

ORIGINAL



0000159978

BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

RECEIVED

Arizona Corporation Commission

DOCKETED

SUSAN BITTER SMITH - CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

2015 FEB 11 A 10:40

FEB 11 2015

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
CHINO MEADOWS II WATER COMPANY, INC.
FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02370A-14-0231

STIPULATION TO EXTENSION
FOR TIME

On June 30, 2014, Granite Mountain Water Company, Inc. ("Granite Mountain" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase. The application noted that the Company's affiliate Chino Meadows II Water Company ("Chino Meadows II") also filed a rate application in a separate docket (Docket No. W-02370A-14-0231) on the same day. Granite Mountain requested that its application be processed and heard concurrently with Chino Meadows II's application in order to assure that cost allocations will be consistent in the two cases, and stated that to the extent necessary to accommodate the joint processing of the two applications, it waives the time clock requirements set by the Commission's rules.

On September 19, 2014, Staff filed a Letter of Sufficiency indicating that Granite Mountain's application met the sufficiency requirements of Arizona Administrative Code ("A.A.C.") R14-2-103 and classifying Granite Mountain as a Class C Utility.

On September 23, 2014, a Procedural Order was issued suspending the time clock in this matter as agreed to by the Company in order to accommodate the joint processing of this application with the Chino Meadows II rate application, and setting a procedural conference for October 2, 2014, for the purpose of discussing the preparation for and conduct of the concurrent proceedings.

On October 2, 2014, a procedural conference was convened as scheduled. Granite Mountain, Chino Meadows II, and Staff appeared through counsel and discussed procedural issues. The parties

1 agreed that holding consecutive hearings for the two matters would be appropriate. The parties agreed
2 to extended timeframes for discovery in both matters, due to issues associated with both the Granite
3 Mountain and Chino Meadows II applications. Staff stated that it could file its direct testimony
4 during the first week of March. Granite Mountain stated that it could then file its rebuttal testimony
5 during the first week of April.

6 On October 7, 2014, the Hearing Division issued its procedural order, determining that a
7 hearing schedule should be established that accommodates the parties' requests for extended
8 discovery timeframes, and set the following procedural schedule:

Hearing dates	May 5, 2015 & May 6, 2015
Pre-Hearing Conference	April 30, 2015
Intervenors' & Staff Report/Direct Testimony	March 4, 2015
Rebuttal Testimony	April 1, 2015
Surrebuttal Testimony Staff and Intervenors	April 22, 2015
Rejoinder Testimony	April 28, 2015
Issues matrix & Objections to Pre-Filed Testimony	April 30, 2015

9
10
11
12
13
14 Both Granite Mountain and Chino Meadows II are owned by the same entity/persons. In
15 previous rate cases, the proper allocation of costs and expenses between the two Companies has been
16 an issue, so much so that the Companies were ordered in Decision No.72896 to file their next rate
17 cases using the same test years. Also in that Decision, the necessary construction of a well and
18 storage facility was considered and ordered. Construction has taken longer than originally anticipated
19 and is not completed.

20 Although the Companies have been cooperative with Staff in providing responses to Data
21 Requests, including information regarding the issues of allocations and construction, new data
22 continues to be required and provided. Even as late as Friday February 6, 2015, the Companies were
23 still providing data to Staff.

24 Construction of the well, storage tank and related projects is progressing, but not sufficiently
25 complete to have been placed in service or determined to be used and useful. After discussion, the
26 Companies have assured Staff that the projects other than the storage tank will have been completed
27 and all invoices and other documentation provided to Staff no later than April 1, 2015. Based on this
28

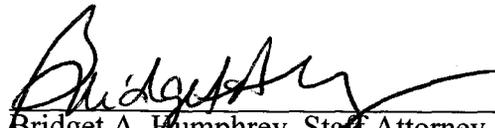
1 schedule, Staff's Direct Testimony could not include any recommendations as to inclusion of post-
2 test year plant, but because the well and transmission lines will be in service by the time Staff's
3 Surrebuttal Testimony is due, Staff's Direct Testimony will no longer be valid.

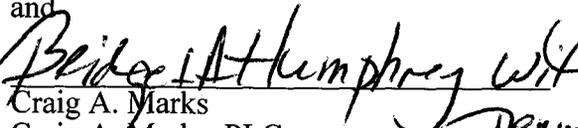
4 Based on the foregoing, Staff and the Companies have agreed that it would be in the interest
5 of judicial economy to extend the dates for filing testimony and all other related calendar events,
6 other than the deadline for interventions, which has already passed, for two months. Clearly, the exact
7 dates will depend upon the availability of the Hearing Division and a hearing room, but the proposed
8 changes would be as follows:

Hearing date	July 7, 2015 & July 8, 2015
Pre-Hearing Conference	June 30, 2015
Intervenors' & Staff Report/Direct Testimony	May 4, 2015
Rebuttal Testimony	June 1, 2015
Surrebuttal Testimony Staff and Intervenors	June 22, 2015
Rejoinder Testimony	June 28, 2015
Issues matrix & Objections to Pre-Filed Testimony	June 30, 2015

14 To the extent that the final schedule to be set herein requires an extension of the time clock,
15 the Parties also stipulate to the same.

16 RESPECTFULLY SUBMITTED this 11th day of February, 2015.

17
18 By 
19 Bridget A. Humphrey, Staff Attorney
20 Matthew Laudone, Staff Attorney
21 Arizona Corporation Commission
22 1200 West Washington Street
23 Phoenix, Arizona 85007
24 (602) 542-3402

25 and
26 By  with *permission*
27 Craig A. Marks
28 Craig A. Marks, PLC
10645 N. Tatum Blvd., Suite 200-676
Phoenix, Arizona 85028
(480) 367-1956
Attorney for Chino Meadows II Water Company, Inc.

1 Original and thirteen (13) copies of
2 the foregoing filed this 11th day of
February, 2015, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
Phoenix, Arizona 85007

6 Copy of the foregoing mailed and/or emailed
this 11th day of February, 2015, to:

7 Craig A. Marks
8 CRAIG A. MARKS, PLC
9 10645 N. Tatum Blvd., Suite 200-676
Phoenix, Arizona 85028
Attorney for Chino Meadows II Water Company, Inc.

10
11 
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28