

- W-03443A-08-0313



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ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM RECEIVED

ORIGINAL

470

Investigator: Reg Lopez

Phone: [Redacted] 3: 52 Fax: [Redacted]

Priority: Respond Within Five Days

AZ CORP COMMISSION DOCKET CONTROL

Opinion No. 2008 69758 Date: 7/1/2008

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

Complaint By: First: Jerry & Kristine Last: Dockum

Account Name: Jerry & Kristine Dockum

Home: [Redacted]

Street: [Redacted]

Work: Arizona Corporation Commission DOCKETED

City: Chino Valley

CBR:

State: AZ Zip: 86323

is: JUL 10 2008

Utility Company: Appaloosa Water Company

DOCKETED BY [Signature]

Division: Water

Contact Name: [Redacted]

Contact Phone: [Redacted]

Nature of Complaint:

Received the following letter dated 6-23-08 in opposition to the proposed rate increase under Docket No.W-03443A-08-0313:

June 25, 2008
Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

Dear Sir:

We would like to express our concern regarding the proposal by the Appaloosa Water Company to increase our water rates by 100 percent. The residents served by the Appaloosa Water Company are well aware of the current arsenic levels, and of the proposals made to date by the owner of the water company to remedy the situation. All of the "band aid" solutions proposed by the water company have been unacceptable and most residents feel that the only viable solution to the problem is to fix it at the source - the well itself.

No one is disputing the fact that the water' company has the right to request an increase in rates to cover the costs of installing an arsenic treatment system, however, to increase their total revenue by 100 percent is outrageous. The company cites the construction of the arsenic treatment plant, the increase in postage, staff wages, and property taxes as the basis for the request. Except for the treatment plant itself, it should not be the homeowners' responsibility to pay for wages, postage, or property tax increases. Those are the costs of doing business and should be borne by the company. The water company is not alone in postage and property tax increases; all homeowners are affected as well. However, homeowners have no recourse for recouping their costs.

The owner of the water company is required to bring his well(s) into state compliance for arsenic levels, however, he is using that mandate as an excuse to increase his profit margin by requesting, that homeowners

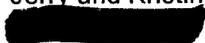
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pay for the company's operational costs as well as the installation of the treatment plant. Most residents in the Appaloosa Water Company service area are aware of the owner's intentions to develop property he owns which is adjacent to our housing community. Again, it should not be the responsibility of the area homeowners to fund his future development endeavors.

We request that you give careful and serious consideration to the proposal made by the Appaloosa Water Company and approve a fair rate increase for the water company while limiting the impact on homeowners and/or businesses.

Sincerely

Jerry and Kristine Dockum


Chino Valley, Az 86323
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

I obtained the customer's tel # via Directory Assistance. I called the customer at 3:25pm and left recorded message acknowledging their letter and that it would be noted as a permanent record in this application. I extended thanks for taking the time to express their opinion in this matter.

I e-mailed Trish Meeter at Phoenix ACC CONS to have this OPINION docketed against the Company under Docket No.W-03443A-08-0313. File closed.

End of Comments

Date Completed: 7/1/2008

Opinion No. 2008 - 69758
