Why water rate skyrocket in B

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By Catharine Webb

The Bisbee Observer

If the Arizona Water Co. gets its wish, Bisbee residents may be paying a lot more money for water.

The company has submitted an application to the Arizona Corporation Commission to increase water rates in Bisbee by 50.4 percent. Before approving the rate hike, the commission will hold public hearings, tentatively scheduled for sometime in August or September.

Arizona Corporation Commission
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But, Bisbee residents may also express their opinions on the rate hike proposal by letter or e-mail. Send letters to Arizona Corporation Commission, Docket Control Center, 1200 West Washington, Phoenix 85007. E-mail comments may be made at <http://www.cc.state.az.us/utility/cons/index.htm>. Both letters and e-mail must refer to the Arizona Water Co. docket numb[redacted]

The company president, Bill Garfield, says the last water rate hike was in 1990, and the increase is long overdue.

"Since 1990 our expenses have gone up around 40 percent," Garfield said.

"The water company drilled a new well for Bisbee to provide an supplemental water supply, "Garfield said. Since 1990, a number of other projects, including replacing old water mains, have increased the company's expenses.

"Bisbee is an old water system," Garfield said. "we have pipes dat-

Please help keep our water bills down
This gentleman has good
reasons - please don't raise
our water - it's hard enough
as it is.

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MONOPOLY ANYONE?

To the Editor:

The Arizona Water Company has provided service to Bisbee for nearly a century operating under a Certificate of Convenience and Necessity (to some a franchise concession) administered by the Arizona Corporation Commission. In fact, every utility provider in Bisbee has argued for and been granted a monopoly. In a non-competitive atmosphere, performance, disclosure and self-regulation issues are present.

A century of profit has passed through the books of the Arizona Water Company, however it refuses to conduct the most fundamental study to determine water availability, replenishment and delivery to achieve a Certificate of Assured Water Supply to the Bisbee district. Indeed, the Arizona Department of Water Resources states that "although there appears to be a sufficient water supply to meet the needs of the service area, information regarding groundwater conditions or long-term dependability of the water supply has never been provided. Lack of such information does not allow comparison of the water supply to Bisbee to the department's adequacy criteria. Therefore, the Department of Water Resources has found the water supply in Bisbee to be inadequate." Today, the Arizona Water Company proposes a 50 percent rate increase, yet fails to address this seminal issue.

This information generally raises the question: "How can the Arizona Water Company be granted the Certificate of Convenience and Necessity absent a Certificate of Assured Water Supply?" Why would the city of Bisbee and Cochise County allow a privately held water company to control the future of their district without understanding the dependability of the resource past the drip in the kitchen sink. Recently, the Bisbee "Focused Future Plan" listed the management of regional water resources as a threat to the community. However, with no adequacy report required from the company, nor volunteered, the threat and merits for water rate increases are devoid of salient decision-making information. Instead, water issues are cloaked in ambiguous language involving such agencies as the ADEQ, ADWR, AMAs, etc., that would make the Homeland Security flow chart look like sketching on a bar napkin.

The Certificate of Assured Water Supply is critical not only to the county's stated endorsement and participation in the San Pedro Watershed programs and database, but has lasting implications on the taxpayers of Cochise County who are funding a multi-million dollar expansion of the Melody Lane Complex with a declaration of an inadequate water supply from the Arizona Department of Water Resources as a matter of record.

The local employees of the Arizona Water Company are both respectful and responsive to their customers. Since the company has not initiated any new main extensions or softened its extension requirements for needed development, the company workforce has been relegated to repetitive service repair. A water company representative was quoted that expenses have increased by 40 percent over the last decade ... that is one side of the ledger. Unfortunately, the apathy that comes hand-in-hand with monopoly does not generate the necessary new customers to offset the alleged expenses. This is not an expense increase as reported, but the unveiling of decades of complacent business policy that has thwarted reasonable growth.

Perhaps the time has come for such utilities to review their own practices prior to requesting unmanageable price increases without supply assurances to the commission and their customers. If the commission continues to allow utility monopolies to be the exclusive providers to small dependent Arizona communities, then such beneficiaries should be the investors and part of the solution for planned growth in those communities, rather than seeking rate increases for long established extensions.

MARC McINTYRE
Old Hereford

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