

**ORIGINAL**

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



0000110180

LAURENCE BROWN

47  
CO

**ARIZONA CORPORATION COMMISSION**

April 15, 2010

To: Docket Control

RE: Arizona American Water Company - Customer Comments  
Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

Please docket the attached 29 customer comments **OPPOSING** a rate increase and/or consolidation in above cases.

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

Filed by: Utilities Division - Consumer Services

Arizona Corporation Commission  
**DOCKETED**  
APR 15 2010

DOCKETED BY mm

RECEIVED  
2010 APR 15 P 2:58  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

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Opinion No. 2010 - 86342

Date: 4/15/2010

Complaint Description: 08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By: Nan & Keith

Martin

Account Name: Nan & Keith Martin

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

---

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/15/10

REFERENCE: AZ American Water\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED\*\*\*\*\*  
Docket No W-01303A-09-0343 & SW-01303A-09-0343

From:

Sent: Sunday, April 11, 2010 12:59 PM

To: Utilities Div - Mailbox

Subject: Re: water

We will not be able to attend the April 19th meeting but I want to voice my opinion. If the water go up we will be forced to move to the other side of the freeway from the Anthem C.C. where the rates are in line with the city.

Nan and Keith Martin

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

4/15/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/15/2010

Opinion No. 2010 - 86342

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

**Investigator:** Trish Meeter

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No.** 2010 - 86108

**Date:** 4/2/2010

**Complaint Description:** 08A Rate Case Items - Opposed  
08G Consolidation - Opposed

**Complaint By:** **First:** Anita **Last:** Fountain

**Account Name:** Anita Fountain

**Home:**

**Street:**

**Work:**

**City:** Paradise Valley

**CBR:**

**State:** AZ **Zip:** 85253

**is:**

**Utility Company:** Arizona - American Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

4/2 DOCKET NO. W-01303A-09-0343 AND SW 01303A-09-0343

PARADISE VALLEY OPPOSED RATES

Customer is opposed to the increase, as her bills have gone from \$15.00 to \$50.00 for her 1 in meter. The increase was too high.

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

docketed

\*End of Comments\*

**Date Completed:** 4/2/2010

**Opinion No.** 2010 - 86108

**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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**Investigator:** Deb Reagan

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No.** 2010 86331

**Date:** 4/14/2010

**Complaint Description:** 08A Rate Case Items - Opposed  
08G Consolidation - Opposed

**First:**

**Last:**

**Complaint By:**

**Kay**

**Henderson**

**Account Name:**

Kay Henderson

**Home:**

**Street:**

**Work:**

**City:**

Sun City

**CBR:**

**State:**

AZ Zip: 85351

**is:**

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**Utility Company:** Arizona - American Water Company

**Division:**

Water

**Contact Name:**

Karl Wilkins

**Contact Phone:**

**Nature of Complaint:**

\*\*\*\*\* W-01303A-09-0343 AND SW-01303A-09-0343 \*\*\*\*\*

Customer is opposed to the proposed rate increase and the consolidation. She does not feel it is fair to the residents of Sun City to ask them to pay for the other districts. She feels that Sun City residents have already paid for their system and should not be required to pay for the other systems.

*\*End of Complaint\**

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Customer comments entered for the record and filed with Docket Control.

*\*End of Comments\**

**Date Completed:** 4/14/2010

**Opinion No.** 2010 - 86331

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-----Original Message-----

From: Nes [mailto:canova99@cox.net]

Sent: Sunday, April 11, 2010 9:41 AM

To: Utilities Div - Mailbox

Subject: Proposed Water Rate Increase for Anthem

Anthem residents have been hit very hard by the melt-down in real estate values with home prices having dropped 60%, on average, from peak levels in 2006. This has imposed great financial hardship on many, many families. To compound this by allowing a 100% increase in water rates would be catastrophic. Anthem residents already pay the highest water rates in the Valley. Just because Del Webb made a 'sweetheart' deal with Arizona American Water Co., is no reason why the residents should be subject to such punitive treatment.

In the interest of fairness, I strongly urge you to reject Arizona American's application for this increase.

Yours truly,

Nes W. Plotke  
42123 N. Anthem Heights Dr.  
Anthem, AZ 85086



ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Opinion No. 2010 - 86344

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion      No. 2010 - 86343

Date: 4/15/2010

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

First:

Last:

Complaint By:      **Rhonda**

**Licata**

Account Name:      Rhonda Licata

Home: (000) 000-0000

Street:      N/A

Work: (000) 000-0000

City:      Anthem

CBR:

State:      AZ      Zip: 85086

is: E-Mail

Utility Company:      **Arizona - American Water Company**

Division:      Water

Contact Name:      Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/15/10

REFERENCE: AZ American Water\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED\*\*\*\*\*  
Docket No W-01303A-09-0343 & SW-01303A-09-0343

From: RhondaLicata

Sent: Sunday, April 11, 2010 12:59 PM

To: Utilities Div - Mailbox

Subject: Increasing Anthem Water Rates

Since I will not be able to attend the next meeting, I thought I would provide my husband's and my input. We both are against the rate increase that is being proposed. I think we already pay a fair amount for the water and sewage treatment that we use. To increase these rates would make Anthem the highest paying community in the entire valley based upon information that I read in the Arizona Republic a week ago. It is not our issue that the water company and Pulte entered into an agreement that turns out is not favorable to the water company. We did not know of this agreement when we purchased this house.

Our property values have decreased dramatically during this latest recession and based upon what we are hearing the worst of this is not yet here. To raise our water/sewage rates would further reduce our property values.

When is enough, enough?

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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4/15/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/15/2010

Opinion No. 2010 - 86343

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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### Investigator's Comments and Disposition:

4/15/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/15/2010

Opinion No. 2010 - 86341

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 86340

Date: 4/15/2010

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

First:

Last:

Complaint By:

Lynn

Glick

Account Name: Lynn Glick

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/15/10

REFERENCE: AZ American Water\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED\*\*\*\*\*  
Docket No W-01303A-09-0343 & SW-01303A-09-0343

-----Original Message-----

From: Lynn Glick

Sent: Sunday, April 11, 2010 12:42 PM

To: Utilities Div - Mailbox

Subject: I am against it

I went to the public meeting and I agree with most of the speakers. If you approve any increase, this will be the final straw for me and I will be forced to walk away causing another foreclosure situation. Many of my friends and neighbors plan to do the same thing, so I'm guessing Anthem will be a ghost town in short order. The bottom-line is the water company and Del Webb are the responsible parties to resolve this issue. The water company made a deal they don't like now so they want us residents to pay for it. How can this be???? I live alone, take four showers a week, have three loads of clothing to wash per week and never use my dishwasher and I am paying \$150/month. It's outrageous and it's downright theft on the part of the water company and Del Webb.

We are being victimized because of a poor business deal which will snowball into something none of us want to happen. The tax base in this area will disappear, many of us seniors will lose our homes and initial investment, not to mention that all the businesses will disappear and all because "big business" screwed up.

I trust you will do the right thing and put the responsibility back where it belongs...on the water company and Del Webb for not informing us in the first place. This was a major omission in their sales literature and had I known this was coming, I would have never retired here in the first place.

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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Sincerely,  
Lynn Glick  
Resident of Anthem  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

4/15/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/15/2010

Opinion No. 2010 - 86340

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86338

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86339

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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### Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86337

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

**Investigator:** Carmen Madrid

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 86319**

**Date:** 4/14/2010

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

**Complaint By:** **First:** Gracellen **Last:** Goodman

**Account Name:** Gracellen Goodman

**Home:** (000) 000-0000

**Street:**

**Work:** (000) 000-0000

**City:** Antehm

**CBR:**

**State:** AZ **Zip:** 00000

**is:** E-Mail

**Utility Company:** Arizona - American Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

From:  
Sent: Monday, April 12, 2010 9:08 PM  
To: Utilities Div - Mailbox  
Subject: water rates

I believe the rates for water are more than most of us can pay now and are more than other states such as Ca. Personally I believe another rate increase will undermine the ability of my being able to sell my home and reduce the desirability of Anthem Country Club. By doing so you will devalue the entire community. Also we that are retired will be sorely hurt financially. IO already use very little water , wash late at night do 1 load of dishes per week and shower very quickly. Also I am rarely home and yet my bill is larger than my bill for my 4200sq foot home that is occupied daily by 2-4 people year around in Menifee Ca.

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion noted and filed in Docket No. W--01303A-09-0343 and SW-01303A-09-0343. closed

\*End of Comments\*

**Date Completed:** 4/14/2010

**Opinion No. 2010 - 86319**

**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

**Investigator:** Carmen Madrid

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 86321 Date: 4/14/2010**

**Complaint Description:** 08A Rate Case Items - Opposed  
08G Consolidation - Opposed

**First:**

**Last:**

**Complaint By:** Maureen

Hellman

**Account Name:** Maureen Hellman

**Home:**

**Street:**

**Work:** (000) 000-0000

**City:** Sun City

**CBR:** . . .

**State:** AZ **Zip:** 85351

**is:** E-Mail

**Utility Company:** Arizona - American Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

From: Maureen Hellman [mailto:]  
Sent: Tuesday, April 13, 2010 3:55 PM  
To: Utilities Div - Mailbox  
Subject: Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

As a customer of Arizona-American Water and a Sun City Resident, I wish to register a comment to hopefully discourage Arizona American Water from including our town in the proposed rate consolidation. Sun City is a unique community, designed to house a population of retirees on fixed incomes with little or no opportunity to expand their financial positions. Most of our residents are on Social Security. We did not receive a cost of living increase this year, yet we are enveloped in increased expenses. Also facing the possibility of an increase in real estate taxes and a decrease in medical benefits - It's no wonder Sun Cityians are frightened. I appeal to the ethical standards of Arizona-American to consider community responsibility and omit Sun City from the equation when preparing rate consolidation.

Thank you,  
Maureen Hellman

Sun City AZ 85351

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion noted and filed in Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343. closed  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 4/14/2010

Opinion No. 2010 - 86321

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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much less fair. Had we known that the water issue was pending, we would have certainly had second thoughts about purchasing this home. I feel that the builder, or someone who knew this increase was on the horizon should have advised potential buyers of this event.. This seems illegal or at least a scam, and we wish to demonstrate our complete disapproval of the opportunity for an agency to DOUBLE our use of water fees, when we are not using more water.

As part of our homeowners contract, we have no option but to maintain our property by the standards determined by the Home Owners Association. We do that at a very high cost of water .

One would think that a utility company would want to retain residents who can afford what they are overcharging now and would make every effort to do something concrete to do so.

Why weren't home buyers told that this increase was on the horizon? Maybe many of us would have had second thoughts about buying in Anthem - then, again, that may be the reason.

Sincerely,

Elizabeth Anderson  
Carolyn Stivender  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion noted and filed in Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343. closed  
\*End of Comments\*

**Date Completed: 4/14/2010**

**Opinion No. 2010 - 86329**

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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As a former business person, I am somewhat familiar with ROA's and ROI's. However, if I made such a bad business decision as AZ Amer Water Co has done and went to management with the explanation of just keep raising rates, I would have been fired on the spot. The various customers should not be penalized and have to pay the infrastructure costs, which can be recovered in variety of ways such as zero coupon bonds, additional stock offerings or other bond issues amortized over the normal 25-year period, not 3 years. In this country, we also have the right to fail and go bankrupt if we make poor business decisions such as the Lehman Brothers and many other failures. Why should we as customers, who nothing to do with such decisions, be forced to bailout the bad business practices of Az Amer Water Co? I'm sure that there are several other companies that would willingly jump at the chance to operate the Anthem water and wastewater system fairly and profitably. Other foreign-owned companies such as Honda, Toyota, Nestle and Bayer seem to be able to operate fairly in the United States.

I believe that the Ariz Corp Commissioners have a unique opportunity to set a boundary by just saying "NO" to ANY water rate increase. Perhaps even a refund is warranted! Thus, hopefully preserving the future of both the community of Anthem and its residents. As an individual customer, I have no power and rely upon you, the duly appointed commissioners' discretion and judgment to make the "next right choice" of ABSOLUTELY no water/wastewater rate increases for Anthem.

Respectfully submitted,

Robert J. Salter  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Customer comments entered for the record and filed with Docket Control.  
\*End of Comments\*

**Date Completed: 4/14/2010**

**Opinion No. 2010 - 86301**

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# Veronica & Robert E. Welch

42420 N. Anthem Creek Drive

Anthem, AZ 85086-3022

Telephone: (623) 533-3704

Email: celticop@cox.net

## **WATER RATE COMMENTS STATE WATER COMMISSION HEARING ANTHEM COMMUNITY CENTER, 7 APRIL 2010**

The proposed rate increase (about double) for water and sewer services is unfair, unjustified, and possibly illegal.

My wife and I are retired. The proposed rate will create a dramatic impact on our budget as it will increase our costs, not only for our residence, but will also increase our HOA & Country Club fees.

The quality of water is poor. It is undrinkable as delivered and must be purified for drinking and cooking. The water is so hard that it must be filtered just to wash one's car or outdoor furniture.

Paul Townsley, President of Arizona American Water, has stated the increase is for services already delivered. These comments appeared in local publications. Justifying the rate increase as payment for services already delivered is not a valid justification. We only moved into Anthem 11 months ago. It is unfair and illegal to charge us for services we have not received.

It has also been stated that the rate increase is because of an early build-out of homes in Anthem, and that the water company made their agreement with Del Webb projecting a future build-out date. We, the residents of Anthem, should not have to bear the burden of a bad decision by the water company. The water company executives are responsible for this bad decision, not us. It is unfair, and unjust for us to have to pay for their faulty judgment. The water company competed for this venue, struck a deal with Del Webb, and now must live with that decision. That is the American free enterprise way. It would be unfair to the other water companies they competed against to grant them this increase.

In addition to the above, the proposed rate increase is inconsistent with similar services provided in Maricopa County. Recently published in the Arizona Republic on Sunday, 4 April 2010 were the rates of 10 Maricopa County municipalities. The water rates ranged from \$30.29 to \$52.48, averaging \$41.42 per month. The sewer rates ranged from \$19.97 to 44.29, averaging 30.08 per month. No rates were given for Anthem, but this past year my average Anthem water bill was \$71.94, and my sewer was \$52.25 monthly, and that didn't include the taxes. Already we are paying the highest rates in the valley, and almost 2/3s more than the average water and sewer rates. And, that is just for my wife & I, and not a household full of kids.

In our old valley home, we received water and sewer services from the City of Phoenix. Our average Phoenix water, sewer & solid waste bill including taxes was only \$59.20. This is considerably less than our current water bill alone here in Anthem, without taxes. Should you wish to check the figures, I have included a table with the pertinent information, including our old address and account number.

I checked with a friend of mine who lives in Anthem, but on the West side of I-17, which receives its services from the City of Phoenix. His average combined water/sewer bill runs about \$50.00 monthly. He lives less than 3 miles from us. How can his bill be only 40% of my combined bill? The proposed rate increase is unfair, and in our opinion, unjustified and illegal.

Thank you for your time.



# Veronica & Robert E. Welch

42420 N. Anthem Creek Drive

Anthem, AZ 85086-3022

Telephone: (623) 533-3704

Email: celticop@cox.net

## ACCOUNT 0-3839-0188-04

### CITY OF PHOENIX WATER SERVICES DEPARTMENT

ROBERT WELCH

4841 E. WAGONER RD

SCOTTSDALE, AZ 85254-7513

MONTH	BASE FEE	WATER		SEWER		SOLID WASTE	TAXES		TOTAL BILL
		USAGE FEE	CHARGE	FEE	CHARGE		CITY TAX	STATE & OTHER TAX	
3/9/2009	\$ 4.64	\$ 5.97	\$ 3.33	\$ 17.41	\$ 3.92	\$ 25.45	\$0.95	\$ 3.17	\$ 64.84
2/5/2009	\$ 4.64	\$ 1.83	\$ 2.17	\$ 16.60	\$ 3.62	\$ 25.45	\$0.79	\$ 2.83	\$ 57.93
1/8/2009	\$ 4.64	\$ 3.66	\$ 2.48	\$ 16.60	\$ 3.62	\$ 25.45	\$0.85	\$ 2.97	\$ 60.27
12/5/2008	\$ 4.64	\$ 10.98	\$ 3.72	\$ 16.60	\$ 3.62	\$ 25.45	\$1.08	\$ 3.52	\$ 69.61
11/3/2008	\$ 4.64	\$ -	\$ 1.86	\$ 16.60	\$ 3.62	\$ 25.45	\$0.73	\$ 2.69	\$ 55.59
10/7/2008	\$ 4.64	\$ 8.80	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$1.00	\$ 3.34	\$ 66.55
9/8/2008	\$ 4.64	\$ 2.81	\$ 3.41	\$ 16.60	\$ 3.62	\$ 25.45	\$0.85	\$ 2.98	\$ 60.36
8/7/2008	\$ 4.64	\$ -	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$0.76	\$ 2.79	\$ 56.96
7/8/2008	\$ 4.64	\$ -	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$0.76	\$ 1.79	\$ 55.96
6/6/2008	\$ 4.64	\$ -	\$ 3.10	\$ 10.11	\$ 2.09	\$ 25.45	\$0.54	\$ 1.79	\$ 47.72
5/6/2008	\$ 4.64	\$ 2.20	\$ 2.17	\$ 10.11	\$ 2.09	\$ 25.45	\$0.58	\$ 1.85	\$ 49.09
4/7/2008	\$ 4.64	\$ 15.40	\$ 4.03	\$ 10.11	\$ 2.09	\$ 25.45	\$0.99	\$ 2.82	\$ 65.53
	\$55.68	\$ 51.65	\$ 35.57	\$180.54	\$ 39.15	\$305.40	\$9.88	\$ 32.54	\$710.41
<b>ANNUAL</b>		<b>WATER</b>		<b>SEWER</b>		<b>WASTE</b>		<b>TAXES</b>	<b>TOTAL</b>
		<b>142.90</b>			<b>\$219.69</b>	<b>\$305.40</b>		<b>\$ 42.42</b>	<b>\$710.41</b>
<b>MONTHLY</b>		<b>\$ 11.91</b>			<b>\$ 18.31</b>	<b>\$ 25.45</b>		<b>\$ 3.54</b>	<b>\$ 59.20</b>



ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86326

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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incorporated by Cave Creek or Phoenix and I was talking to one of the ladies that lives there and works with me at Honeywell, and she pays a monthly water bill of \$43.

We would be much better off if AZ Water went bankrupt and then we could be incorporated by Phoenix or Cave Creek and receive normal rates. The huge budgetary mistakes made by poor planning and overexpenditure by Del Webb or Pulte for this water plant should not be born by a small community with average income and normal jobs. The rates are exorbitant and unrealistic to bear. Our ability to sell our homes will be greatly hurt by even higher rates.

As a matter of fact, these \$117+ rates now should be REDUCED.

Please turn down this rate increase and let them fail as any other business who is completely out of line with reality and expects a continual bail out from huge over-expenditure. Water is a necessity and we are mostly middle class out here - like I said with very young families.

Respectfully submitted,

Jeffrey & Denise Goldin

phone:

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86325

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem, Az

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86324

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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**Investigator:** Trish Meeter

**Phone**

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No. 2010 86295**

**Date:** 4/13/2010

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

**Complaint By:** **First:** Dave **Last:** Harris

**Account Name:** Dave Harris

**Home:** (000) 000-0000

**Street:** n/a

**Work:**

**City:** n/a

**CBR:**

**State:** AZ **Zip:** n/a

**is:**

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**Utility Company:** Arizona - American Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

4/9 Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343 OPPOSED RATES ANTHEM

From: Dave Harris [mailto:daveharris@gnan.com]  
Sent: Friday, April 09, 2010 3:33 PM  
To: Utilities Div - Mailbox  
Subject: Water rate case Anthem

I was unable to attend the meeting on April 7, but wanted to express my feelings. I have lived in Anthem for seven years and have already had my water rates almost doubled once by American Water. That was tough to take. Now they want to double it again? The average water bill for a home that has water and sewer from the city of Phoenix is \$53. If this new rate is approved, my home in the Anthem Country Club would increase to about \$224 a month. That is more than four times what it would cost in a comparable home a few miles away. This not only causes a further depreciation of our home values, but would put a real strain on our monthly budget.

I am in retail sales and have seen my income drop by fifty percent over the last two years. My family as well as many others in Anthem are just getting by. This type of out-of-line increase would cause hardships for many of us.

It is a unjustified and ridiculous request on the part of American Water.  
\*End of Complaint\*

**Utilities' Response:**

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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**Investigator's Comments and Disposition:**

docketed

\*End of Comments\*

**Date Completed:** 4/13/2010

**Opinion No.** 2010 - 86295

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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**Investigator:** Trish Meeter

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No. 2010 86294**

**Date:** 4/13/2010

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

**Complaint By:** **First:** Michelle **Last:** Bland

**Account Name:** Michelle Bland

**Home:** (000) 000-0000

**Street:** n/a

**Work:**

**City:** n/a

**CBR:**

**State:** AZ **Zip:** n/a

**is:**

---

**Utility Company:** Arizona - American Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

Docketed W-01303A-09-0343 and SW-01303A-09-0343

OPPOSED RATES ANTHEM

4/9

-----Original Message-----

**From:**  
**Sent:** Friday, April 09, 2010 1:44 PM  
**To:** Utilities Div - Mailbox  
**Subject:** Water Rates Increase in Anthem

I said, "Don't worry, that's what the corporation commission is for; they will NEVER let anything like that happen" Was I ever WRONG? After the last increase I said, "Well, I guess they paid someone off. How else would that happen? How could they let the water company screw us like that? I felt let down and violated. Since then, they've added a sewer fee that wasn't there before and now it's happening all over again.

Please, please just say "NO" to any rate increase. I already had to move out of my single-family residence and into a townhouse in order to afford to live in Anthem. I am a single mother. I cannot afford to move again and will not be able to afford to live in Anthem if you allow ANY increase at all. If you keep granting the increases they will keep asking. IF you don't, they will keep asking. They need to improve their service. Gavilan Peak and King smells of sewer gases as does various streets in Anthem. Near the Anthem School it's smelled bad the day it opened.

You will see Anthem turn into a ghost town and home values decline, bringing down home values in Anthem will ultimately affect the home values elsewhere.

**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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I do not know why the issue of the horrible sewer smells throughout Anthem has not been brought up. I do not know how anybody can attend the church on King and Gavilan Peak and the smell is horrendous.

More foreclosures and bankruptcies. Just what our state needs. Let AZ American file bankruptcy for their own poor business decision, not force several hundred more people from their homes, only to ultimately lose their business due to hundreds of people not living in Anthem buying water every month. Flush the toilet and watch the downward spiral. That's what will happen to Anthem; you will literally be flushing it down the toilet.

Thank you for your time,  
Michelle Bland

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\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Docketed.

\*End of Comments\*

**Date Completed: 4/13/2010**

**Opinion No. 2010 - 86294**

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 4/14/2010

Opinion No. 2010 - 86320

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 86318

Date: 4/14/2010

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

First:

Last:

Complaint By: Joe

Myers

Account Name: Joe Myers

Home:

Street:

Work:

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/14/10

REFERENCE: AZ AMERICAN WATER RATE CASE\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED  
DOCKET NO W-01303A-09-0343 & SW-01303A-09-0343

-----Original Message-----

From:

Sent: Sunday, April 11, 2010 6:35 AM

To: Utilities Div - Mailbox

Subject: Anthem water rate increase

Dear Commissioners, as a home owner in Anthem I strongly oppose the significant and unjust water rate increase being proposed. We bought our house 5 years ago with absolutely no disclosure from the builder or real estate agents about how the water was structured in Anthem. I believe how this was handled between the Pulte and the water company at the initial stages broke laws and was not the usual and customary way infrastructure was billed or delayed billing to future residents at that time. For rates to almost double at this time is too much of a financial burden for our family. We strongly recommend denying any rate increase at this time, and in the future, based on paying back for infrastructure as this whole disclosure process was inaccurate or wholly absent at the times people were buying homes in the beginning of Anthem, as well as buyers like us years later. Thank You for your time! Joe Myers.

CONFIDENTIALITY NOTICE: This email may contain confidential and privileged material for the sole use of the intended recipient(s). Any review, use, distribution or disclosure by others is strictly prohibited. If you have received this communication in error, please notify the sender immediately by email and delete the message and any file attachments from your computer. Thank you.

\*End of Complaint\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Utilities' Response:

Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86318

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

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Opinion No. 2010 - 86315

Date: 4/14/2010

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

First:

Last:

Complaint By: Ed & Jodi

McCabe

Account Name: Ed & Jodi McCabe

Home:

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

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Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/14/10

REFERENCE: AZ AMERICAN WATER RATE CASE\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED  
DOCKET NO W-01303A-09-0343 & SW-01303A-09-0343

From: Ed and Jodi McCabe  
Sent: Saturday, April 10, 2010 7:17 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Water Rate Increase Request  
Dear Commissioner,

Thank you for coming to Anthem this week to hear about the concerns of the citizens relative to the increase in service fees proposed by Arizona American Water.

Quite a few of the comments spoke to the affordability of the proposed rate structure in a time of recession, but we feel the issue is much more basic than that. We think the real issue is a lack of integrity and under-handed dealing by Del Webb when they sold the first home here in Anthem. We are sure you know the details of this issue as outlined by one of the speakers at the town meeting this week, as well as the other water-related problem Del Webb has burdened Anthem with, ie. the below-slab failure of the hot water pipes. Class action law suits pending against Del Webb relate to their mishandling of water infrastructure, and we presume you are aware of Del Webb's current reputation in California and Nevada regarding water issues in its developments there. A simple Google search generates a whole list of web postings that allege questionable dealings by this company.

In Del Webb, you are dealing with a company that has a history of questionable practice allegations that have required the efforts of our judicial system to sort out. As a large, publicly-traded company with access to quality legal and financial counsel, Arizona American Water must have also known with whom they were dealing yet made a conscious decision to do so. Anthem residents are now being asked to "bail-out" Arizona American

**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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Water from a very poor business decision they made when they assumed control of our town's water utility and the infrastructure debt that we can only assume Del Webb was hiding from its customers.

We hope your Commission has the authority to find a solution that:

- 1) totally separates the \$100 million dollar debt that Arizona American Water "bought" from Del Webb (or citizens) and,
- 2) demands Arizona American Water only uses regular expenses, depreciation, profit margin and so forth in their rate requests.

The \$100 million debt assumed by Arizona American Water should not be borne, at this point, by the Anthem residents. We think a court of law has to decide if the Anthem homeowners were swindled and how financial restitution, if any, should be permanently resolved.

Thank you again for the time and effort expended in listening to our side of the story.

Sincerely,

Ed & Jodi McCabe

Anthem. A7 85086

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86315

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 4/14/2010

Opinion No. 2010 - 86314

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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suspect the income to Arizona America Water after such a rate increase would actually decrease over time as they force people into abandoning the area or filing for bankruptcy. What kind of rate increases will they need then?

Doug Newcombe  
Anthem, AZ  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86312

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ARIZONA CORPORATION COMMISSION  
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Investigator's Comments and Disposition:

4/14/10 Comments entered for the record and docketed.  
\*End of Comments\*

Date Completed: 4/14/2010

Opinion No. 2010 - 86310

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 86308

Date: 4/14/2010

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

First:

Last:

Complaint By: Jay

Kopas

Account Name: Jay Kopas HomeSmart

Home: (000) 000-0000

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85050

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

4/14/10

REFERENCE: AZ AMERICAN WATER RATE CASE\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED  
DOCKET NO W-01303A-09-0343 & SW-01303A-09-0343

From: Jay Kopas m]  
Sent: Sunday, April 11, 2010 3:22 PM  
To: Utilities Div - Mailbox  
Subject: Anthem AZ American Water Company  
To whom it may concern,

As a longtime resident of Anthem and the Phoenix area I am voicing my concern about the proposed water rate increase.

Unfortunately I cannot attend the meeting due to my commitment to my jobs. I work 2 jobs to be able to maintain a moderate standard of living. I teach full-time at the local high school, and do real estate after hours and weekends.

This proposed increase would definitely break our backs. We conserve every drop of water and yet our bills are in the 130's each month. We have installed low flush toilets, use front load washer, timers on our showers, removed most plants that take water, and not sure what else we can do to conserve. Our house has already decreased in value by more than 50% of what we paid for it in 2005, and now this increase would only cripple the values.

If we knew of the future potential of these outrageous rates we never would have moved to Anthem. We do not feel it is fair that the residents of Anthem pay such outrageous fees for water which neighbors receive at much lower fees.

**ARIZONA CORPORATION COMMISSION**  
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I vote. I teach, and I teach students American History and government. I teach them to be involved in their community. I will actively continue to fight against such discriminatory pricing.

Jay Kopas  
HomeSmart

Phoenix, AZ 85050

Fax:  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

4/14/10 Comments entered for th record and docketed.  
\*End of Comments\*

**Date Completed: 4/14/2010**

**Opinion No. 2010 - 86308**

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**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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The Subdivision Public Report provided to us by Del Webb indicated individually for water and sewer: The Developer Has Completed the Facilities to the Lot Lines.

No information was provided to those who purchased lots that the water and wastewater rates could be increased so the water company could reimburse the developer for the cost of the water and wastewater infrastructure.

The information that was provided to the purchasers of lots was entitled "A Clear Source of Information on Water.

" How much will my water cost?

A: Current water and wastewater rates have been approved by the Arizona Corporation Commission and are based on average estimated usage of 12,000 gallons per month. Based on this usage, the average residential bill for water and wastewater services will be approximately \$16.00 per month plus \$2.00 per thousand gallons of metered water. The fees are in the control of the service provider and are subject to change."

I urge you to deny any part of the proposed rate increase that is related to the repayment of the capital cost of the Anthem water and wastewater infrastructure.

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(Attachment # 2):

Anthem/Agua Fria Wastewater District and Northwest Regional Wastewater Treatment Facility

The Findings of Fact in Docket No. WS-01303A-06-0403 indicate "During the test year, the Anthem Water District provided water services to approximately 7,800 customers, and the Anthem/Agua Fria Wastewater District (AAFWD) provided services to approximately 8,700 customers."

Apparently the Northwest Regional Treatment Facility was expanded approximately five years ago on the basis of a staff recommendation that the upgrade was used and useful. It should be noted that the facility is not used or useful to the residents of Anthem since there are no pipes or any other physical connection between the Community of Anthem and the Northwest Regional Treatment Facility, now or planned for the future. The only apparent purpose of the consolidation of Anthem into the District was so that the people of Anthem would be required to subsidize the operation of, and improvements to, the Northwest Regional Wastewater Treatment Facility.

Former Commissioner Mundell in his proposed Amendment #3 (June 3, 2008) referred to the following ruling by the Arizona Supreme Court:

In determining what is a reasonable price to be charged for services by a public-service corporation, an examination must be made not only from the point of view of the corporation, but from that of the one served, also. A reasonable rate is not one ascertained solely from considering the bearing of the facts upon the profits of the corporation. The effect of the rate upon persons to whom services are rendered is as deep a concern in the fixing thereof as is the effect upon the stockholders or bondholders. A reasonable rate is one which is as fair as possible to all whose interests are involved.

The counsel for the Anthem Community Council, in the previous rate case, presented the following information (above-referenced Docket Number):

" On day 1, 2008 the Company filed a new application for rate increases, Docket No. 08-0227. In the new case, the Company completely changed its position regarding the AAFWD. The Company now asserts that the Anthem and Agua Fria wastewater districts should be de-consolidated. The Company now asserts that it was in "err" when it stated that Agua Fria Wastewater was subsidizing Anthem Wastewater. It also states in the new case that since the districts had been consolidated from about 2002, the "rates group" had not audited each asset to properly record it to each separate district. Moreover, it states that the rate base for each Agua Fria customer is \$4,839 and it is \$2,908 per Anthem customer and therefore, if the Commission denies the

**ARIZONA CORPORATION COMMISSION**  
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Company's request to separate these districts, Anthem Wastewater customers would continue to subsidize Agua Fria Wastewater customers."

In summary, there is no physical connection (existing or planned) between Anthem and the Northwest Regional Wastewater Treatment Facility. Anthem has its own wastewater treatment plant, and the people of Anthem do not use the Northwest Regional Facility, nor find it useful. This added cost burden should be removed from the people of Anthem.

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

**Date Completed:**

**Opinion No. 2010 - 86282**

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