

ORIGINAL



0000173864

1 Steve Wene, No. 019630
2 MOYES SELLERS & HENDRICKS LTD.
3 1850 N. Central Avenue, Suite 1100
4 Phoenix, Arizona 85004
5 (602)-604-2189
6 swene@law-msh.com
7 Attorneys for Clear Springs Utility
8 Company, Inc.

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2016 OCT -7 P 4: 26

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

9 DOUG LITTLE, CHAIRMAN
10 BOB STUMP
11 BOB BURNS
12 TOM FORESE
13 ANDY TOBIN

Arizona Corporation Commission

DOCKETED

OCT 07 2016

DOCKETED BY *[Signature]*

14 IN THE MATTER OF APPLICATION OF
15 CLEAR SPRINGS UTILITY CO., INC., FOR
16 AN INCREASE IN WATER RATES

DOCKET NO. W-01689A-16-0187

**MOTION FOR A PROPOSED
SCHEDULING ORDER**

17
18 Clear Springs Utility Company, Inc. ("Clear Springs" or "Company") hereby files
19 its motion for a proposed scheduling order. As the Court is aware, Clear Springs has
20 filed four interrelated applications: (1) water rate application; (2) sewer rate application;
21 (3) water finance application; and (4) sewer finance application. The Company has filed
22 motions to consolidate these matters into one case and has requested a hearing. The
23 Company believes consolidation and a hearing will expedite the decision-making
24 process.
25

26
27 With the financing applications now filed, and knowing that Staff and other
28 potential parties need adequate time to determine the impact these applications may have

1 on rates, the current schedules in the rate cases are untenable. Therefore, the Company
2 moves this Court for an order to amend the case schedule as follows:

- 3
- 4 • Set a consolidated hearing on or around January 24, 2017, at 10:00 a.m. or as soon
5 as thereafter as practical, at the Arizona Corporation Commission's offices, Room
6 222, 400 West Congress, Tucson, Arizona 85701.
- 7
- 8 • Staff Report and/or direct testimony and associated exhibits to be presented at
9 hearing be filed on or before December 2, 2016.
- 10
- 11 • Intervenors direct testimony and associated exhibits to be presented at hearing be
12 filed on or before December 2, 2016.
- 13
- 14 • Any rebuttal testimony and associated exhibits to be presented at hearing be filed
15 on or before December 20, 2016.
- 16
- 17 • Staff and any Intervenor replies be filed on or before January 6.
- 18
- 19 • Company surreply filed on or before January 13.
- 20
- 21 • Any motion to intervene must be filed on or before November 9, 2016. The
22 Company shall provide public notice of the hearing by mail to each of its
23 customers and publish in a newspaper of local circulation in its service territory by
24 October 21, 2016 (a proposed public notice is set forth in Attachment 1).

25 The Company believes this proposed schedule may allow the recommended opinion and
26 order to be ready in time for the Commission open meeting in March.
27
28

1 RESPECTFULLY SUBMITTED this 7th day of October, 2016.

2 **MOYES SELLERS & HENDRICKS**

3
4 
5 _____
Steve Wene

6 Original and thirteen (13) copies
7 of the foregoing filed this 7th day
8 of October, 2016 with:

9
10 Docket Control
11 Arizona Corporation Commission
12 1200 West Washington Street
13 Phoenix, Arizona 85007

14 
15 _____

ATTACHMENT 1

PUBLIC NOTICE OF HEARING ON THE
RATE AND FINANCE APPLICATIONS OF
CLEAR SPRINGS UTILITY CO., INC.
Docket Nos. WS-01689A-16-0184, WS-01689A-16-0287,
W-01689A-16-0187, and W-01689A-16-0288

Clear Springs Utility Company, Inc. ("Company") has applied to the Arizona Corporation Commission ("Commission") for an adjustment in rates. The current rates have been in effect since August 1, 2013. An increase in rates is necessary at this time due to the need to maintain and improve the system and pay operation and maintenance expenses. Based on the Company's unaudited Test Year results, the Company's Water Division realized an operating loss of \$45,262 and the Sewer Division realized an operating loss of \$9,929. Regarding the Water Division, the Company is requesting a revenue increase of \$120,000, or 64% of total revenues. Please see the attached pages 9 and 11 of the Company's water rate application for the current and proposed rates. Regarding the Sewer Division, the Company is requesting a revenue increase of \$40,000, or 87% of total revenues.

On August 19, 2016, the Company filed an application with the Commission for an order authorizing the Company to issue \$586,002 of debt. The purpose of the financing is to install a new water tank, repair a well, and replace fire hydrants. The Company also filed an application for an order authorizing the Company to issue \$543,938 of debt for the Sewer Division. The purpose of financing is to install a new package lift station and inspect and repair sewer mains.

The applications are available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street (for Tucson, call 800-535-0148 if located outside the Tucson local calling area or 520-628-6555 if located inside the Tucson local calling area) and at Southwestern Utility Management, Inc., 2015 N. Forbes Blvd., Suite 107, Tucson, AZ 85745, 800-315-5333. **Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.**

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 (if located inside the Phoenix local calling area). Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 (if located inside the Tucson local calling area).

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

Public Hearing Information

The Commission will hold a **hearing** on this matter beginning _____, at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona 85701.

Public comments will be taken at the beginning of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. WS-01689A-11-0402 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington Street, Phoenix, Arizona 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (502) 628-6550.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than _____ 2016, and a copy of the motion to Clear Springs or its counsel and to all parties of record. Your motion must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, etc.).
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

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

information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other 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.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meeting. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.