISSION:**

22 On July 2, 2009, Arizona-American Water Company ("Arizona-American," "AAWC," or  
23 "Company") filed with the Arizona Corporation Commission ("Commission") an application for rate  
24 increases for its Anthem Water District, Sun City Water District, Anthem/Agua Fria Wastewater  
25 District, Sun City Wastewater District, and Sun City West Wastewater District.

26 Intervention in this matter has been granted to the Residential Utility Consumer Office  
27 ("RUCO"); Anthem Community Council; Sun City West Property Owners and Residents Association  
28 ("PORA"); W.R. Hansen; the Water Utility Association of Arizona; the Camelback Inn, Sanctuary on

1 Camelback Mountain, the Intercontinental Montelucia Resort and Spa, and the Scottsdale  
2 Cottonwoods Resort and Suites (collectively the "Resorts"); the Town of Paradise Valley; the  
3 Anthem Golf and Country Club; Marshall Magruder; DMB White Tank, LLC; ; Mashie, LLC dba  
4 Corte Bella Golf Club; Larry D. Woods;<sup>1</sup> and Philip H. Cook.

5 On March 18, 2010, a procedural order was issued bifurcating the hearing in this matter into  
6 two phases, with the second phase to include Commission consideration of rate design and rate  
7 consolidation issues, and setting associated procedural deadlines, including a new intervention  
8 deadline of April 15, 2010, for persons desiring to participate in the second phase of the hearing. The  
9 March 18, 2010 procedural order also set filing requirements and deadlines for intervenors on rate  
10 design and rate consolidation issues.

11 On March 30, 2010, Arizona-American filed a Notice of Filing Affidavit of Customer Notice  
12 indicating that it had mailed the notice required by the March 18, 2010 procedural order to all its  
13 customers on March 25, 2010.

14 On April 16, 2010, the prehearing conference was held as scheduled. During the prehearing  
15 conference, entities who had timely filed requests for intervention in order to participate in the second  
16 phase of the hearing in this matter appeared, and were granted intervention.

17 Phase Two of the hearing in this matter commenced as scheduled, and concluded on June 3,  
18 2010. Final rate design schedules have been filed by participating parties. The first round of closing  
19 briefs is due on July 16, 2010, and reply closing briefs are due on August 6, 2010.

20 On June 22, 2010, a letter from the Sun City Grand Community Association ("Association")  
21 was docketed. The Association's letter requested that "either the district of which the Association is  
22 a part (the Agua Fria Water District) be permanently removed from the rate consolidation proposal,  
23 or that the Association be granted a reasonable extension of time to file a motion to intervene in this  
24 matter."

25 On June 25, 2010, the Company filed a Response. The Company viewed the June 22, 2010  
26 letter as a request for intervention, and recommended that such request be denied as untimely. The  
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28 <sup>1</sup> Mr. Woods, who was authorized to represent PORA in the first phase of this proceeding, participated in the second phase of this proceeding on his own behalf, and not on behalf of PORA.

1 Company further noted that intervention is not necessary for the Association to express its opposition  
2 to consolidation.

3 As the Association failed to serve copies of the June 22, 2010 letter to all parties to this  
4 proceeding, on June 30, 2010, as a courtesy to the Association, the Hearing Division mailed copies of  
5 to the parties.

6 No further responses to the Association's June 22, 2010 filing have been received.

7 On July 12, 2010, a filing was docketed by Ekmark & Ekmark, LLC. The filing stated that  
8 the firm represents the Association with respect to matters of general counsel, and that the  
9 Association has now retained different counsel to represent the Association with respect to this  
10 matter. The July 12, 2010 filing stated that the June 22, 2010 filing was made "on behalf of the  
11 Association in order to provide a public comment with respect to the pending water rate case."

12 IT IS THEREFORE ORDERED that Sun City Grand Community Association's June 22,  
13 2010 letter expressing its opposition to rate consolidation in this proceeding shall be considered  
14 public comment in the record of this case.

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

18 DATED this 14<sup>th</sup> day of July, 2010.

20  
21   
22 TEENA JIBILIAN  
ADMINISTRATIVE LAW JUDGE

23 Copies of the foregoing mailed/delivered  
24 this 14<sup>th</sup> day of July, 2010 to:

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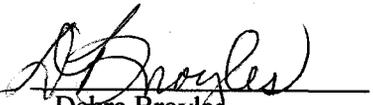
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By:   
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Secretary to Teena Wolfe