

W. 02824A-07-0388

ORIGINAL



0000082140

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

4700

Investigator: Trish Meeter

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2008 66674

Date: 2/22/2008 Arizona Corporation Commission

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

DOCKETED

FEB 25 2008

Complaint By: First: Craig Last: Brown

DOCKETED BY [REDACTED] nr

Account Name: [REDACTED]

Home: (000) 000-0000

Street: n/a

Work:

City: n/a

CBR:

State: AZ Zip: n/a

is:

Utility Company: ICR Water Users Association

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

2/20*****REFERRED FROM THE OFFICE OF COMMISSIONER MAYES*****
DOCKET NO. W-02824A-07-0388

RECEIVED
FEB 22 P 4: 31
CORE COMMISSION
DOCKET CONTROL

From: CRAIG BROWN [REDACTED]
Sent: Monday, February 18, 2008 3:56 PM
To: Mayes-WebEmail
Subject: Inscription Canyon Water User's Assoc.

Saturday, February 16, 2007, I attended the Assoc. Annual Meeting and was very perplexed over a number of issues that were cited by the Board President and representatives of Harvard Associates representing the 2/20/2008

Page 2 of 2

Talking Rock Development. It would seem that the Commissions ruling of 2003, Decision 64360, has not been adhered to by the Assoc. Board. In that ruling it clearly states that all customers are to pay a rate of \$2.80 per 1000 gallons, yet it seems that Talking Rock and Harvard and Associates are receiving a rate of \$.03 per 1000 gallons to water their golf course and fill their ornamental lakes. They say it is a side agreement with Talking Rock and not bound by your 2003 decision.

According to the records presented, The golf course and lakes are using approximately double the amount of water that is used by all of the associations residential customers from Inscription Canyon, Whispering Canyon, and Talking Rock combined. This does not seem reasonable considering the significantly reduced rate they have been getting for five years and then ask us to suffer a rate hike which is before you now.

When I first retired to this area, knowing that water is a very important factor in this region, one of the first questions I asked was about water. I was assured that the Water Assoc. was viable and that effluent water was required to be used on the golf course at Talking Rock. I thought the use of effluent water was a great idea.

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

However, it would seem this is untrue, it may have been required by the Conditional Use Permit, but has never been enforced. From what I can determine, the excuse is there are not enough residents to meet this effluent water need and since Talking Rock owns the wells the water is coming from they dictate what they receive. I guess conservation and following the rules is only for us little guys. Gee, I also thought the Water User's Assoc. was supposed to have the wells transferred to it from Talking Rock. One was, but apparently not the others, and it is questionable if the right well was ever transferred.

For the normal and reasonable resident of these areas it would seem that a shell game is in process. It further seems strange that the President, although a resident of Inscription Canyon, has a social membership with Talking Rock and the Golf Course that is not afforded to the rest of us. One of the Board members, although owning properties in Talking Rock does not live there, and the President openly lobbied recently for two of newest board members to be elected from Talking Rock. Talking Rock has four Board members although it has only one half the residents. Odd, I thought!

Well these are just observations that I thought were very strange and could be mitigating to this whole mess. Thank you for listening and we appreciate your service and honesty.

Craig and Sandy Brown

2/20/2008

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

2/22

Inquiry to the company sent under No. 66680

Sent email to customer as follows:

February 22, 2008

Craig Brown


Dear Mr. and Mrs. Brown,

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.

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.

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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 - 66674
