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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

Arizona Corporation Commission
DOCKETED

NOV 18 2010

DOCKETED BY 

DOCKET NO. W-02500A-10-0382

IN THE MATTER OF THE APPLICATION OF
 GOODMAN WATER COMPANY, AN ARIZONA
 CORPORATION, FOR (i) A DETERMINATION
 OF THE FAIR VALUE OF ITS UTILITY PLANT
 AND PROPERTY AND (ii) AN INCREASE IN ITS
 WATER RATES AND CHARGES FOR UTILITY
 SERVICE BASED THEREON.

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On September 17, 2010, Goodman Water Company ("Goodman" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for a rate increase.

On October 18, 2010, the Commission's Utilities Division ("Staff") notified the Company that its application was not sufficient under the guidelines outlined in the Arizona Administrative Code R14-2-103.

On November 8, 2010, the Residential Utility Consumer Office ("RUCO") filed an Application to Intervene.

On November 8, 2010, Staff docketed a letter that notified the Company that its application was sufficient, and classified the Company has a Class C utility.

No entity objected to RUCO's interevention.

Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that **RUCO's Application to Intervene is granted.**

IT IS FURTHER ORDERED that the **hearing** in the above-captioned matter shall commence on **June 14, 2011, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona 85701.**

1 IT IS FURTHER ORDERED that **the Staff Report** and/or any direct testimony and
2 associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed
3 on or before **March 21, 2011**.

4 IT IS FURTHER ORDERED that any **direct testimony** and associated exhibits to be
5 presented at hearing on behalf of intervenors shall be reduced to writing and filed on or before
6 **March 21, 2011**.

7 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits in response
8 to the Staff Report or Intervenor testimony to be presented at hearing by the Company shall be
9 reduced to writing and filed on or before **April 18, 2011**.

10 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
11 presented by the Staff and/or intervenors shall be reduced to writing and filed on or before **May 16,**
12 **2011**.

13 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be
14 presented at the hearing shall be reduced to writing and filed on or before **June 3, 2011**.

15 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have
16 been prefiled as of June 3, 2011, shall be made on or before June 10, 2011.

17 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-
18 105, except that all motions to intervene must be filed **on or before May 16, 2011**.

19 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
20 regulations of the Commission, except that through May 13, 2011, any objection to discovery
21 requests shall be made within 7 days¹ of receipt and responses to discovery requests shall be made
22 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and
23 responses shall be made in 7 days;¹ the response time may be extended by mutual agreement of the
24 parties involved if the request requires an extensive compilation effort.

25 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
26 discovery, any party seeking discovery may telephonically contact the Commission's Hearing
27

28 ¹ "Days" means calendar days.

1 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a
 2 request, a procedural hearing will be convened as soon as practicable; and that the party making such
 3 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the
 4 hearing provide a statement confirming that the other parties were contacted.²

5 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by
 6 the Commission within 20 days of the filing date of the motion shall be deemed denied.

7 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of
 8 the filing date of the motion.

9 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date
 10 of the response.

11 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
 12 this matter, in the following type size, form and style with the heading in no less than 14 point bold
 13 type and the body in no less than 10-point regular type:

14 **PUBLIC NOTICE OF HEARING ON THE**
 15 **RATE APPLICATION OF**
 16 **GOODMAN WATER COMPANY**
 17 **Docket No. W-02500A-10-0382**

18 On September 17, 2010, Goodman Water Company ("Goodman" or "Company") filed
 19 an application with the Arizona Corporation Commission ("Commission") for an
 20 increase in annual revenues of \$291,083, or 50.82 percent over test year revenues.
 21 Under the rates as proposed by the Company, a residential customer with a 5/8 x 3/4"
 22 meter, with an average monthly usage of 5,477 gallons, would see a monthly increase
 23 of \$35.46, or 53.14 percent, from \$66.73 to \$102.19. A customer's bill depends on
 24 meter size and how much water is used each month. A customer with a larger meter
 25 and/or using less or more than the average would experience a smaller or larger
 26 increase.

27 If you have any questions concerning how the Company's rate proposal will affect
 28 your bill or have other substantive questions about this application, you may contact
 the Company at: **[COMPANY SHOULD INSERT NAME, ADDRESS,
 TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER
 CONTACTS CONCERNING THE APPLICATION].**

Neither the Commission's Utilities Division Staff nor the Residential Utility
 Consumer Office have yet made a recommendation regarding the Company's rate

² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 proposal, and the Commission will determine the appropriate rate relief to be granted
 2 based on the evidence of record in this proceeding. The Commission is not bound by
 3 the proposals made by the Company, Staff, or any intervenors and, therefore, the final
 4 rates approved in this docket may be lower or higher than the rates described above.

5 **How You Can View or Obtain a Copy of the Rate Proposal**

6 Copies of the application and proposed tariffs are available at the Company's offices
 7 [INSERT ADDRESS] and at the Commission's Docket Control Center at 1200 West
 8 Washington, Phoenix, Arizona and its Tucson offices, 400 West Congress, Suite 218,
 9 Tucson, Arizona, and on the internet via the Commission website ([/www.azcc.gov/](http://www.azcc.gov/))
 10 using the e-docket function.

11 **Public Hearing Information**

12 The Commission will hold a **hearing** on this matter beginning **June 14, 2011, at**
 13 **10:00 a.m.**, at the Commission's offices, Room 222, 400 West Congress, Tucson,
 14 Arizona.

15 Public comments will be taken at the beginning of the first day of the hearing. Written
 16 public comments may be submitted by mailing a letter referencing Docket No. W-
 17 02500A-10-0382 to Arizona Corporation Commission, Consumer Services Section,
 18 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and
 19 instructions on how to e-mail comments to the Commission, go to
 20 http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require
 21 assistance, you may contact the Consumer Services Section at 1-800-222-7000 or
 22 (520) 628-6550.

23 **About Intervention**

24 The law provides for an open public hearing at which, under appropriate
 25 circumstances, interested parties may intervene. Any person or entity entitled by law
 26 to intervene and having a direct and substantial interest in the matter will be permitted
 27 to intervene. If you wish to intervene, you must file an original and 13 copies of a
 28 written motion to intervene with the Commission no later than **May 16, 2011**, and a
 copy of the motion to Goodman or its counsel and to all parties of record. Your
 motion must contain the following:

1. Your name, address, and telephone number and the name, address and
 telephone number of any party upon whom service of documents is to
 be made, if not yourself.
2. A short statement of your interest in the proceeding (e.g., a customer of
 the Company, etc.).
3. A statement certifying that you have mailed a copy of the motion to
 intervene to the Company or its counsel and to all parties of record in
 the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
 that all motions to intervene must be filed on or before May 16, 2011. If
 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme
 Court, intervention will be conditioned upon the intervenor obtaining counsel to
 represent the intervenor. For information about requesting intervention, visit the
 Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.
 The granting of intervention, among other things, entitles a party to present sworn
 evidence at the hearing and to cross-examine other witnesses. However, failure to

1 intervene will not preclude any interested person or entity from appearing at the
2 hearing and providing public comment on the application or from filing written
3 comments in the record of the case.

4 **ADA/Equal Access Information**

5 The Commission does not discriminate on the basis of disability in admission to its
6 public meetings. Persons with a disability may request a reasonable accommodation
7 such as a sign language interpreter, as well as request this document in an alternative
8 format, by contacting the ADA Coordinator Shaylin Bernal, E-mail
9 Sbernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as
10 early as possible to allow time to arrange the accommodation.

11 IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of
12 the above notice by **January 14, 2011**, and shall cause the above notice to be published at least once
13 in a newspaper of local circulation in its service territory, with **publication** to be completed no later
14 than **January 31, 2011**.

15 IT IS FURTHER ORDERED that the Company shall file certification of mailing and
16 publication as soon as practicable after they have been completed.

17 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
18 publication of same, notwithstanding the failure of an individual customer to read or receive the
19 notice.

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

23 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the
24 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

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

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

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

5 DATED this 16th day of November, 2010.

6
7
8 
9 JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

10 Copies of the foregoing mailed
11 this 14th day of November, 2010 to:

12 Lawrence V. Robertson, Jr.
13 PO Box 1448
14 Tubac, AZ 85646
15 Attorney for Goodman Water Co.

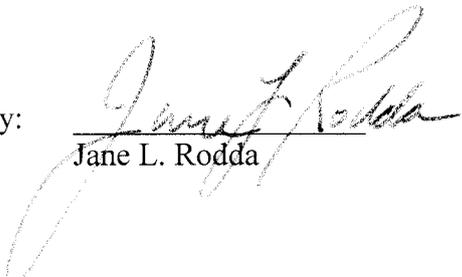
16 Daniel Pozefsky
17 Chief Counsel
18 Residential Utility Consumer Office
19 1110 West Washington, Suite 220
20 Phoenix, AZ 85007

21 Janice Alward, Chief Counsel
22 Legal Division
23 ARIZONA CORPORATION COMMISSION
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25 Phoenix, Arizona 85007

26 Steven Olea, Director
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Arizona Reporting Service, Inc.
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By:


Jane L. Rodda