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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

- GARY PIERCE - Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

DOCKET NO. E-01750A-11-0136

IN THE MATTER OF THE APPLICATION OF MOHAVE ELECTRIC COOPERATIVE, INCORPORATED, AN ELECTRIC COOPERATIVE NONPROFIT MEMBERSHIP CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON AND TO APPROVE RATES DESIGNED TO DEVELOP SUCH RETURN.

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On March 30, 2011, Mohave Electric Cooperative, Incorporated ("MEC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a determination of the fair value of its property for ratemaking purposes, to fix a just and reasonable return thereon, and to approve rates designed to develop such return.

On April 27, 2011 MEC filed a letter stating that the Company agreed to waive the time clock for determining the sufficiency of its rate application.

On May 27, 2011, MEC filed Supplemental Direct Testimony and Schedules with Calendar Year 2010 data.

On June 27, 2011, the Commission's Utilities Division ("Staff") filed its Letter of Sufficiency indicating that MEC's application satisfied the requirements of Arizona Administrative Code ("A.A.C.") R14-2-103 and classifying the Company as a Class A utility.

On June 27, 2011, Staff filed a Proposed Procedural Schedule for Filing Dates.

On July 1, 2011, Staff filed Revised Proposed Schedule for Filing Dates which recommended a compressed schedule compared to the original proposed schedule.

On July 6, 2011, MEC filed a Response to Staff's Revised Proposed Schedule for Filing

1 Dates. The Company indicated that it supports Staff's proposed revised schedule.

2 IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter is hereby
3 scheduled to commence on **March 19, 2012, at 10:00 a.m.**, at the Commission's offices, 1200 West
4 Washington Street, Hearing Room No. 1, Phoenix, Arizona 85007.

5 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **March 16, 2012,**
6 **at 10:00 a.m.**, for the purpose of scheduling witnesses and the conduct of the hearing.

7 IT IS FURTHER ORDERED that the **Staff Report and/or direct testimony, except cost of**
8 **service and rate design testimony**, and associated exhibits to be presented at hearing on behalf of
9 Staff shall be reduced to writing and filed on or before **November 30, 2011.**

10 IT IS FURTHER ORDERED that **direct testimony, except cost of service and rate design**
11 **testimony, and associated exhibits to be presented at hearing on behalf of intervenors** shall be
12 reduced to writing and filed on or before **November 30, 2011.**

13 IT IS FURTHER ORDERED that **direct cost of service and rate design testimony** and
14 associated exhibits to be presented at hearing on behalf of Staff or intervenors shall be reduced to
15 writing and filed on or before **December 19, 2011.**

16 IT IS FURTHER ORDERED that **rebuttal testimony and associated exhibits to be**
17 **presented at hearing by MEC** shall be reduced to writing and filed on or before **January 18,**
18 **2012.**

19 IT IS FURTHER ORDERED that **surrebuttal testimony and associated exhibits to be**
20 **presented by Staff or intervenors** shall be reduced to writing and filed on or before **February 8,**
21 **2012.**

22 IT IS FURTHER ORDERED that any **rejoinder testimony and associated exhibits to be**
23 **presented at the hearing on behalf of MEC** shall be reduced to writing and filed on or before
24 **February 29, 2012.**

25 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**
26 **filing is due, unless otherwise indicated above.**

27 IT IS FURTHER ORDERED that any **objections to testimony or exhibits that have been**
28

1 prefiled as of February 29, 2012, shall be made before or at the March 16, 2012, pre-hearing
2 conference.

3 IT IS FURTHER ORDERED that each party shall individually prepare, and bring to the
4 pre-hearing conference, copies of an issues matrix setting forth all disputed issues in the case.
5 Each party's matrix shall indicate the position of each party on each disputed issue and shall
6 indicate whether the disputed issue remains in dispute or has been resolved, in prefiled
7 testimony or otherwise.

8 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents which
9 lists the issues discussed.

10 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to
11 prefiled testimony, with the exception of rejoinder testimony, shall be reduced to writing and filed no
12 later than five calendar days before the witness is scheduled to testify. Substantive corrections,
13 revisions, or supplements to prefiled rejoinder testimony shall be reduced to writing and presented on
14 the first day of hearing.

15 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the
16 prefiled testimony of each of their witnesses and shall file each summary at least two working
17 days before the witness is scheduled to testify.

18 IT IS FURTHER ORDERED that copies of summaries shall be served upon the
19 Administrative Law Judge, the Commissioners, and the Commissioners' aides as well as the parties
20 of record.

21 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
22 except that all motions to intervene must be filed on or before November 4, 2011.

23 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
24 regulations of the Commission, except that until **January 18, 2012**, any objection to discovery
25 requests shall be made within 7 calendar days of receipt¹ and responses to discovery requests shall be
26 made within 10 calendar days of receipt. Thereafter, objections to discovery requests shall be made

27 _____
28 ¹ The date of receipt of discovery requests is not counted as a calendar day, and requests received after 4:00 p.m. MST will be considered as received the next business day.

1 within 5 calendar days and responses shall be made within 7 calendar days. The response time may
2 be extended by mutual agreement of the parties involved if the request requires an extensive
3 compilation effort.

4 IT IS FURTHER ORDERED that for discovery requests, objections, and answers, if a
5 receiving party requests service to be made electronically, and the sending party has the technical
6 capability to provide service electronically, service to that party shall be made electronically.

7 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
8 discovery, any party seeking resolution of a discovery dispute may telephonically contact the
9 Commission's Hearing Division to request a date for a procedural hearing to resolve the discovery
10 dispute; that upon such a request, a procedural hearing will be convened as soon as practicable; and
11 that the party making such a request shall forthwith contact all other parties to advise them of the
12 hearing date and shall at the hearing provide a statement confirming that the other parties were
13 contacted.²

14 IT IS FURTHER ORDERED that any motions which are filed in this matter and which are
15 not ruled upon by the Commission within 20 calendar days of the filing date of the motion shall be
16 deemed denied.

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

19 IT IS FURTHER ORDERED that any replies shall be filed within five calendar days of the
20 filing date of the response.

21 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in
22 this matter, in the following form and style with the heading in no less than 18-point bold type and
23 the body in no less than 10-point regular type:

24 ...

25 ...

26 ...

27

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

PUBLIC NOTICE OF HEARING ON THE APPLICATION OF MOHAVE ELECTRIC COOPERATIVE, INCORPORATED, FOR A PERMANENT BASE RATE INCREASE (DOCKET NO. E-01750A-11-0136)

Summary

On March 30, 2011, Mohave Electric Cooperative, Incorporated ("MEC" or "Company"), filed an application with the Arizona Corporation Commission ("Commission") for a permanent gross revenue increase of approximately \$2,980,757 million, or approximately 3.79 percent over current revenues, for the provision of electric service within the Company's authorized service area in Arizona. The rate impact on customers would vary based on customer class and individual usage if MEC's proposal were to be adopted.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding MEC's proposed rate increase. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY MEC, STAFF, OR ANY INTERVENORS; THEREFORE, THE FINAL RATES APPROVED BY THE COMMISSION MAY DIFFER FROM THE RATES REQUESTED BY THE COMPANY OR OTHER PARTIES.**

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

Copies of the application and proposed rates are available from MEC [COMPANY INSERT HOW AND WHERE AVAILABLE] and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on **March 19, 2012, at 10:00 a.m.**, at the Commission's offices, Hearing Room No. 1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. E-01750A-11-0136 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **November 4, 2011**, and send a copy of the motion to MEC or its counsel and to all parties of record. Your motion to intervene 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;

- 1 2. A short statement of your interest in the proceeding (e.g., a customer of
2 MEC, a shareholder of MEC, etc.); and
- 3 3. A statement certifying that you have mailed a copy of the motion to
 intervene to MEC or its counsel and to all parties of record in the case.

4 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
5 that all motions to intervene must be filed on or before November 4, 2011. If
6 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme
7 Court, intervention will be conditioned upon the intervenor obtaining counsel to
8 represent the intervenor. For information about requesting intervention, visit the
9 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 hearing and to cross-examine other witnesses. However, failure to
 intervene will not preclude any interested person or entity from appearing at the
 hearing and providing public comment on the application or from filing written
 comments in the record of the case.

10 **ADA/Equal Access Information**

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

14 IT IS FURTHER ORDERED that MEC shall mail to each of its customers a copy of the
15 above notice as a bill insert beginning no later than the first billing cycle in **August 2011**, and shall
16 cause a copy of such notice to be published at least once in a newspaper of general circulation in the
17 Company's service territory, with publication to be completed no later than **August 31, 2011**.

18 IT IS FURTHER ORDERED that **MEC shall file certification of mailing/publication** as
19 soon as possible after the mailing/publication has been completed, but **no later than September 30,**
20 **2011.**

21 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication
22 of same, notwithstanding the failure of an individual customer to read or receive the notice.

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

26 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
27 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
28

1 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
2 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
3 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
4 Administrative Law Judge or the Commission.

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

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

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

13 DATED this 15th day of July, 2011.

14
15
16 
17 _____
18 DWIGHT D. NODES
19 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

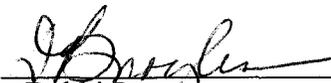
20 Copies of the foregoing mailed/delivered
21 This 15th day of July, 2011 to:

22 Michael A. Curtis
23 William P. Sullivan
24 Melissa A. Parham
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26 UDALL & SCHWAB, P.L.C.
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By: 
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Assistant to Dwight D. Nodes