

W-02824A-07-0388

ORIGINAL



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ARIZONA CORPORATION COMMIS

UTILITY COMPLAINT FORM

4100

Investigator: Trish Meeter

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2008 66675

Date: 2/22/2008 Arizona Corporation Commission DOCKETED

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

FEB 25 2008

Complaint By: First: Vickie Last: Fogarty

DOCKETED BY [REDACTED] ne

Account Name: Vickie and Jerry Fogarty

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: [REDACTED]

CBR: [REDACTED]

State: AZ Zip: [REDACTED]

is: [REDACTED]

Utility Company: ICR Water Users Association

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

2/22 *****REFERRED FROM THE OFFICE OF COMMISSIONER MAYES*****
DOCKET NO. W-02824A-07-0388

RECEIVED
FEB 22 P 4: 31
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

From: G M V L FOGARTY [REDACTED]

Sent: Sunday, February 17, 2008 11:20 PM

To: Mayes-WebEmail

Subject: Inscription Canyon Water Issues

Dear Ms. Mayes:

We are writing to you in support of your letter dated 9-28-07 regarding the use of ground water for golf courses. In such an arid region, it seems idiotic to even consider such the use of ground water when using gray water makes much more sense.

Currently, we are new residents to ICR. We have become greatly concerned about the water issues that are currently being explored by many of the local residents. We want to thank two very dedicated gentlemen, Mr. Larry Bligh and Mr. Dayne Taylor for drawing attention to these issues.

On 2-16-09, Saturday, a meeting was held and approximately 40 residents from ICR attended. Many issues were brought up at this meeting with gravely unsatisfactory results. The Board consists of 5 individuals - 4 were present and most seemed unable to answer very direct questions presented to them. The business 2/20/2008

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manager was also absent and as the board mentioned - "the one who has all the answers."
Many of the local residents agree that some form of rate hike is necessary - not 40% but 5% would be applicable. There are budgetary issues that give us all great concern:

1. The Board permitted a 15,000.00 laccount receivable to be on its books for over 2 years - it was eventually paid without PENALTY or INTEREST. Since the Board is currently taking an equity loan/line of credit for

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\$50,000.00 - they should be looking at outstanding debt that must be paid in a timely fashion.

2. A question was brought up about the budget item of \$27,000.00 be used to buy "furniture." No one was able to tell the attendees what that furniture was nor where it is today.

3. Also, Talking Rock (Harvard Investments) seem to have a different fee structure from Whispering Canyons and ICR, why is this?

4. There is one Tariff - the Board doesn't seem to know what that means. Perhaps they need to re-visit pertinent information required to hold and administer their authority.

5. It is felt that sitting Board seems to be biased towards Talking Rock - perhaps, increasing the Board membership from 5 to 7 members with a minimum of 4 from ICR/Whispering Canyons area would be more balanced.

6. The current Board held it's yearly mandatorjy_on Saturday with a very interested group of attendees. Why does the Board refuse to hold their public meetings at a more favorable time that mid-morning/middle of the week?

7. We also understand that the Board pays a substantial sum of money for the use of the facility - ICR Sales Office for their meetings. It has been stated to us that they pay approx. \$600.00/mo. Since they are a public entity, why are they not using the facility located at the Texaco Station located near Outer Loop Road and Williamson Valley Rd for their meetings? We have been informed that this station was built with the condition that an area would be provided for public meetings/services. We also believe the fees would be considerably less, giving a savings to the ICR Water Commission budget items.

8. Additionally, there is concern over ACC Decision No. 64360 from 2002 setting the Tariff Rate and the transfer of an existing well from Talking Rock fields to the ICR Water Commission. Specifically, why have not the correct wells been transferred to ICR Water Users Association?

We are asking that no rate increase be implemented until some of these concerns are addressed by the ICRWC and the Commissioners Office. We expect an increase but, it must be fair to every water user and not one that is biased towards Talking Rock and its Golf Course.

Your help is appreciated in looking into the concerns of many of the local residents.

Vickie and Jerry Fogarty



2/20/2008

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Inquiry sent to company 2/22 No. 66681

Emailed to customer as follows:

February 22, 2008

Vickie Fogarty



Dear Mr. and Mrs. Fogarty,

Your email regarding the ICR Water Users Association ("ICR") rate case has been received through the office of Commissioner Mayes. It will be placed on file with the Docket Control Section of the Arizona Corporation Commission ("Commission") and made a part of the record. Your comments will be considered by the Commission before rendering a decision on the ICR rate case.

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The concerns raised in letters received from customers "will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

When the Commission receives an application from a utility company, the Commission Staff completes the following review procedures and compiles a Staff Report with recommendations for consideration by the Commissioners. This process allows for conciliation procedures for these utility companies when significant customer protests arise due to a requested rate increase.

A review of the utility's application and statistical information is conducted by a designated Staff auditor. The operating expenses claimed by the utility are examined and compared to the revenues received for the service provided.

The Engineering Staff conducts a technical review of the company and assures compliance with acceptable service standards. An inventory of plant facilities is conducted to assure the facilities ability to provide adequate service at reasonable rates.

The rate structure is based on the demand being placed on the system. The larger the line, the more demand on the system. This structure is used for most of the water companies regulated by the Commission.

The Consumer Services Section investigates complaints regarding the operation, service and billing practices of the company to ensure compliance with the statutes, rules, tariffs and orders of the Commission. After a problem has been identified through a complaint, Staff obtains facts from the company and determines if corrective action has been or needs to be initiated. Your concerns have been sent to the company for a response as well as being made part of the rate case review.

Staff appreciates your comments and the interest taken on the proposed rate increase. Updates to this proposed increase can be found on our website at www.azcc.gov in eDocket. If you should have any questions relating to this issue, please call me toll free at (800) 222-7000.

Sincerely,

Trish Meeter
Consumer Analyst
Utilities Division
End of Comments

Date Completed:

Opinion No. 2008 - 66675
