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BEFORE THE ARIZONA CORPORATION COMMISSION  
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Arizona Corporation Commission  
DOCKETED

NOV 19 2010

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2 COMMISSIONERS

3 KRISTIN K. MAYES - Chairman 2010 NOV 19 P 3: 02  
4 GARY PIERCE  
5 PAUL NEWMAN  
6 SANDRA D. KENNEDY  
7 BOB STUMP

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED BY

8 IN THE MATTER OF THE APPLICATION OF  
9 JOSHUA VALLEY UTILITY CO. FOR AN  
10 INCREASE IN ITS WATER RATES.

DOCKET NO. W-02023A-10-0193

**PROCEDURAL ORDER**

11 **BY THE COMMISSION:**

12 On May 13, 2010, Joshua Valley Utility Co. ("Joshua Valley") filed with the Arizona  
13 Corporation Commission ("Commission") an application for a permanent increase in its water rates  
14 and charges, using a test year ("TY") ending December 31, 2009. For the TY, Joshua Valley reports  
15 unaudited total operating revenues of \$337,025 and operating income of \$46,582. Joshua Valley  
16 requests authorization to increase its rates to generate an additional \$35,000 in gross revenue per year  
17 and proposes to increase its monthly usage charges, its commodity rates other than for bulk water  
18 sales, most of its service charges, and its service line and meter installation charges. With its  
19 application, Joshua Valley included certification that a notice letter had been sent to its customers  
20 between December 4 and 9, 2009. However, the notice letter was based on a 2008 TY and a lower  
21 requested revenue increase and did not include notice of the hearing to be held in this matter.

22 On September 28, 2010, the Commission's Utilities Division Staff ("Staff") issued a  
23 Sufficiency Letter stating that Joshua Valley's application had met the sufficiency requirements  
24 outlined in Arizona Administrative Code ("A.A.C.") R14-2-103 and that Joshua Valley had been  
25 classified as a Class C utility. The Sufficiency Letter also stated that Joshua Valley's application had  
26 been amended on June 23, June 28, July 14, and September 10, 2010, although no such amendments  
27 had been filed in the docket for this case.

28 On September 29, 2010, Staff issued a Revised Sufficiency Letter correcting erroneous dates  
provided in the original letter.

1 On September 30, 2010, a Procedural Order was issued requiring Joshua Valley to file copies  
2 of the amendments to its application that had been submitted to Staff; scheduling a hearing in this  
3 matter for April 14, 2011; scheduling a prehearing conference for April 4, 2011; requiring Joshua  
4 Valley to provide specified public notice of the hearing by November 5, 2010, through publication  
5 and mailing notice to each of its current customers; requiring Joshua Valley to file certification of  
6 mailing and publication by December 1, 2010; and establishing other procedural requirements and  
7 deadlines.

8 On October 27, 2010, Joshua Valley filed copies of its data responses provided to Staff, which  
9 included the amendments made to its application.

10 On October 28, 2010, Notice of Appearance was filed by counsel for Joshua Valley.

11 On November 17, 2010, Joshua Valley filed a Notice of Withdrawal of Rate Application,  
12 stating that Joshua Valley reluctantly withdraws its rate application because its company president is  
13 unable to conduct or supervise the effort to pursue the rate increase at this time due to health issues  
14 and hospitalizations. The Notice of Withdrawal of Rate Application does not indicate whether the  
15 issue of withdrawal has been discussed with Staff or whether the public notice required by the  
16 Procedural Order has been provided through publication and/or mail.

17 Because it is unknown whether Staff has any objection to Joshua Valley's withdrawing its  
18 application, and because it is unknown whether the public notice required by the Procedural Order  
19 has been provided, it is necessary and appropriate to require Staff to determine whether public notice  
20 of the application and hearing has been provided and, if so, in what form. It is also necessary and  
21 appropriate to require Staff to make a filing explaining the notice that has been provided and setting  
22 forth Staff's recommendations regarding whether the withdrawal should be permitted and whether  
23 additional public notice should be provided.

24 IT IS THEREFORE ORDERED that **Staff shall determine** whether public notice of Joshua  
25 Valley's application and the scheduled hearing has been provided pursuant to the Procedural Order  
26 and, if so, in what manner.

27 IT IS FURTHER ORDERED that **Staff shall, by December 10, 2010, file** with the  
28 Commission's Docket Control a document explaining what public notice has been provided; setting

1 forth Staff's recommendation regarding whether Joshua Valley should be permitted to withdraw its  
2 application; and setting forth Staff's recommendation regarding whether any additional public notice  
3 should be provided and, if so, in what manner.

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

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

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

12 DATED this 19<sup>th</sup> day of November, 2010.

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14  
15   
16 SARAH N. HARPRING  
ADMINISTRATIVE LAW JUDGE

17 Copies of the foregoing mailed/delivered  
18 this 19<sup>th</sup> day of November, 2010, to:

19 Steve Wene  
20 MOYES SELLERS & SIMS LTD.  
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Attorney for Joshua Valley Utility Co.

21 Janice Alward, Chief Counsel  
22 Legal Division  
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25 Utilities Division  
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27 By:   
28 Debra Broyles  
Secretary to Sarah N. Harpring