

W-02618A-09-0076



0000095197

ORIGINAL

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

RECEIVED

4760

Investigator: Al Amezcua

Phone: [REDACTED]

2009 APR Fax: [REDACTED]

Priority: Respond Within Five Days

AZ CORP COMMISSION
DOCKET CONTROL

Opinion No. 2009 - 77938

Date: 3/31/2009

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

Complaint By: **First:** Larry **Last:** Holman

Account Name: Larry Holman

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Quartzsite

CBR:

State: AZ **Zip:** 85346

is:

Utility Company: Q Mountain Mobile Home Park

Division: Water

Contact Name: Robert Kelly

Contact Phone: (520) 927-3088

Nature of Complaint:

March 20, 2009

Arizona Corporation Commission
DOCKETED

APR - 2 2009

Arizona Corporation Commission
Consumer Services Section
1200 West Washington Street
Phoenix, AZ 85007

DOCKETED BY [Signature]

Re: Docket No. W-02800A-09-0076

Dear Sirs:

In reviewing the application filed with the above Docket # there is several discrepancies and misleading information.

First, the correct name is Q Mountain Mobile Home Park filed and approved under Docket # U-25 18-88-236. However, it would appear on the above numbered Docket someone is trying to change the name without going through the proper channels of the Arizona Corporation Commission. There are no Documents such as filing of Articles of Incorporation or by-laws to support the name change, plus on the application, one would be led to believe these filings are necessary since Inc. would indicate a new entity, also nothing states if for profit or non-profit.

Second, Q Mountain Mobile Home Park Water Department chose to spend this \$72,301.50 declaring a so called emergency just as they are doing now. They never made any application to the Corporation Commission bowing full well this to be necessary before hook-up to the town and also knew there was not much of a chance of the Corporation Commission going along with their illegal scheme in regard to the deal that was made with the Town of Quartzsite to collect \$750.00 for each water customer. I would refer you to Mr. Brad Morton, Investigator for AZ Corporation Commission Utility, phone [REDACTED] who was informed of the scheme. 10-28-2008. He, in turn, notified Bob Kelley, President of HOA and also a member of the town council, this charge

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

was not legal. Bob Kelley never notified any customer this was an illegal charge, in fact, encouraged customers to pay even having Q Mountain Homeowners Association Water Department office being a drop for payments.

Third, there does not appear to be any accounting of cash and credit on hand or income and expenses. As of this date:

Cash on hand	\$5,900
Credit at town to be applied to water cost	10,927
	\$16,827

Monthly Income	
244 Connections at \$12.00	\$ 2,928
The cost of water from town \$1.40 per 1000 gal	
As per tariff customers are charged \$2.00 per 1000 gal	
Meaning 600 per 1000 gal return over costs	
Taking average usage of 3,500 gal per customer,	
Approximate income	\$ 3,500
Approximate monthly income	\$ 6,428
12 month approximate	\$77,136

Now that there are no operating costs or maintenance of wells, operating costs for a part-time bookkeeper should be very minimal.

I would hope you will require certified copies of all their income and expenses.

Also worth mentioning the HOA that is supposed to own this water department has on hand in excess of \$55,000. Rather than working a hardship on the customers it would seem the easiest thing to do, if money is needed for the water department would be to make a short term bridge loan to the water department.

Last of all, they are trying to dispose of all facilities of the water department, again without approval of the Corporation Commission, which again, per Mr. Brad Morton is again illegal unless the town of Quartzsite either buys the water department or condemns it. Both have to go through the proper channels.

I strongly recommend this rate increase not be allowed and further recommend there be a full investigation concerning the taking advantage of all water customers and operating above the law.

Enclosed, please find copies of letter and bills being sent to water customers from town of Quartzsite.

Sincerely,

Larry Holman



Attached were copies of two bills from the Town of Quartzsite.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

March 31, 2009

I spoke with Mr. Holman, and advised him that his letter regarding the Q Mountain Mobile Home Park ("Q Mountain") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the Q Mountain application.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase. He thanked me for the call.

Sincerely,

Alfonso Amezcua
Public Utilities Consumer Analyst II
Utilities Division
End of Comments

Date Completed: 3/31/2009

Opinion No. 2009 - 77938

W-02800A-09-0076

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 77937

Date: 3/31/2009

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

First:

Last:

Complaint By: Vernon L

Byrd

Account Name: Vernon L Byrd

Home: (000) 000-0000

Street: [REDACTED]

Work: (000) 000-0000

City: Quartzsite

CBR:

State: AZ **Zip:** 85346

is:

Utility Company: Q Mountain Mobile Home Park

Division: Water

Contact Name: Robert Kelly

Contact Phone: (520) 927-3088

Nature of Complaint:

March 20, 2009

Arizona Corporation Commission
Consumer Services Section
1200 West Washington Street
Phoenix, AZ 85007

Re: Docket No. W-02800A-09-0076

Dear Sirs:

In reviewing the application filed with the above Docket # there is several discrepancies and misleading information.

First, the correct name is Q Mountain Mobile Home Park filed and approved under Docket # U-25 18-88-236. However, it would appear on the above numbered Docket someone is trying to change the name without going through the proper channels of the Arizona Corporation Commission. There are no Documents such as filing of Articles of Incorporation or by-laws to support the name change, plus on the application, one would be led to believe these filings are necessary since Inc. would indicate a new entity, also nothing states if for profit or non-profit.

Second, Q Mountain Mobile Home Park Water Department chose to spend this \$72,301.50 declaring a so called emergency just as they are doing now. They never made any application to the Corporation Commission bowing full well this to be necessary before hook-up to the town and also knew there was not much of a chance of the Corporation Commission going along with their illegal scheme in regard to the deal that was made with the Town of Quartzsite to collect \$750.00 for each water customer. I would refer you to Mr. Brad Morton, Investigator for AZ Corporation Commission Utility, phone [REDACTED] who was informed of the scheme. 10-28-2008. He, in turn, notified Bob Kelley, President of HOA and also a member of the town council, this charge

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

was not legal. Bob Kelley never notified any customer this was an illegal charge, in fact, encouraged customers to pay even having Q Mountain Homeowners Association Water Department office being a drop for payments.

Third, there does not appear to be any accounting of cash and credit on hand or income and expenses. As of this date:

Cash on hand	\$5,900
Credit at town to be applied to water cost	10,927
	\$16,827
Monthly Income	
244 Connections at \$12.00	\$ 2,928
The cost of water from town \$1.40 per 1000 gal	
As per tariff customers are charged \$2.00 per 1000 gal	
Meaning 600 per 1000 gal return over costs	
Taking average usage of 3,500 gal per customer,	
Approximate income	\$ 3,500
Approximate monthly income	\$ 6,428
12 month approximate	\$77,136

Now that there are no operating costs or maintenance of wells, operating costs for a part-time bookkeeper should be very minimal.

I would hope you will require certified copies of all their income and expenses.

Also worth mentioning the HOA that is supposed to own this water department has on hand in excess of \$55,000. Rather than working a hardship on the customers it would seem the easiest thing to do, if money is needed for the water department would be to make a short term bridge loan to the water department.

Last of all, they are trying to dispose of all facilities of the water department, again without approval of the Corporation Commission, which again, per Mr. Brad Morton is again illegal unless the town of Quartzsite either buys the water department or condemns it. Both have to go through the proper channels.

I strongly recommend this rate increase not be allowed and further recommend there be a full investigation concerning the taking advantage of all water customers and operating above the law.

Enclosed, please find copies of letter and bills being sent to water customers from town of Quartzsite.

Sincerely,

Vernon L. Byrd


End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

March 31, 2009

RE: Q Mountain Mobile Home Park

Dear Mr. Byrd:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Your letter regarding the Q Mountain Mobile Home Park ("Q Mountain") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the Q Mountain application.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase.

Sincerely,

Alfonso Amezcua
Public Utilities Consumer Analyst II
Utilities Division
End of Comments

Date Completed: 3/31/2009

Opinion No. 2009 - 77937
