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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

GARY PIERCE - Chairman  
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Arizona Corporation Commission

DOCKETED

JUL 24 2012

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED BY *JM*

IN THE MATTER OF THE APPLICATION OF  
RAY WATER COMPANY, INC. FOR A RATE  
INCREASE.

DOCKET NO. W-01380A-12-0254

RATE CASE  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On June 14, 2012, Ray Water Company, Inc. ("Company") filed an application with the Arizona Corporation Commission ("Commission") for a rate increase.

On July 13, 2012, the Commission's Utilities Division ("Staff") docketed a letter that notified the Company that its application was sufficient, and classified the Company as a Class C utility.

Pursuant to the Arizona Administrative Code ("A.A.C.") R14-3-101, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **January 16, 2013, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222**, 400 West Congress, Tucson, Arizona 85701.

IT IS FURTHER ORDERED that the **Staff Report** and/or any direct testimony and associated exhibits to be presented at hearing on behalf of Staff shall be reduced to writing and filed on or before **November 26, 2012**.

IT IS FURTHER ORDERED that any **direct testimony** and associated exhibits to be presented at hearing on behalf of intervenors shall be reduced to writing and filed on or before **November 26, 2012**.

IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits in response to the Staff Report or Intervenor testimony to be presented at hearing by the Company shall be reduced to writing and filed on or before **December 21, 2012**.

1 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be  
2 presented by the Staff and/or intervenors shall be reduced to writing and filed on or before **January**  
3 **8, 2013**.

4 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be  
5 presented at the hearing by the Company may be presented on the stand during the hearing.

6 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have  
7 been pre-filed as of January 8, 2013, shall be made on or before January 11, 2013.

8 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
9 105, except that all motions to intervene must be filed **on or before November 13, 2012**.

10 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
11 regulations of the Commission, except that through December 28, 2012, any objection to discovery  
12 requests shall be made within 7 days<sup>1</sup> of receipt and responses to discovery requests shall be made  
13 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and  
14 responses shall be made in 7 days;<sup>1</sup> the response time may be extended by mutual agreement of the  
15 parties involved if the request requires an extensive compilation effort.

16 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
17 discovery, any party seeking discovery may telephonically contact the Commission's Hearing  
18 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a  
19 request, a procedural hearing will be convened as soon as practicable; and that the party making such  
20 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the  
21 hearing provide a statement confirming that the other parties were contacted.<sup>2</sup>

22 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
23 the Commission within 20 days of the filing date of the motion shall be deemed denied.

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

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27 <sup>1</sup> "Days" means calendar days.

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

1 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date  
2 of the response.

3 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
4 this matter, in the following type size, form and style with the heading in no less than 14-point bold  
5 type and the body in no less than 10-point regular type:

6 **PUBLIC NOTICE OF HEARING ON THE**  
7 **RATE APPLICATION OF**  
8 **RAY WATER COMPANY, INC.**  
9 **Docket No. W-01380A-12-0254**

10 On June 14, 2012, Ray Water Company, Inc. ("Company") filed an application with  
11 the Arizona Corporation Commission ("Commission") for an increase in annual  
12 revenues of \$373,970, or 64.9 percent over test year revenues. Under the rates as  
13 proposed by the Company, a residential customer with a 5/8 x 3/4-inch meter, with an  
14 average monthly usage of 7,832 gallons, would see a monthly increase of \$6.05, or  
25.98 percent, from \$23.29 to \$29.34. The median user of 6,467 gallons would see an  
increase of \$4.18, or 19.75 percent, from \$21.17 to \$25.35 per month under the  
Company's proposal. A customer's water bill depends on meter size and how much  
water is used each month. A customer with a larger meter and/or using less or more  
than the average would experience a smaller or larger increase.

15 If you have any questions concerning how the Company's rate proposal will affect  
16 your bill or have other substantive questions about this application, you may contact  
17 the Company at: [COMPANY SHOULD INSERT NAME, ADDRESS,  
18 TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER  
19 CONTACTS CONCERNING THE APPLICATION].

20 The Commission's Utilities Division Staff has not yet made a recommendation  
21 regarding the Company's rate proposal, and the Commission will determine the  
22 appropriate rate relief to be granted based on the evidence of record in this proceeding.  
23 The Commission is not bound by the proposals made by the Company, Staff, or any  
24 intervenors and, therefore, the final rates approved in this docket may be lower or  
25 higher than the rates described above.

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

27 Copies of the application and proposed tariffs are available at the Company's offices  
28 [INSERT ADDRESS] and at the Commission's Docket Control Center at 1200 West  
Washington, Phoenix, Arizona and its Tucson offices, 400 West Congress, Suite 218,  
Tucson, Arizona, and on the internet via the Commission website ([www.azcc.gov/](http://www.azcc.gov/))  
using the e-docket function.

**Public Hearing Information**

The Commission will hold a **hearing** on this matter beginning **January 16, 2013, at 10:00 a.m.**, at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona 85701.

1 Public comments will be taken at the beginning of the hearing. Written public  
 2 comments may be submitted by mailing a letter referencing Docket No. W-01380A-  
 3 12-0254 to Arizona Corporation Commission, Consumer Services Section, 1200 West  
 4 Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on  
 5 how to e-mail comments to the Commission, go to  
 6 [http://www.azcc.gov/divisions/utilities/forms/1\\_PublicCommentForm.pdf](http://www.azcc.gov/divisions/utilities/forms/1_PublicCommentForm.pdf). If you  
 7 require assistance, you may contact the Consumer Services Section at 1-800-222-7000  
 8 or (520) 628-6550.

9 **About Intervention**

10 The law provides for an open public hearing at which, under appropriate  
 11 circumstances, interested parties may intervene. Any person or entity entitled by law  
 12 to intervene and having a direct and substantial interest in the matter will be permitted  
 13 to intervene. If you wish to intervene, you must file an original and 13 copies of a  
 14 written motion to intervene with the Commission no later than **November 13, 2012**,  
 15 and a copy of the motion to the Company or its counsel and to all parties of record.  
 16 Your motion must contain the following:

- 17 1. Your name, address, and telephone number and the name, address and  
 18 telephone number of any party upon whom service of documents is to  
 19 be made, if not yourself.
- 20 2. A short statement of your interest in the proceeding (e.g., a customer of  
 21 the Company, etc.).
- 22 3. A statement certifying that you have mailed a copy of the motion to  
 23 intervene to the Company or its counsel and to all parties of record in  
 24 the case.

25 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except  
 26 that all motions to intervene must be filed on or before November 13, 2012. If  
 27 representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme  
 28 Court, intervention will be conditioned upon the intervenor obtaining counsel to  
 represent the intervenor. For information about requesting intervention, visit the  
 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 the 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.

**ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its  
 public meetings. Persons with a disability may request a reasonable accommodation  
 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  
 SABernal@azcc.gov, voice phone number (602) 542-3931. Requests should be made  
 as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of  
 the above notice by **September 14, 2012**, and shall cause the notice to be published at least once in a

1 newspaper of local circulation in its service territory, with **publication** to be completed no later than  
2 **September 14, 2012.**

3 IT IS FURTHER ORDERED that the Company shall file **certification** of mailing and  
4 publication no later than **October 19, 2012.**

5 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and  
6 publication of same, notwithstanding the failure of an individual customer to read or receive the  
7 notice.

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

11 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the  
12 Rules of the Arizona Supreme Court with respect to practice of law and admission *pro hac vice*.

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

19 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
20 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

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

3 DATED this 20<sup>th</sup> day of July, 2012.  
4

5   
6 BELINDA A. MARTIN  
7 ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed  
9 this 20<sup>th</sup> day of July, 2012 to:

10 Steven Wene  
11 MOYES SELLERS & HENDRICKS, LTD  
12 1850 N. Central Avenue, Suite 1100  
13 Phoenix, AZ 85004

14 Janice Alward, Chief Counsel  
15 Legal Division  
16 ARIZONA CORPORATION COMMISSION  
17 1200 W. Washington Street  
18 Phoenix, Arizona 85007

19 Steven Olea, Director  
20 Utilities Division  
21 ARIZONA CORPORATION COMMISSION  
22 1200 W. Washington Street  
23 Phoenix, Arizona 85007

24 Arizona Reporting Service, Inc.  
25 2200 N. Central Avenue, Suite 502  
26 Phoenix, Arizona 85004-1481  
27

28 By:   
Belinda A. Martin