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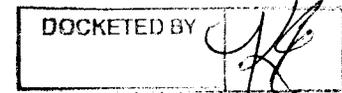
October 19, 2015

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Arizona Corporation Commission
DOCKETED

OCT 19 2015

Arizona Corporation Commission
Attn: Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007-2996



Re: In the Matter of the Application of Arizona Water Company to Extend Its Certificate of Convenience and Necessity in Casa Grande, Pinal County, Arizona; Docket No. W-01445A-03-0559: Item 8 on Commission Staff Meeting Agenda for October 20, 2015

Dear Members of the Commission:

On September 3, 2015, Ernest G. Johnson, the Commission's immediate past Executive Director, submitted a written letter request to current Executive Director Jodi Jerich to be allowed to testify as a witness in a pending Commission matter, Docket No. W-01445A-03-0559, despite his longstanding involvement in the case while Executive Director. As Mr. Johnson noted in his letter, there does not appear to be any specific process or procedure for dealing with such a request, and we note that on this past Friday the matter was placed on the agenda for consideration in a Commission Staff Meeting set for tomorrow, October 20. So that the Commission is aware of Arizona Water Company's position regarding Mr. Johnson's request, we submit this letter response on behalf of the Company.

The underlying docketed matter has been the subject of intense dispute and litigation for many years. When Mr. Johnson was added as a witness on behalf of Cornman Tweedy 560, LLC in the latter stages of the proceeding as a rebuttal witness, Arizona Water Company moved to strike his testimony and to preclude him as a witness because of his degree of participation in the underlying matter for many years as Executive Director. The reasons for precluding his testimony were set forth in that motion, which

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was docketed on July 29, 2014. At oral argument of the motion, Administrative Law Judge Dwight D. Nodes raised the additional issue of the application of a decision by the Oregon Public Utility Commission in In Re Portland Gen. Elec. Co., 2001 WL 514388 (Or. P.U.C. Mar. 21, 2001). In that decision, the Oregon PUC carefully considered many of the same issues present here and excluded its prior Executive Director as a witness to protect the integrity of the Commission and to avoid any appearance of impropriety. Arizona Water Company's supplemental brief regarding the Oregon PUC opinion, filed at Judge Nodes' invitation, was docketed on September 22, 2014. Mr. Johnson never sought permission to testify from the Commission until a Procedural Order was entered ruling on the pending motion on May 7, 2015.

For all of the reasons summarized in the July 29, 2014 Motion to Strike and the September 22, 2014 Supplemental Brief, as well as the rationale set forth in the Oregon PUC opinion, which are incorporated here, Arizona Water Company respectfully submits that the Commission should decline Mr. Johnson's request for permission to testify. Arizona Water Company agrees with the reasoning set forth in the May 7, 2015 Procedural Order, which concluded in part:

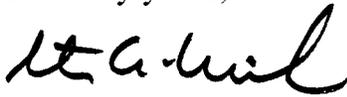
As Staff's Director and the named proponent for the Staff Memoranda, Mr. Johnson would have borne ultimate responsibility for the contents of the Staff Memoranda even if he did not personally place his initials upon them. It would stretch credulity to believe that Mr. Johnson was not familiar with and involved in formulating the policy behind the contents of the April 2005 and June 2006 Staff Memoranda, even if he no longer recalls the details. As Mr. Johnson recounted, overseeing Staff policy and case strategy was part of his job. (footnote omitted). Further, as Staff's Director, Mr. Johnson would have been ultimately responsible for interacting with Staff's attorney to assist in the formulation of Staff's legal position, which has been provided in filings, at hearing, and during other proceedings after April 2005. To conclude that Mr. Johnson did not take an active part in the preparation for this matter would be to conclude that Mr. Johnson did not fulfill his duties as Staff's Director, which he described as being 'responsible for the day-to-day operations of the Utilities Division, including policy development, case strategy, and overall Division management.' (footnote omitted) No assertion has been made that Mr. Johnson did not fulfill those job duties. Thus, the only conclusion

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is that Mr. Johnson took an active part in the preparation of this matter in his capacity of Staff's Director and that Rule 104 applies to him as a potential witness in this matter. (footnote omitted).

(May 7, 2015 Procedural Order at p. 19, l. 19 – p. 20, l. 9).

Sincerely yours,

A handwritten signature in black ink, appearing to read "S. A. Hirsch". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Steven A. Hirsch

SAH:kjh