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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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Arizona Corporation Commission

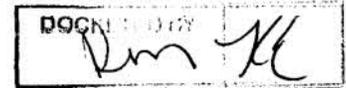
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DOUG LITTLE – Interim Chairman
BOB STUMP
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AZ CORP COMMISSION
DOCKET CONTROL



IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (BELLA VISTA WATER)
CORP., AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF ITS
UTILITY PLANTS AND PROPERTY AND FOR
INCREASES IN ITS WATER RATES AND
CHARGES FOR UTILITY SERVICE BASED
THEREON.

DOCKET NO. W-02465A-15-0367

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (BELLA VISTA WATER)
CORP., AN ARIZONA CORPORATION, FOR
AUTHORITY TO ISSUE EVIDENCE OF
INDEBTEDNESS IN AN AMOUNT NOT TO
EXCEED \$4,700,000.

DOCKET NO. W-02465A-15-0370

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (RIO RICO WATER &
SEWER) CORP., AN ARIZONA CORPORATION,
FOR A DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND PROPERTY AND
FOR INCREASES IN ITS WATER AND
WASTEWATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO. WS-02676A-15-0368

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (RIO RICO WATER &
SEWER) CORP., AN ARIZONA CORPORATION,
FOR AUTHORITY TO ISSUE EVIDENCE OF
INDEBTEDNESS IN AN AMOUNT NOT TO
EXCEED \$8,900,000.

DOCKET NO. WS-02676A-15-0371

PROCEDURAL ORDER

BY THE COMMISSION:

On October 28, 2015, Liberty Utilities (Bella Vista Water) Corp. (“Liberty” or “Company”) filed with the Arizona Corporation Commission (“Commission”) in Docket No. W-02465A-15-0367 an application requesting that the Commission establish the fair value of its plant and property used for the provision of public water utility service and, based on such finding, approve permanent rates and charges for utility service designed to produce a fair return thereon (“Rate Docket”).

1 On October 28, 2015, Liberty Utilities (Rio Rico Water & Sewer) Corp. filed with the Arizona
2 Corporation Commission (“Commission”) in Docket No. W-02465A-15-0367 an application
3 requesting that the Commission establish the fair value of its plant and property used for the provision
4 of public water and wastewater utility service and, based on such finding, approve permanent rates and
5 charges for utility service designed to produce a fair return thereon (“Rate Docket”).

6 On November 2, 2015, Liberty filed with the Commission, in Docket No. W-02465A-15-0370,
7 an application requesting authority from the Commission to issue evidence of indebtedness in a total
8 amount not to exceed \$4,700,000 (“Finance Docket”).

9 November 2, 2015, Liberty Utilities (Rio Rico Water & Sewer) Corp. filed with the
10 Commission, in Docket No. W-02676A-15-0371, an application requesting authority from the
11 Commission to issue evidence of indebtedness in a total amount not to exceed \$8,900,000 (“Finance
12 Docket”).

13 On November 3, 2015, Liberty filed Motions to Consolidate in both Rate Dockets and both
14 Finance Dockets.

15 On November 25, the Commission’s Utilities Division (“Staff”) issued a Letter of Sufficiency
16 stating that Liberty’s application had met the sufficiency requirements of Arizona Administrative Code
17 (“A.A.C.”) R14-2-103 and that Liberty had been classified as a Class B utility.

18 On December 24, 2015, a Procedural Order was issued consolidating the above reference
19 dockets and scheduling a hearing for July 25, 2016, establishing various procedural and filing
20 deadlines, and directing the Company to mail and publish notice by March 1, 2016. However, the
21 December 24, 2015, Procedural Order inadvertently referenced an incorrect docket number in the
22 required Public Notice for Liberty Utilities (Bella Vista Water) Corp., on page 6, line 11.

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1 IT IS THEREFORE ORDERED that for its **Bella Vista Water** customers, **Liberty shall**
2 **provide the following corrected public notice** of the hearing in this matter, in the following form and
3 style, with the heading in no less than 12-point bold type and the body in no less than 10-point regular
4 type:

5 **PUBLIC NOTICE OF HEARING ON THE**
6 **APPLICATIONS OF LIBERTY UTILITIES**
7 **(BELLA VISTA WATER) CORP.**
8 **FOR A RATE INCREASE AND FOR APPROVAL TO INCUR DEBT**
9 **(DOCKET NOS. W-02465A-15-0367 AND W-02465A-15-0370).**

10 **Summary**

11 On October 28, 2015, Liberty Utilities (Bella Vista Water) Corp. ("Liberty") filed with
12 the Arizona Corporation Commission ("Commission"). In Docket No. W-02465A-15-
13 0367 an application requesting that the Commission establish the fair value of its plant
14 and property used for the provision of public water utility service for Bella Vista Water
15 and, based on such finding, approve permanent rates and charges for utility service
16 designed to produce a fair return thereon. On November 2, 2015, Liberty filed with the
17 Commission, in Docket No. W-02465A-15-0370, an application requesting authority
18 from the Commission to issue evidence of indebtedness for Bella Vista Water in a total
19 amount not to exceed \$4,700,000.

20 Liberty requests authorization to increase its rates to generate total revenues by
21 \$6,179,027. This would constitute an increase in revenues by \$1,554,297, or 33.61
22 percent over test year revenues of \$4,624,730. For information about how Liberty's
23 revenue increase would affect your individual bill, you may contact Liberty at
24 **[LIBERTY INSERT APPROPRIATE CONTACT INFORMATION HERE]**.

25 The Commission's Utilities Division ("Staff") is in the process of auditing and
26 analyzing the applications, and has not yet made any recommendations regarding
27 Liberty's proposed rate increase or financing application. The Commission will
28 determine the appropriate relief to be granted based on the evidence of record in the
proceeding. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE
BY LIBERTY, STAFF, OR ANY INTERVENORS; THEREFORE, THE FINAL
RATES APPROVED BY THE COMMISSION MAY DIFFER FROM AND MAY
BE HIGHER OR LOWER THAN THE RATES REQUESTED BY LIBERTY OR
RECOMMENDED BY OTHER PARTIES.**

29 **How You Can View or Obtain a Copy of the Rate Proposal**

30 Copies of the application and proposed rates are available from Liberty **[LIBERTY**
31 **INSERT HOW AND WHERE AVAILABLE]** and at the Commission's Docket
32 Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection
33 during regular business hours, and on the Internet via the Commission's website
34 (www.azcc.gov) using the e-Docket function.

35 **Arizona Corporation Commission Public Hearing Information**

36 The Commission will hold a hearing on these matters beginning **July 25, 2016, at 10:00**
37 **a.m.**, at the Commission's offices Hearing Room No. 1, 1200 West Washington Street,
38 Phoenix, Arizona 85007. Public comments will be taken on the first day of hearing.

1 Written public comments may be submitted by mailing a letter referencing Docket Nos.
 2 W-02465A-15-0367/W-02465A-15-0370 to Arizona Corporation Commission,
 3 Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by
 4 submitting comments on the Commission's website (www.azcc.gov) using the "Submit
 a Public Comment" function. If you require assistance, you may contact the Consumer
 Services Section at 602-542-4251 or 1-800-222-7000.

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
 8 the outcome of the case will directly and substantially impact the person, and the
 9 person's intervention will not unduly broaden the issues in the case. Intervention,
 among other things, entitles a party to present sworn evidence at hearing and to cross-
 examine other parties' witnesses. However, failure to intervene will not preclude any
 interested person or entity from appearing at the hearing and providing public comment
 on the application or from filing written comments in the record of the case.

10 To request intervention, you must file **an original and 13 hard copies** of a written
 11 request to intervene with Docket Control, 1200 West Washington Street, Phoenix, AZ
 12 85007, **no later than April 1, 2016**. You also **must** serve a copy of the request to
 13 intervene on each part of record, on the same day that you file the request to intervene
 with the Commission. Information about intervention and sample intervention requests
 are available on the Commission's website (www.azcc.gov) using the "Intervention in
 Utility Cases" link.

14 Your request to intervene must contain the following:

- 15 1. Your name, address, and telephone number and the name, address, and
 16 telephone number of any person upon whom service of documents is to be
 made, if not yourself;
- 17 2. A reference to **Docket Nos. W-02465A-15-0367 and W-02465A-15-0370;**
- 18 3. A short statement of your interest in the proceeding (e.g., a customer or
 19 potential customer of Liberty, a member or shareholder of Liberty, etc.) and
 how you will be directly and substantially affected by the outcome of the case,
 20 and why your intervention will not unduly broaden the issues in the case;
- 21 4. A statement certifying that a copy of the motion to intervene has been mailed
 to Liberty or its counsel and to all parties of record in the case; and
- 22 5. If you are not represented by an attorney who is an active member of the Arizona
 23 State Bar, and is not an individual representing himself or herself, information
 and any appropriate documentation demonstrating compliance with Arizona
 Supreme Court Rules 31, 38, and 42, as applicable.

24 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except
 25 that all motions to intervene must be filed on or before April 1, 2016. If representation
 26 by counsel is required by Arizona Supreme Court Rule 31, intervention will be
 conditioned upon the intervenor obtaining counsel to represent the intervenor.

27 ADA/Equal Access Information

28 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

1 such as a sign language interpreter, as well as request this document in an alternative
2 format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail
3 SAbernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as
4 early as possible to allow time to arrange the accommodation.

5 IT IS FURTHER ORDERED that in all other respects, the December 24, 2015, Procedural
6 Order shall remain in full force and effect.

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

10 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
11 31, 38, and 42 and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.¹

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

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

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

23 DATED this 20th day of January, 2016.

24 
25 _____
26 DWIGHT D. NODES
27 CHIEF ADMINISTRATIVE LAW JUDGE

28 ¹ If a corporation is not represented by an attorney authorized to practice law in Arizona in a proceeding before the Commission, an officer of the corporation may represent the entity as long as the board of directors has authorized such person to represent it in the matter and such representation is not the person's primary duty to the entity, but secondary or incidental to other duties relating to the management or operation of the entity, and such person is not receiving separate or additional compensation for such representation. See Arizona Supreme Court Rule 31(d)(13). The Commission requires entities to docket evidence of board authorization.

1 Copies of the foregoing mailed/delivered
2 this 20th day of January, 2016 to:

3 Jay L. Shapiro
4 SHAPIRO LAW FIRM, P.C.
5 1819 E. Morten Avenue, Suite 280
6 Phoenix, AZ 85020
7 Attorney for Liberty Utilities

8 Todd C. Wiley
9 LIBERTY UTILITIES
10 12725 W. Indian School Road, Suite D-101
11 Avondale, AZ 85392

12 Daniel W. Pozefsky
13 Chief Counsel
14 Residential Utility Consumer Office
15 1110 W. Washington, Suite 220
16 Phoenix, AZ 85007

17 Janice Alward, Chief Counsel
18 Legal Division
19 ARIZONA CORPORATION COMMISSION
20 1200 West Washington Street
21 Phoenix, AZ 85007

22 Thomas Broderick, Director
23 Utilities Division
24 ARIZONA CORPORATION COMMISSION
25 1200 West Washington Street
26 Phoenix, AZ 85007

27 By: Rebecca Unquera
28 Rebecca Unquera
Assistant to Dwight D. Nodes