

WS 02987A-08-0180



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ORIGINAL

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 - 83737 Date: 12/15/2009

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

Complaint By: First: Whitney Last: Hemsath

Account Name: Whitney Hemsath Home: (000) 000-0000

Street: [REDACTED] Work:

City: Queen Creek CBR:

State: AZ Zip: 85142 is:

Utility Company: Johnson Utilities L.L.C. d/b/a Johnson Utilities Company

Division: Sewer

Contact Name: [REDACTED] Contact Phone: [REDACTED]

Nature of Complaint:

Arizona Corporation Commission  
Utilities Division  
1200 W. Washburn  
Phoenix, AZ 85007  
Re: Docket #: WS-02987A-08-0180  
November 18, 2009

Arizona Corporation Commission  
DOCKETED  
DEC 15 2009

DOCKETED BY [Signature]

RECEIVED  
2009 DEC 15 P 4: 07  
AZ CORPORATION COMMISSION  
DOCKET CONTROL

Dear Commission,

I am a resident of San Tan Valley, in a housing development serviced by Johnson Utilities (J.U.) for both my water and sewer. I was shocked to learn how high their rates and fees were, and when I asked a representative at J.U. as to the reasoning behind that, I was told that they did not determine the rates, the ACC did. Upon further research, I learned that the ACC does not dictate the rates for J.U., but merely approves the rates that J.U. requests to charge. I learned that J.U. is up for another rates review in the coming months, and I wanted to voice my opinion for consideration in this review.

The other local water/sewer provider in our area is H2O. In a flat out comparison of rates and fees, for a family who uses 5,000 gallons of water a month with a 3/4" meter, the water bill from H2O would be \$18 minimum (includes the first 1,000 gallons) + \$1.78x4 for the additional 4,000 gallons, bringing the total to \$25.12. That same bill at J.U. would be \$27.00 (includes no gallons) + \$2.25x4 bringing it to \$38.25. Johnson Utilities charges over 50% more than H2O. Their sewer fees are also higher than any other provider in the area, and those fees are a flat rate, no matter how much water is used and disposed of; thus doing nothing to promote water conservation.

Now, if the services Johnson Utilities offered were better than other companies, that would be one thing. However, the first time I called in, I was on hold for 46 minutes before an associate answered my call. So clearly the extra revenues they are bringing in are not going toward sufficient staffing.

I have been told by their staff information that was misleading or inconsistent. One representative told me they had no control over the rates, when clearly, the rates are not entirely dictated by the ACC. Another representative

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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told me that there would be a fee for setting up EFT, while a different representative told me there would not be. So clearly the extra revenues are not going toward adequate staff training.

If I want to pay my bill on-line, there is an extra convenience fee. If I want to pay via phone with the automated system, there is an additional convenience fee. I don't want to pay any additional fees on top of the already high rates, I have to call in and speak to a representative and risk being on hold another 46 minutes, spend money on a stamp and an envelope and mail it in, or spend money on gas and an envelope and drive it over in person. Clearly, the extra revenue is not being used for customer convenience, and the company is actually encouraging, through their additional fees, a waste of time both for the customer and their own already insufficient staff, or a waste of paper and other environmental resources.

I finally opted to set my account up for EFT, and was told it could not be done over the phone or on-line, but that they would mail me a form and I would have to fill it out and mail it back or drive it over. I was shocked when the form came in the mail: it was two-thirds of a normal piece of paper with the bottom third having been torn off for some other use. The envelope it was mailed in had my name and address sprawled on the front in sloppy writing, and the last line of the address has been omitted completely, sending the message that the employee who wrote it was too lazy to finish it (jijl). So clearly the additional revenue is not going towards maintaining an image of professionalism.

In this time of recession, we are all having to re-evaluate our costs, and I understand that Johnson Utilities may feel they are due for a rates increase. However, if they have not been able to make do with the revenue they have, then it is the management that should be penalized, not the homeowners who have no other options than to move away from the area, or live without running water. I would argue that Johnson Utilities should have to lower their rates. It is not fair for them to charge more for poorer service. They should either drop their rates to be competitive with other providers in the area, or they should have to exceed the service provided by the other companies to justify the steep difference in rates.

I urge you to step in and moderate Johnson Utilities. I have not been able to get anywhere with them when I speak to them on my own, and they simply refer me to you. Please be my voice. Please approve only lower rates than what Johnson Utilities is currently charging, and do not even consider approving higher rates. They have done nothing to merit that reward, and homeowners have done nothing to deserve such an additional blow. If you have any questions, please do not hesitate to contact me.

Sincerely,  
Whitney Hemsath

[REDACTED]  
San Tan Valley, AZ 85142

\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Opinion docketed  
\*End of Comments\*

**Date Completed: 12/15/2009**

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