

COMMISSIONERS
KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP



ARIZONA CORPORATION COMMISSION

March 4, 2009

To: Docket Control

ORIGINAL

RE: Arizona American Water Company - Customer Comments
Docket Nos. W-01303A-08-0227 and SW-01303A-08-0227

Please docket the attached 4 customer comments OPPOSING the above filed rate case.

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

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission
DOCKETED

MAR - 5 2009

DOCKETED BY MS

RECEIVED
2009 MAR - 5 A 8: 32
AZ CORP COMMISSION
DOCKET CONTROL

W01303A-08-0227
SW 01303A-08-0227

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: ([REDACTED])

Priority: Respond Within Five Days

Opinion No. 2009 - 77214

Date: 3/4/2009

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

Complaint By: **First:** Sidney A. **Last:** Miner

Account Name: Sidney A. Miner

Home: (623) 000-0000

Street: [REDACTED]

Work:

City: Sun City West

CBR:

State: AZ **Zip:** 85375

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 Sun City West Water District

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water, I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow. They are asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.

End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77214

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

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 77213

Date: 3/4/2009

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

Complaint By: **First:** Minor **Last:** Williams

Account Name: Minor & Dorothy Williams

Home: (623) 000-0000

Street: [REDACTED]

Work:

City: Sun City West

CBR:

State: AZ **Zip:** 85375

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: (623) [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 Sun City West Water District

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water, I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow. They are asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.
End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77213

February 27, 2009

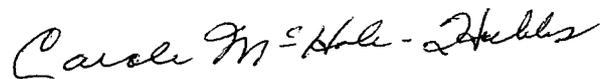
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007-2927

Re: Docket No. W-01303A-08-0227
SW-01303A-08-0227

Dear Commissioners,

Enclosed herewith is a copy of PORA'S Second Data Request and Attachment that PORA has submitted to Arizona/American Water Company on February 27, 2009. These data requests represent additional concerns that PORA, Sun City West Water District has in the subject dockets. Please take these under consideration in determining rate increases in this case.

Respectfully

A handwritten signature in cursive script that reads "Carole McHale-Hubbs".

Carole McHale-Hubbs, Attorney for PORA

ARIZONA/AMERICAN WATER COMPANY

RATE APPLICATION

DOCKET NO. W-01303A-08-0227

DOCKET NO. SW-01303A-08-0227

PORA, SUN CITY WEST, SECOND SET OF DATA REQUESTS
TO ARIZONA/AMERICAN WATER COMPANY

- 2.01 Please correct Docket No. on PORA'S First Set Of Data Requests from W-01-393A-08-0227 to W-01303A-08-0227 and SW-01-303A-08-0227 to SW-01303A-08-0227.
- 2.02 Please explain the Pro forma adjustment of maintenance expenses of \$137.026 on Line 21, Schedule C-1, (attached), which equates to 124% above the test year. How was the Pro Forma adjustment derived?
- 2.03 Please supply PORA, through it's Intervenor, Carole McHale-Hubbs, the payment delinquency rate and actual amounts of delinquencies for each water district subject to the requested rate increases stated in the subject dockets.


Carole McHale-Hubbs

2/27/09

Attachments:
Schedule C-1, Adjusted Test Year Income Statement

Arizona American Water Company - Sun City West Water
 Test Year Ended December 31, 2007
 Adjusted Test Year Income Statement

Exhibit
 Schedule C-1
 Page 1
 Witness: Hubbard

Line No.		[A] Test Year Book Results	[B] Total Pro Forma Adjustments	[C] Test Year Adjusted Results	[D] Proposed Rate Increase	[E] Adjusted with Rate Increase
1	Revenues					
2	Water Revenues	\$ 4,303,816	\$ 1,357,414	\$ 5,861,030	4,276,305	\$ 9,937,336
3	Other Revenues	1,853,019	(1,812,618)	40,401		40,401
4						
5		\$ 6,156,835	\$ (455,204)	\$ 5,701,431	\$ 4,276,305	\$ 9,977,736
6	Operating Expenses					
7	Labor	\$ 843,462	\$ 59,755	\$ 703,217		\$ 703,217
8	Purchased Water	252,671	(255,361)	(2,690)		(2,690)
9	Fuel & Power	725,810	104,264	830,074		830,074
10	Chemicals	95,331	132,558	227,889		227,889
11	Waste Disposal	4,391	-	4,391		4,391
12	Management Fees	996,569	3,334	999,903		999,903
13	Group Insurance	145,525	45,595	191,120		191,120
14	Pensions	72,512	65,187	137,699		137,699
15	Regulatory Expense	9,737	24,065	33,802		33,802
16	Insurance Other Than Group	58,622	-	58,622		58,622
17	Customer Accounting	131,441	2,035	133,476	1,711	135,187
18	Rents	14,331	-	14,331		14,331
19	General Office Expense	57,226	-	57,226		57,226
20	Miscellaneous	243,650	(11,242)	232,408		232,408
21	Maintenance Expense	110,302	137,026	247,328		247,328
22	Depreciation & Amortization	1,371,936	(48,395)	1,323,541		1,323,541
23	General Taxes-Property Taxes	139,898	39,998	179,896	45,150	225,047
24	General Taxes-Other	53,716	12,116	65,832		65,832
25	Income Taxes	(233,528)	(90,531)	(324,059)	1,632,518	1,308,459
26						
27	Total Operating Expenses	\$ 4,883,602	\$ 220,404	\$ 5,114,008	\$ 1,679,379	\$ 6,793,385
28	Utility Operating Income	\$ 1,263,033	\$ (675,808)	\$ 587,425	\$ 2,596,926	\$ 3,184,351
29	Other Income & Deductions					
30	Other Income & Deductions	17,621	(17,621)	-		-
31	Interest Expense	1,033,373	69,549	1,102,922		1,102,922
32	Other Expense	(372)	-	(372)		(372)
33	Gain/Loss Sale of Fixed Assets	90,780	-	90,780		90,780
34	Total Other Income & Deductions	\$ (924,600)	\$ (87,170)	\$ (1,011,770)	\$ -	\$ (1,011,770)
35	Net Profit (Loss)	\$ 338,433	\$ (762,777)	\$ (424,344)	\$ 2,596,926	\$ 2,172,582

44 Supporting Schedules:
 45 E-2 C-2

Recap Schedules:
 A-1

LAVA DRIVE HOME OWNER'S ASSOCIATION
18615 N. 136TH. DRIVE
SUN CITY WEST, ARIZONA
85375

Date: March 2, 2009

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

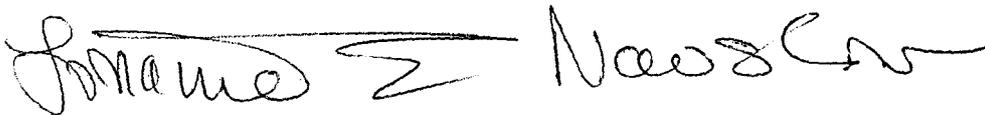
We live in the Lava Drive Home Owners Association of Sun City West, Arizona which has thirty five (35) homes and we are appalled by the ridiculously high rate increase requested by AZ/AM Water.

We certainly cannot understand how they can justify an increase of 79.96% in the water rates for our area.

Is this another case of poor management and poor planning by AZ/AM and now they want the customer to be the savior of the problems they themselves have created.

Please protect us by drastically slashing the rate increase you allow AZ/Am Water to have. Az/Am Water is asking for a 500% increase in operating income at a time when we and the entire country are in a financial mess. Your assistance will be greatly appreciated by us and all of the residents in Sun City West.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Newsom". The signature is written in a cursive style with a long horizontal line extending from the first name.

February 27, 2009

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

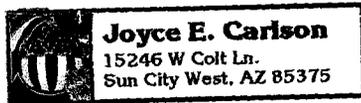
Dear Commissioners,

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water. I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow AZ/Am Water to have. Az/Am Water is asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

Sincerely,

Joyce E. Carlson



March 02, 2009

Arizona Corporation Commission
1200 W. Washington St. Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

This letter is to inform you that we strongly oppose the extreme high rate increase that has been requested by AZ/AM Water. We are retired on a fixed income and can not afford a 79.96% increase in water rates. Even a small increase is difficult to afford in this US recession.

In January we received a bill in the mail indicating that I did not pay my monthly water bill due in January (\$46.35). For over six years this bill has been electronically taken out of my checking account. Our checking account always has a minimum balance of \$500.00. Both APS and SW Gas were able to obtain their monthly charges from the same account with no problems.

I then had to drive to Sun City AZ/AM Water to pay my bill by personal check.

We believe this is an effort to imply that Sun City West residents due not pay their water bills when due so that AZ/AM Water needs this excessive rate increase because of late bill payments in Sun City West.

Please protect us by rejecting this huge increase.

Sincerely,



Norman and Marilyn Betzer
14934 W. Antelope Drive
Sun City West, AZ 85375

Arizona Corporation Commission
1200 W. Washington St. Room 1
Phoenix, Az. 85007

Docket No. W-01303 A-08-0227 and SW-01-303A-08-2007

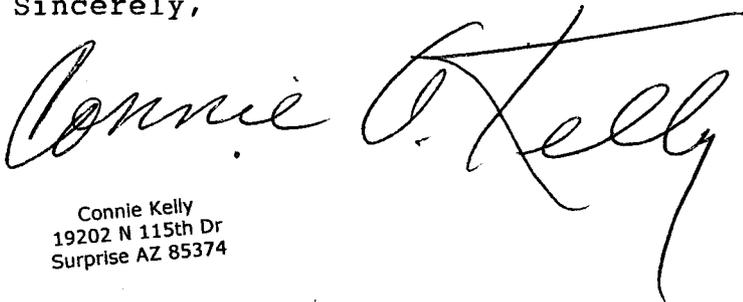
Dear Commissioners:

Please protect us by disallowing the 79% increase proposed by Arizona American Water.

Arizona American Water is asking for a 500% operating income increase. This is the worst possible time for this raise. Many families are struggling to put food on the table. Many are without jobs. Many are on fixed incomes trying to cope with everything going up while incomes are reduced or stagnant.

This obvious disregard for the state America is in seems unamerican of Arizona American Water! Therefore, we are depending on you for any assistance you can give the citizens of Arizona.

Sincerely,

A handwritten signature in cursive script that reads "Connie Kelly". The signature is written in black ink and is positioned to the right of the typed name.

Connie Kelly
19202 N 115th Dr
Surprise AZ 85374

February 2009

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

I live in Sun City West, Arizona and am appalled at the ridiculously high rate increase requested by Arizona American Water. I am retired on a fixed income and cannot afford to pay an increase of 79.96% in water rates.

Please protect me and other retirees by drastically reducing the rate increase you grant AZ/AM Water. Arizona American Water is asking for a 500% increase in operating income at a time when the entire country is in a financial quagmire. Your careful consideration will be greatly appreciated by all of us residents in Sun City West.

Sincerely,

Minor + Dorothy Williams
By Dorothy Williams

D. Minor
Ms. Dorothy Williams
12919 W Maplewood Dr. 02
Sun City West, AZ 85375-4852

**Arizona Corporation Commission
1200 W Washington St—Room 1
Phoenix, Az. 85007**

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners:

I live in Sun City West, Arizona and am shocked by the ridiculously high rate increase requested by Arizona American Water!!!! I am 87years old, retired on a fixed income and do Not have any extra income to pay an increase of 79.96% in water rates.

Please, protect us by drastically slashing the rate increase you Might allow GREEDY Arizona American Water to have. Arizona American Water is asking a 500% increase in operating income at a time when I and the entire country is in a Financial crisis.

Your assistance will be greatly appreciated by me and all of the Residents of Sun City West.

Most Sincerely,



**Sidney A Miner
15121 W Greystone Dr.
Sun City West, Arizona
85375**

3/1/09

LAVA DRIVE HOME OWNER'S ASSOCIATION
18615 N. 136TH. DRIVE
SUN CITY WEST, ARIZONA
85375

Date: *Mar 2, 2009*

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

We live in the Lava Drive Home Owners Association of Sun City West, Arizona which has thirty five (35) homes and we are appalled by the ridiculously high rate increase requested by AZ/AM Water.

We certainly cannot understand how they can justify an increase of 79.96% in the water rates for our area.

Is this another case of poor management and poor planning by AZ/AM and now they want the customer to be the savior of the problems they themselves have created.

Please protect us by drastically slashing the rate increase you allow AZ/Am Water to have. Az/Am Water is asking for a 500% increase in operating income at a time when we and the entire country are in a financial mess. Your assistance will be greatly appreciated by us and all of the residents in Sun City West.

Sincerely,

Ruth I Kirkman

W 01303A-08-0227

SW 01303A-08-0227

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 77209

Date: 3/4/2009

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

Complaint By: **First:** Ruth I. **Last:** Kirkman

Account Name: Ruth I. Kirkman

Home: (623) 000-0000

Street: n/a

Work:

City: Sun City West

CBR:

State: AZ **Zip:** 85375

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 SUN CITY WEST WATER DISTRICT

We live in Lava Drive Homeowners Association of Sun City West, Arizona which has 35 homes and we are appalled by the ridiculously high rate increase requested by AZ/AM Water.

We certainly cannot understand how they can justify an increase of 79% in the water rates for our area.

Is this another case of poor management and poor planning by AZ/AM and now they want the customer to be the savior of the problems they themselves have created.

Please protect us by dratically slashing the rate increase you allow AZ/AM Water to have. They are asking for a 500% increase in operating income at a time when we and the entire country are in a financial mess. Your assistance will be greatly appreciated by us and all the residents of Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.

End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77209

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

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 77212

Date: 3/4/2009

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

Complaint By: **First:** Connie **Last:** Kelly

Account Name: Connie Kelly

Home: (623) 000-0000

Street: [REDACTED]

Work:

City: Surprise

CBR:

State: AZ **Zip:** 85374

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 Aqua Fria Water and Aqua Fria Wastewater District

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water, I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow. They are asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.
End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77212

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

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Priority: Respond Within Five Days

Opinion No. 2009 - 77211

Date: 3/4/2009

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

Complaint By: First: Norman Last: Betzer

Account Name: Norman & Marilyn Betzer

Home: (623) 000-0000

Street: [REDACTED]

Work:

City: Sun City West

CBR:

State: AZ Zip: 85375

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 SUN CITY WEST WATER DISTRICT

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water, I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow. They are asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.

End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77211

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

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: (602) [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 77210

Date: 3/4/2009

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

Complaint By: First: Joyce E Last: Carlson

Account Name: Joyce E. Carlson

Home: (623) 000-0000

Street: [REDACTED]

Work:

City: Sun City West

CBR:

State: AZ Zip: 85375

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: (602) [REDACTED]

Nature of Complaint:

Docket No. W 01303A-08-0227 / SW 01303A-08-0227 SUN CITY WEST WATER DISTRICT

I live in Sun City West, Arizona and am horrified by the ridiculously high rate increase requested by AZ/AM Water, I am retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow. They are asking for a 500% increase in operating income at a time when the entire country is in a financial mess. Your assistance will be greatly appreciated by all of the residents in Sun City West.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed.

End of Comments

Date Completed: 3/4/2009

Opinion No. 2009 - 77210