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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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AUG 27 2012

ARIZONA CORPORATION COMMISSION  
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COMMISSIONERS

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

DOCKET NO. WS-03478A-12-0307

IN THE MATTER OF THE APPLICATION OF FAR WEST WATER AND SEWER, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WASTEWATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE.

PROCEDURAL ORDER

**BY THE COMMISSION:**

On July 6, 2012, Far West Water & Sewer, Inc. ("Far West") filed the above-captioned rate application with the Arizona Corporation Commission ("Commission").

On July 24, 2012, Spartan Homes & Construction, Inc. ("Spartan Homes") filed an Application for Leave to Intervene. Spartan Homes states that it is the developer of a residential subdivision known as Sierra Ridge, which receives sewer service from Far West. Spartan Homes asserts that its Sierra Ridge development will be directly and substantially affected by the Commission's Decision in this docket, and that Spartan Homes' participation in this docket will not unduly broaden the issues presented.

On July 31, 2012, Far West filed a Notice of Payment. Attached to the Notice of Payment were copies of a cover letter from Far West to Spartan Homes with a check from Far West to Spartan Homes in the amount of \$47,682. The check included a memo referencing "Docket WS-03478A-08-0256, Decision No. 72594." The cover letter states that the \$47,682 check constitutes the first payment towards the award to Spartan Homes ordered by Decision No. 72594 (September 15, 2011).

On August 2, 2012, Staff filed a Letter of Sufficiency indicating that Far West's application met the sufficiency requirements of A.A.C. R14-2-103, and classifying Far West as a Class A Utility.

On August 3, 2012, the Residential Utility Consumer Office ("RUCO") filed an Application

1 to Intervene.

2 Also on August 3, 2012, Far West filed a Response in Opposition to Spartan’s Application to  
3 Intervene. Far West states that Spartan Homes is not a Far West sewer customer, and therefore will  
4 not be directly and substantially affected by the proceedings in this docket.

5 On August 15, 2012, Spartan Homes filed a Reply in Support of Application for Leave to  
6 Intervene. Spartan Homes states that Decision No. 72594 ordered Far West to provide sewer service  
7 to Spartan Homes’ Sierra Ridge Unit 1 on a nondiscriminatory basis; to file an application requesting  
8 extension of its sewer Certificate of Convenience and Necessity (“CC&N”) encompassing the  
9 Spartan Homes property; and to charge its approved rates. Spartan Homes asserts that because of the  
10 orders in Decision No. 72594, Spartan Homes will be directly and substantially affected by the  
11 Commission’s Decision in this rate case.

12 Spartan Homes is not a customer of Far West, and therefore will not be directly and  
13 substantially affected by the outcome of this rate case docket.<sup>1</sup> The evidentiary participation of  
14 Spartan Homes as a party would unduly broaden the issues presented in this rate case docket, and  
15 should therefore not be allowed. Spartan Homes is not precluded, however, from appearing and  
16 providing public comment for the record in this proceeding.

17 No objections have been filed to RUCO’s Application to Intervene. A.R.S. § 40-464 allows  
18 RUCO to intervene and participate as a party in interest before the Commission on behalf of  
19 residential utility consumers in proceedings related to ratemaking or rate design and involving public  
20 service corporations. Accordingly, RUCO should be granted intervention.

21 IT IS THEREFORE ORDERED that the Residential Utility Consumer Office is hereby  
22 granted intervention.

23 IT IS FURTHER ORDERED that the Application for Leave to Intervene filed by Spartan  
24 Homes & Construction, Inc. is hereby denied.

25 ...

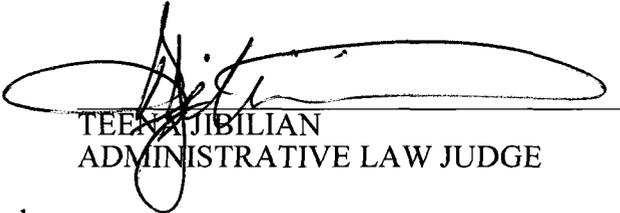
26 ...

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28 <sup>1</sup> Issues related to Far West’s compliance with Decision No. 72594 are properly addressed in Docket No. WS-03478A-08-0256, In the Matter of the Formal Complaint of Spartan Homes and Construction, Inc. v. Far West Water and Sewer, Inc.

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 DATED this 27<sup>th</sup> day of August, 2012.

6  
7   
8 TEENA JIBILIAN  
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 27<sup>th</sup> day of August, 2012 to:

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