

COMMISSIONERS
KRISTIN K. MAYES - Chairman
GARY PIERCE
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BOB STUMP



0000094076

EXECUTIVE DIRECTOR

47
6

ARIZONA CORPORATION COMMISSION

February 25, 2009

ORIGINAL

To: Docket Control

RE: Far West Water & Sewer, Inc. - Customer Comments
Docket No. WS-03478A-08-0454

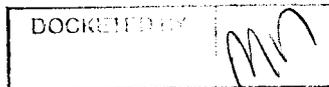
Please docket the attached 15 customer comments OPPOSING the above filed rate case.

Customer comments can be reviewed in E-docket under the above docket number.

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission
DOCKETED

FEB 25 2009



ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2009 FEB 25 P 3:47

RECEIVED

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: (6 [REDACTED])

Priority: Respond Within Five Days

Opinion No. 2009 - 76995

Date: 2/25/2009

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

Complaint By: First: Michael B. Last: Hull

Account Name: Pest Police Pest Control, LLC

Home: (928) 000-0000

Street: [REDACTED]

Work: [REDACTED]

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

Docket No. WS 03478A-08-0454

From: Mike Hull [REDACTED]
Sent: Wednesday, February 25, 2009 10:51 AM
To: Utilities Div - Mailbox
Subject: Far West

In a time when most businesses are cutting back and biting the bullet FAR West needs to be looking at ways to cut cost not increase them. If their cost of doing business has increased, which I am sure it has as all businesses. then they need to look at ways to cut overhead, not increase the cost to already overburdened consumers. As a small businessman I have had to look at ways to cut cost, including cutting employee's hours, lay offs and reducing my own salary. In our current economy we all need to cut overhead.

Some things we can all do as business people to function and survive in the current economy are no brainers;

1. Reduce employee's hours
2. Reduce managers and administrators hours, i.e close the office one to 4 days a month.
3. Reduce CEO's salary
4. Eliminate all but essential use of company vehicles, including take home vehicles for management and staff.
5. Eliminate all but absolutely necessary expenditures.

These are things that all employee's and businesses are facing and doing. It is a hard thing and hard on all

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

concerned, but it is necessary an must be done.

The customers of Far West are a captive audience and have no choice on their provider. This should not allow them to raise their rates in this type of economy when everyone else is cutting back to survive.

Respectfully,
Michael B. Hull,
Partner / Chief Operating Officer
Pest Police Pest Control, LLC

[REDACTED]
Yuma, AZ 85367-6833
[REDACTED]

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Called consumer to acknowledge receipt of opinion and docket procedure.

End of Comments

Date Completed: 2/25/2009

Opinion No. 2009 - 76995

February 19, 2009

Arizona Corporation Commission
Consumer Services Section
1200 W. Washington St.
Phoenix AZ 85007

Re:

Docket for Comment: Proposed Rate Increase for Far West Water & Sewer
Case or Utility Name: Far West Water and Sewer, Yuma, Arizona
Docket #WS-03478A-08-0454
Position on the Docket: Con

I am amazed and appalled at the Far West Water and Sewer Company's proposed increase in sewer fees.

It is quite apparent that the proposed increase has been requested in order to pay off debt incurred to finance the improvements needed to bring the current system into compliance with the ADEQ requirements and to allow for future development of the system. The cost of these improvements should not be the responsibility of the present consumer; it should be the responsibility of the company which **obviously ignored** the requirements in the first place.

It should also be noted that by increasing the capacity of the system, the family which also owns much of the vacant land and the major development business in the Foothills area will stand to gain by being able to further develop their land without a major investment on their part.

It is not unreasonable to expect a company to make a profit, but it is unreasonable to allow a company to gouge its customers in order to do so. In assessing whether or not to allow this sewer rate increase, particularly one so outrageous, it should be remembered that the shortfall is the result of the business practices of Far West Water and Sewer, Inc., and not the current consumers.

Sincerely,

Donald and Jacquelyn George
13381 E. 53rd St.
Yuma, Az. 85367

Don and Jacque George
13381 53rd Street E
Yuma, AZ 85367-8309

Arizona Corporation Commission Public Comment Form

Step 1

This form should be used for public comments pertaining to a specific pending case only. Please be sure to reference the appropriate docket number so your comments are filed in the docket promptly. Please use the Consumer Services Assistance Form for complaints, inquiries or general inquiries.

Alfred A. Abrahamson
P.O. Box 25208
Yuma, AZ 85367

Step 2

YOUR NAME <i>Al Abrahamson & Margaret Abrahamson</i>	DATE <i>2-18-2009</i>
ADDRESS, CITY, STATE AND ZIP <i>P.O. Box 25208 14884 E 49th Dr Yuma Az 85367</i>	YOUR PHONE NUMBER <i>928-342-3582</i>
DOCKET YOU WISH TO COMMENT ON: Proposed Rate increase for Far West Water & Sewer	DOCKET NUMBER WS-03478A-08-0454
CASE OR UTILITY NAME Far West Water and Sewer, Yuma Arizona	YOUR POSITION ON THE DOCKET PRO <input type="radio"/> CON <input type="radio"/> OTHER <input checked="" type="radio"/>
YOUR E-MAIL ADDRESS	

Step 3

ENTER YOUR COMMENTS HERE:

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far west water and Sewer Company. Docket No. WS-03478A-08-0454.

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County, who would receive a rate increase of over 200% over a period of three years. Once approved this new rate will be the permanent rate and will continue until Far West decides to raise the rates again.

Please see the Next 2 Pages

If you need additional space for your comments, please use the continuation page below.

Step 4

This form may be completed electronically, printed and mailed to:
Arizona Corporation Commission, Consumer Services Section, 1200 W. Washington St.
Phoenix, Arizona 85007;

You may e-mail it as an attachment to:
mailmaster@azcc.gov

Arizona Corporation Commission Public Comment Form Continuation Page

CONTINUE YOUR COMMENTS HERE:

B. Far West Water and Sewer Co and H&S Developers has been fined and is required to pay penalties, for numerous repeated alleged water and air quality violations dating back as far as 1989 and as recently as the 50 counts filed September 9, 2009 that could amount to a judgment of millions of dollars. H & S Developers is also named because it provided the services until forming Far West as a separate company in 1998 and transferring drinking water and wastewater facilities ownership to the new company.

C. In 2006 Farwest Water & Sewer finally came in to compliance with ADEQ. The company has now since expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the recent Subdivision that H&HS Development Co. just started.

D. H & S Development Co. recently opened El Rancho Encantado a new subdivision of RV Homes which consists of 219 sites with two RV hookups including Electrical service, sewer dump & water on each site. This is phase one of the project with two more phases to come. We question whether or not this latest request for a rate increase is designed to help pay for the new Wastewater Plant needed to support this new development?

E. Winter Residents currently flock to Yuma because of the weather, and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase because for 6-8 months out of the year they pay for their sewer fees despite being unable to flush their toilets because they have returned to their primary residence.

F. Of the Year round Foothills residents there is still a large majority of Retirees living on a fixed income. Many more are the working class. If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck as it is. A fee increase as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

In Conclusion

- We don't feel that Current customers should incur the costs necessary to cover a new Wastewater Plant needed to compensate for future growth. At most this cost should be absorbed by impact fees on the new lots being developed.

- We believe they have not suggested this because it would reduce the parent Company's building profits, in part due to the recession limiting the builder's inability to charge more than the market will bear.

- We further feel that this increase is also being requested as a direct result of negligence on the part of the Water Company, Farwest Water & Sewer. It appears as if they were negligent in poor planning to prevent numerous ADEQ violations.

Continued on the Next Page.

**Arizona Corporation Commission
Public Comment Form
Continuation Page**

CONTINUE YOUR COMMENTS HERE:

- We the customers of Farwest do not feel that is a cost that should be transferred to current customers.
- We feel that Far West Water and Sewer Co. should have maintained the current facilities as repeated violations were submitted since 1990 from ADEQ as well as the September 9, 2008, 49 page complaint in Maricopa County Superior Court in which 50 counts were filed against these companies for wastewater violations. In 2006 the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they recently increased their lagoon by 300 percent.

THEREFORE, we feel that this enormous increase is not justified. We the current owners feel that the extra charges requested are to aid H&S Developers and Far West Water & Sewer in paying Settlements incurred due to a law suit and penalties owed to ADEQ for lack of safety. We also feel it is possible that Farwest is trying to offset the costs incurred by the parent Companies new development on 48th Street. Their lack of sales and poor investments are not our responsibility. Farwest and H&S Developers, for years should have been investing their revenues in maintaining the system they have in place. If that had been the case they would not be requesting this aid currently.

Other Cities in Arizona* have been investigated and it has been found that they have seen rate increases of 5-9.5%. A small percentage is acceptable and necessary, but 200+% IS NOT. We the customers cannot afford this increase. We hope you will consider our concerns and VOTE NAY on this application. Thank You!

Dated this 12th day of February, 2009

*Average Sewer Rates around Arizona:

Sierra Vista (Rate increase of 5% total initiated Jan. 1, 2009): \$14.88/month

Tucson: \$23.61/month Rate Increase of 9.5% initiated July 1, 2008

Phoenix: \$28.50/month Proposed Rate increase of 5%

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76939

Date: 2/24/2009

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

Complaint By: **First:** Brenda **Last:** Sartin

Account Name: Brenda Sartin

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR:

State: AZ **Zip:** 85367

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

WS-03478A-08-0454

A 150% rate hike in a one year time period is ridiculous. Please do not allow them to do this.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in docket no. WS-03478A-08-0454

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76939

WS-03478A-08-0454
WS-03478A-08-0608

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: -----

Fax:

Priority: Respond Within Five Days

Opinion No. 2009 76943

Date: 2/24/2009

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

Complaint By: **First:** Iven **Last:** Smith

Account Name: Iven Smith

Home:

Street:

Work: (000) 000-0000

City: Yuma

CBR:

State: AZ **Zip:** 85367

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

WS-03478A-08-0608
WS-03478A-08-0454

Just when I thought Far West Water and Sewer has acted in the most irresponsible way possible, I was surprised to find out Far West wants to make an end run around the normal system with an emergency rate increase. If You, the Arizona Corporation Commission Consumer Services Section fall for this ploy by Far West and approve this request of Far West, I think an investigation would be in order. You are our only hope. But will an approval body located in Phoenix consider the needs of the people in the Foothills of Yuma and deny the request? Or, will you go through the motions, the public hearing, the written protests, the e-mails, and still approve the outrageous rate increase asked for by Far West? We can only hope that you at the ACC are aware of the hardships the American people, and specifically the people in this area, are going through, and reject any and all rate increases by Far West .

Iven Smith
Resident in the Foothills

Yuma, AZ 85365

Carmen Madrid
WS-03478A-08-0608
WS-03478A-08-0454

Greed again raises it's ugly head, this time in the utility business by Far West Sewer and Water Company. America is now in a financial low point. When we try to figure out just how we got there we can look to that evil called Greed. It has always been a human failure, but these past few years it has become so invasive in our

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

culture that it has had devastating effects on our national economy.

Last year we have seen large corporation suffering massive loses because of the outrageous prices of petroleum products. During that time oil companies gouged their customers, and rack-up enormous profits. Greed.

We have seen the housing industry collapse. Mortgage lenders knowing wrote bad loans then sold them off adding cash to their bottom line without taking any responsibility for their actions. Greed.

Bankers and car companies are asking for help from our government, and getting it, while at the same time executives are laying off thousands of workers they are paying themselves millions in salaries and bonuses. Greed

Individuals bought homes with the sole purpose of flipping those homes at a profit. They were looking for quick money without upgrading or remodeling the property. Yes, without adding any real value to the property. Greed.

Last year food prices were raised, the rational - gas prices were high so costs to deliver food has gone up resulting in higher food prices. But the price of gas has gone down without the prices of food going down. Airlines have used the same excuse, but the extra charges the airlines have tacked on has not gone away. Greed.

Now Far West Sewer and Water Company in the Foothills wants to slam its customers with jacked up prices to increase it profits. Please note, that's the same company that delivers virtually undrinkable water. Water that taste so bad that to be able to swallow it people in the area have to filter their own water, or buy water from one of the numerous kiosks in the area. That company wants to increase the price for their product without making any improvements to it. Greed.

People are hurting, people are losing their jobs, people are losing their retirement income, people are trying to survive on fixed incomes, Now is not the time for utilities to get on the Greed Bandwagon and raise their rates. Now is the time to be a responsible corporate citizen. You at ACC must do the right thing and reject the request from Far West to Increase rates.

Talbart Smith in the Foothills

Phone

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in Docket No. WS-03478A-08-0454 and WS-03478A-08-0608. closed

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76943

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76898

Date: 2/24/2009

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

Complaint By: First: Omer L. Last: Hooper

Account Name: Omer L. Hooper

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far west water and Sewer Company. Docket No. WS-03478A-08-0454.

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County, who would receive a rate increase of over 200% over a period of three years. Once approved this new rate will be the permanent rate and will continue until Far West decides to raise the rates again.

B. Far West Water and Sewer Co and H&S Developers has been fined and is required to pay penalties, for numerous repeated alleged water and air quality violations dating back as far as 1989 and as recently as the 50 counts filed September 9, 2008 that could amount to a judgment of millions of dollars. H & S Developers is also named because it provided the services until forming Far West as a separate company in 1998 and transferring drinking water and wastewater facilities ownership to the new company.

C. In 2006 Farwest Water & Sewer finally came in to compliance with ADEQ. The company has now since expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the recent Subdivision that H&HS Development Co. just started.

D. H & S Development Co. recently opened El Rancho Encantado a new subdivision of RV Homes which consists of 219 sites with two RV hookups including Electrical service, sewer dump & water on each site. This is phase one of the project with two more phases to come. We question whether or not this latest request for a rate increase is designed to help pay for the new Wastewater Plant needed to support this new development?

E. Winter Residents currently flock to Yuma because of the weather, and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

because for 6-8 months out of the year they pay for their sewer fees despite being unable to flush their toilets because they have returned to their primary residence.

F. Of the Year round Foothills residents there is still a large majority of Retirees living on a fixed income. Many more are the working class. If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck as it is. A fee increase as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

In Conclusion

- We don't feel that Current customers should incur the costs necessary to cover a new Wastewater Plant needed to compensate for future growth. At most this cost should be absorbed by impact fees on the new lots being developed.

- We believe they have not suggested this because it would reduce the parent Company's building profits, in part due to the recession limiting the builder's inability to charge more than the market will bear.

- We further feel that this increase is also being requested as a direct result of negligence on the part of the Water Company, Farwest Water & Sewer. It appears as if they were negligent in poor planning to prevent numerous ADEQ violations.

- We the customers of Farwest do not feel that is a cost that should be transferred to current customers.

- We feel that Far West Water and Sewer Co. should have maintained the current facilities as repeated violations were submitted since 1990 from ADEQ as well as the September 9, 2008, 49 page complaint in Maricopa County Superior Court in which 50 counts were filed against these companies for wastewater violations. In 2006 the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they recently increased their lagoon by 300 percent.

THEREFORE, we feel that this enormous increase is not justified. We the current owners feel that the extra charges requested are to aid H&S Developers and Far West Water & Sewer in paying Settlements incurred due to a law suit and penalties owed to ADEQ for lack of safety. We also feel it is possible that Farwest is trying to offset the costs incurred by the parent Companies new development on 48th Street. Their lack of sales and poor Investments are not our responsibility. Farwest and H&S Developers, for years should have been investing their revenues in maintaining the system they have in place. If that had been the case they would not be requesting this aid currently.

Other Cities in Arizona* have been investigated and it has been found that they have seen rate increases of 5-9.5%. A small percentage is acceptable and necessary, but 200+% IS NOT. We the customers cannot afford this increase. We hope you will consider our concerns and VOTE NAY on this application. Thank You!

Dated this 12th day of February, 2009

*Average Sewer Rates around Arizona:

Sierra Vista (Rate increase of 5% total initiated Jan. 1, 2009): \$14.68/month

Tucson: \$23.61/month Rate Increase of 9.5% initiated July 1, 2008

Phoenix \$28.50/month Proposed Rate increase of 5%

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Opinion noted and filed in docket WS-03478A-08-0454. closed
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76898

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76911

Date: 2/24/2009

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

Complaint By: First: Sherri Last: Congrove

Account Name: Sherri Congrove

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far west water and Sewer Company. Docket No. WS-03478A-08-0454.

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County, who would receive a rate increase of over 200% over a period of three years. Once approved this new rate will be the permanent rate and will continue until Far West decides to raise the rates again.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in docket WS-03478A-08-0454. closed

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76911

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76915

Date: 2/24/2009

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

Complaint By: First: Charles & Laura Last: Lodge

Account Name: Charles & Laura Lodge

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

RATE APPLICATION WS-03478A-08-0454

Far West Water & Sewer is a private organization and is trying to extort money out of its customers to increase its net profits.

Once its existing customers pay for the expanding of the sewer plant which will increase their customer base there will be no reduction in fees.

We are in the city limits and will be paying a rate that will increase approximately 200% above the rest of the city of Yuma. At that point the owners will have a gigantic increase of their profits.

There are other legal resources to obtain loans to increase their business.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in WS-03478A-08-0454. closed

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76915

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76901

Date: 2/24/2009

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

Complaint By: First: Duane and Mary Last: Richards

Account Name: Duane And Mary Richards

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

From: Duane And Mary Richards [mailto:[REDACTED]]
Sent: Friday, February 20, 2009 9:16 AM
To: Utilities Div - Mailbox
Subject: Arizona Corporation Commission Public Comment Form

Thank you
Duane Richards
[REDACTED] Yuma, Az. 85365

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far west water and Sewer Company. Docket No. WS-03478A-08-0454.

- A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County, who would receive a rate increase of over 200% over a period of three years. Once approved this new rate will be the permanent rate and will continue until Far West decides to raise the rates again.
- B. Far West Water and Sewer Co and H&S Developers has been fined and is required to pay penalties, for numerous repeated alleged water and air quality violations dating back as far as 1989 and as recently as the 50 counts filed September 9, 2008 that could amount to a judgment of millions of dollars. H & S Developers is also named because it provided the services until forming Far West as a separate company in 1998 and transferring drinking water and wastewater facilities ownership to the new company.
- C. In 2006 Farwest Water & Sewer finally came in to compliance with ADEQ. The company has now since expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the recent

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Subdivision that H&HS Development Co. just started.

D. H & S Development Co. recently opened El Rancho Encantado a new subdivision of RV Homes which consists of 219 sites with two RV hookups including Electrical service, sewer dump & water on each site. This is phase one of the project with two more phases to come. We question whether or not this latest request for a rate increase is designed to help pay for the new Wastewater Plant needed to support this new development?

E. Winter Residents currently flock to Yuma because of the weather, and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase because for 6-8 months out of the year they pay for their sewer fees despite being unable to flush their toilets because they have returned to their primary residence.

F. Of the Year round Foothills residents there is still a large majority of Retirees living on a fixed income. Many more are the working class. If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck as it is. A fee increase as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

In Conclusion

- We don't feel that Current customers should incur the costs necessary to cover a new Wastewater Plant needed to compensate for future growth. At most this cost should be absorbed by impact fees on the new lots being developed.
- We believe they have not suggested this because it would reduce the parent Company's building profits, in part due to the recession limiting the builder's inability to charge more than the market will bear.
- We further feel that this increase is also being requested as a direct result of negligence on the part of the Water Company, Farwest Water & Sewer. It appears as if they were negligent in poor planning to prevent numerous ADEQ violations.
- We the customers of Farwest do not feel that is a cost that should be transferred to current customers.
- We feel that Far West Water and Sewer, Co. should have maintained the current facilities as repeated violations were submitted since 1990 from ADEQ as well as the September 9, 2008, 49 page complaint in Maricopa County Superior Court in which 50 counts were filed against these companies for wastewater violations. In 2006 the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they recently increased their lagoon by 300 percent.

THEREFORE, we feel that this enormous increase is not justified. We the current owners feel that the extra charges requested are to aid H&S Developers and Far West Water & Sewer in paying Settlements incurred due to a law suit and penalties owed to ADEQ for lack of safety. We also feel it is possible that Farwest is trying to offset the costs incurred by the parent Companies new development on 48th Street. Their lack of sales and poor Investments are not our responsibility. Farwest and H&S Developers, for years should have been investing their revenues in maintaining the system they have in place. If that had been the case they would not be requesting this aid currently.

Other Cities in Arizona* have been investigated and it has been found that they have seen rate increases of 5-9.5%. A small percentage is acceptable and necessary, but 200+% IS NOT. We the customers cannot afford this increase. We hope you will consider our concerns and VOTE NAY on this application. Thank You!

Dated this 12th day of February, 2009

*Average Sewer Rates around Arizona:

Sierra Vista (Rate increase of 5% total initiated Jan. 1, 2009): \$14.68/month

Tucson: \$23.61/month Rate Increase of 9.5% initiated July 1, 2008

Phoenix \$28.50/month Proposed Rate increase of 5%

End of Complaint

Utilities' Response:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator's Comments and Disposition:

Opinion noted and filed in docket WS-03478A-08-0454. closed
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76901

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: (602) 388-8888

Fax: (602) 388-8888

Priority: Respond Within Five Days

Opinion No. 2009 76904

Date: 2/24/2009

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

Complaint By: **First:** Paul and Barbara **Last:** Galyon

Account Name: Paul and Barbara Galyon

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ **Zip:** 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

From: Barbara Galyon [mailto:[REDACTED]]
Sent: Friday, February 20, 2009 2:45 PM
To: Utilities Div - Mailbox
Subject: Far West Water Permanent Request Docket #WS-03478A-08-0454

Thank you for your time.
Barbara Galyon

It is understandable that rate increases are needed from time to time, but to ask for an permanent increase over 200% over 3 years with 150% all at once in our current economic times is unreasonable. Even if the economy was not in a recession - that much of an increase comes from mismanagement of the company. We all know of their lawsuits and fines for not properly managing their treatment plants. We should not have to pay for their unprofessional procedures. A much smaller increase would be acceptable.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in docket WS-03478A-08-0454. closed
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76904

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76902

Date: 2/24/2009

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

Complaint By: First: Dennis & Millie Last: Larson

Account Name: Dennis & Millie Larson

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

Dennis Larson [REDACTED] 2/20/2009

Proposed Rate Application [REDACTED] Docket # WS-03478A-08-0454

Far West Water & Sewer Company - Yuma, AZ [REDACTED] (x) Con

Comments:

The rate increase and "Emergency" rate increase should not be approved:

A. The increase is unrealistically high and not within customary increases in the industry.

B. The "need" for an increase is the result of company management ineptitude and an attempt to generate revenue to solve continuing problems.

C. The "need" for an increase could be considered a "bailout" for mistakes and poor management when more competent management or new ownership with vision could solve problems at less expense.

As a resident of Vista del Sol subdivision in Yuma, we have experienced continuing odor problems, which are only diminished by winds from the north. The odor seriously affects the quality of life, maybe even our health, and property values in the area. A properly developed and constructed treatment plant would have eliminated this problem. Far West should be liable and those charges should not be passed on to their customers in the form of huge rate increases in a short time frame. Other means of funding construction should be found which

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

would enable re-payment over a greater number of years to reduce impact on customers. Maybe Federal money is available at this critical time in our economy.

The situation Far West finds itself in was of their doing. Management should be held accountable. Maybe municipal ownership of Far West would be a viable solution for improving service at affordable prices. Exorbitant monthly rate increases would not seem to be the solution.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in docket WS-03478A-08-0454. closed

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76902

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: ([REDACTED])

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76905

Date: 2/24/2009

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

Complaint By: First: Mavis Last: Ellis

Account Name: Mavis Ellis

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

From: Mavis Ellis [mailto:[REDACTED]]
Sent: Friday, February 20, 2009 6:40 AM
To: Utilities Div - Mailbox
Subject: Far West Water & Sewer rate hike

Hi ~ I tried to pull the comment form up but it wouldn't open. This company is unable to manage their finances! Why don't they drive around the foothills and make all the people who have 3, 4, 5, or more units on their lots pay more? You can only have 2 RV's on a lot here, or one house. There is a guy down the street from me that has a double wide house, and 3 big rv's all hooked up to utilities. This area is full of stuff like that. I also know personally of 3 people who pay nothing. They stopped their service when they left for the summer and never started it up again but hey, everything works so why say anything? That's their opinion not mine. I realize these guys are in a financial mess but a 200% increase?! Man, I could use a bail out too. My income keeps decreasing while my expenses keep increasing. That's and ugly picture. Maybe they should turn this over to the county or something. I am NOT for the big rate increase. I would not be opposed to a rate increase, but not 200%.

Mavis Ellis
[REDACTED]

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Opinion noted and filed in docket WS-03478A-08-0454. closed
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76905

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76900

Date: 2/24/2009

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

Complaint By: First: Charles Last: Hays

Account Name: Charles Hays

Home: [REDACTED]

Street: [REDACTED]

Work: (000) 000-0000

City: Yuma

CBR: [REDACTED]

State: AZ Zip: 85367

is: E-Mail

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: n/a

Contact Phone: n/a

Nature of Complaint:

From: Charley and Marla Hays [mailto:[REDACTED]]
Sent: Friday, February 20, 2009 6:10 AM
To: Utilities Div - Mailbox
Subject: Emailing: FarWest

Charles Hays 02182009

Docket WS-03478A-08-0454

WS-03478A-08-0454

Far West Water and Sewer Company Con

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Company would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far West Water and Sewer Company docket WS03478A-08-0454.

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County who would receive a rate increase of over 200% over a period of three years. Once approved, this new rate will be the permanent and will continue until Far West decides to raise rates again.

B. Far West Water and Sewer Company and H&S Developers have been fined and are required to pay penalties for numerous alleged water and air quality violations dating as far back as 1989 and as recently as September 9, 2008 which could climb into the millions of dollars. H&S Developers is also named because it provided the

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

services until forming Far West as a separate company in 1998 and transferring drinking water and wastewater facilities ownership to the new company.

C. In 2006, Far West Water and Sewer finally came into compliance with ADEQ. The company has now since expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the most recent subdivision that H&S Development just started.

D. H&S Development Co recently opened El Rancho Encantado a new subdivision of RV homes which consists of 219 sites with 2RV hookups including electrical service, sewer dump and water on each site. This is phase one of the project with two more phases to come. We question whether or not this latest request for a rate increase is designed to help pay for the new wastewater plant needed to support this new development.

E. Winter residents currently flock to Yuma because of the weather and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase because for 6-8 months out of the year, they pay for their sewer fees despite being unable to flush their toilets because they have returned to their primary residence.

F. Of the year round Foothills residents, there is still a large majority of retirees living on a fixed income. Many more are the working class. If the proposed increase passes, it would only succeed in further devastating the local economy. There are many people who live paycheck to paycheck as it is. A fee increased as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

In conclusion

We don't feel that current customers should incur the costs necessary to cover a new wastewater plant needed to compensate for future growth. At most this cost should be absorbed by impact fees on the new lots being developed.

We believe that they have not suggested this because it would reduce the parent company's building profits, in part due to the recession limited the builder's inability to charge more than the market will bear.

We further feel that this increase is also being requested as a direct result of negligence on the part of Far West Sewer and Water Co. It appears they were negligent in poor planning to prevent numerous ADEQ violations.

We the customers of Far West do not feel that this is a cost that should be transferred to current customers.

We feel that Far West Water and Sewer Co should have maintained the current facilities as reported violations were submitted since 1990 from ADEQ as well as the September 9, 2008 49 page complaint in Maricopa County Superior Court in which 50 violations counts were filed against these companies for wastewater violations. In 2006, the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they recently increased their lagoon by 300%.

Therefore, we feel that this enormous increase is not justified. We current owners feel that the extra charges requested are to aid H&S Developers and Far West Water and Sewer in paying settlement incurred due to a law suit and penalties owed to ADEQ for lack of safety. We also feel it is possible that that Far West is trying to offset the costs incurred by the parent company's new development on 48th St. Their lack of sales and poor investments are not our responsibility. Far West and H&S developers for years should have been investing their revenues in maintaining the system they have in place. If they had been responsible with their investments, they would not currently be seeking aid.

We urge you to VOTE NAY on Far West's request.

End of Complaint

**ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM**

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in docket WS-03478A-08-0454. closed
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76900

WS-03478A-08-0454

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Reg Lopez

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76914

Date: 2/24/2009

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

Complaint By: First: Phil Last: Schneider

Account Name: Phil Schneider

Home: [REDACTED] 1

Street: [REDACTED]

Work:

City: Yuma

CBR:

State: AZ Zip: 85367

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

He is opposed to the excessive 214.8% increase. He heard that the increase is simply to provide the family with more spending money. That is just info that he obtained, whether correct or not he doesn't know. He called Far West and they agreed to e-mail him documents surrounding the rate case. He feels the rate increase is unreasonable at any time, but especially during this tough economic condition.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

I advised that the ACC conducts an in depth analysis all rate applications by ACC accountants to determine the basis of all rate applications. I further explained that the ACC has to balance the interests of both the consumer and utility company. I agreed to enter his comments as a permanent record in this rate application and that his comments would be considered before a decision is rendered in this matter. I expressed thanks for taking the time to express his opinion in this matter.

I e-mailed this OPINION to Carmen Madrid at ACC Phoenix Office to have this docketed towards the rate application for FAR WEST WATER AND SEWER COMPANY: WS-03478A-08-0454. File closed.

End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76914

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 76929

Date: 2/24/2009

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

Complaint By: **First:** Linda **Last:** Mayer

Account Name: Linda Mayer

Home: (000) 000-0000

Street: [REDACTED]

Work:

City: Yuma

CBR: [REDACTED]

State: AZ **Zip:** 85365

is: Cellular

Utility Company: Far West Water & Sewer, Inc.

Division: Water

Contact Name: Roxanne Fiddes

Contact Phone: [REDACTED]

Nature of Complaint:

***** WS-03478A-08-0454 *****
[REDACTED]

Customer left a v/m message stating she is emphatically opposed to both rate increase requests.
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Customer comments filed in both dockets.
End of Comments

Date Completed: 2/24/2009

Opinion No. 2009 - 76929
