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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

2013 NOV 19 10:18

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

NOV 19 2013

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
JOHNSON UTILITIES, LLC, DBA JOHNSON  
UTILITIES COMPANY FOR AN INCREASE IN  
ITS WATER AND WASTEWATER RATES FOR  
CUSTOMERS WITHIN PINAL COUNTY,  
ARIZONA.

DOCKET NO. WS-02987A-08-0180

PROCEDURAL ORDER  
(Setting Procedural Conference)

**BY THE COMMISSION:**

On March 31, 2008, Johnson Utilities, LLC, dba Johnson Utilities Company (“Johnson Utilities” or “Company”) filed with the Arizona Corporation Commission (“Commission”) an application for an increase in its water and wastewater utility rates.

The parties to this docket are Johnson Utilities, Swing First Golf, LLC (“Swing First”), the Town of Florence (“Florence”), the Residential Utility Consumer Office (“RUCO”), and the Commission’s Utilities Division (“Staff”).

On July 16, 2013, the Commission issued Decision No. 73992. Decision No. 73992 increases the Company’s rates to reflect recovery of income tax expense as requested by the Company, classifies the income taxes as an imputed expense, and requires the filing of a full rate case for both its water and wastewater divisions no later than June 30, 2015, using a 2014 test year.

Johnson Utilities and RUCO requested rehearing of Decision No. 73992 pursuant to A.R.S. § 40-253, which the Commission granted on August 15, 2013. On September 11, 2013, the Commission also reopened this docket pursuant to A.R.S. § 40-252 for purposes of considering whether to modify any Commission Decisions entered in this docket related to determinations in the Decisions that may be implicated by RUCO’s and Johnson Utilities’ applications for rehearing of Decision No. 73992, in order to ensure that RUCO and Johnson Utilities have an opportunity to address the matters raised in the rehearing applications. The motion directed the Hearing Division to

1 conduct proceedings and hold evidentiary hearings in order to take evidence in accordance with the  
2 *Scates* opinion<sup>1</sup> and Arizona law.

3 On October 4, 2013, a procedural conference convened as scheduled to discuss the procedural  
4 schedule for the presentation of evidence in the rehearing proceeding in accordance with the *Scates*  
5 opinion and Arizona law. Johnson Utilities, RUCO, and Staff appeared through counsel and  
6 discussed the evidence to be presented.

7 On October 8, 2013, a Procedural Order was issued setting initial filing dates for the rehearing  
8 proceeding in accordance with the discussion at the October 4, 2013 procedural conference.

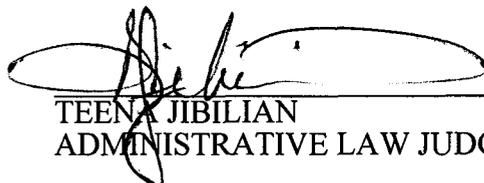
9 On November 4, 2013, Johnson Utilities and RUCO filed a Settlement Agreement.

10 A procedural conference should be held to allow the parties to discuss an appropriate  
11 procedural schedule.

12 IT IS THEREFORE ORDERED that a **procedural conference** shall be held on **December 5,**  
13 **2013, at 2:00 p.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room No.  
14 1, Phoenix, Arizona.

15 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
16 or waive any portion of this procedural order either by subsequent procedural order or by ruling at  
17 hearing.

18 DATED this 19<sup>th</sup> day of November, 2013.

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TEENA JIBILIAN  
ADMINISTRATIVE LAW JUDGE

23 Copies of the foregoing mailed/delivered  
24 this 19<sup>th</sup> day of November, 2013 to:

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28 <sup>1</sup> *Scates v. Ariz. Corp. Comm'n*, 118 Ariz. 531, 578 P.2d 612 (Ariz. App. 1978).

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