

ORIGINAL



0000166384

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

Arizona Corporation Commission

RECEIVED

AZ CORP COMMISSION

DOCKETED

DOCKET CONTROL

OCT 6 2015

2015 OCT 6 PM 1 44

DOCKETED BY	<i>WST</i>
-------------	------------

IN THE MATTER OF THE APPLICATION OF  
SULPHUR SPRINGS VALLEY ELECTRIC  
COOPERATIVE, INC. FOR A HEARING TO  
DETERMINE THE FAIR VALUE OF ITS  
PROPERTY FOR RATEMAKING PURPOSES, TO  
FIX A JUST AND REASONABLE RETURN  
THEREON, TO APPROVE RATES DESIGNED TO  
DEVELOP SUCH RETURN AND FOR RELATED  
APPROVALS.

DOCKET NO. E-01575A-15-0312

RATE CASE  
PROCEDURAL ORDER

BY THE COMMISSION:

On August 31, 2015, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or "Company") filed an Application with the Arizona Corporation Commission ("Commission") for a rate increase.

On September 30, 2015, the Commission's Utilities Division ("Staff") notified SSVEC that its application met the sufficiency requirements of Arizona Administrative Code ("A.A.C.") R14-2-103, and classified the Company as a Class A utility.<sup>1</sup>

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

IT IS THEREFORE ORDERED that the **hearing** in this matter shall begin on **June 7, 2016, at 10:00 a.m.**, or as soon thereafter as is practical, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona 85701.**

...

<sup>1</sup> On September 2, 2015, Staff filed a Motion to Consolidate this docket with Docket No. E-01575A-15-0127, SSVEC's Net Metering Tariff Application. The Company opposed Staff's Motion. A Recommended Opinion and Order docketed September 28, 2015, concluded it was in the public interest to dismiss Docket No. E-01575A-15-0127. Staff's Motion to Consolidate will be addressed after the Commission's disposition of the Recommended Opinion and Order in Docket No. E-01575A-15-0127.

1 IT IS FURTHER ORDERED that a **Pre-hearing Conference** shall be held on **June 2, 2016,**  
2 **at 10:00 a.m., at the Commission's Tucson Offices, Room 222, 400 West Congress, Tucson,**  
3 **Arizona, 85701,** for the purpose of scheduling witnesses and the conduct of the hearing. Parties may  
4 appear telephonically, but should contact the Hearing Division at (602) 542-4250 to indicate if they  
5 will be calling in.<sup>2</sup>

6 IT IS FURTHER ORDERED that any **direct testimony (except that related to rate design**  
7 **and cost of service)** and associated exhibits to be presented at hearing on behalf of **Staff or Intervenors**  
8 shall be reduced to writing and filed on or before **March 18, 2016.**

9 IT IS FURTHER ORDERED that any **direct testimony related rate design and cost of**  
10 **service** and associated exhibits to be presented at hearing on behalf of **Staff and Intervenors** shall be  
11 reduced to writing and filed on or before **April 1, 2016.**

12 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be  
13 presented at hearing by the **Company** shall be reduced to writing and filed on or before **April 27, 2016.**

14 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be  
15 presented by the **Staff and/or intervenors** shall be reduced to writing and filed on or before **May 20,**  
16 **2016.**

17 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be  
18 presented at the hearing by the **Company** shall be reduced to writing and filed on or before **May 27,**  
19 **2016.**

20 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have been  
21 pre-filed before May 27, 2016, shall be made on or before the Pre-Hearing Conference.

22 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to pre-  
23 filed testimony shall be reduced to writing and filed no later than five days before the witness is  
24 scheduled to testify.

25

26

27

28

---

<sup>2</sup> The call-in number to participate telephonically is 1-888-450-5996, Access Code 457395#.

1 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-105,  
2 except that all motions to intervene must be filed **on or before February 19, 2016**.

3 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
4 regulations of the Commission, except that through **March 11, 2016**, any objection to discovery  
5 requests shall be made within 7 days<sup>3</sup> of receipt and responses to discovery requests shall be made  
6 within 10 days of receipt; thereafter, objections to discovery requests shall be made within 5 days and  
7 responses shall be made in 7 days;<sup>1</sup> the response time may be extended by mutual agreement of the  
8 parties involved if the request requires an extensive compilation effort.

9 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
10 discovery, any party seeking discovery may telephonically contact the Commission's Hearing Division  
11 to request a date for a procedural hearing to resolve the discovery dispute; that upon such a request, a  
12 procedural hearing will be convened as soon as practicable; and that the party making such a request  
13 shall forthwith contact all other parties to advise them of the hearing date and shall at the hearing  
14 provide a statement confirming that the other parties were contacted.<sup>4</sup>

15 IT IS FURTHER ORDERED that any responses to motions shall be filed within five days of  
16 the filing date of the motion.

17 IT IS FURTHER ORDERED that any replies shall be filed within five days of the filing date  
18 of the response.

19 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by  
20 the Commission within 20 days of the filing date of the motion shall be deemed denied.

21 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
22 this matter, in the following type size, form and style with the heading in no less than 16 point bold  
23 type and the body in no less than 10-point regular type:

24 ...

25 ...

26 ...

---

27 <sup>3</sup> "Days" means calendar days.

28 <sup>4</sup> The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking Commission resolution of the controversy.



1 comments to the Commission, go to  
2 <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require  
3 assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520)  
4 628-6550.

5 **About Intervention**

6 The law provides for an open public hearing at which, under appropriate circumstances,  
7 interested persons may intervene. An interested person may be granted intervention if the  
8 outcome of the case will directly and substantially impact the person, and the person's  
9 intervention will not unduly broaden the issues in the case. Intervention, among other  
10 things, entitles a party to present sworn evidence at hearing and to cross-examine other  
11 parties' witnesses. However, failure to intervene will not preclude any interested person  
12 or entity from appearing at the hearing and providing public comment on the application  
13 or from filing written comments in the record of the case.

14 To request intervention, you must file an **original and 13 hard copies** of a written request  
15 to intervene with Docket Control, 1200 West Washington, Phoenix, AZ 85007, **no later  
16 than February 19, 2016**. You also **must** serve a copy of the request to intervene on each  
17 party of record, on the same day that you file the request to intervene with the Commission.  
18 Information about intervention and sample intervention requests are available on the  
19 Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Intervention in Utility Cases" link.

20 Your request to intervene must contain the following:

- 21 1. Your name, address, and telephone number, and the name, address, and telephone  
22 number of any person upon whom service of documents is to be made, if not yourself;
- 23 2. A reference to **Docket No. E-01575A-15-0312**;
- 24 3. A short statement explaining:
  - 25 a. Your interest in the proceeding (e.g., a customer of the utility, a shareholder  
26 of the utility, etc.),
  - 27 b. How you will be directly and substantially affected by the outcome of the  
28 case, and
  - c. Why your intervention will not unduly broaden the issues in the case;
- 1 4. A statement certifying that you have served a copy of the request to intervene on  
2 the utility or its attorney and all other parties of record in the case; and
- 3 5. If you are not represented by an attorney who is an active member of the Arizona  
4 State Bar, and you are not representing yourself as an individual, sufficient information  
5 and any appropriate documentation to demonstrate compliance with Arizona Supreme  
6 Court Rules 31, 38, and 42, as applicable.

7 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that  
8 all motions to intervene must be filed on or before February 19, 2016. If representation  
9 by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned  
10 upon the intervenor obtaining counsel to represent the intervenor.

11 **If you do not intervene in this proceeding, you will not receive further notice of the  
12 proceedings in this docket. However, all documents filed in this docket are available  
13 online** (usually within 24 hours after docketing) at the Commission's website  
14 [www.azcc.gov](http://www.azcc.gov) using the e-Docket function, located at the bottom of the website homepage.  
15 RSS feeds are also available through e-Docket.

16 **ADA/Equal Access Information**

17 The Commission does not discriminate on the basis of disability in admission to its public  
18 meetings. Persons with a disability may request a reasonable accommodation such as a  
19 sign language interpreter, as well as request this document in an alternative format, by  
20 contacting the ADA Coordinator Shaylin Bernal, E-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice

1 phone number 602/542-3931. Requests should be made as early as possible to allow time  
2 to arrange the accommodation.

3 IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of  
4 the above notice by **December 1, 2015**; shall cause the above notice to be published at least once in a  
5 newspaper of local circulation in its service territory, with **publication** to be completed no later than  
6 **December 1, 2015**; and shall make the notice available on its website easily accessible from the  
7 homepage.

8 IT IS FURTHER ORDERED that the Company shall file certifications of mailing and  
9 publication as soon as practicable after they have been completed.

10 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and  
11 publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

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

15 IT IS FURTHER ORDERED that all parties must comply with Rule 33 (c) and (d) of the Rules  
16 of the Arizona Supreme Court with respect to practice of law and admission *pro hac vice*.

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

23 IT IS FURTHER ORDERED that, as permitted under A.A.C. R14-3-107(B), each party to this  
24 matter may opt to receive service of all filings in this docket, including all filings by parties and all  
25 Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the  
26 Commission's Hearing Division, via email sent to an email address provided by the party rather than  
27 via U.S. Mail. To exercise this option, a party shall:

- 28 1. Ensure that the party has a valid and active email address to which the party has regular  
and reliable access ("designated email address");

- 1           2.     Complete a Consent to Email Service form, available on the Commission’s website
- 2                     ([www.azcc.gov](http://www.azcc.gov));
- 3           3.     File the original and 13 copies of the Consent to Email Service form with the
- 4                     Commission’s Docket Control, also providing service to each party to the service list;
- 5           4.     Send an email, containing the party’s name and the docket number for this matter, to
- 6                     [HearingDivisionServicebyEmail@azcc.gov](mailto:HearingDivisionServicebyEmail@azcc.gov) from the designated email address, to allow
- 7                     the Hearing Division to verify the validity of the designated email address;
- 8           5.     Understand and agree that service of a document on the party shall be complete upon
- 9                     the sending of an email containing the document to the designated email address,
- 10                    regardless of whether the party receives or reads the email containing the document;
- 11                    and
- 12           6.     Understand and agree that the party will no longer receive service of filings in this
- 13                    matter through First Class U.S. Mail or any other form of hard-copy delivery, unless
- 14                    and until the party withdraws this consent through a filing made in this docket.

15           IT IS FURTHER ORDERED that a party’s consent to email service shall not become effective  
 16 until a Procedural Order is issued approving the use of email service for the party. The Procedural  
 17 Order shall be issued only after the party has completed steps 1 through 4 above, and the Hearing  
 18 Division has verified receipt of an email from the party’s designated email address.

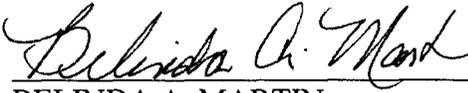
19           IT IS FURTHER ORDERED that a party’s election to receive service of all filings in this matter  
 20 via email does not change the requirement that all filings with the Commission’s Docket Control must  
 21 be made in hard copy and must include an original and 13 copies.

22           IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
 23 pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

24 ...  
 25 ...  
 26 ...  
 27 ...  
 28 ...

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 6<sup>th</sup> day of October, 2015.  
4

5   
6 \_\_\_\_\_  
7 BELINDA A. MARTIN  
8 ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed  
10 this 6<sup>th</sup> day of October, 2015 to:

11 Jeffrey W. Crockett  
12 CROCKETT LAW GROUP, PLC  
13 1702 East Highland Avenue, Suite 204  
14 Phoenix, AZ 85016

15 Kirby Chapman, CFAO  
16 SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC.  
17 311 East Wilcox  
18 Sierra Vista, AZ 85650

19 Janice Alward, Chief Counsel  
20 Legal Division  
21 ARIZONA CORPORATION COMMISSION  
22 1200 W. Washington Street  
23 Phoenix, Arizona 85007

24 Thomas Broderick, Director  
25 Utilities Division  
26 ARIZONA CORPORATION COMMISSION  
27 1200 W. Washington Street  
28 Phoenix, Arizona 85007

COASH & COASH, INC.  
Court Reporting, Video & Videoconferencing  
1802 North 7<sup>th</sup> Street  
Phoenix, AZ 85006

By:   
25 \_\_\_\_\_  
26 Tammy Velarde  
27 Assistant to Belinda A Martin  
28