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BEFORE THE ARIZONA CORPORATION  
RECEIVED

COMMISSIONERS

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

2013 MAR 21 A 9:27

Arizona Corporation Commission  
DOCKETED

MAR 21 2013

ARIZONA CORPORATION COMMISSION  
MARKET CONTROL

DOCKETED BY *JM*

IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE FAIR VALUE OF  
ITS UTILITY PLANT AND PROPERTY AND  
FOR ADJUSTMENTS TO ITS RATES AND  
CHARGES FOR UTILITY SERVICE  
FURNISHED BY ITS EASTERN GROUP AND  
FOR CERTAIN RELATED APPROVALS.

DOCKET NO. W-01445A-11-0310

PROCEDURAL ORDER  
PHASE 2 - DSIC

**BY THE COMMISSION:**

On August 5, 2011, Arizona Water Company ("AWC") filed with the Arizona Corporation Commission ("Commission") an application requesting adjustments to its rates and charges for utility service provided by its Eastern Group water systems, including its Superstition (Apache Junction, Superior, and Miami); Cochise (Bisbee and Sierra Vista); San Manuel; Oracle; SaddleBrooke Ranch; and Winkelman water systems. AWC also requested several other authorizations in the application.

On February 20, 2013, the Commission issued Decision No. 73736, granting AWC a rate increase for its Eastern Group systems and, among other things keeping the docket open for purposes of further consideration of AWC's Distribution System Improvement Charge ("DSIC"). Decision No. 73736 also set specific deadlines for intervention (February 20, 2013); ruling on intervention requests (February 28, 2013); commencement of settlement discussions (after February 28, 2013); the latest date for a procedural conference (March 8, 2013); a Staff update on settlement discussions (April 9 and 10, 2013 Open Meeting); and consideration of a DSIC Recommended Order (June 11 and 12, 2013 Open Meeting).

By Procedural Order issued February 21, 2013, as modified by Procedural Order issued

1 February 25, 2013, this matter was scheduled for hearing commencing April 8, 2013, other  
2 procedural deadlines were established, and a procedural conference was scheduled for March 4,  
3 2013. The February 21, 2013, Procedural Order also granted intervention to Liberty Utilities,  
4 EPCOR Water Arizona, Inc., the Arizona Investment Council, and Global Water Utilities.

5 On February 25, 2013, the Water Utility Association of Arizona ("WUAA") filed an  
6 Application for Leave to Intervene.

7 On February 27, 2013, a Procedural Order was issued granting WUAA's intervention.

8 On February 28, 2013, the City of Globe ("Globe") filed an Application for Leave to  
9 Intervene.  
10

11 On March 1, 2013, AWC filed a Response in Opposition to City of Globe's Late-Filed  
12 Application for Leave to Intervene.

13 On March 4, 2013, Globe filed a Reply in Support of its Application for Leave to Intervene.

14 On March 4, 2013, a procedural conference was conducted as scheduled during which the  
15 parties discussed various procedural matters. Globe was granted intervention at the procedural  
16 conference.  
17

18 On March 20, 2013, AWC filed Parties' Request for Modification of Procedural Schedule.  
19 AWC claims that the parties reached a conceptual settlement on March 4, 2013, and that a draft  
20 settlement has been circulated and is being edited by the parties. AWC states that it expects a final  
21 settlement agreement will be filed by the April 1, 2013 deadline. However, AWC requests that the  
22 current deadline for filing initial testimony, March 22, 2013, be vacated, and that a single round of  
23 testimony be filed by April 2, 2013 discussing the settlement agreement. AWC states that Staff and  
24 RUCO are in agreement with the proposed modification of the procedural schedule, and that "the  
25 request has been circulated to as many of the intervenors as possible and no objection has been  
26

27 **IT IS THEREFORE ORDERED that the Parties' Request for Modification of Procedural**  
28

1 Schedule is hereby granted and the procedural schedule shall be amended to reflect that a  
2 single round of testimony regarding the anticipated settlement agreement shall be filed by April  
3 2, 2013, and the March 22, 2013 and April 5, 2013 deadlines for filing initial and responsive  
4 testimony, respectively, are vacated.

5 IT IS FURTHER ORDERED that in all other respects, the February 21, 2013 Procedural  
6 Order shall remain in full force and effect.

7 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
8 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
9 hearing.  
10

11 DATED this 21<sup>st</sup> day of March, 2013.

12  
13 

14 DWIGHT D. NODES  
15 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

16 Copies of the foregoing mailed/delivered  
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