

W-02824A-07-0388



0000083945

ARIZONA CORPORATION COMMISSION

ORIGINAL

UTILITY COMPLAINT FORM

47

Investigator: Al Amezcua

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Arizona Corporation Commission

DOCKETED

Opinion No. 2008 - 67821

Date: 4/11/2008
APR 16 2008

Complaint Description: 08E Rate Cases Items - In Favor
N/A Not Applicable

DOCKETED BY [Signature]

First: Last:

Complaint By: Gene Leasure

Account Name: Gene & Shirley Leasure

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Prescott

CBR: [REDACTED]

State: AZ Zip: 86305

is: E-Mail

Utility Company: ICR Water Users Association

Division: Water

Contact Name: Robert Busch

Contact Phone: [REDACTED]

Nature of Complaint:

4/11/08 THROUGH COMMISSIONER MAYES OFFICE.
Docket Number W-02824A-07-0388

Subject: FW: Inscription Canyon Ranch Water Users Association Rate Case

Commissioner Mayes:

As you can see I have forwarded a copy of a previous e-mail I sent on March 30, 2008. I have not seen my comments on the eDocket. Did you receive my previous e-mail?

Thanks, Gene Leasure

From: [REDACTED]

To: mayes-web@azcc.gov; mundell-web@azcc.gov; hatch-web@azcc.gov; pierce-web@azcc.gov; gleason-web@azcc.gov

Subject: Inscription Canyon Ranch Water Users Association Rate Case

Date: Sun, 30 Mar 2008 10:32:39 -0700

Commissioners Mayes, Mundell, Hatch-Miller, Pierce and Chairman Gleason

I thank the commission staff for the hard work to date on behalf of the shareholders of the Inscription Canyon Water Users Association rate case.

I am concerned that the present and past ICRWUA Board has apparently circumvented Decision 64360 with regards to tariff rates and securing title to the existing well at Talking Rock Ranch at the time Decision 64360 was issued by entering into an amended well agreement with TRR. I think this is an arrogant disregard for the Commission.

I applaud the Amended Testimony of Myhlhausen and Liu. Their recommendations on rates for the test year I

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2008 APR 16 P 4:45
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ARIZONA CORPORATION COMMISSION

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feel are correct. Will the commission address years prior to the test year? The recommendation for immediate transfer of a second well to ICRWUA I feel is also correct, however I would hope that the specific well to be transferred will be identified as the well in existence at the time Decision 64360 was issued. I believe that would be well No. 1 at TRR.

Another concern is that since the ICRWUA Annual Meeting on February 16, 2008 (where major questions were raised regarding the rate case most of which could not be answered by the Board) all scheduled association meetings have been canceled and the association meets in executive sessions only with no disclosure to the shareholders.

Thank you for your diligence and time spent on this rate case.

Gene & Shirley Leasure

Prescott, AZ 86305

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/11/08 I spoke with Mrs. Leasure and advised her that I was calling on behalf of Commissioner Mayes office. I was assigned to respond to the e-mail regarding ICR Water users Association Rate Case. I advised her that her comments would be noted for the record. She thanked me very much for the return call.

End of Comments

Date Completed: 4/11/2008

Opinion No. 2008 - 67821

W-02824A-07-0388

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2008 - 67815

Date: 4/11/2008

Complaint Description: 08E Rate Cases Items - In Favor
N/A Not Applicable

First:

Last:

Complaint By:

Everett

Moore

Account Name:

Everett & Julia Moore

Home: [REDACTED]

Street:

[REDACTED]

Work: (000) 000-0000

City:

Prescott

CBR: [REDACTED]

State:

AZ Zip: 86305

is: E-Mail

Utility Company. ICR Water Users Association

Division:

Water

Contact Name:

Robert Busch

Contact Phone: [REDACTED]

Nature of Complaint:

4/11/08 W-02824A-07-0388
THROUGH CHAIRMAN GLEASONS OFFICE.

Commissioners Mayes, Mundell, Hatch-Miller, Pierce and Chairman Gleason:

We live in the Inscription Canyon Ranch Development in Prescott, Arizona. We cannot attend the April 16 ICR Rate Case Hearing; however, we want to express that we are in total support of the efforts of many of residents in this issue.

We agree wholeheartedly with the comments below.

Everett and Julia Moore

[REDACTED]
Prescott, AZ 86305-1576

First, we would like to say thank you for the opportunity to share out thoughts, concerns and opinions with you related to the ICR Water Users Association Rate Case currently underway. The first reason for writing to you today, is to express our appreciation for the excellent work done by ACC Staff, specifically Charles R. Myhlhousen and Jian W. Liu. Their efforts and testimony in the proceeding related to their audit findings and review of standing ACC Decision 64360, is both clear and concise.

Reading through the Amended Testimony of Myhlhousen and Liu, lets us, as shareholders in the ICR Water Users Association, have a clear understanding of what has unfortunately taken place within our Association through our Board of Directors, both past and present. We are particularly distressed by the present Board's continued defense of the Association's failure to adhere to the requirements of Decision 64360. The time spent by Staff to analyze the data that had been submitted and arrive at their conclusions has to have been extensive.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Unfortunately, it seems apparent that the Water Users Association has had complete disregard for the Commission and its authority through its noncompliance with Decision 64360. It is also unfortunate that the Staff analysis reveals that the Association did not collect \$114,290 from the Talking Rock Golf Course and staff has had to rightfully recommend including this amount as imputed revenue. The Executive Summaries for the testimonies of Myhlhousen and Liu give us, as members, a clear understanding of what has taken place.

The second Issue that Ca uses us distress with the ICR Water Users Association Board of Directors, Is that It appears since Dayne Taylor has received Intervener status in the Rate Case, the Board of Directors has repeatedly met in executive sessions without identifying the purpose of its meetings. Association members are not being informed about the decisions the Board has been making concerning the Rate Case, as well as their responses to Mr. Taylor's submittals or other Rate Case responses. We only get information once it has become public record on the Commission's e-Docket website.

The Board has also canceled its regularly scheduled monthly meeting of March 25th, the only remaining meeting before the April 16th ACC Hearing, thereby, denying members the opportunity to discuss Rate Case issues with the Board. As members of the Association, we feel completely disenfranchised by the Board's actions and believe them to be completely inappropriate.

We want to thank you for your time and for your service to our State In working to ensure that rate payers, like us, are given the opportunity to be heard.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/11/08 I spoke with Mrs. Julia Moore and advised her I was calling on behalf of the Arizona Corporation Commission Chairman Gleason. I advised her that her e-mail regarding the ICR Rate Case has been placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record.

I advised her that the listen via our 800 number would be an option for them or also the Streamline Live Audio via our website was another option. She informed me that they would be out of town and would miss the hearing. She was interested in the internet audio. I provided her with the website and guidance of how to access it. She appreciated this very much and would listen to the hearing. CLOSED.

End of Comments

Date Completed: 4/11/2008

Opinion No. 2008 - 67815

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

What is at the core of the issue is a water board that ignored, violated and circumvented a clear decision by the ACC. What is clear is that the first two wells, which are the most productive ones, were to be designated for the residents of ICR, and the decision by the ACC was ignored, violated, and circumvented. What is clear is that ALL users of water from our system are to be charged the same rate, and that has been ignored, violated, and circumvented by the ICR Water Board. Water rates for all users could be reduced if the golf course is obligated to pay the tariff rate as called for in the Decision.

Thank you for affirming your original decision and causing the ICR Board to comply and collect money due from underpayment due to faulty rate structures, and finally, thank you for designating wells number 1 and 2 as originally decided to the residents of ICR. We can't waste millions of gallons of our precious drinking water on a speculative foreign- owned real estate venture's golf course.

Thank you.

Dr. James Stocker

[REDACTED]
Prescott, AZ 86305-4823

[REDACTED]
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/11/08 Voice mail message

I advised Mr. Stocker that I was calling on behalf of Commissioner Mayes office at the Arizona Corporation Commission. His comments regarding the ICR Water Users Association Rate Case will be placed on file with the Docket Control Center of the Arizona Corporation Commission to be made part of the record. The Commission will consider your comments before a decision is rendered in the ICR application.

Staff appreciates your comments and the interest taken on the proposed rate increase. CLOSED.

End of Comments

Date Completed: 4/11/2008

Opinion No. 2008 - 67826

W-02824A-07-0388

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Trish Meeter

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2008 67872

Date: 4/14/2008

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

Complaint By: First: ROBERT Last: KLAUER

Account Name: [REDACTED]

Home: [REDACTED]

Street: [REDACTED]

Work:

City: [REDACTED]

CBR:

State: AZ

Zip: [REDACTED]

is:

Utility Company: ICR Water Users Association

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

4/11 ***** REC'VD THROUGH CHAIRMAN GLEASON'S OFFICE CC'D TO ALL COMMISSIONERS*****
DOCKET NO. W-02824A-07-0388

From: Bob Klauer [REDACTED]
Sent: Monday, April 07, 2008 7:12 AM
To: Mayes-WebEmail; Mundell-Web; Hatch-WebEmail; "- pierce-web"@azcc.gov; Gleason-WebEmail
Subject: ICR Water Users Association

Commissioners Mayes, Mundell, Hatch-Miller, Pierce and Chairman Gleason,

I live in Inscription Canyon Ranch in Prescott. First I want to thank you for the excellent work done by ACC Staff. It appears to me that the ICR Water Users Association Board is in noncompliance with your Decision 64360, and is charging Talking Rock Ranch a far lessor water rate for the golf course than we are paying as individual home owners. It is my understanding that these rates should be the same but that the ICRWUA Board negotiated a water contract on 2/25/03 which was after Decision 64360 dated 1/15/02, and that Talking Rock now owes the ICRWUA \$114,290. The board now wants to raise are rates by over 30%. The board cancelled its March meeting and has been meeting in executive sessions without identifying the purpose of the meetings. I do not trust our current board as they appear more interested in keeping Talking Rock happy then looking out for our interests. We as members of the association are not being kept informed of the decisions the board is making in regards to the rate case.

I hope the ACC will continue with their due diligence in this matter and watch out for our , interest, the ICRWUA surely is not.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Thank you for your help and allowing me to be heard.


End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

April 14, 2008

Dear Mr. and Ms. Klauer,

Your email regarding the ICR Water Users Association ("ICR") rate case has been received through the offices of the Commissioners. 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 and emails 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,

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Trish Meeter
Public Utilities Consumer Analyst
Utilities Division
Arizona Corporation Commission
End of Comments

Date Completed: 4/14/2008

Opinion No. 2008 - 67872

W-02824A-07-0388

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2008 67848

Date: 4/11/2008

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

Complaint By: First: Robert Last: Steffensen

Account Name: Robert Steffensen

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: [REDACTED]

CBR: [REDACTED]

State: AZ Zip: [REDACTED]

is: [REDACTED]

Utility Company: ICR Water Users Association

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

*****RECEIVED FROM CHAIRMAN GLEASON'S OFFICE*****

From: Betty Camargo
Sent: Monday, April 07, 2008 11:24 AM
To: Vicki Wallace
Subject: FW: ICR Water Users Association

From: Robert Steffensen [REDACTED]
Sent: Sunday, April 06, 2008 7:21 AM
To: Gleason-WebEmail; Mayes-WebEmail; Mundell-Web; Hatch-WebEmail; Pierce-Web
Cc: [REDACTED]
Subject: FW: ICR water Users Association

Chairman Gleason and Commissioners Mayes, Mundell, Hatch-Miller, & Pierce

Thank you for the opportunity to express our views on the business of the ICR Water Users Association. I fully agree with the comments made to you recently by Larry Bligh. He has expressed the view of our Users much better than I could.

Respectfully,

Robert Steffensen

[REDACTED]

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

-----Original Message-----

From: Larry & Tina BLIGH [mailto: [REDACTED]]
Sent: Sunday, March 30, 2008 9:24 PM
Subject: ICR Water Users Association

Commissioners Mayes, Mundell, Hatch-Miller, Pierce and Chairman Gleason,

First, we would like to say thank you for the opportunity to share out thoughts, concerns and opinions with you related to the ICR Water Users Association Rate Case currently underway. The first reason for writing to you today, is to express our appreciation for the excellent work done by ACC Staff, specifically Charles R. Myhlhousen and Jian W. Liu. Their efforts and testimony in the proceeding related to their audit findings and review of standing ACC Decision 64360, is both clear and concise.

Reading through the Amended Testimony of Myhlhousen and Liu, lets us, as shareholders in the ICR Water Users Association, have a clear understanding of what has unfortunately taken place within our Association through our Board of Directors, both past and present. We are particularly distressed by the present Board's continued defense of the Association's failure to adhere to the requirements of Decision 64360. The time spent by Staff to analyze the data that had been submitted and arrive at their conclusions has to have been extensive. Unfortunately, it seems apparent that the Water Users Association has had complete disregard for the Commission and its authority through its noncompliance with Decision 64360. It is also unfortunate that the Staff analysis reveals that the Association did not collect \$114,290 from the Talking Rock Golf Course and staff has had to rightfully recommend including this amount as imputed revenue. The Executive Summaries for the testimonies of Myhlhousen and Liu give us, as members, a clear understanding of what has taken place.

The second issue that causes us distress with the ICR Water Users Association Board of Directors, is that it appears since Dayne Taylor has received Intervener status in the Rate Case, the Board of Directors has repeatedly met in executive sessions without identifying the purpose of its meetings. Association members are not being informed about the decisions the Board has been making concerning the Rate Case, as well as their responses to Mr. Taylor's submittals or other Rate Case responses. We only get information once it has become public record on the Commission's e-Docket website.

The Board has also canceled its regularly scheduled monthly meeting of March 25th, the only remaining meeting before the April 16th ACC Hearing, thereby, denying members the opportunity to discuss Rate Case issues with the Board. As members of the Association, we feel completely disenfranchised by the Board's actions and believe them to be completely inappropriate.

We want to thank you for your time and for your service to our State in working to ensure that rate payers, like us, are given the opportunity to be heard.

Larry & Tina Bligh
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Responded with the following letter via e-mail:

April 11, 2008

Mr. Robert Steffensen
[REDACTED]

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

[REDACTED]

Dear Mr. Steffensen;

Your e-mail comments regarding the ICR Water Users Association ("ICR") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the ICR application.

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.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase. If you should have any questions relating to this issue, please call me toll free at (800) 222-7000.

Sincerely,

Carmen Madrid
Public Utility Consumer Analyst
Utilities Division

Filed in Docket No. W-02824A-07-0388
End of Comments

Date Completed: 4/11/2008

Opinion No. 2008 - 67848
