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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

SEP 26 2012  
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REGISTRY  
 CORP COMMISSION  
 DOCKET CONTROL

IN THE MATTER OF THE APPLICATION  
 OF ARIZONA WATER COMPANY FOR  
 APPROVAL TO EXTEND ITS  
 CERTIFICATE OF CONVENIENCE AND  
 NECESSITY FOR ITS PINAL VALLEY  
 WATER SYSTEM.

DOCKET NO. W-01445A-12-0424

PROCEDURAL ORDER

**BY THE COMMISSION:**

On September 28, 2012, Arizona Water Company ("AWC") filed with the Arizona Corporation Commission ("Commission") an application for approval to extend its Certificate of Convenience and Necessity ("CC&N") for its Pinal Valley Water System. AWC's application states that AWC is requesting authority to extend its CC&N for its Pinal Valley Water System to include an area partially abutting its current service area and located within portions of Township 5 South, Ranges 5 and 6 East, between Highway 238 and Highway 387, northwest of downtown Casa Grande and entirely within the municipal boundaries of the City of Casa Grande and the boundaries of Pinal County. The proposed CC&N extension area includes property owned by a single landowner and proposed to be used for a development known as Copper Mountain Ranch. The application describes Copper Mountain Ranch as approximately 3,500 acres to be developed primarily for residential use, but also with some commercial and mixed use, and projected at buildout to include 5,846 primary housing units, 6,328 age-qualified active adult units, 534 apartment units, and 292 custom home units as well as an 18-hole golf course with a club house, approximately 73 acres for a school site with fields and buildings, approximately 21 acres total for multiple recreational centers, and approximately 72 acres for commercial property. The first phase of development, to be located in the eastern portion of the property, is projected to have approximately 700 primary housing units, 2,300 age-qualified units, 25 acres of commercial property, and 21 acres of recreational facilities. AWC states

1 that the plant facilities to serve Copper Mountain Ranch would be financed through advances in aid  
2 of construction ("AIAC") and contributions in aid of construction ("CIAC") and that AWC intends to  
3 use the same rates for Copper Mountain Ranch that it uses for the rest of its Pinal Valley water  
4 system.

5 On October 26, 2012, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter  
6 in this docket stating that AWC's application has met the sufficiency requirements as outlined in the  
7 Arizona Administrative Code ("A.A.C.").

8 Thus, it is now appropriate to establish the procedural schedule and requirements for this  
9 matter.

10 IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall  
11 commence on **January 2, 2013, at 10:00 a.m.**, or as soon thereafter as is practicable, in Hearing  
12 Room No. 1 at the Commission's offices, 1200 West Washington, Arizona 85007.

13 IT IS FURTHER ORDERED that **AWC shall provide public notice of the hearing** in this  
14 matter, in the following form and style, with the heading in no less than 12-point bold type and the  
15 body in no less than 10-point regular type:

16  
17 **IN THE MATTER OF THE APPLICATION OF ARIZONA WATER**  
18 **COMPANY FOR APPROVAL TO EXTEND ITS CERTIFICATE OF**  
19 **CONVENIENCE AND NECESSITY FOR ITS**  
20 **PINAL VALLEY WATER SYSTEM.**  
21 **(DOCKET NO. W-01445A-12-0424)**

22 **Summary**

23 On September 28, 2012, Arizona Water Company ("AWC") filed with the Arizona  
24 Corporation Commission ("Commission") an application for approval to extend its  
25 Certificate of Convenience and Necessity ("CC&N") for its Pinal Valley Water System.  
26 AWC's application states that AWC is requesting authority to extend its CC&N to  
27 include an area located within portions of Township 5 South, Ranges 5 and 6 East,  
28 between Highway 238 and Highway 387, northwest of downtown Casa Grande and  
entirely within the municipal boundaries of the City of Casa Grande and the boundaries  
of Pinal County. The proposed CC&N extension area includes property proposed to be  
used for a development known as Copper Mountain Ranch. AWC intends to use the  
same rates for Copper Mountain Ranch that it uses for the rest of its Pinal Valley water  
system.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing  
the application, and has not yet made any recommendations regarding AWC's  
application. The Commission is not bound by the proposals made by AWC, Staff, or any  
intervenor. The Commission will issue a Decision regarding the application following  
consideration of testimony and evidence presented at an evidentiary hearing.

**How You Can View or Obtain a Copy of the Application**

Copies of the application are available from AWC [COMPANY INSERT HOW AND WHERE AVAILABLE] and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours, and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function, located at the bottom of the webpage.

**Public Hearing Information**

The Commission will hold a hearing on this matter beginning **January 2, 2013, at 10:00 a.m.**, in Hearing Room No. 1, at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007. Public comments will be taken on the first day of hearing. Written public comments may be submitted at any time by mailing a letter, referencing **Docket No. W-01445A-12-0424**, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

**About Intervention**

Any person entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a person to participate as a party at hearing by presenting sworn evidence and cross-examining other party's witnesses. **If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than December 14, 2012, and send a copy of the motion to AWC or its counsel and to all parties of record.** Contact information may be obtained using the Commission's e-Docket function.

Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of AWC, a shareholder of AWC, a property owner in the proposed CC&N extension area, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to AWC or its counsel and to all parties of record in the case.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before December 14, 2012.

If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For a sample intervention request form, go to <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.

If you do not intervene, you will receive no further notice of the proceedings in this docket. **However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function, located at the bottom of the website homepage. RSS feeds are also available through e-Docket.

**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](mailto:SABernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

1 IT IS FURTHER ORDERED that **AWC shall mail a copy of the above notice to each**  
2 **property owner in the proposed extension area** and shall cause the above notice to be published at  
3 least once in a newspaper of general circulation in the proposed extension area, with **publication and**  
4 **mailing** to be completed no later than **November 23, 2012**.

5 IT IS FURTHER ORDERED that **AWC shall file certification of mailing and publication**  
6 as soon as practicable after mailing/publication has been completed, but no later than **December 4,**  
7 **2012**.

8 IT IS FURTHER ORDERED that **notice shall be deemed complete upon mailing/**  
9 **publication**, notwithstanding the failure of an individual to read or receive the notice.

10 IT IS FURTHER ORDERED that the **Staff Report and any associated exhibits**, to be  
11 presented at hearing shall be reduced to writing and filed on or before **November 30, 2012**.

12 IT IS FURTHER ORDERED that any **objections to the Staff Report** shall be reduced to  
13 writing and filed on or before **December 14, 2012**.

14 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
15 105, except that all motions to intervene must be filed on or before **December 14, 2012**.

16 IT IS FURTHER ORDERED that any **objections to any Motions to Intervene** shall be filed  
17 on or before **December 21, 2012**.

18 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
19 Communications) applies to this proceeding as the matter is now set for public hearing, and shall  
20 remain in effect until the Commission's Decision in this matter is final and non-appealable.

21 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules  
22 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

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

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 30<sup>th</sup> day of October, 2012.

6   
7 SARAH N. HARPRING  
8 ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed  
10 this 30<sup>th</sup> day of October, 2012, to:

11 Robert W. Geake, Vice President  
12 & General Counsel  
13 ARIZONA WATER COMPANY  
14 P.O. Box 29006  
15 Phoenix, AZ 85038-9006

16 Janice Alward, Chief Counsel  
17 Legal Division  
18 ARIZONA CORPORATION COMMISSION  
19 1200 West Washington Street  
20 Phoenix, AZ 85007

21 Steven M. Olea, Director  
22 ARIZONA CORPORATION COMMISSION  
23 1200 West Washington Street  
24 Phoenix, AZ 85007

25 ARIZONA REPORTING SERVICE, INC.  
26 2200 North Central Avenue, Suite 502  
27 Phoenix, AZ 85004-1481

28 By:   
Debra Broyles  
Secretary to Sarah N. Harpring