



0000135262

ORIGINAL

RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

2012 MAR 19 PM 1 51

MAR 19 2012

2 COMMISSIONERS

- 3 GARY PIERCE - Chairman
- 4 BOB STUMP
- 5 SANDRA D. KENNEDY
- 6 PAUL NEWMAN
- 7 BRENDA BURNS

DOCKETED BY	
-------------	--

8 IN THE MATTER OF THE APPLICATION OF TUSAYAN WATER DEVELOPMENT ASSOCIATION, INC. FOR ESTABLISHMENT OF RATES FOR WATER SERVICE.
------------------------------------------------------------------------------------------------------------------------------------------

DOCKET NO. W-02350A-10-0163

9 IN THE MATTER OF THE APPLICATION OF ANASAZI WATER CO., LLC FOR ADJUDICATION "NOT A PUBLIC SERVICE CORPORATION."
----------------------------------------------------------------------------------------------------------------------------

DOCKET NO. W-20765A-10-0432

11 IN THE MATTER OF THE APPLICATION OF HYDRO-RESOURCES, INC. FOR ADJUDICATION "NOT A PUBLIC SERVICE CORPORATION."
----------------------------------------------------------------------------------------------------------------------------

DOCKET NO. W-20770A-10-0473

**PROCEDURAL ORDER**

14 **BY THE COMMISSION:**

15 On April 29, 2010, Tusayan Water Development Association, Inc. ("Tusayan") filed with the  
16 Arizona Corporation Commission ("Commission"), in Docket No. W-02350A-10-0163 ("Tusayan  
17 Docket"), a rate application using a test year ending December 31, 2009.

18 Since that time, through a series of events more fully described in prior Procedural Orders  
19 issued in this matter, processing of Tusayan's rate application has been suspended; Tusayan has been  
20 deemed to have filed an adjudication application; Tusayan's adjudication application has been  
21 consolidated with adjudication applications filed by Hydro-Resources, Inc. ("Hydro") and Anasazi  
22 Water Company, LLC ("Anasazi"); intervention has been granted to Tusayan Ventures LLC ("T  
23 Ventures") and to the Town of Tusayan ("Town"); the Commission's Utilities Division ("Staff") has  
24 found all three adjudication applications to be sufficient; and late intervention has been granted to  
25 Squire Motor Inns, Incorporated ("Squire"). In addition, a hearing scheduled to commence on  
26 September 9, 2011, instead proceeded only for public comment and a procedural conference, and a  
27 September 21, 2011, hearing date was vacated to allow for settlement discussions. The parties have  
28 been working to finalize Settlement Agreement language since approximately October 2011.

1 Procedural conferences have been held on October 7, 2011; November 21, 2011; and January  
2 17, 2012, with the parties providing progress reports and requesting additional time to work out the  
3 intricacies of the Settlement Agreement and another separate agreement (“Transfer Agreement”)  
4 regarding the transfer of property and rights to Hydro, whom the parties intend to become the single  
5 water utility and CC&N holder for the area. The parties have reported that all parties are expected to  
6 enter into the Settlement Agreement.

7 On January 17, 2012, a Procedural Order was issued scheduling a procedural conference to be  
8 held on March 19, 2012; requiring the parties to ensure that copies of the Settlement Agreement are  
9 filed promptly upon execution; and requiring Tusayan and Hydro to file their respective CC&N-  
10 related application/s within two weeks following the execution of the Settlement Agreement.

11 On March 19, 2012, a procedural conference was held before a duly authorized  
12 Administrative Law Judge of the Commission, with all parties appearing through counsel.<sup>1</sup> The  
13 parties reported that substantial progress has continued on the Settlement Agreement, but that  
14 because of several issues recently raised, the parties are still working out the language of the  
15 Settlement Agreement and prefer not yet to discuss establishment of a procedural schedule. Hydro  
16 and Anasazi also have not yet completed the Transfer Agreement. The parties indicated that they  
17 would like to have another procedural conference scheduled at the end of April, at which time the  
18 parties expect to be ready to propose a procedural schedule.

19 Thus, it is now necessary and appropriate to schedule another procedural conference in this  
20 matter.

21 IT IS THEREFORE ORDERED that a **procedural conference** shall be held on **April 30,**  
22 **2012, at 10:00 a.m.,** in the 2<sup>nd</sup> Floor Conference Room, at the Commission’s offices at 1200 West  
23 Washington Street, Phoenix, Arizona 85007, to obtain updates on the parties’ positions in these  
24 consolidated matters, to discuss how the matters should proceed, and to discuss the scheduling of an  
25 evidentiary hearing and other procedural requirements.

26 IT IS FURTHER ORDERED that the filing requirements and deadlines established in the  
27

28 <sup>1</sup> Counsel for Anasazi appeared telephonically.

1 Procedural Order of January 17, 2012, continue in effect.

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

5 DATED this 19<sup>th</sup> day of March, 2012.

7   
8 SARAH N. HARPRING  
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 19<sup>th</sup> day of March, 2012, to:

11 Russell A. Kolsrud  
12 Ryan J. Lorenz  
13 CLARK HILL PLC  
14 14850 North Scottsdale Road, Suite 500  
15 Scottsdale, AZ 85254  
16 Attorneys for Tusayan Water  
Development Association, Inc.

Michael W. Patten  
Timothy J. Sabo  
ROSHKA, DEWULF & PATTEN, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, AZ 85004  
Attorneys for Squire Motor Inns, Incorporated

14 Garry D. Hays  
15 THE LAW OFFICES OF GARRY D. HAYS, PC  
16 1702 East Highland Avenue, Suite 204  
Phoenix, AZ 85016  
Attorney for Tusayan Ventures LLC

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

17 Paul L. Brinkmann  
18 SHORALL MCGOLDRICK BRINKMANN  
19 702 North Beaver  
Flagstaff, AZ 86001  
Attorney for Anasazi Water Co., LLC

Steven M. Olea, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, AZ 85007

20 Steven A. Hirsch  
21 Rodney W. Ott  
22 BRYAN CAVE LLP  
Two North Central Avenue, Suite 2200  
Phoenix, AZ 85004-4406  
Attorneys for Hydro-Resources, Inc.

ARIZONA REPORTING SERVICE, INC.  
2200 North Central Avenue, Suite 502  
Phoenix, AZ 85004-1481

23 William J. Sims III  
24 LASOTA & PETERS, PLC  
25 722 East Osborn, Suite 100  
Phoenix, AZ 85014  
Attorney for the Town of Tusayan

By:   
Debra Broyles  
Secretary to Sarah N. Harpring

26 Enrique Medina Ochoa, Town Manager  
27 TOWN OF TUSAYAN  
P.O. Box 709  
Tusayan, AZ 86023

28