

ORIGINAL



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March 29, 1999

RECEIVED

Arizona Corporation Commission  
Attn: Joan Ruf  
1200 West Washington Street  
Phoenix, AZ

2003 MAY 21 P 3:54  
AZ CORP COMMISSION  
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

MAY 21 2003

Re: Beaver Valley Water Company rate increase proposal

Dear Joan:

DOCKETED BY *CK*

My husband, John, and I wish to express our concerns with the above named water company's intention to increase the rates for water.

I have been in ongoing contact with Arizona Department of Environmental Quality's domestic water division. Most of my contacts have been with Lucinda Chavez in compliance tracking. Per the copies I requested for the past 4 or 5 years (please refer to enclosed copies in my mailed copy of this letter to you). The BVWC has been in consistent non compliance for various and sundry violations including insufficient treatment for Giardia lamblia.

I have attempted to speak to Mr. Gene Ward during the period when our water turned to mud and we were concerned that damage might occur to our appliances or plumbing. I asked if he was considering making an adjustment on our billing and his response was, "I have bills to pay too, you know". I then wrote him a letter informing him that we intended to subtract drinking water costs from his billing until such time as ADEQ deemed the water safe to drink. He has not cashed some of those payments to him, but has cashed the larger checks even though they also have bottled water costs deducted. His billings never show any past due so we are assuming we owe nothing past current billing.

Upon receiving the copies of past non compliance correspondence to Mr. Ward by ADEQ, we were appalled at the seemingly lax methods of eliciting his cooperation. Ms. Chavez explained to me that it is a very lengthy process that allows the water company owner to have a good amount of time to respond, then more time to comply, then more time to come up with a plan, then time again if the plan is insufficient, then help if it seems an acceptable solution is not forthcoming and on and on and on.

In the meantime, there is no one to advocate for us, the consumers who are at the mercy, it would seem, of a bureaucracy that supports an inept company supplying a most basic human need - water - that is undrinkable.

To date, we are still required to use bleach in our dish water and bottled water for drinking and brushing of teeth. Not too long ago the water was brown again for a full day. Then suddenly it had a strong chlorine smell, coincidentally on the day

2 of 4

the engineer and a gentleman from ADEQ were to meet with Mr. Ward. It seems the water, yet again, has not passed as safe. Back in June or July when the mud problem drew everyone's attention, I asked ADEQ if the water was safe to drink. They were the first (although I had to call them to find this out) to divulge to us that it was not safe. When we first moved in, we chose not to drink the water because it was constantly yellow or murky. We then purchased an under the counter filtration system not realizing this was insufficient due to the organisms that the BVWC filters were not filtering out. After speaking to ADEQ, I posted several fliers that ADEQ encouraged me to post letting people know that per ADEQ, not to drink the water until further notice. They were torn down almost the same day I posted them. This happened several times, then I called ADEQ and asked why they had never posted anything and wouldn't they be liable for any health problems resulting from the drinking of this unsafe water? They finally did post their own notices and those too were taken down in the two main locations where the most people would see them.

The gentleman at the AZ Utilities Commission said he could not help me if I had a dispute with being billed for muddy or otherwise undrinkable water. He stated that if the problem had anything to do at all with quality, then ADEQ was the proper department. Lucinda Chavez has been most helpful and patient. It was also found that BVWC has not been able to come up with a viable plan which is why the engineer came up. Now BVWC has at their disposal, the use of someone who knows what they are doing and an estimate of what the cost would be. Isn't this a great way to get someone to comply - just do everything for them, give them much more time than fair to the customers, then let them raise their rates to boot?

The truly fair thing to do and the most responsible thing to do is to enforce and follow through on the civil penalties to the BVWC for the entire non compliance period. The very least is NOT to grant this company their proposed increase in rates. Mr. Ward has displayed, by his attitude and his lack of timely compliance, that he holds no regard for the health and welfare of a community depending on him to do the right thing. We urge **you** to do the right thing.

Sincerely,

John and Olivia Civelli

3064

PHONE (928)474-5700

CUSTOMER NUMBER => 361      DATE => 04/22/03  
THIS IS YOUR CURRENT BILLING FOR PERIOD    3/93      INVOICE NUMBER => 406

| LOT NUMBER | LAST METER          | CURRENT METER       | GALLONS USED    | TOTAL DUE |
|------------|---------------------|---------------------|-----------------|-----------|
| 5 -010     | 1048710<br>03/20/03 | 1051810<br>04/22/03 | 5100<br>** DAYS | \$ 27.11  |

STATE SALES TAX      \$ 1.79  
STATE SUPERFUND TAX      \$ 0.04

SUB TOTAL ==> \$ 28.94

TOTAL DUE ==> \$ 28.94

BILLS ARE DUE ON THE TENTH (10th) OF THE MONTH  
FOR YOUR CONVIENCE A MAIL SLOT HAS BEEN PUT IN THE OFFICE DOOR

*Paid 4/27*

4064

CUSTOMER NOTIFICATION

BEAVER VALLEY WATER COMPANY (Company Name) has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since SEPT. 1990 (mm/yy). A(n) ~~increase/decrease~~ increase in rates is necessary at this time due to UNEXPECTED COSTS DUE TO DRAUGHT CONDITIONS & Federal mandate & ADEQ (reason for the Company's request for a rate adjustment as summarized from pages 3 and 4). Based on the Company's unaudited Test Year results, (Company Name) realized an operating ~~income/loss~~ loss of \$ 6,978.13. The Company is requesting a revenue increase/~~decrease~~ of \$ 24,604 or 60 % of total revenues. Please see the attached pages 9 and 11 of the Company's application for the current and proposed rates.

The Application is 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 inside the Tucson local calling area) and at (name of Company and address). 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 in 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 in 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.