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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

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

ORIGINAL

CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
PRESIDIO TRAILS DEVELOPMENT, LLC AND
HALCYON ACRES ANNEX NO. 2 WATER CO.,
INC. FOR DELETION OF PRESIDIO TRAILS
DEVELOPMENT, LLC'S PROJECT FROM
HALCYON ACRES ANNEX NO. 2 WATER CO.,
INC.'S CERTIFICATE OF CONVENIENCE AND
NECESSITY.

DOCKET NO. W-02312A-13-0326

PROCEDURAL ORDER
(Setting a Hearing)

BY THE COMMISSION:

On September 20, 2013, Presidio Trails Development, LLC ("Presidio") filed with the Arizona Corporation Commission ("Commission") an application to have Presidio's development project ("Project") deleted from Halcyon Acres Annex No. 2 Water Co., Inc.'s ("Halcyon" or "Company") Certificate of Convenience and Necessity ("CC&N"). Presidio claimed that Halcyon was not able to provide water service to the Project located within Halcyon's certificated area. Presidio noted the City of Tucson's water utility, Tucson Water, is willing to provide water service if the Commission permits the Project's deletion. Halcyon was not a party to Presidio's filing.

On October 10, 2013, the Commission's Utilities Division ("Staff") docketed a Notice of Case Status concluding that although Presidio's filing was styled as an application for deletion of territory, it was more in the nature of a complaint against Halcyon. Staff noted that Presidio and Halcyon had not brought the matter to the Commission in an informal complaint for mediation and recommended that the entities avail themselves of the process to try to resolve the issues.

In its Response to Staff's Notice of Case Status submitted on October 15, 2013, Presidio acknowledged Staff's proposal and suggested the matter be stayed pending the mediation's outcome.

On October 22, 2013, Halcyon filed its Response to Presidio Trails Development, LLC's October 15, 2013, Filing, stating it did not object to participating in mediation.

1 A Procedural Order filed October 29, 2013, stayed the proceedings in this docket and directed
2 Presidio to file a status update regarding the mediation's outcome.

3 On January 27, 2014, Presidio docketed its Status Update and Motion for Joinder of Halcyon
4 as Co-Applicant ("Motion"). Halcyon co-signed the Motion. Presidio stated that the parties had
5 resolved the issues between them and requested that Halcyon be joined with Presidio as a co-
6 applicant in this docket and moved to have the stay lifted.¹

7 A Procedural Order docketed February 11, 2014, lifted the stay and joined Halcyon as a co-
8 applicant in the proceedings. (Halcyon and Presidio are collectively referred to as the "Applicants.")
9 The Procedural Order also confirmed that the matter would be considered an application by Halcyon
10 to delete a portion of its certificated area ("Application").

11 On March 13, 2014, the Applicants docketed an Amendment to the Application reflecting the
12 correct legal description for the portion of Halcyon's CC&N proposed for deletion.

13 On March 13, 2014, Staff filed its Sufficiency Letter indicating that the Application met the
14 requirements outlined in the Arizona Administrative Code ("A.A.C.").

15 On March 14, 2014, Halcyon filed a Clarification of Halcyon's Joinder in Presidio's
16 Application for Deletion.

17 On April 2, 2014, the Applicants filed a Motion for Procedural Order Setting Schedule.

18 Pursuant to a Procedural Order docketed March 26, 2014, a procedural conference was held
19 on April 10, 2104, during which the parties discussed procedural matters and scheduling issues.

20 Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern
21 the preparation and conduct of this proceeding.

22 IT IS THEREFORE ORDERED that the **hearing** in this matter shall be held on **June 12,**
23 **2014, at 10:00 a.m.,** or as soon thereafter as is practical, in Room 222 of the Commission's offices at
24 400 West Congress, Tucson, Arizona 85701.

25 IT IS FURTHER ORDERED that **intervention** in this matter shall be in accordance with
26 A.A.C. R14-3-105, except that all **Motions to Intervene must be filed on or before May 9, 2014.**

27 ¹ On February 14, 2014, Staff docketed its Response to Status Update and Motion for Joinder of Halcyon as Co-
28 Applicant. Staff stated it did not object to joinder of Halcyon as a co-applicant and agreed to treat the matter as an
application by Halcyon for deletion of a portion of its certificated area.

1 IT IS FURTHER ORDERED that **objections to any Motions to Intervene** shall be filed on
2 or before **May 16, 2014**.

3 IT IS FURTHER ORDERED that Staff shall file a **Staff Report or pre-filed testimony and**
4 **intervenors shall file their pre-filed testimony** in this matter on or before **May 23, 2014**.

5 IT IS FURTHER ORDERED that the Applicants shall file **responses to the Staff Report or**
6 **Staff's pre-filed testimony and to intervenor pre-filed testimony** on or before **June 3, 2014**.

7 IT IS FURTHER ORDERED that the Company shall **mail to all customers within its entire**
8 **certificated area, as well as to property owner(s) or property owner's representatives within the**
9 **area sought to be deleted from the CC&N, a copy of the notice stated below**. Mailing must be
10 completed no later than **April 18, 2014**.

11 IT IS FURTHER ORDERED that the Company also shall **publish the notice stated below in**
12 **a newspaper of general circulation in its service territory**. Publication must be completed no later
13 than **April 23, 2014**.

14 IT IS FURTHER ORDERED that the Company shall **file an affidavit of mailing and**
15 **publication** as soon as practicable after mailing and publication have been completed, but not later
16 than **May 16, 2014**.

17 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
18 publication, notwithstanding the failure of an individual customer or property owner to read or
19 receive the notice.

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

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**PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF
HALCYON ACRES ANNEX NO. 2 WATER COMPANY
FOR APPROVAL OF DELECTION OF TERRITORY FROM
ITS CERTIFICATE OF CONVENIENCE AND NECESSITY
(DOCKET NO. W-02312A-13-0326)**

Summary

Halcyon Acres Annex No. 2 Water Co., Inc. ("Company") and Presidio Trails Development, LLC ("Presidio") have filed with the Arizona Corporation Commission ("Commission") an application for approval to delete property containing Presidio's development project from the Company's Certificate of Convenience and Necessity ("Application"). The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the Application, and the Commission is not bound by the proposals made by the Company, Presidio, Staff, or any intervenors. The Commission will issue a decision regarding the Application upon consideration of testimony and evidence presented at an evidentiary hearing.

How You Can View or Obtain a Copy of the Application

Copies of the Application are available for public inspection at the Company's offices [COMPANY INSERT ADDRESS HERE] and the Commission's offices at 1200 West Washington, Phoenix, Arizona, or 400 West Congress, Tucson, Arizona, during regular business hours, and on the internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

THE COMMISSION WILL HOLD A HEARING ON THE APPLICATION ON JUNE 12, 2014, AT 10:00 A.M., IN ROOM 222 OF THE COMMISSION'S OFFICES AT 400 WEST CONGRESS, TUCSON, ARIZONA.

Public comments will be taken at the beginning of the hearing. You may submit written comments on the Application by email (visit http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf for instructions), or by mailing a letter referencing Docket Number W-02312A-13-0326 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at (800) 222-7000 or (520) 628-6550.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. **If you would like to intervene, you must file a written motion to intervene with the Commission no later than May 9, 2014.** You must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following information:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.); and,
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

1 Granting of motions to intervene is governed by A.A.C. R14-3-105, except that **ALL**
2 **MOTIONS TO INTERVENE MUST BE FILED ON OR BEFORE MAY 9, 2014.**
3 If representation by counsel is required by Rule 31 of the Rules of the Arizona
4 Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel
5 to represent the intervenor. For information about requesting intervention, visit the
6 Commission's webpage at <http://www.azcc.gov/divisions/utility/forms.asp>. The
7 granting of intervention entitles a party, among other things, to present sworn evidence
8 at hearing and to cross-examine other witnesses. However, failure to intervene will
9 not preclude any customer from appearing at the hearing and making a statement on
10 the customer's own behalf.

6 **ADA/Equal Access Information**

7 The Commission does not discriminate on the basis of disability in admission to its
8 public meetings. Persons with a disability may request a reasonable accommodation,
9 such as a sign language interpreter or receiving this document in an alternative format,
10 by contacting the ADA Coordinator Shaylin Bernal, e-mail SABernal@azcc.gov,
11 telephone number (602) 542-3931. Requests should be made as early as possible to
12 allow time to arrange the accommodation.

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

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

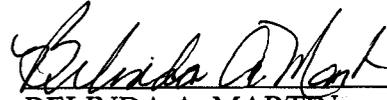
16 IT IS FURTHER ORDERED that the time periods specified herein will not be extended
17 pursuant to Rule 6(a) or (e) of the Arizona Rules of Civil Procedure.

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

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

4 DATED this 17th day of April, 2014.


BELINDA A. MARTIN
ADMINISTRATIVE LAW JUDGE

7 Copies of the foregoing mailed
8 this 17th day of April, 2014, to:

9 Thomas H. Campbell
10 Matthew Bingham
11 LEWIS ROCA ROTHGERBER LLP
12 40 North Central Avenue
13 Phoenix, AZ 85004

14 Gregory E. Good
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By: 
Belinda A. Martin