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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

Arizona Corporation Commission

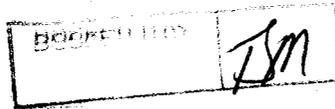
DOCKET CONTROL

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



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.

DOCKET NO. WS-03478A-12-0307

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 stated that it is the developer of a residential subdivision known as Sierra Ridge, which receives sewer service from Far West. Spartan Homes asserted that its Sierra Ridge development would be directly and substantially affected by the Commission's Decision in this docket, and that Spartan Homes' participation in this docket would not unduly broaden the issues presented.

On July 31, 2012, Far West filed a Notice of Payment.

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 to Intervene.

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

1 On August 15, 2012, Spartan Homes filed a Reply in Support of Application for Leave to
2 Intervene. Spartan Homes did not allege that it was a customer of Far West. Spartan Homes stated
3 that Decision No. 72594 (September 15, 2011) ordered Far West to provide sewer service to Spartan
4 Homes' Sierra Ridge Unit 1 on a nondiscriminatory basis; to file an application requesting extension
5 of its sewer Certificate of Convenience and Necessity ("CC&N") encompassing the Spartan Homes
6 property; and to charge its approved rates. Spartan Homes asserted that because of the orders in
7 Decision No. 72594, Spartan Homes would be directly and substantially affected by the
8 Commission's Decision in this rate case.

9 On August 27, 2012, a Procedural Order was issued granting RUCO's Application to
10 Intervene and denying Spartan Homes' Application to Intervene. The Procedural Order stated that
11 Spartan Homes is not a customer of Far West, and therefore would not be directly and substantially
12 affected by the outcome of this rate case docket. The Procedural Order stated that issues related to
13 Far West's compliance with Decision No. 72594 are properly addressed in Docket No. WS-03478A-
14 08-0256, In the Matter of the Formal Complaint of Spartan Homes and Construction, Inc. v. Far West
15 Water and Sewer, Inc., and that the evidentiary participation of Spartan Homes as a party would
16 unduly broaden the issues presented in this rate case docket, and should therefore not be allowed.
17 The Procedural Order stated that Spartan Homes is not precluded from appearing and providing
18 public comment for the record in this proceeding.

19 On August 30, 2012, a Rate Case Procedural Order was issued setting a hearing on the
20 application to commence on April 22, 2013, and setting associated procedural deadlines.

21 Also on August 30, 2012, Spartan Homes filed a Request for Reconsideration of Denial of
22 Application for Leave to Intervene. Therein, Spartan Homes stated that it is currently constructing
23 spec homes on lots 89 and 90 in Unit 1 of Spartan Homes' Sierra Ridge development; that it has
24 completed applications for sewer service for lots 89 and 90 in Unit 1 of Spartan Homes' Sierra Ridge
25 development; that Spartan Homes has completed all the Sewer Service Connection Requirements of
26 Far West for lots 89 and 90; that lot 89 has been connected to the Far West water system and the Far
27 West sewer system and is currently receiving water from Far West through a meter set on the
28 property; that lot 90 has been connected to the Far West sewer system; that Spartan Homes will

1 request a water meter from Far West within the next few weeks; that Far West inspected and
2 approved¹ the sewer line connections for lots 89 and 90; and that Spartan Homes expects to begin
3 receiving water and sewer utility bills for lots 89 and 90 in the near future. The foregoing statements
4 in Spartan Homes' August 30, 2012 filing are attested to in an affidavit signed by Bryan P.
5 Householder on August 30, 2012.

6 Spartan Homes is a sewer customer of Far West and should therefore be granted intervention.

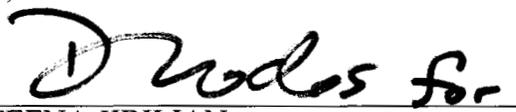
7 Issues related to Far West's compliance with Decision No. 72594 should not be addressed in
8 this proceeding, as those issues would unduly broaden the scope of this rate case. Issues that Spartan
9 Homes may have in relation to Far West's compliance with Decision No. 72594 are properly
10 addressed in Docket No. WS-03478A-08-0256, In the Matter of the Formal Complaint of Spartan
11 Homes and Construction, Inc. v. Far West Water and Sewer, Inc.

12 IT IS THEREFORE ORDERED that the Application for Leave to Intervene filed by Spartan
13 Homes & Construction, Inc. is hereby granted.

14 IT IS FURTHER ORDERED that issues related to Far West's compliance with Decision No.
15 72594 shall not be addressed in this proceeding, as those issues would unduly broaden the scope of
16 this rate case. Issues that Spartan Homes may have in relation to Far West's compliance with
17 Decision No. 72594 shall be addressed in Docket No. WS-03478A-08-0256, In the Matter of the
18 Formal Complaint of Spartan Homes and Construction, Inc. v. Far West Water and Sewer, Inc., and
19 not in this rate case proceeding.

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

23 DATED this 4th day of September, 2012.

24 
25 _____
26 TEENA JIBILIAN
27 ADMINISTRATIVE LAW JUDGE

28 ¹ Mr. Householder's affidavit included as an attachment two documents titled "Single Unit Sewer Inspection Release" for
lots 89 and 90 with approval dates of August 14, 2012.

1 Copies of the foregoing mailed/delivered
this 4th day of September, 2012 to:

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