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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

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

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Arizona Corporation Commission
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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

ORIGINAL

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
(Sets Procedural Conference)

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 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.

On January, 3, 2012, VVPOA was granted intervention in this proceeding.

1 Between January 2012 and February 2014, various procedural issues were ruled upon by the
2 Commission.

3 On February 26, 2014, a full public hearing, on the above-captioned consolidated dockets,
4 was commenced before a duly authorized Administrative Law Judge ("ALJ") of the Commission.
5 Staff, Truxton, and VVPOA appeared through counsel. No members of the public were present to
6 provide public comments. At the conclusion of the hearing, the ALJ established a closing brief
7 schedule with the first round of briefs to be filed on April 18, 2014.

8 On March 26, 2014, VVPOA docketed a letter stating that it had obtained information that
9 Truxton and the Claude K. Neal Family Trust ("Trust") had been approached by another company
10 regarding the potential sale of the Hualapai Well that currently serves VVPOA customers. VVPOA's
11 letter expressed concerns that the potential sale could be a violation of Truxton's CC&N and its
12 service obligations to customers; that the Hualapai Well is necessary and useful to Truxton's
13 provision of service; and that Commission approval is necessary for Truxton to sell the well.

14 On April 1, 2014, VVPOA filed a Request for Expedited Procedural Conference stating that
15 due to a lack of response by Truxton to its March 206, 2014, letter, VVPOA requests that an
16 expedited procedural conference be scheduled to discuss the potential sale of the Hualapai Well.

17 On April 4, 2014, Staff filed a Response to Request for Procedural Conference stating that
18 Staff agrees with VVPOA that a procedural conference is warranted given the impact that sale of the
19 Hualapai Well could have on the rate case proceeding as well as the Order to Show Cause
20 proceeding filed against Truxton in Docket No. W-02168A-10-0247.

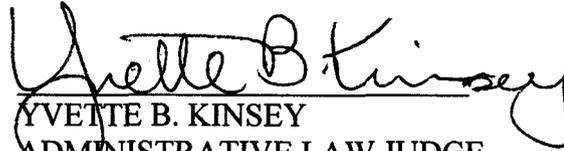
21 Accordingly, a procedural conference should be scheduled to discuss the issues raised by
22 VVPOA and Staff regarding the potential sale of the Hualapai Well by Truxton and/or Trust.

23 IT IS THEREFORE ORDERED that a **Procedural Conference** shall be held on **April 11,**
24 **2014, at 10:00 a.m.**, or as soon as practicable thereafter, at the Commission's offices, 1200 West
25 Washington Street, Hearing Room No. 1, Phoenix, Arizona.

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

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 7th day of April, 2014.

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6 
7 YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/emailed
9 this 7th day of April, 2014 to:

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