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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

OCT 11 2011

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IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS WESTERN GROUP AND FOR CERTAIN RELATED APPROVALS.

DOCKET NO. W-01445A-10-0517

PROCEDURAL ORDER

BY THE COMMISSION:

On December 29, 2010, Arizona Water Company ("AWC") filed with the Arizona Corporation Commission ("Commission") an application requesting adjustments to its rates and charges for utility service provided by its Western Group water systems, including its Pinal Valley (Casa Grande, Coolidge, and Stanfield); Ajo; and White Tank water systems. AWC's rate application used a test year ending December 31, 2009. AWC's current rates were established in Decision No. 71845 (August 25, 2010), based on a test year ending December 31, 2007.

Between January 7, 2011, and March 24, 2011, AWC and the Commission's Utilities Division ("Staff") were involved in a dispute as to the sufficiency of AWC's application based upon AWC's test year. On March 24, 2011, a procedural conference was held, and the parties were able to reach agreement as to the resolution of their dispute. The particular points of agreement were read into the record.¹ As part of the agreement, AWC agreed to file, in this docket, a fully amended new application packet for its Western Group using a test year ending December 31, 2010 ("new application").

On May 9, 2011, AWC filed an Amended Application for its Western Group, using a test year ending December 31, 2010.

¹ All of the items of agreement are included in the transcript for the procedural conference.

1 On June 8, 2011, Staff issued a Letter of Sufficiency, stating that AWC's Amended
2 Application had met the sufficiency requirements outlined in A.A.C. R14-2-103 and classifying
3 AWC as a Class A utility.

4 On June 15, 2011, the Residential Utility Consumer Office ("RUCO") filed an Application to
5 Intervene, which was granted by Procedural Order on June 28, 2011.

6 On July 15, 2011, a Procedural Order was issued vacating a prior procedural schedule;
7 establishing a procedural schedule with a hearing to commence on February 21, 2012; and
8 establishing other procedural requirements and deadlines. AWC's deadline to mail notice to its
9 customers was subsequently extended by a Procedural Order issued on July 20, 2011, in response to
10 an AWC request.

11 On August 26, 2011, AWC filed a Certification of Notice, showing that notice had been
12 mailed to each of its customers during the July 22 billing cycle, which was completed on August 18,
13 2011, and that notice had been published in the *West Valley View* on July 26, 2011, and in the
14 *Coolidge Examiner*, the *Casa Grande Dispatch*, and the *Ajo Copper News* on July 27, 2011.

15 On September 13, 2011, Abbott Laboratories ("Abbott") filed an Application to Intervene,
16 which was granted by Procedural Order on September 26, 2011.

17 On October 3, 2011,² Water Utilities Association of Arizona ("WUAA") filed an Application
18 to Intervene, stating that WUAA is a non-profit corporation representing the investor-owned segment
19 of the water industry in Arizona; that WUAA's regular membership counts approximately 100
20 investor-owned water companies, including AWC; and that several of the policy issues addressed in
21 AWC's application have broad implications for the private water industry. WUAA further asserted
22 that granting it intervenor status will not unduly delay the proceedings or cause the issues to be
23 unduly broadened.

24 No party has objected to WUAA's Application to Intervene or disputed WUAA's assertion
25 that policy issues in AWC's application have broad implications for WUAA's members. Because no
26 party has objected to WUAA's intervention, and it appears that WUAA's members may be directly

27 _____
28 ² This filing date is considered to be timely as the filing deadline for Motions to Intervene was inadvertently set for
October 1, 2011, a Saturday.

1 and substantially affected by the outcome of this matter and that WUAA's participation will not
2 unduly broaden the issues in this matter, it is reasonable and appropriate to grant WUAA intervention
3 herein.

4 IT IS THEREFORE ORDERED that **Water Utilities Association of Arizona's Application**
5 **to Intervene is hereby granted.**

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

9 DATED this 11th day of October, 2011.

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11
12 
13 SARAH N. HARPRING
14 ADMINISTRATIVE LAW JUDGE

15 Copies of the foregoing mailed/delivered
this 11th day of October, 2011 to:

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