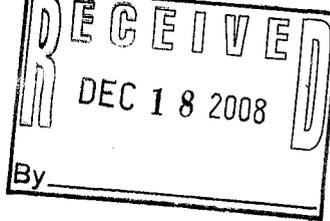


ORIGINAL



Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, Arizona 85007-2996

December 16, 2008

RECEIVED

2008 DEC 18 A 11:35

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

AZ CORP COMMISSION
DOCKET CENTER

Re: Arizona American Water Rate Increase Request

Dear Arizona Corporation Commissioners,

Recently I received a letter from Arizona American Water informing me that they were requesting a rate increase for improvements to the water system and increased operating costs. Normally I understand the need for an adjustment in regards to improvements and increased costs. However the increase they are requesting is beyond the pale.

According to their letter, these are the increases that their clients will receive if you approve their request.

- 1. 5/8-inch meter \$ 0.47 per day from \$ 24.16 to \$ 38.21 monthly. This is \$ 14.05 monthly or 58.15% increase.
- 2. 1-inch meter \$ 0.84 per day from \$ 52.83 to \$ 78.15 monthly. This is \$ 25.32 monthly or 47.93% increase.

In light of economic conditions, where do they think there clients are going to come up with such an increase! Are they trying to recoup all of their costs in one year? This percentage of increase in one year should not be allowed even in a good economic year. I am sorry I was not able to attend the community meeting Arizona America Water held today in connection with this request.

I am asking you to consider this request as over the top in terms of the increase! Even 10% today, when considering where we are economically, would put a lot of stress on all of your constituents who are struggling to make ends meet. I cannot remember a time when I have faced such a large increase in a one year time frame. Since we are captive to having water, we are at your mercy!

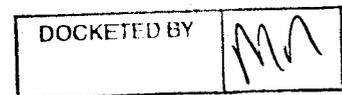
Thanks for your consideration.

Sincerely,

Ralph L. Schauble
17808 N. Encanto Drive
Surprise, Arizona 85374
Telephone: 623 584 2857

Arizona Corporation Commission
DOCKETED

DEC 18 2008



CC: Arizona America Water