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BEFORE THE ARIZONA CORPORATION

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Arizona Corporation Commission

COMMISSIONERS

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

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IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WASTEWATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE.

DOCKET NO. SW-01428A-13-0042

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE.

DOCKET NO. W-01427A-13-0043

RATE CASE
PROCEDURAL ORDER

BY THE COMMISSION:

On February 28, 2013, Litchfield Park Service Company dba Liberty Utilities ("LPSCO" or "Company") filed the above-captioned rate applications with the Arizona Corporation Commission ("Commission").

On March 28, 2013, the Commission's Utilities Division ("Staff") filed Letters of Sufficiency indicating that LPSCO's applications met the sufficiency requirements of A.A.C. R14-2-103, and classifying LPSCO as a Class A Utility.

On March 4, 2013, LPSCO filed a Motion to Consolidate in each of the dockets.

The issues presented by the two applications are similar, the rights of the parties will not be prejudiced by their consolidation, and they should therefore be consolidated.

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 two above-captioned dockets are hereby

1 consolidated.

2 IT IS FURTHER ORDERED that the **hearing** in the above-captioned matter shall commence
3 on **December 9, 2013, at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's
4 offices, 1200 West Washington Street, **Hearing Room No. 1**, Phoenix, Arizona 85007.

5 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **December 6,**
6 **2013**, commencing at **2:00 p.m.**, or as soon thereafter as is practicable, at the Commission's offices,
7 1200 West Washington Street, **Hearing Room No. 1**, Phoenix, Arizona 85007, for the purpose of
8 scheduling witnesses and discussing the conduct of the hearing.

9 IT IS FURTHER ORDERED that **direct testimony, except rate design testimony**, and
10 associated exhibits to be presented at hearing on behalf of Staff and intervenors shall be reduced to
11 writing and filed on or before **September 25, 2013**.

12 IT IS FURTHER ORDERED that **rate design direct testimony** and associated exhibits to be
13 presented at hearing by Staff and intervenors shall be reduced to writing and filed on or before
14 **October 4, 2013**.

15 IT IS FURTHER ORDERED that **rebuttal testimony** and associated exhibits to be presented
16 at hearing by **LPSCO** shall be reduced to writing and filed on or before **October 23, 2013**.

17 IT IS FURTHER ORDERED that **surrebuttal testimony** and associated exhibits to be
18 presented at hearing by **Staff and intervenors** shall be reduced to writing and filed on or before
19 **November 12, 2013**.

20 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be
21 presented at hearing by **LPSCO** shall be reduced to writing and filed on or before **December 4, 2013,**
22 **at noon**.

23 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**
24 **filing is due**, unless otherwise indicated above.

25 IT IS FURTHER ORDERED that **all testimony filed shall include a table of contents** which
26 lists the issues discussed.

27 IT IS FURTHER ORDERED that **any objections to prefiled testimony or exhibits** shall be
28

1 made before or at the December 6, 2013, pre-hearing conference.

2 IT IS FURTHER ORDERED that any **substantive corrections, revisions, or supplements**
3 **to prefiled testimony**, with the exception of rejoinder testimony, **shall be reduced to writing and**
4 **filed no later than five calendar days before the witness is scheduled to testify.** Substantive
5 corrections, revisions, or supplements to prefiled rejoinder testimony shall be reduced to writing and
6 presented on the first day of hearing.

7 IT IS FURTHER ORDERED that each party shall prepare a brief, written summary of the
8 prefiled testimony of each of its witnesses and **shall file each summary at least two working days**
9 **before the witness is scheduled to testify.**

10 IT IS FURTHER ORDERED that copies of the summaries shall be served upon the
11 Administrative Law Judge, the Commissioners, and the Commissioners' aides as well as the parties
12 of record.

13 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
14 except that **all motions to intervene must be filed on or before August 28, 2013.**

15 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and
16 regulations of the Commission, except that until **October 11, 2013**, any objection to discovery
17 requests shall be made within 7 calendar days of receipt¹ and responses to discovery requests shall be
18 made within 10 calendar days of receipt. Thereafter, objections to discovery requests shall be made
19 within 5 calendar days and responses shall be made within 7 calendar days. The response time may
20 be extended by mutual agreement of the parties involved if the request requires an extensive
21 compilation effort.

22 IT IS FURTHER ORDERED that for discovery requests, objections, and answers, if a
23 receiving party requests service to be made electronically, and the sending party has the technical
24 capability to provide service electronically, service to that party shall be made electronically.

25 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
26 discovery, any party seeking resolution of a discovery dispute may telephonically contact the

27 _____
28 ¹ The date of receipt of discovery requests is not counted as a calendar day, and requests received after 4:00 p.m. Arizona time will be considered as received the next business day.

1 Commission's Hearing Division to request a date for a procedural hearing to resolve the discovery
2 dispute; that upon such a request, a procedural hearing will be convened as soon as practicable; and
3 that the party making such a request shall forthwith contact all other parties to advise them of the
4 hearing date and shall at the hearing provide a statement confirming that the other parties were
5 contacted.²

6 IT IS FURTHER ORDERED that any motion that is filed in this matter and that is not ruled
7 upon within 20 calendar days of the filing date of the motion shall be deemed denied.

8 IT IS FURTHER ORDERED that any response to a motion shall be filed within five calendar
9 days of the filing date of the motion.

10 IT IS FURTHER ORDERED that any reply shall be filed within five calendar days of the
11 filing date of the response.

12 IT IS FURTHER ORDERED that LPSCO shall provide public notice of the hearing in this
13 matter, in the following form and style, with the heading in no less than 18-point bold type and the
14 body in no less than 10-point regular type:

15 **PUBLIC NOTICE OF HEARING ON APPLICATION FOR INCREASES IN ITS**
16 **WATER AND WASTEWATER UTILITY SERVICE RATES AND CHARGES BY**
LITCHFIELD PARK SERVICE COMPANY DBA LIBERTY UTILITIES
17 **(DOCKET NO. SW-01428A-13-0042 ET AL.)**

18 On July 6, 2012, Litchfield Park Service Company ("LPSCO" or "Company") filed with the Arizona
19 Corporation Commission ("Commission") applications for increases in its rates for wastewater and
20 water utility service. The applications have been consolidated so that the Commission may consider
21 them together.

22 Wastewater Service - LPSCO requests a gross revenue increase of approximately \$659,088, or
23 approximately 6.36 percent over current revenues, for the provision of wastewater service within the
24 Company's authorized service area in Arizona. According to the Company's filing, its proposed rates
25 would increase a residential wastewater customer's bill by \$2.63, from \$38.99 per month to \$41.52
26 per month, or 6.75%.

27 Water Service - LPSCO requests a gross revenue increase of approximately \$2,257,160, or
28 approximately 20.15 percent over current revenues, for the provision of water service within the
Company's authorized service area in Arizona. According to the Company's filing, its proposed rates
would increase an average usage (9,320 gallons/month) residential water customer's bill by \$4.82,
from \$24.33 per month to \$29.15 per month, or 19.83%.

² The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.

1 The Commission's Utilities Division ("Staff") is in the process of reviewing and analyzing the
2 application and has not yet made a recommendation regarding LPSCO's requests. The Commission
3 will issue a Decision regarding LPSCO's application following consideration of testimony and
4 evidence presented at an evidentiary hearing. **THE COMMISSION IS NOT BOUND BY THE
PROPOSALS MADE BY LPSCO, STAFF, OR ANY INTERVENORS, AND THE FINAL
RATES APPROVED BY THE COMMISSION MAY BE HIGHER OR LOWER THAN THE
RATES PROPOSED BY LPSCO OR BY OTHER PARTIES.**

5 **How You Can View or Obtain a Copy of the Rate Proposal**

6 Copies of the applications and the proposed tariffs are available from LPSCO at its office, [Company
7 insert address and phone number] and at the Commission's Docket Control Center at 1200 West
8 Washington, Phoenix, Arizona, for public inspection during regular business hours, and on the
9 Internet via the Commission's website (www.azcc.gov) using the e-Docket function, located at the
10 bottom of the web page.

11 **Arizona Corporation Commission Public Hearing Information**

12 The Commission will hold a hearing on this matter beginning **December 10, 2013, at 10:00 a.m. in
13 Hearing Room No. 1**, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona,
14 85007.

15 An interested person may participate in this matter by (1) providing written or oral public comment;
16 or (2) filing for intervention and becoming a formal party to the proceeding.

17 **How to Make Public Comment**

18 Oral public comments will be taken on the first day of the hearing. Written public comments may be
19 submitted by mailing a letter referencing **Docket No. SW-01428A-13-0042 et al.** to Arizona
20 Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

21 You may also file your written comments electronically through
22 <http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm2013PDFEmail.pdf>. If you
23 require assistance, you may contact the Commission's Consumer Services Section at 602-542-4251
24 or 1-800-222-7000.

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

About Intervention

You do not need to intervene if you want to appear at the hearing and provide public comment on the
application, or if you want to file written comments in the record of the case. Any interested person
may file written public comments regarding the Company's applications in **Docket No. SW-01428A-
13-0042 et al.** at any time.

Any person or entity 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 party to present sworn
evidence at hearing and to cross-examine other parties' 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 August 28, 2013, and send a copy of the motion to LPSCO
or its counsel and to all parties of record.**

1 Contact information for LPSCO and parties of record may be obtained using the Commission's e-
2 Docket Function and Docket No. SW-01428A-13-0042 et al. Your motion to intervene must contain
3 the following:

- 4 1. Your name, address, and telephone number, and the name, address, and telephone number of
5 any person upon whom service of documents is to be made, if not yourself;
- 6 2. A short statement of your interest in the proceeding (e.g., a customer of LPSCO, a shareholder
7 of LPSCO, etc.); and
- 8 3. A statement certifying that you have mailed a copy of the motion to intervene to LPSCO or its
9 counsel and to all parties of record in the case.

10 The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to
11 intervene must be filed on or before August 28, 2013. For a sample intervention request form, go to
12 <http://www.azcc.gov/divisions/utilities/FORMS/interven.pdf>. All parties must comply with Arizona
13 Supreme Court Rules 31 and 38 and A.R.S. § 40-243 with respect to the practice of law.

14 **If you do intervene, and wish to present direct testimony and associated exhibits at the hearing,**
15 **you must, on or before September 25, 2013: (1) reduce your direct testimony and associated**
16 **exhibits to writing, (2) file the original and 13 copies with the Commission's Docket Control**
17 **Center by 4:00 p.m., and (3) mail a copy to each party.**

18 **ADA/Equal Access Information**

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

24 IT IS FURTHER ORDERED that LPSCO shall **mail** to each of its customers a copy of the
25 above notice, as a bill insert beginning with the first available billing cycle, and shall cause a copy of
26 such notice to be **published at least once in a newspaper** of general circulation in the Company's
27 service territory, with mailing and publication to be completed no later than **June 28, 2013**.

28 IT IS FURTHER ORDERED that LPSCO shall **file certification of mailing and**
publication as soon as possible after the mailing and publication have been completed, but no later
than **July 19, 2013**.

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

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
31, 38, and 42 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona

1 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings
2 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for
3 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
4 Law Judge or the Commission.

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

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

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

13 DATED this 12th day of April, 2013.

14
15
16 
17 TEENA JIBILIAN
ADMINISTRATIVE LAW JUDGE

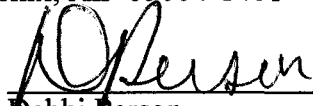
18 Copies of the foregoing mailed/delivered
19 this 12th day of April, 2013 to:

20 Jay L. Shapiro
21 Todd C. Wiley
22 FENNEMORE CRAIG, PC
23 2394 E. Camelback Rd., Ste. 600
24 Phoenix, AZ 85016
25 Attorneys for LPSCO

26 Janice Alward, Chief Counsel
27 Robin Mitchell
28 Matthew Laudone
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ARIZONA CORPORATION COMMISSION
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By: 
Debbi Person
Assistant to Teena Jibilian