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BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

2 COMMISSIONERS

Arizona Corporation Commission

- 3 DOUG LITTLE – Chairman
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DOCKETED

JUN 13 2016

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AZ CORP COMMISSION DOCKET CONTROL

DOCKETED BY *AL*

7 IN THE MATTER OF THE APPLICATION OF
 8 EPCOR WATER ARIZONA, INC., AN ARIZONA
 8 CORPORATION, FOR A DETERMINATION OF
 9 THE CURRENT FAIR VALUE OF ITS UTILITY
 9 PLANT AND PROPERTY AND FOR
 10 INCREASES/DECREASES IN ITS RATES AND
 10 CHARGES BASED THEREON FOR UTILITY
 11 SERVICE BY ITS AGUA FRIA, ANTHEM,
 11 MOHAVE, SUN CITY, AND SUN CITY WEST
 12 WASTEWATER DISTRICTS AND FOR
 12 CONSIDERATION OF CONSOLIDATION AND
 12 DE-CONSOLIDATION PROPOSALS.

DOCKET NO. WS-01303A-16-0145

PROCEDURAL ORDER

13 **BY THE COMMISSION:**

14 On April 29, 2016, EPCOR Water Arizona, Inc. (“EPCOR”) filed with the Arizona Corporation
 15 Commission (“Commission”) an application for a determination of the fair value of its utility plant and
 16 property and for increases/decreases in its rates and charges for wastewater utility service in its Agua
 17 Fria, Anthem, Mohave, Sun City, and Sun City West Wastewater Districts and for consideration of
 18 consolidation and deconsolidation proposals.

19 On May 4, 2016, Greg Eisert, Director of and Chairman of Government Affairs for Sun City
 20 Home Owners Association (“Sun City HOA”) filed “Opening Comments for the Docket.”

21 On May 11, 2016, Sun City HOA filed a Motion to Intervene. The Motion to Intervene stated
 22 that the Sun City HOA and Sun City Wastewater District ratepayers will be directly and substantially
 23 affected by this matter. The Motion to Intervene identified Greg Eisert and Steven Puck, Esq. as the
 24 contacts for Sun City HOA, and showed that Sun City HOA’s Board of Directors authorized the
 25 intervention, but did not indicate whether Mr. Puck is the attorney representing Sun City HOA.

26 On May 16, 2016, Frederick Botha, an EPCOR customer, filed a Motion to Intervene. Mr.
 27 Botha stated that service should be made upon him by email, but did not file a Consent to Email Service
 28 form or follow the Hearing Division’s procedure to consent to email service.

1 On May 23, 2016, Verrado Community Association, Inc. ("Verrado"), filed a Motion to
2 Intervene. Verrado stated that it is a customer in EPCOR's Agua Fria Wastewater District.

3 On May 23, 2016, DMB Verrado Golf I LLC ("Verrado Golf") and Verrado ARC LLC
4 ("Verrado ARC") filed a joint Motion to Intervene, stating that each is a current and future effluent
5 customer in EPCOR's Agua Fria Wastewater District.

6 On May 23, 2016, Verrado, Verrado Golf, and Verrado ARC filed their Consent to Email
7 Service. Additionally, counsel for Verrado, Verrado Golf, and Verrado ARC has sent a verification
8 email to the Hearing Division.

9 Also on May 23, 2016, Western Infrastructure Sustainability Effort ("WISE") filed a Motion to
10 Intervene, stating that this matter will have broad implications on the utility industry and will address
11 issues that are critical for determining a utility's ability to attract capital and install and maintain
12 infrastructure.

13 On May 24, 2016, Douglas Edwards and Diane Smith, residents in the Corte Bella Country
14 Club Association ("CBCCA") area, each filed a Motion to Intervene, each identifying as an EPCOR
15 customer in the Agua Fria Wastewater District.

16 Also on May 24, 2016, Regina Shanney-Saborsky, another resident in the CBCCA area, filed
17 a Motion to Intervene on behalf of CBCCA. Ms. Shanney-Saborsky stated that she is a member of the
18 CBCCA Government Affairs Committee and has been appointed by CBCCA's Board of Directors to
19 serve as its representative in this matter. Ms. Shanney-Saborsky included documentation of the
20 CBCCA Board's authorization of the intervention.

21 On May 27, 2016, Sun City HOA filed a Consent to Email Service for Mr. Eisert and Mr. Puck.

22 Also on May 27, 2016, the Commission's Utilities Division ("Staff") issued a Letter of
23 Sufficiency pursuant to Arizona Administrative Code ("A.A.C.") R14-2-103, classifying EPCOR as a
24 Class A utility.

25 On May 31, 2016, the Residential Utility Consumer Office ("RUCO") filed an Application to
26 Intervene.

27 On June 1, 2016, the Property Owners and Residents Association ("PORA") of Sun City West
28 ("SCW") filed an Application to Intervene. The SCW PORA stated that the residents of SCW are

1 EPCOR customers and maintain a high level of concern regarding the ramifications of the consolidation
2 proposals and any rate increase. The Application to Intervene identified Al Gervenack, Director, as
3 SCW PORA's representative and included a Board Resolution to that effect. Rob Robbins, President
4 of SCW PORA, was identified as an alternate representative, should Mr. Gervenack become unable to
5 serve. SCW PORA indicated a willingness to receive service by email, but did not file a Consent to
6 Email Service form.

7 On June 3, 2016, a Procedural Order was issued scheduling the hearing in this matter to
8 commence on January 23, 2017, and establishing other procedural requirements and deadlines. The
9 Procedural Order also granted intervention to Sun City HOA, Frederick Botha, Verrado, Verrado Golf,
10 Verrado ARC, WISE, Douglas Edwards, Diane Smith, and CBCCA and approved email service for
11 Verrado, Verrado Golf, and Verrado ARC.

12 On June 6, 2016, Sun City HOA sent a verification email to the Hearing Division.

13 On June 7, 2016, EPCOR filed a letter indicating that the notice required by the Procedural
14 Order will be mailed in a separate direct mailing rather than as a bill insert because it is not possible to
15 include the notice in a bill insert prior to July 1, 2016.¹

16 On June 9, 2016, EPCOR filed a letter indicating that the notice in the Procedural Order
17 included a typographical error, which will be corrected in the public notice.²

18 On June 13, 2016, the Sun City HOA made a filing to clarify that Mr. Puck is a "follow-up
19 intervener" to Mr. Eisert, not counsel for the Sun City HOA.

20 No objections to intervention have been filed. Thus, it is just and reasonable to grant
21 intervention to RUCO and SCW PORA and, further, to approve email service consent for Sun City
22 HOA.

23 IT IS THEREFORE ORDERED that **intervention** is hereby granted to the Residential Utility
24 Consumer Office and the Sun City West Property Owner & Residents Association.

25 IT IS FURTHER ORDERED that the request by the Sun City Home Owners Association to
26 receive service of all filings in this docket, including all filings by interested persons and Staff and all

27 ¹ EPCOR's proposed form of mailing notice is appropriate.

28 ² The error was included in the Direct Testimony of Sheryl Hubbard at page 5. Correcting it in the public notice is appropriate.

1 Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the
2 Commission's Hearing Division, via its designated email address rather than via U.S. Mail, is hereby
3 approved.

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

7 DATED this 13th day of June, 2016.

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10 
SARAH N. HARPRING
ADMINISTRATIVE LAW JUDGE

11 Copies of the foregoing mailed
12 this 13th day of June, 2016, to:

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Consented to Service by Email

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8 **Consented to Service by Email**

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