

#W-01303A.05.0405
W-01303A.05.0910

ORIGINAL



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ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

RECEIVED

4760

Investigator: Guadalupe Ortiz

Phone: [REDACTED]

Fax: (602) 542-2129
2008 JUN 12 A 10 23

Priority: Respond Within Five Days

AZ CORP COMMISSION
DOCKET CONTROL

Opinion No. 2008 - 69147

Date: 6/9/2008

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

First: **Last:**

Complaint By: Richard J.

Alt

Account Name: Richard J. Alt

Home: [REDACTED]

Street: [REDACTED]

Work:

City: Scottsdale

CBR:

State: AZ **Zip:** 85250

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

****REFERRED FROM CHAIRMAN GLEASON'S OFFICE (ALSO SENT TO COMMISSIONER MAYES, MUNDRELL, HATCH-MILLER & PIERCE) - OPPOSED OPINION****

****ALSO REFER TO ACC INQUIRY NO. 2008-68127****

RE: Docket No. W-01303A-05-0405
W-01303A-05-0910

Arizona Corporation Commission
DOCKETED
JUN 12 2008

From: Richard Alt [REDACTED]
Sent: Monday, April 21, 2008 8:52 AM
To: Mayes-WebEmail; Mundrell-Web; Gleason-WebEmail; Hatch-WebEmail; Pierce-Web
Subject: AZ American Water (AAWC) & Paradise Valley (PV)

DOCKETED BY [REDACTED] NR

Dear Commissioners:

Below is correspondence sent today to the Scottsdale Mayor, Council and City Manager. I represent a group of over 1,000 Scottsdale homeowners and 77 businesses currently supplied water from AAWC. We are asking for your support to insure we supplied customers of AAWC do not get abused again by the Town of Paradise Valley and the water company. These "deals" being cooked up by PV, AAWC and the Ritz clearly put we Scottsdale residents at a complete disadvantage in multiple areas. It is not fair and we need someone to support our needs and interests. We hope we can count on your support in this underhanded deal. Thank you.

Richard J. Alt
[REDACTED]
Scottsdale, AZ 85250
[REDACTED]

ARIZONA CORPORATION COMMISSION
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----- Original Message -----

From: Richard Alt

To: Mayor Mary Manross ; Councilman Ron McCullagh ; Councilwoman Betty Drake ; Councilman Wayne Ecton ; Councilman Tony Nelssoen ; Councilman Jim Lane ; Councilman Bob Littlefield

Cc: [REDACTED]

Sent: Monday, April 21, 2008 8:41 AM

Subject: AZ American Water (AAWC) & Paradise Valley (PV)

I have been a leading proponent for the City to take over the water supply from AAWC as you are aware. I want to insure that you are also aware of the plan afoot by PV to negotiate a deal with AAWC to guarantee water supply for the recently approved Ritz development. This is potentially an explosive situation for we AAWC supplied customers in Scottsdale for two key reasons.

1. AAWC does not have the necessary capacity to meet the Ritz water needs through their existing ground water wells. This means they will need to supply the Ritz with CAP water. They do not have an adequate allotment of CAP water currently to meet the need of the development. This means they will have to negotiate with some other entity to obtain adequate supply. This, in turn, most likely will result in an appearance of a water shortage in Scottsdale / PV leading to increased rates.

2. CAP water requires entirely different treatment than ground water. If AAWC works the deal with the Ritz, they will have to construct new facilities at their Cattle Track location for treatment. We neighbors have been the victims of their construction for over three years and counting for their arsenic removal and new office facilities. Moreover, PV literally booted the AAWC out of PV because they didn't want these facilities to be in their back yard. So, we Scottsdale residents have this burden to bear for our non-concerned Town to our West.

We residents are beseeching the City for supporting us and the City to insure we don't get harmed again by PV and AAWC. This, truly is a critical issue for both we residents and the City. Help us please.

Thanking you in advance for you support.

Richard Alt
Vice-President
7600 Lincoln HQA
[REDACTED]

End of Complaint

Utilities' Response:

N/A

End of Response

Investigator's Comments and Disposition:

****ALSO REFER TO ACC INQUIRY NO. 2008-68127****

6/11/2008 - Email to Customer:

RE: Arizona American Water Company - Docket No. W-01303A-05-0405

RE: Re-Opening of ACC decision No. 68858 regarding AAWC's Rate Request for its Paradise Valley water district, for the limited purpose of reviewing the Rate Design Agreement filed on January 16, 2008, by the Town of Paradise Valley.

Dear Mr. Alt,

Your email regarding the Arizona American Water Company ("AAWC") sent to Chairman Gleason and all

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Commissioner's 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 take your comments into consideration before a decision is rendered in the AAWC application.

Concerns raised in letters received from customers 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.

Commission 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 or directly at [REDACTED]

Thank you,

Guadalupe Ortiz
Public Utilities Consumer Analyst
Arizona Corporation Commission
Utilities Division

CLOSED
End of Comments

Date Completed: 6/11/2008

Opinion No. 2008 - 69147
