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BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKET CONTROL

2014 AUG 15 PM 3 51

BOB STUMP
Chairman

GARY PIERCE
Commissioner

BRENDA BURNS
Commissioner

BOB BURNS
Commissioner

SUSAN BITTER SMITH
Commissioner

Arizona Corporation Commission

DOCKETED

AUG 15 2014

ORIGINAL

DOCKETED BY

IN THE MATTER OF ARIZONA-AMERICAN WATER COMPANY'S APPLICATION FOR AN INCREASE IN RATES FOR ITS WATER AND WASTEWATER RATES

DOCKET NO. W-01303A-09-0343
SW-01303A-09-0343

NOTICE OF FILING REVISED FORM OF NOTICE AND RESPONSE TO PROCEDURAL SCHEDULE

Attached as Exhibit A is a revised form of notice based on EPCOR Water Arizona, Inc.'s ("Company") discussions with Commission Staff. The Company respectfully requests that the Administrative Law Judge issue a procedural order approving this form of notice as soon as possible so that the Company may proceed with the notice.

The Company has also discussed the procedural schedule for this matter with Commission Staff. The Company concurs with the hearing date set forth in the alternative schedule proposed by the Anthem Community Council in its August 12, 2014 filing. To address the concern regarding surrebuttal testimony, the Company is also in agreement with adding a date for surrebuttal testimony to the schedule. Based on discussions with Commission Staff, the Company has also agreed to modify certain of the dates for filing testimony as set forth below to allow for additional time for Staff and Intervenor testimony. Commission Staff has authorized the Company to state that Staff is in agreement with the schedule set forth below.

1 The Company requests that the Administrative Law Judge adopt the following
2 schedule for the processing of this matter:

- 3 • Company direct testimony: September 8, 2014
- 4 • Staff and Intervenor direct testimony: October 6, 2014
- 5 • Company rebuttal testimony: October 20, 2014
- 6 • Staff and Intervenor surrebuttal testimony: November 4, 2014
- 7 • Hearing: November 12, 2014

8 The Company continues to strongly urge the Commission to process this matter in a
9 manner that will allow for a Decision prior to December 31, 2014.

10 RESPECTFULLY SUBMITTED this 15th day of August, 2014.

11 LEWIS ROCA ROTHGERBER LLP

12 

13 _____
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15 Michael T. Hallam
16 201 E. Washington Street, Suite 1200
Phoenix, AZ 85004
Attorneys for EPCOR Water Arizona, Inc.

17 ORIGINAL and thirteen (13) copies
18 of the foregoing filed
this 15th day of August, 2014, with:

19
20 The Arizona Corporation Commission
21 Utilities Division – Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007

22
23 Copy of the foregoing hand-delivered
this 15th day of August, 2014, to:

24 Steve Olea
25 Utilities Division
26 Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

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Lyn Farmer
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Janice Alward, Chief Counsel
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Copy of the foregoing mailed
this 15th day of August, 2014, to:

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17	President, Board of Directors	Andy Terrey
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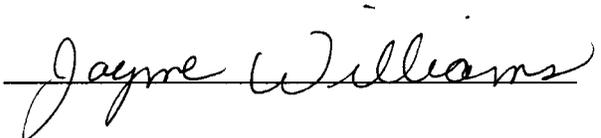


EXHIBIT A

PUBLIC NOTICE TO ALL WASTEWATER CUSTOMERS OF EPCOR WATER ARIZONA, INC. OF A HEARING ON RATE CONSOLIDATION/DECONSOLIDATION PROPOSALS FOR POSSIBLE RATE CHANGES FOR UTILITY SERVICE IN ALL OF ITS ARIZONA WASTEWATER DISTRICTS.

DOCKET NOS. W-01303A-09-0343 AND SW-01303A-09-0343

Summary

In Decision No. 74588, the Arizona Corporation Commission ordered EPCOR Water Arizona, Inc. (the "Company") to address the rate impacts of consolidation and deconsolidation of all the Company's wastewater districts. As ordered by the Commission, the Company made that filing on August 8, 2014, in the above-referenced dockets. To allow for the consideration of consolidation/deconsolidation of the Company's wastewater districts, a hearing will be held to address these matters. The rate design proposals set forth in the Company's filing would require modifications to the Commission's decisions that relate to wastewater (Decision Nos. 73837,73230, 73227, 73221 and 72047) pursuant to A.R.S. § 40-252. **A decision in this matter may impact the rates of every wastewater customer of the Company – either as an increase or decrease.** The Commission will determine the appropriate relief to be granted (if any) based on the evidence presented by the parties. The Commission is not bound by the proposals made by Commission Staff, the Company, or any of the intervenors.

Rate Consolidation/Deconsolidation

Currently, the Company's rates are unique for each of its Arizona wastewater districts. Alternatively, rate consolidation is the process of combining two or more districts for the purpose of averaging the differing rates into a single rate for comparable customers (i.e., residential customers). Therefore, under consolidation, instead of charging a different rate to customers in different wastewater districts, all comparable customers would pay the same rate. Deconsolidation would create additional wastewater districts based on additional geographic areas of service, and rates would be set based on the cost to serve each specific area.

Full rate consolidation would combine the rate structures for **all of the Company's wastewater districts** (Agua Fria, Anthem, Mohave, Sun City, and Sun City West) into one rate structure. The rates for the Mohave wastewater district are currently the subject of a pending rate case (Docket No. WS-01303A-14-0010), which is scheduled for hearing on December 2, 2014. The Company's consolidation information (filed on August 8, 2014) includes the proposed revenue requirement for the Mohave Wastewater District in Docket No. WS-01303A-14-0010 in the consolidation proposal. Customers should be aware that full consolidation would result in the combination of the Mohave wastewater revenue requirement that would result from the pending rate case in Docket No. WS-01303A-14-0010 with the revenue requirements from each of the wastewater districts in Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343.

How You Can View or Obtain a Copy of the Company's August 8, 2014 Filing

Copies of the Commission-ordered filing made by the Company are available from the following:

- 1) The offices of EPCOR Water Arizona, Inc., 2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027
- 2) The Company's website at www.epcor.com
- 3) The Commission's Docket Control Center, 1200 W. Washington Street, Phoenix, Arizona, open for public inspection during regular business hours
- 4) The Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Company's direct testimony will be due _____, 2014. Responsive testimony from intervenors, including Commission Staff, will be due _____, 2014. Rebuttal testimony of the Company will be due _____, 2014. Surrebuttal testimony of the intervenors, including Commission Staff, will be due _____, 2014. The Commission will hold a hearing on this matter beginning _____, 2014, at 10:00 a.m. in Hearing Room No. __, at the Commission's offices, 1200 W. Washington Street, Phoenix, Arizona, 85007.

Any interested person may participate in this matter by (1) providing written or oral public comment; or (2) filing for intervention and becoming a formal party to the proceeding.

How to Make Public Comment

Oral public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343 to Arizona Corporation Commission, Consumer Services, 1200 W. Washington Street, Phoenix, Arizona 85007. You may also file written comments electronically by going to the following link:

<http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm2013PDFEmail.pdf>.

If you require assistance, you may contact the Commission's Consumer Services Section at 602-542-4251 or 1-800-222-7000.

If you do not intervene, you will receive no further notice of the proceedings in this docket. **However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website (www.azcc.gov) using the eDocket function, located at the bottom of the website homepage. RSS feeds are also available through eDocket.

About Intervention

Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a party to present sworn evidence at hearing and to cross examine other parties' witnesses.

Anyone who has already been granted intervention in Docket No. SW-01303A-09-0343 need not request intervention again in order to continue to participate in that case. However, intervenors in SW-01303A-09-0343 who wish to participate in **Mohave wastewater rate case (Docket No. WS-01303A-14-0010)** must request intervention in the Mohave docket.

If you wish to intervene in the consolidation/deconsolidation matter (Docket No. SW-01303A-09-0343), you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than _____, 2014, and send a copy of the motion to the Company or its counsel and to all parties of record. Contact information for the Company and parties of record may be obtained using the Commission's eDocket Function referencing Docket Nos. W-01303A-09-0343 or SW-01303A-09-0343.

If you wish to intervene in the Mohave wastewater rate case (Docket No. WS-01303A-14-0010), you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than _____, 2014, and send a copy of the motion to the Company or its counsel and to all parties of record. Contact information for the Company and parties of record may be obtained using the Commission's eDocket Function referencing **Docket No. WS-01303A-14-0010.**

Anyone who has already been granted intervention in Docket No. WS-01303A-14-0010 need not request intervention again in order to continue to participate in that case. However, intervenors in Docket No. WS-1303A-14-0010 who wish to participate in SW-01303A-09-0343 must request intervention in Docket No. SW-01303A-09-0343.

You do not need to intervene if you want to appear at the hearing only to provide public comment, or if you want to file written public comments in the record of the case.

Your motion to intervene must contain the following:

1. Your name, address and telephone number, and the name, address and telephone number of any person upon whom service of documents is to be made, if not yourself;
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 you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before _____, 2014. For a sample intervention request form, go to

<http://www.azcc.gov/divisions/utilities/FORMS/interven.pdf>. All parties must comply with Arizona Supreme Court Rules 31 and 38 and A.R.S. § 40-243 with respect to the practice of law.

If you do intervene, and wish to present direct testimony and associated exhibits at the hearing, you must, at or before 4:00 p.m. on _____, 2014: (1) reduce your direct testimony and associated exhibits to writing, (2) file the original and 13 copies with the Commission's Docket Control Center, and (3) mail a copy to each party.

ADA/Equal Access Information

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