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ORIGINAL

Sheila Stoeller

W-01303A-08-0227
SW-01303A-08-0227

470

From: Dori Russell [REDACTED]
Sent: Monday, November 24, 2008 8:51 PM
To: Sheila Stoeller
Subject: Fw: revised version

Once again I had to revise I had an incorrect amount in revenue. It should have 267 million instead of 167 million. Both number sound large to me.

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

From: Dori Russell
To: Sheila Stoeller
Sent: Monday, November 24, 2008 6:43 PM
Subject: revised version

Arizona Corporation Commission

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NOV 25 2008

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RECEIVED
NOV 25 11:55 AM '08

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

From: Dori Russell
To: Sheila Stoeller
Sent: Monday, November 24, 2008 6:31 PM
Subject: comments about increase in water rates

I am against the Arizona American water getting an increase or even asking for an increase of 79.8% for water in Sun City West. This double digit request is coming six months after they were given an increase of 23.5% on waste water. The asked 79.8% increase is a bargaining chip to get a less substantial double digit increase. I say "NO" we had a 23.5% last year on waste water, we should not stand by for another increase,

In March of 2008, they increased their rates on waste water 23.5% This was the increase they were allowed after asking for an increase of 51.5%, that would have equated to a 63% increase of residential rates. These figures were provides by Todd Walker, the manager of external affairs of American Water.

Each time a monopoly returns to the panel for rate increases it carried a bigger and bigger bucket. Arizona water parent company is American water which is AWK on the NYSE. As of Sept.30, 2008 the parent company has general rate increase awaiting final order that would provide \$267.6 million of added revenue if approved as files. In this third financial quarter Arizona American has had a growth of 11% and are paying dividends of 4.8%. This is in a recession where the stock market has declines from over 13,000 to under 8,000.

Arizona American Water must accept responsibility for its operating cost, and customers should not be forced to bear the full cost of improvements. I would like to question how much Arizona American water is paying for legal and expert fees for the last two proceedings. These expenses alone would represent a large amount, which they are expecting the ratepayers - not the utility's owners- to pay. I believe that Arizona American water is overstating its need for income in regulated revenue. I believe the Arizona American water is asking for "more in customer rates than the company actually needs to meet its expenses and provide a fair return t its shareholders, while providing quality water to service its customers. I believe the water company must accept responsibility for its operating expenses, and customers should not be forced to bear the full cost of improvements.. I demand that the pattern of excessive rate hikes be stopped.