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BEFORE THE ARIZONA CORPORATION COMMISSION

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BOB STUMP - Chairman  
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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

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Arizona Corporation Commission

DOCKETED

JAN 31 2014

DOCKETED BY

IN THE MATTER OF THE REORGANIZATION  
OF UNS ENERGY CORPORATION.

DOCKET NO. E-04230A-14-0011  
DOCKET NO. E-01933A-14-0011

PROCEDURAL ORDER

**BY THE COMMISSION:**

On January 10, 2014, UNS Energy Corporation (“UNS Energy”) on behalf of itself and its affiliates, UniSource Energy Services (“UES”), Tucson Electric Power Company (“TEP”), UNS Electric, Inc. (“UNS Electric”) and UNS Gas, Inc. (“UNS Gas”), and Fortis Inc. (“Fortis”) on behalf of itself and its affiliates, Fortis US Holdings Nova Scotia Limited (“Fortis US Nova Scotia”), a wholly-owned subsidiary of Fortis, Fortis US Inc. (FortisUS”), a wholly-owned subsidiary of Fortis US Nova Scotia, and Color Acquisition Sub, Inc. (“Color Acquisition”), a wholly-owned subsidiary of FortisUS, (collectively, “Joint Applicants”) filed with the Arizona Corporation Commission (“Commission”) pursuant to Arizona Administrative Code (“A.A.C.”) R14-2-803 a Joint Notice of Intent to Reorganize (“Joint Notice”).

On January 16, 2014, the Commission’s Utilities Division (“Staff”) filed a Request for Procedural Schedule, which included a proposed schedule with a settlement track and non-settlement track.

On January 17, 2014, the Residential Utility Consumer Office (“RUCO”) filed an Application to Intervene. The same date, RUCO filed a Response to Staff’s Request for a Procedural Schedule requesting a modification of Staff’s proposed schedule.

On January 23, 2014, the Joint Applicants filed a Request for Revised Procedural Schedule, which they state reflects additional discussions between Staff, RUCO and the Joint Applicants to

1 address RUCO's concerns. The Joint Applicants, with the agreement of Staff and RUCO, request a  
 2 Procedural Order, (without the need for a Procedural Conference) that adopts the following schedule  
 3 for this matter:

4	Joint Applicants Direct Testimony	January 27, 2014
5	Staff/ Intervenor Direct Testimony	April 22, 2014
6	Settlement Discussions Begin	April 28, 2014
7	Settlement Agreement filed	May 12, 2014
8	Settlement Agreement Direct in Support/Opposition	May 30, 2014
9	Settlement Response Testimony	June 13, 2014
10	Joint Applicants Rebuttal Testimony (if no Settlement Agreement)	May 7, 2014
11		
12	Staff/Intervenor Surrebuttal Testimony (if no Settlement Agreement)	May 30, 2014
13	Joint Applicants Rejoinder Testimony (if no Settlement Agreement)	June 13, 2014
14		
15	Pre-hearing Conference	June 13, 2014
16	Hearing Commences	June 16, 2014

17  
 18 On January 24, 2014, the Joint Applicants filed their direct testimony.

19 The Commission now issues this Procedural Order to govern the preparation and conduct of  
 20 this proceeding.

21 IT IS THEREFORE ORDERED that **RUCO's request to intervene is granted.**

22 IT IS FURTHER ORDERED that the **hearing** in the above-captioned matter shall commence  
 23 on **June 16, 2014, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices,  
 24 **Room 222, 400 West Congress, Tucson, Arizona 85701.**

25 IT IS FURTHER ORDERED that a **pre-hearing conference** shall be held on **June 13, 2014,**  
 26 **at 10:00 a.m.**, at the Commission's Tucson Offices, Room 222, 400 West Congress, Tucson,  
 27 Arizona, 85701 for the purpose of scheduling witnesses and the conduct of the hearing.

1 IT IS FURTHER ORDERED that any **direct testimony** and associated exhibits to be  
2 presented at hearing on behalf of **Staff and Intervenors** shall be reduced to writing and filed on or  
3 before **April 22, 2014**.

4 IT IS FURTHER ORDERED that **settlement discussions** may **begin** on or after **April 28,**  
5 **2014**.

6 IT IS FURTHER ORDERED that any **Settlement Agreement** shall be filed by **May 12,**  
7 **2014**.

8 IT IS FURTHER ORDERED that in the event a settlement is reached and Settlement  
9 Agreement filed, **testimony in support of, or opposition to, the Settlement Agreement** shall be  
10 filed by **May 30, 2012**.<sup>1</sup>

11 IT IS FURTHER ORDERED that in the event testimony is filed in support of, or opposition  
12 to, a Settlement Agreement, any **responsive testimony** shall be filed by **June 13, 2014**.

13 IT IS FURTHER ORDERED that in the event no Settlement Agreement is filed, any **rebuttal**  
14 **testimony** and associated exhibits to be presented at hearing by the **Joint Applicants** shall be  
15 reduced to writing and filed on or before **May 7, 2014**.

16 IT IS FURTHER ORDERED that in the event there is no Settlement Agreement, any  
17 **surrebuttal testimony** and associated exhibits to be presented by the **Staff and/or intervenors** shall  
18 be reduced to writing and filed on or before **May 30, 2014**.

19 IT IS FURTHER ORDERED that in the event there is no Settlement Agreement, any  
20 **rejoinder testimony** and associated exhibits to be presented at the hearing by the **Joint Applicants**  
21 shall be reduced to writing and filed on or before **June 13, 2014**.

22 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have  
23 been prefiled as of May 30, 2014, shall be made on or before the Pre-Hearing Conference; and  
24 objections to any pre-field testimony filed thereafter shall be made at the commencement of the  
25 hearing.

26 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
27

28 <sup>1</sup> All signatories of the any Settlement Agreement shall file testimony or a statement in support of their position.

1 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is  
2 scheduled to testify.

3 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-  
4 105, except that all motions to intervene must be filed **on or before April 15, 2014**.

5 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
6 regulations of the Commission, except that through **May 15, 2014**, any objection to discovery  
7 requests shall be made within 7 days<sup>2</sup> of receipt and responses to discovery requests shall be made  
8 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and  
9 responses shall be made in 7 days;<sup>1</sup> the response time may be extended by mutual agreement of the  
10 parties involved if the request requires an extensive compilation effort.

11 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
12 discovery, any party seeking discovery may telephonically contact the Commission's Hearing  
13 Division to request a date for a procedural hearing to resolve the discovery dispute; that upon such a  
14 request, a procedural hearing will be convened as soon as practicable; and that the party making such  
15 a request shall forthwith contact all other parties to advise them of the hearing date and shall at the  
16 hearing provide a statement confirming that the other parties were contacted.<sup>3</sup>

17 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
18 the Commission within 20 days of the filing date of the motion shall be deemed denied.

19 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of  
20 the filing date of the motion.

21 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date  
22 of the response.

23 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
24 this matter, in the following type size, form and style with the heading in no less than 14 point bold  
25 type and the body in no less than 10-point regular type:

26  
27 <sup>2</sup> "Days" means calendar days.

28 <sup>3</sup> The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.



1 hours after docketing) using the Commission's eDocket function, which is located in the lower right-  
 2 hand corner of the Commission's website homepage (www.azcc.gov). RSS feeds are also available  
 using the Commission's e-Docket function.

### 3 **About Intervention**

4 The law provides for an open public hearing at which, under appropriate circumstances, interested  
 5 parties may intervene. Any person or entity entitled by law to intervene and having a direct and  
 6 substantial interest in the matter will be permitted to intervene. **If you wish to intervene, you must**  
 7 **file an original and 13 copies of a written motion to intervene with the Commission no later**  
 8 **than April 15, 2014**, and send a copy of the motion to UNS Energy and Fortis (or their counsel) and  
 to all parties of record. Contact information for UNS Energy, Fortis and the other parties may be  
 found on the Commission's e-Docket website, referencing Docket No. E-04230A-14-0011. Your  
 motion to intervene must contain the following:

- 9 1. Your name, address, and telephone number, and the name, address, and telephone number of any  
 10 party upon whom service of documents is to be made, if not yourself;
- 11 2. A short statement of your interest in the proceeding (e.g., a customer of a particular utility, a  
 shareholder of UNS Energy, etc.); and
- 12 3. A statement certifying that you have mailed a copy of the motion to intervene to UNS Energy and  
 13 Fortis (or their counsel) and to all parties of record in the case.

14 The granting of motions to intervene shall be governed by A.A.C. R14-3-105. All parties must  
 15 comply with Arizona Supreme Court Rules 31 and 38 and A.R.S. § 40-243 with respect to the  
 16 practice of law. For information about requesting intervention, visit the Commission's website at  
 17 <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among  
 18 other things, entitles a party to present sworn evidence at hearing and to cross-examine other  
 witnesses. **However, failure to intervene will not preclude any interested person or entity from**  
**appearing at the hearing and providing public comment on the application or from filing**  
**written comments in the record of the case.**

### 19 **ADA/Equal Access Information**

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

23 **IT IS FURTHER ORDERED** that the Joint Applicants shall **mail** to each of their Arizona  
 24 customers a copy of the above notice by **March 14, 2014**, and shall cause the above notice to be  
 25 published at least once in a newspaper of local circulation in their Arizona service territories, with  
 26 **publication** to be completed no later than **March 14, 2014**.

1 IT IS FURTHER ORDERED that the Joint Applicants shall make a copy of their Joint Notice  
2 available on the UNS Energy's website and at the following public libraries: the Joel D. Valdez Main  
3 Library at 101 N. Stone, Tucson, Arizona, 85701; the Mohave County Library District Lake Havasu  
4 City branch at 1770 N. McCulloch Blvd, Lake Havasu City, Arizona 86403; the Mohave County  
5 Library District Kingman branch, 3269 N. Burbank Street, Kingman, Arizona 86402; the Nogales-  
6 Santa Cruz County Public Library Nogales-Rochlin Library, 5 18 North Grand Ave., Nogales,  
7 Arizona 8562 1 ; Flagstaff City-Coconino County Public Library, 300 W. Aspen Ave., Flagstaff,  
8 Arizona 86001; Prescott Public Library downtown location at 215 E. Goodwin Street, Prescott,  
9 Arizona 86303 by February 28, 2014.

10 IT IS FURTHER ORDERED that the Company shall file certifications of mailing and  
11 publication as soon as practicable after they have been completed.

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

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

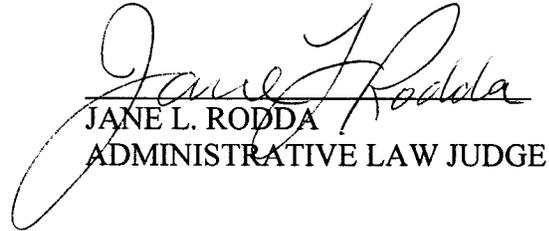
18 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the  
19 Rules of the Arizona Supreme Court with respect to practice of law and admission pro hac vice.

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

26 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
27 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

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

3 DATED this 28<sup>th</sup> day of January, 2014.

4  
5   
6 JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE

7 Copies of the foregoing mailed  
8 this 28<sup>th</sup> day of January, 2014 to:

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