



0000149417

BEFORE THE ARIZONA CORPORATION

RECEIVED

Arizona Corporation Commission

DOCKETED

2013 NOV -8 P 12:19

NOV 08 2013

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DOCKETED BY

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF TRUXTON CANYON WATER COMPANY, INC. FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02168A-11-0363

IN THE MATTER OF THE APPLICATION OF TRUXTON CANYON WATER COMPANY, INC. FOR APPROVAL OF A REVISION OF THE COMPANY'S EXISTING TERMS AND CONDITIONS OF WATER SERVICE.

DOCKET NO. W-02168A-13-0309

IN THE MATTER OF THE APPLICATION OF TRUXTON CANYON WATER COMPANY, INC. FOR AUTHORITY TO INCUR LONG-TERM DEBT.

DOCKET NO. W-02168A-13-0332

PROCEDURAL ORDER

BY THE COMMISSION:

On September 30, 2011, in Docket No. W-02168A-11-0363 Truxton Canyon Water Company, Inc. ("Truxton" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its water rates and charges, using a test year ("TY") ending June 30, 2011("rate docket"). Truxton's application requested authorization to increase its rates to generate an additional \$312,034 in gross revenues per year, resulting in a 97.24 percent increase over unaudited test year revenues. Truxton's application stated that the additional revenues would be obtained through having the Valle Vista Property Owner Association ("VVPOA") become a customer of Truxton.

On October 31, 2011, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency in the rate case docket stating that Truxton's rate application had met the sufficiency requirements as outlined in A.A.C. R14-2-103, and that Truxton had been classified as a Class C utility.

1 On November 4, 2011, by Procedural Order, the rate case hearing was set to begin on May 7,
2 2012, and other procedural deadlines were established.

3 On December 1, 2011, VVPOA filed a Motion to Intervene in this proceeding, which was
4 granted on January 3, 2012, by Procedural Order.

5 On January 31, 2012, Staff filed a Motion to Suspend Timeclock, stating that Staff needed
6 additional time to analyze the Company's rate case application because the Company had failed to
7 timely respond to Staff's data requests. Staff's motion requested that the timeclock be suspended in
8 this matter.

9 On February 13, 2012, by Procedural Order, the timeclock in the rate docket was suspended;
10 the hearing set for May 7, 2012, was established as a public comments hearing only; and Staff was
11 directed to file a request to reinstate the timeclock and a request to reset the procedural schedule,
12 once Staff had received the Company's outstanding data responses.

13 On September 5, 2012, Staff filed a Request for Procedural Order, requesting that the
14 Commission order Truxton to update its rate case application with revised data reflecting a new TY
15 using the twelve months ending June 30, 2012, and that the Company be given until October 31,
16 2012, to provide the updated data.

17 On September 6, 2012, by Procedural Order, a procedural conference was scheduled for
18 September 17, 2012, to address Staff's request to have Truxton update its rate case application to
19 reflect a 2012 TY.

20 On September 13, 2012, Truxton filed a Notice of Settlement Agreement and Request for
21 Expedited Approval.

22 On the same date, Truxton filed a Motion to Reschedule Hearing or Alternatively Permit
23 Telephonic Appearance, stating that neither Truxton's representative or VVPOA's attorney were
24 available to attend the procedural conference on September 17, 2012. The motion requested that the
25 procedural conference be rescheduled for the week of September 24, 2012.

26 On September 14, 2013, by Procedural Order, the procedural conference scheduled for
27 September 17, 2012, was continued to September 26, 2012.

28 On September 26, 2012, a Procedural Conference was held as scheduled. Staff, Truxton, and

1 VVPOA appeared through counsel. During the procedural conference, the parties stated that Truxton
2 and Staff had reached an agreement, in which Truxton agreed that it would amend its rate application
3 using a 2012 TY.

4 On February 15, 2013, Truxton docketed an amended rate case application, using a TY ending
5 December 31, 2012, and requesting an increase in its rates to generate an additional \$300,000 in gross
6 revenues per year, over unaudited test year revenues.

7 On February 22, 2013, Truxton filed updated rate case supporting documents.

8 On August 26, 2013, Staff filed a Request to Reinstate Timeclock and Reset Procedural
9 Schedule, stating that Staff had received sufficient information to enable it to complete its direct
10 testimony and requesting that the timeclock in this matter be reinstated and the procedural schedule
11 be reset.

12 On October 2, 2013, by Procedural Order, the hearing in this matter was rescheduled to begin
13 on January 21, 2014, other procedural deadlines were established, and the timeclock was reinstated.

14 On October 10, 2013, Staff filed a Motion to Consolidate, stating that in addition to Truxton's
15 rate case application, Truxton filed on September 11, 2013, (in Docket No. W-02168A-13-0309) an
16 application with the Commission for approval of a revision of its existing terms and conditions of
17 water service ("service docket"), and on September 30, 2013, (in Docket No. W-02168A-13-0332)
18 an application for authority to incur long-term debt ("finance docket"). Staff's motion states that the
19 issues in all three dockets are interrelated and that the Company and VVPOA do not oppose
20 consolidation of the three dockets.

21 On October 21, 2013, by Procedural Order, Staff's request for consolidation of the above
22 referenced dockets was granted. The Procedural Order maintained the procedural schedule
23 established in the October 2, 2013, Procedural Order, and directed Truxton to file certification of
24 public notice for its finance application by October 28, 2013.

25 On November 1, 2013, the Company filed a Request for Extension of Time Regarding
26 Notices, stating that the Company needed additional time to file its certification of mailing and to
27 publish notice of the applications. Truxton requests an extension of time until October 30, 2013, to
28 mail all notices; until November 3, 2013, to publish all notices; and until November 19, 2013, to file

1 all certifications of publication and mailings.

2 On the same date, Staff filed a Motion to Extend Time to File Testimony, stating that Staff
3 requires an extension of time, until November 8, 2013, to file its direct testimony to include
4 information on the Company's Finance Application. Staff requests that the Company and VVPOA be
5 given an additional one week to file their respective testimony. Staff's request states that the
6 Company and VVPOA do not oppose Staff's request for additional time.

7 Truxton's requests for an extension of time until October 30, 2013, to mail all notices; until
8 November 3, 2013, to publish all notices; and until November 19, 2013, to file all certifications of
9 publication and mailings are reasonable and should be granted. Staff's request for an extension of
10 time, until November 8, 2013, to file its direct testimony to include information on the Company's
11 finance application is reasonable and should be granted. It is also appropriate to grant VVPOA an
12 extension of time, until November 8, 2013, to file its direct testimony and exhibits; to grant the
13 Company an extension of time, until December 6, 2013, to file its rebuttal testimony and associated
14 exhibits; and to extend by one week all remaining deadlines set forth in the October 2, 2013,
15 Procedural Order.

16 IT IS THEREFORE ORDERED that **Truxton's request for an extension of time, until**
17 **October 30, 2013**, to mail notice to its customers of the rate, service, and finance applications, is
18 hereby granted.

19 IT IS FURTHER ORDERED that **Truxton's request for an extension of time, until**
20 **November 3, 2013**, to publish notice of its rate, service, and finance applications, is hereby granted.

21 IT IS FURTHER ORDERED that **Truxton's request for an extension of time until**
22 **November 19, 2013**, to file all certifications of publication and mailings, is hereby granted.

23 IT IS FURTHER ORDERED that **Staff is hereby granted an extension of time, until**
24 **November 8, 2013**, to file its direct testimony and associated exhibits to be presented at the hearing
25 in this matter.

26 IT IS FURTHER ORDERED that **VVPOA is hereby granted an extension of time, until**
27 **November 8, 2013**, to file its direct testimony and associated exhibits to be presented at the hearing
28 in this matter.

1 IT IS FURTHER ORDERED that **Truxton is hereby granted an extension of time, until**
2 **December 6, 2013**, to file its rebuttal testimony and associated exhibits to be presented at the hearing
3 in this matter.

4 IT IS FURTHER ORDERED that **all remaining procedural deadlines set forth in the**
5 **October 2, 2013, Procedural Order shall be extended by seven calendar days, with the pre-**
6 **hearing conference scheduled for January 14, 2014, and hearing date set for January 21, 2014**
7 **remaining the same.**

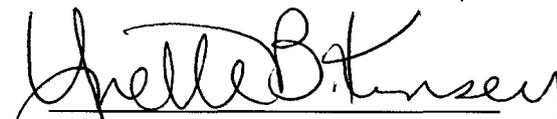
8 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
9 Communications) applies to this proceeding, as the matter is now set for public hearing, and shall
10 remain in effect until the Commission's Decision in this matter is final and non-appealable.

11 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
12 31 and 38 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

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

19 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
20 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

21 DATED this 8th day of November, 2013.

22
23
24 
25 YVETTE B. KINSEY
26 ADMINISTRATIVE LAW JUDGE
27
28

1 Copies of the foregoing mailed/mailed
this 8th day of November, 2013 to:

2 Steve Wene
3 MOYES SELLERS & HENDRICKS LTD.
4 1850 North Central Avenue, Suite 1100
Phoenix, AZ 85004
Attorneys for Truxton Canyon Water Co., Inc.

5 Todd Wiley
6 FENNEMORE CRAIG, P.C.
2394 E. Camelback Rd., Suite 600
Phoenix, AZ 85016
Attorneys for Intevenor Valle Vista Property Owner Association

7 Michael Neal, Statutory Agent
8 Truxton Canyon Water Co., Inc.
7313 E. Concho Drive, Suite B
Kingman, AZ 86401

9 Janice Alward, Chief Counsel
10 Legal Division
ARIZONA CORPORATION COMMISSION
11 1200 West Washington Street
Phoenix, Arizona 85007

12 Steven M. Olea, Director
ARIZONA CORPORATION COMMISSION
13 1200 West Washington Street
Phoenix, Arizona 85007

14 By: Rebecca Unquera
15 Rebecca Unquera
16 Assistant to Yvette B. Kinsey
17
18
19
20
21
22
23
24
25
26
27
28