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THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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BOB STUMP  
SANDRA D. KENNEDY  
PAUL NEWMAN  
BRENDA BURNS

DOCKET NO. W-02060A-12-0356

IN THE MATTER OF THE APPLICATION OF  
CORDES LAKES WATER COMPANY FOR  
APPROVAL OF A RATE INCREASE.

RATE CASE  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On August 6, 2012, Cordes Lakes Water Company ("Company" or "Applicant") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its permanent rates and charges.

On August 30, 2012, the Company sent an e-mail to the Commission's Utilities Division ("Staff") requesting additional time to file information so that Staff would be able to make a sufficiency determination on the Company's application.

On September 5, 2012, Staff filed a response which effectively tolled the time frame in the proceeding and indicated that Staff would delay its determination of sufficiency until the information was received from the Company

On September 25, 2012, the Company filed additional information to enable Staff to make a sufficiency determination on the application.

On October 17, 2012, Staff filed a letter indicating the Company's rate application was sufficient, and classifying the Company as a Class C utility.

Pursuant to 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 **March 19, 2013, at 9:30 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona.

...

1 IT IS FURTHER ORDERED that the **Staff Report and/or any direct testimony and**  
2 **associated exhibits** to be presented at hearing on behalf of **Staff** shall be reduced to writing and filed  
3 on or before **February 8, 2013**.

4 IT IS FURTHER ORDERED that any **direct testimony and associated exhibits** to be  
5 presented at hearing on behalf of **intervenors** shall be reduced to writing and filed on or before  
6 **February 8, 2013**.

7 IT IS FURTHER ORDERED that any **rebuttal testimony and associated exhibits** to be  
8 presented at hearing by the **Company** shall be reduced to writing and filed on or before **February**  
9 **22, 2013**.

10 IT IS FURTHER ORDERED that any **surrebuttal testimony and associated exhibits** to be  
11 presented by the **Staff and/or intervenors** shall be reduced to writing and filed on or before **March**  
12 **1, 2013**.

13 IT IS FURTHER ORDERED that any rejoinder testimony and associated exhibits to be  
14 presented at the hearing shall be presented orally at the hearing.

15 IT IS FURTHER ORDERED that any **objections to any testimony or exhibits** which have  
16 been prefiled as of March 15, 2013, shall be made on or before **March 8, 2013**.

17 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
18 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is  
19 scheduled to testify.

20 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
21 105, except that all motions to intervene must be filed on or before **November 23, 2012**.

22 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
23 regulations of the Commission, except that: any objection to discovery requests shall be made within  
24 seven days<sup>1</sup> of receipt and responses to discovery requests shall be made within ten days of receipt;  
25 thereafter, objections to discovery requests shall be made within 5 days and responses shall be made  
26 in seven days; the response time may be extended by mutual agreement of the parties involved if the  
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28 <sup>1</sup> "Days" means calendar days.

1 request requires an extensive compilation effort; and no discovery requests shall be served after  
2 February 8, 2013.

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

9 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
10 the Commission within 10 days of the filing date of the motion shall be deemed denied.

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

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

15 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
16 this matter, in the following form and style:

17 **PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION**  
18 **OF CORDES LAKES WATER COMPANY**  
19 **(Docket No. W-02060A-12-0356)**

20 On August 6, 2012, Cordes Lakes Water Company ("Company") filed an application  
21 with the Arizona Corporation Commission for an increase in its rates and charges.  
Copies of the Company's application and proposed tariffs are available at its office and  
the Commission's offices for public inspection during regular business hours.

22 The Commission will hold a public hearing on this matter beginning **March 19, 2013**,  
23 at 9:30 a.m. at the Commission's offices, 1200 West Washington Street, Phoenix,  
Arizona. Public comments will be taken on the first day of the hearing.

24 The law provides for an open public hearing at which, under appropriate  
25 circumstances, interested parties may intervene. Intervention shall be permitted to any  
26 person entitled by law to intervene and having a direct and substantial interest in the  
matter. Persons desiring to intervene must file a written motion to intervene with the  
Commission no later than **November 23, 2012**. The motion to intervene must be sent

27 \_\_\_\_\_  
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 to the Company or its counsel and to all parties of record, and shall contain the  
2 following:

- 3 1. The name, address, and telephone number of the proposed intervenor  
4 and of any party upon whom service of documents is to be made if  
5 different from the intervenor.
- 6 2. A short statement of the proposed intervenor's interest in the proceeding  
7 (e.g., a customer of the Company, a shareholder of the Company, etc.).
- 8 3. A statement certifying that a copy of the motion to intervene has been  
9 mailed to the Company or its counsel and to all parties of record in the  
10 case.

11 The granting of intervention, among other things, entitles a party to present sworn  
12 evidence at the hearing and to cross-examine other witnesses. However, failure to  
13 intervene will not preclude any interested person or entity from appearing at the hearing  
14 and providing public comment on the application or from filing written comments in  
15 the record of the case. You will not receive any further notice of this proceeding unless  
16 you request it.

17 If you have any questions about this application, or want further information on  
18 intervention, you may contact the Consumer Services Section of the Commission at  
19 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000 or  
20 602-542-4251.

21 The Commission does not discriminate on the basis of disability in admission to its  
22 public meetings. Persons with a disability may request a reasonable accommodation  
23 such as a sign language interpreter, as well as request this document in an alternative  
24 format, by contacting Shaylin Bernal at [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice phone number  
25 602-542-3931. Requests should be made as early as possible to allow time to  
26 arrange the accommodation.

27 IT IS FURTHER ORDERED that the Company shall provide notice as follows:

- 28 • by **publishing by November 9, 2012**, a copy of the above notice in a  
newspaper of general circulation in the service area; and
- by **mailing by November 9, 2012**, a copy of the above notice to each of its  
customers.

IT IS FURTHER ORDERED that the Company shall file certification of the provision of  
notice as soon as practicable after notice has been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publishing  
of same, notwithstanding the failure of an individual customer to read or receive the notice.

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

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

3 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the  
4 Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law  
5 and admission *pro hac vice*.

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

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

15 DATED this 22nd day of October, 2012.



MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

19  
20 Copies of the foregoing mailed  
this 22nd day of October, 2012 to:

21 CORDES LAKES WATER COMPANY  
22 2501 East Palo Verde  
Phoenix, AZ 85016

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

23 Janice Alward Chief Counsel  
24 Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
25 Phoenix, Arizona 85007

26 Steven M. Olea, Director  
27 Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
28 Phoenix, Arizona 85007

By:   
Debra Broyles  
Secretary to Marc E. Stern