

**BEFORE THE CORPORATION COMMISSION OF OKLAHOMA**

IN THE MATTER OF THE APPLICATION ) CAUSE NO. PUD 201400067  
OF BLUE QUAIL WATER COMPANY )  
FOR A CHANGE OR MODIFICATION OF ) ORDER NO.  
ITS RATES, CHARGES AND TARIFFS ) **629343**

HEARING: July 24, 2014, in Courtroom B  
2101 North Lincoln Boulevard, Oklahoma City, OK 73105  
*Before Ben Jackson, Administrative Law Judge*

APPEARANCES: Ron Comingdeer, Attorney *representing* Blue Quail Water Company;  
C. Eric Davis, Assistant General Counsel, *representing* Public Utility  
Division, Oklahoma Corporation Commission  
Jerry J. Sanger, Assistant Attorney General *representing* the Attorney  
General of Oklahoma

**ORDER ESTABLISHING PROCEDURAL SCHEDULE**

This Cause comes before the Oklahoma Corporation Commission ("Commission") on Blue Quail Water Company's ("Blue Quail" or "Applicant") Motion for an Order Prescribing Procedural Schedule filed on July 17, 2014.

**I. PROCEDURAL HISTORY**

On March 13, 2014, Blue Quail filed its Notice of Intent to file for rate relief in this Cause. Pursuant to that Notice, and in accordance with OAC 165:70-7-4, on June 25, 2014, Blue Quail filed the Application in this Cause requesting increased rates. On July 17, 2014, the Applicant filed a Motion for an Order Prescribing Procedural Schedule.

**II. PROCEDURAL SCHEDULE**

Following discussion, the parties advised the Commission of the following agreed procedural schedule (the "Schedule"), and the Administrative Law Judge recommended approval of the Schedule.

Monday, September 15, 2014	Major Issues List Filed by PUD, AG Intervenors
Tuesday, September 23, 2014	Deadline for Interventions
Wednesday, October 1, 2014	PUD Completes Audit
Wednesday, October 8, 2014	Exit Conference

Wednesday, October 15, 2014	Responsive Testimony Deadline
Tuesday, October 21, 2014	Settlement Conference
Thursday, October 23, 2014	Statement of Position Deadline for Parties Not Filing Testimony
Wednesday, October 29, 2014	Rebuttal Testimony Deadline, if any
Friday, November 7, 2014	Settlement Conference
Wednesday, November 12, 2014	Pre-Trial Motions Deadline
Thursday, November 13, 2014	Exhibit Lists Filed and Exhibits Exchanged; Testimony Summaries Filed
Friday, November 14, 2014	Hearing on the Merits – 10:00 a.m. – Courtroom B (Pre-Trial Motions Heard Immediately Prior to Hearing on the Merits)

The hearing on the merits shall commence on **November 14, 2014, at 10:00 a.m.** and continue until the record is closed. The hearing shall be held each subsequent business day beginning at 10:00 a.m. unless otherwise directed by the Administrative Law Judge (“ALJ”). The hearing will be held in Courtroom B located on the first floor of the Jim Thorpe Office Building, unless the ALJ directs otherwise.

### **III. GENERAL PROVISIONS**

#### **A. ORDER AND PRESENTATION OF TESTIMONY:**

The presentation of testimony and/or Statement of Position at the hearing on the merits shall be as follows:

- i. Applicant
- ii. Intervenors
- iii. Office of the Attorney General (“AG”)
- iv. Public Utility Division (“PUD”)

#### **B. DISCOVERY AND OBJECTIONS, TESTIMONY SUMMARIES, STATEMENTS OF POSITION AND EXHIBITS**

##### **Discovery and Objections**

1. Discovery shall be governed by OAC 165:5-11-1, except to the extent revised by this order.
2. Responses to data requests must be made within ten (10) business days of service, unless otherwise indicated in this order or as agreed by the responding party.

3. Objections to data requests shall be served within twenty-four (24) hours of service of the data requests. If the parties are unable to reach a resolution regarding the dispute within twenty-four (24) hours of the objection being served, the objecting party shall file a written objection and a hearing on all such objections shall be set before the Administrative Law Judge at the earliest availability of the parties. It shall be the responsibility of the objecting party to notify the Commission or the Administrative Law Judge that the matter will appear on the Docket.

4. Service of data requests shall be by hand-delivery, fax, or electronic mail sent by 3:00 p.m. unless otherwise agreed to by the appropriate parties. Any service occurring after 3:00 p.m. shall be deemed to have occurred on the next day that is not a Saturday, Sunday or Holiday. Any discovery disputes remaining to be resolved at the time of the pretrial hearing shall be heard at the pretrial hearing.

5. Except with respect to responses which are “confidential” or “highly sensitive confidential,” service of responses to discovery requests shall be by hand-delivery, fax, or electronic mail sent by 4:30 p.m. With respect to responses containing “confidential” or “highly sensitive confidential” information, redacted responses shall be served upon all parties in the manner set forth above, and un-redacted responses containing “confidential” or “highly sensitive” information shall be served as agreed to by the parties.

6. Each party of record agrees to serve copies of data requests issued by that party, and responses to data requests made by that party, upon every other party of record, in accordance with the provisions set forth above.

7. Data requests and responses may be referred to and offered as exhibits at the hearing.

8. Any objections regarding the qualification of any witness that are in support of a motion to disqualify the witness and strike that witness’s testimony shall be filed by motion and set for hearing prior to the pretrial conference in this cause.

#### **Testimony Summaries, Statements of Position and Exhibits**

1. Summaries of each witness’ testimony shall be filed and served in accordance with the deadlines set forth above.

2. Any party not filing testimony and desiring to cross-examine witnesses must submit a statement of position by the date specified above.

3. Each party shall file and exchange an Exhibit List by the date set forth above. Notwithstanding this requirement, if for good cause shown, a party finds it necessary during the hearing to present an additional exhibit(s) which was not listed on the exhibit lists, such exhibit(s) shall not be allowed unless submitted to all parties at least twenty-four (24) hours prior to usage and

permitted by the Administrative Law Judge. An exhibit that could have been prepared prior to the commencement of the hearing should be provided to the parties at the time of the scheduled exchange of exhibits. In addition, references may be allowed to previous Commission orders and the Commission shall take judicial notice of any such order.

### **C. PRESENTATION OF TESTIMONY**

#### **Applicant**

1. At the commencement of the hearing, unless directed otherwise by the Administrative Law Judge, each witness for the Applicant shall make any corrections and affirm his/her prefiled direct and rebuttal testimony through direct examination by counsel, which shall be done in lieu of oral direct testimony. Applicant shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised in the rebuttal testimony of the other parties.

2. After the summaries, prefiled testimony and oral surrebuttal testimony, if any, of the witness have been submitted into the record, the witness shall be tendered for oral cross-examination and redirect examination.

3. Any redirect examination will be limited to issues that were raised during cross-examination.

#### **Intervenors/AG/Public Utility Division**

1. After the Applicant has presented their testimony, witnesses for Intervenors, AG and PUD shall make any corrections and affirm his/her prefiled responsive testimony and rebuttal testimony through direct examination by counsel, which shall be done in lieu of oral direct testimony. Intervenors, AG and PUD shall then be permitted to offer oral surrebuttal testimony in response to any new matters raised in the rebuttal testimony of the other parties.

2. After the summaries, prefiled testimony and oral surrebuttal testimony, if any, of the witness have been submitted into the record, the witness shall be tendered for oral cross-examination and redirect examination.

3. Any redirect examination will be limited to issues that were raised during cross-examination.

#### **Surrebuttal**

1. Due to the Applicant having the burden of proof, after other parties have presented their testimony summaries and statements of position, the Applicant may be allowed to present oral sur-surrebuttal testimony, provided the Applicant can show that the other parties have raised new

issues and/or argument which the Applicant was unable to adequately address through cross-examination. The oral sur-surrebuttal shall be strictly limited to the new issues and arguments.

2. Once Applicant has presented its oral sur-surrebuttal testimony, the witness shall be tendered for cross and redirect examination. Any cross-examination shall be limited to the issues addressed in the sur-surrebuttal testimony; likewise, the redirect examination will be limited to issues which were raised during cross-examination.

3. After Applicant's sur-surrebuttal testimony and cross-examination, if any other party(ies) deems it necessary to request of the Commission to be allowed to present further surrebuttal type testimony, the Administrative Law Judge shall evaluate the request and make a determination based on the following criteria:

- (a) Whether or not any new issue(s) has been raised;
- (b) Whether or not the party was able to adequately respond to the new issue during cross-examination;
- (c) Whether or not additional testimony/evidence is needed as a matter of due process to the requesting party;
- (d) Whether or not the additional testimony/evidence is necessary to perfect the record;
- (e) Whether or not the additional testimony/evidence is cumulative in nature and has been previously and sufficiently addressed; and
- (f) Whether or not any statutorily imposed time will permit further testimony/evidence.

#### **IV. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

THE COMMISSION FINDS that it has jurisdiction in this Cause pursuant to Article IX, § 18 of the Oklahoma Constitution and 17 O.S. § 151 et seq.

THE COMMISSION FURTHER FINDS that proper notice of the hearing on this Motion was given by the filing of the Notice of Hearing, and by service upon all parties, as required by OAC 165:5-9-2.

THE COMMISSION FURTHER FINDS that the proposed procedural schedule and general provisions, set forth herein, shall be adopted by the Commission and adhered to by the parties.

There being no oral exceptions taken to the oral recommendation of the Administrative Law Judge, such recommendation becomes the order of the Commission upon the signature of a majority of the Commission.

**ORDER**

THE COMMISSION THEREFORE ORDERS that the procedural schedule and the general provisions as set forth herein shall be adhered to by and between the parties to this Cause and the same shall become the order of the Commission.

THIS ORDER SHALL BE EFFECTIVE immediately.

OKLAHOMA CORPORATION COMMISSION

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BOB ANTHONY, Chairman

*Patrice Douglas*

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PATRICE DOUGLAS, Vice Chairman

*Dana L. Murphy*

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DANA L. MURPHY, Commissioner

**CERTIFICATION**

DONE AND PERFORMED by the Commissioners participating in the making of this order as shown by their signatures above this 19 day of August, 2014.

[seal]

*Peggy Mitchell*

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PEGGY MITCHELL, Secretary

**REPORT OF THE ADMINISTRATIVE LAW JUDGE**

The foregoing findings, conclusions, and order are the report and recommendation of the undersigned administrative law judge.

*Ben Jackson*

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Ben Jackson

Administrative Law Judge

8/11/14

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DATE