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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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Arizona Corporation Commission  
DOCKETED

MAR 16 2012

DOCKETED BY  
*[Signature]*

IN THE MATTER OF THE SABROSA WATER COMPANY, INC. FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02111A-11-0272

IN THE MATTER OF THE APPLICATION OF SABROSA WATER COMPANY, INC. FOR APPROVAL OF FINANCING.

DOCKET NO. W-02111A-11-0340

IN THE MATTER OF THE APPLICATION OF SABROSA WATER COMPANY, INC. FOR APPROVAL OF FINANCING TO DEEPEN ITS ZORRILLO WELL.

DOCKET NO. W-02111A-11-0435

PROCEDURAL ORDER

BY THE COMMISSION:

On July 7, 2011, Sabrosa Water Company, Inc. ("SWC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase in Docket No. W-02111A-11-0272.

On August 5, 2011, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter in the rate case, stating that SWC's rate application had met the sufficiency requirements as outlined in A.A.C. R14-2-103, and that the Company had been classified as a Class "D" utility.

On September 9, 2011, SWC filed with the Commission an application for financing, requesting that the Commission authorize the Company to obtain a Water Infrastructure Financing Authority ("WIFA") loan in the amount of approximately \$89,000 to cover costs related to its arsenic treatment plant. Additionally, SWC filed a request to suspend the time clock in the rate case to allow the Company additional time to file an amended rate application.

On September 13, 2011, Staff filed a response to SWC's request for the suspension of the time clock in the rate case. Staff stated that it agreed with the Company's request to suspend the time clock.

1 On September 15, 2011, by Procedural Order, the time clock in the rate case was suspended.

2 On November 3, 2011, SWC filed an amendment to its finance application which includes  
3 additional arsenic treatment costs.

4 On November 23, 2011, SWC filed an amendment to its rate application.

5 On December 6, 2011, SWC filed with the Commission a second application for financing  
6 approval for a WIFA loan of \$13,000 to deepen its Zorrillo Well.

7 On February 29, 2012, Staff filed a request to restart the time clock in the rate case, stating  
8 that Staff expected to file its Staff Report within ten days.

9 On March 9, 2012, Staff filed a Motion to Consolidate the three above-captioned dockets,  
10 stating that the issues involved in these matters are substantially related and that no party's rights will  
11 be prejudiced by consolidation. Staff believes that consolidation of these matters will aid the  
12 Commission in its evaluation of each of the applications.

13 Staff's request for consolidation of the above-captioned dockets is reasonable and should be  
14 granted. However, the time clock should remain suspended.

15 IT IS THEREFORE ORDERED that Docket Nos. W-02111A-11-0272, W-02111A-11-0340,  
16 and W-02111A-11-0435, are hereby consolidated to assist the Commission in its evaluation of the  
17 above-captioned applications.

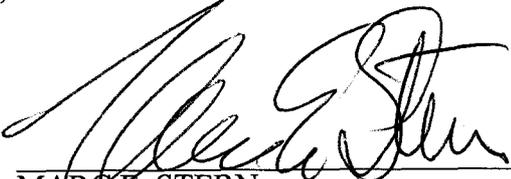
18 IT IS FURTHER ORDERED that the time clock shall remain suspended.

19 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 – Unauthorized  
20 Communications) applies to this proceeding.

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

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

4  
5 DATED this 16<sup>TH</sup> day of March, 2012.

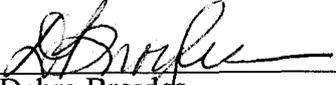
6  
7  
8   
9 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

10 Copies of the foregoing mailed/delivered  
11 This 16<sup>th</sup> day of March, 2012 to:

12 Don Bohler, Interim Manager  
13 SABROSA WATER COMPANY  
14 303 E. Gurley, St., PMB 445  
15 Prescott, AZ 86301

16 Janice Alward, Chief Counsel  
17 Legal Division  
18 ARIZONA CORPORATION COMMISSION  
19 1200 West Washington Street  
Phoenix, AZ 85007

20 Steven M. Olea, Director  
21 Utilities Division  
22 ARIZONA CORPORATION COMMISSION  
23 1200 West Washington Street  
24 Phoenix, AZ 85007

25 By:   
26 Debra Broyles  
27 Secretary to Marc E. Stern  
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