

ORIGINAL



0000056181

Werner Braum
4119 E. Stanford Drive
Phoenix, AZ 85018

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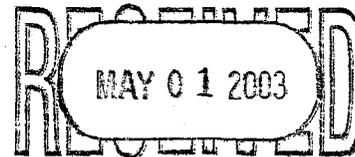
Phoenix, 4-29-2003

2003 MAY 19 A 9 54

Arizona Corporate Commission

AZ CORP COMMISSION
DOCUMENT CONTROL

ARIZONA CORPORATION
COMMISSION



1200 W. Washington
Phoenix, AZ 85007

Director of Utilities

REF. BEAVER VALLEY WATER CO.
-Rate increase -

W-02015A-03-0268

As owner of property in Beaver Valley I would like you to take into consideration the way the water rates are charged to customers. We are only using the property 20-30 days (the most) during the whole year, but are being charged on a monthly basis \$ 19.42, which includes the use of 1000 gallons. I fully understand that there are fixed costs as with all utilities, but the usage of water should be charged by consumption, especially since there are many home owners living year round in Beaver Valley.

Respectfully,

Werner Braum

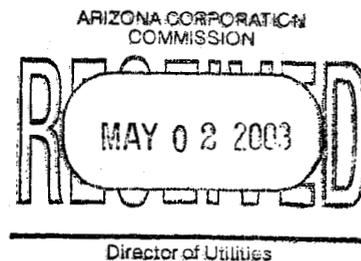
Arizona Corporation Commission
DOCKETED

MAY 19 2003

DOCKETED BY

To: The Arizona State Corporation Commission

From: Albert LeRoy Smith
2734 N. Saratoga
Tempe, AZ. 85281

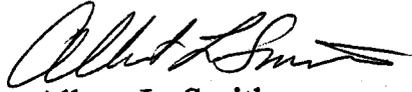


(lot 62 & 64 Beaver Valley)

W-02015A-03-0268

This is a letter of concern pertaining to the rate increase purposed by the Beaver Valley Water Company. I have owned land in Beaver Valley since 1986. In all that time the only improvements we have had to our water company is the meters that were installed so he could have the last increase! Beaver Valley Water Co. uses the FREE water from the east Verde River, so NO well has been provided for in case the river runs dry, like it did last year. The water is undrinkable due to the taste and very low water pressure is very common! We supposably have a new owner, I feel that maybe part of the problem. The water company was part of a deal years ago for some lots to be sold later, well Gene Ward has sold those lots and nothing has been done to upgrade the water co. if the co. lost \$6,978.13 last year why does he want an increase of \$ 24,604.00? Do you feel 60% is fair? I don't!, not for water that I can't drink! We were down to our last few gals of water last year when the river dried up, why hasn't a well been drilled as a backup? We don't want to be another pine/ strawberry! The request says one reason for the increase is "unexpected costs due to the drought conditions" Which part of this is unexpected? Everyone knew it was coming, did the Beaver Valley Water co. plan ahead? NO! They have had years to prepare for the drought conditions, and now it is an emergency? Is the poor planning on their part a reason for a 60% increase? Give us water that is drinkable, and make upgrades that will insure we have another source of water besides the (free) water from the river and Im sure the people of Beaver Valley would be willing to pay a higher rate, but NOT 60%! Please don't let us become another problem like Pine / Strawberry is now. I think the reason it has been 10years since the last increase is because the previous owner realized that they had done nothing to justify a request for more money since nothing has been done to improve the water co. in the past 10years! Please notify me of any hearing that are open to the public on this matter. I would like my chance to speak up, I don't think the commission understands how the owners of lots in Beaver Valley

feel about this. Lots of them aren't in state and have no idea how poor the quality of the water is. I thank you for your help in this matter.

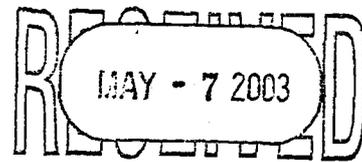
A handwritten signature in cursive script, appearing to read "Albert L. Smith", with a long horizontal flourish extending to the right.

Albert L. Smith

W- 02015A-03-0268

Arizona Corporation Commission
1200 West Washington
Phoenix Arizona 85007
Attn: Mr. John Lawrence

May 5, 2003



Director of Utilities

It has come to my attention that the Beaver Valley Water Company has applied to the Commission for a rate increase. I am a resident of Beaver Valley residing at 352 Beaver Trail Road in unit one. I feel that this increase is fully justified and would hope it be granted as soon as possible. The increase in operating income is the only way to return the company to a degree of profitability. The company appears to be being conducted both operationally and administratively almost as economically as possible.

In order to serve the needs of Beaver Valley the water company must be profitable in order to make capital improvements for the future as well as perform on going maintenance to a very tired existing system. The water system at this time is in serious need of major repairs and replacement and can not be done without major capital investment.

I understand that the company has had no rate increases since September 1990. I along with many other neighbors believe that Mr. Mike Davoren since assuming ownership of the company has done a very good job working with what he has to work with and needs this increase to continue to provide service. The ongoing drought has and will continue to create additional extraordinary costs that have to be taken on immediately so that the company can continue providing services this summer.

Again, this rate increase is needed and should be given as soon as possible. I also believe the amount requested while sounding excessive is needed to insure the investment required over the long term in the development of new water resources. I believe the full increase requested should be given with the stipulation that a major portion will be used for development of new sources. Thank you for your attention to this matter.

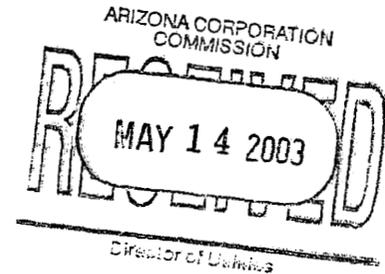
Gary F. Crisp

A handwritten signature in cursive script that reads "Gary F. Crisp".

My Address and Phone

Gary F. Crisp
HC3 BOX 639Q
Payson, Arizona 85541
928-468-1468

James Carrington (Bing) Brown III
HC 3, Box 670-I
Payson, AZ 85541



May 13, 2003

Utilities Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

SUBJECT: Rate Increase Request of Beaver Valley Water Co.

W-02015A-03-0268

Dear Corporation Commissioners:

This letter is to support the Beaver Valley Water Company's request for a rate increase.

The company is very small and serves only the residential community of Beaver Valley, which is located about seven miles northeast of Payson. I have owned property here for more than 20 years and know that rate increases have been few and far between.

The current owner/operator of the company, Mike Davoren, has worked hard to ensure adequate supplies and to comply with health and environmental regulations. Service from the company has improved markedly since he took over more than a year ago. For example, water clarity has improved as demonstrated both by visual inspection and by the length of time that point of use filters can remain in place before clogging.

The proposed rates appear to be competitive with those of other water providers in the area. However, I encourage you to consider a slight modification from the proposed rates. I propose slightly reducing the first tier or base amount and considerably increasing the second tier or volume charge for quantities in excess of the base of 1,000 gallons should be increased considerably. For example, the first tier might be set at \$27.50, including the first 1,000 gallons of water, and the second tier at \$6.25 per 1,000 gallons. This recommendation is based on the need to send an economic message encouraging water conservation. The result would be that the first 2,000 gallons would cost only 79 cents more than at the proposed rates, but that the cost of additional amounts would be at nearly twice the level as the proposed second tier rates.

If you require further input, I can be reached at 928-468-9269.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "James Carrington Brown III".

James Carrington Brown III

John LaPorta

DONALD AND BETTY URBAN

W-02015A-03-0268

May 14, 2003

Arizona Corporation Commission
Utilities Division Attn John LaPorta
1200 W. Washington
Phoenix, Arizona 85007



Dear Mr. LaPorta,

We have been notified of the rate increase which has been requested by Beaver Valley Water Company and are compelled to tell you of the compliments we have given Mike Davoren since he has been managing this utility. Water quality has greatly improved. The offensive smell of mold in the water is gone. We have a spa, which we would fill in the past with visibly green-brown water and use a bottle of purifier to clear. Last time we re-filled it the water was actually clear and bright. Water pressure is another area where we have noticed great improvement. Last year through the drought, Mike was very diligent, professional, yet understanding. We are a very small community and appreciate have a privately owned water company, this rate increase is deserved in our opinion.

Sincerely,

A handwritten signature in cursive script that reads "Donald and Betty Urban".

Donald and Betty Urban