

ORIGINAL

SW-01303A-09-0343  
W-01303A-09-0343  
ARIZONA CORPORATION COMMIS



UTILITY COMPLAINT FORM RECEIVED

Investigator: Guadalupe Ortiz

Phone: (602) 542-2406

(602) 542-2129

Priority: Respond Within Five Days

Inquiry No. 2010 86413

Date: 4/19/2010

Complaint Description: 05D Quality of Service - Field/Premises Visit  
N/A Not Applicable

Complaint By: First: Peggy Last: Eggemeyer

Account Name: Peggy

Home: Arizona Corporation Commission

Street:

Work:

DOCKETED

City:

CBR:

APR 20 2010

State: Zip:

is:

Utility Company: Arizona - American Water Company

DOCKETED BY [Signature]

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

REFERRED FROM COMMISSIONER PIERCE'S OFFICE - AAWC ANTHEM DISTRICT:

From: Peggy Eggemeyer  
Sent: Sunday, April 18, 2010 10:13 AM  
To: Pierce-Web  
Subject: Arizona American Water Rate Increase Request and Fire Hydrants in Anthem

Dear Commissioner Pierce:

I am an Anthem resident very interested in and attended the Arizona Corporation Commission's public comment meeting on April 7 in Anthem concerning the proposed Arizona American Water rate hike. Thank you for coming to Anthem for this public comment meeting. Although I did not speak, I am against the rate hike for the same reasons as presented that night. I am unable to attend the meeting on April 19, 2010 but I wanted to make you aware of some recent facts concerning Arizona American Water.

There was an Anthem Country Club Board meeting on Thursday, April 15, 2010 at which time a discussion of the fire sprinklers in our homes took place with the Daisy Mountain Fire Marshall. This discussion revealed the following facts.

- The fire hydrants in Anthem (both Parkside and Country Club) are privately owned by Arizona American Water
  - Arizona American Water refused to allow Daisy Mountain Fire Dept. access to the fire hydrants for testing until recently. Arizona American Water also told the Fire Dept. that they would have to measure the water they used when testing and PAY for that water.
  - Daisy Mountain Fire has been testing the fire hydrants and found many of them DO NOT WORK.
  - Daisy Mountain Fire reported this to Arizona American Water who noted it and said "they would fix them".
- According to the Fire Marshall, to date, many of the fire hydrants have not been repaired. It has also been noted that the water company has been slow and possibly a little reluctant to make the repairs to hydrants when reported.

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Residents of Anthem were never informed that our fire hydrants did not work.

I am truly appalled that Arizona American Water continues to provide sub-par service to Anthem residents and yet expects a 100% rate increase. Hold American Water accountable to practice sound business principles and provide quality service. We have already had a 50% rate increase. Please consider reducing the 50% rate increase already granted based upon the litany of facts continually brought to the attention of the Corporation Commission.

Sincerely,

Peggy Eggemeyer

**QUESTIONS TO AAWC:**

Are the fire hydrants in Anthem Parkside & Country Club privately owned by Arizona American Water? Did AAWC refuse to allow Daisy Mountain Fire Dept. access to the fire hydrants for testing? If so, please explain why? Did AAWC advise the Fire Dept. that they would have to measure the water used when testing? And is there a fee for testing the water or for the water usage involved to test? If so, please explain. Has AAWC been informed that many of the fire hydrants do not work? If so, when and how did AAWC become aware? And, how did AAWC respond?

\*End of Complaint\*

**Utilities' Response:**

4/19/10 Email from AAWC:

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From: Jeannie.Franz@amwater.com [mailto:Jeannie.Franz@amwater.com]  
Sent: Monday, April 19, 2010 11:54 AM  
To: Guadalupe Ortiz  
Subject: Fw: ACC Complaints: Eggemeyer, Peggy Peggy - Complaint No. 86413

Lupe,

Here is the response from our Operations Supervisor that you requested.

Thanks,

Jeannie Franz

AZ- American Water

Operations Specialist

623-815-3145 Phone

623-933-0032 Fax

jeannie.franz@amwater.com

"Success belongs to those who are willing to reach out and grab it."

ATTACHED - RESPONSE FROM AAWC:

In regards to the attached complaint, here is my response:

Access to the hydrants for inspection by Daisy Mtn. is provided and encouraged

On 10/02/09 a map of all hydrants in Anthem was provided to Millie LaFave (Anthem Firewise Chairperson) in regards to mutual inspections, it was their intention to inspect 50% and us to do 50%

It is our policy to inspect 50% of hydrants annually. This year roughly 90% of Anthem hydrants have already been checked

We have not in the past, or will in the future, charge for water used during hydrant flow testing. We ask Daisy

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Mtn. to provide the amount of time hydrants were opened so that we can keep track of the amount of water for our unaccounted for water report

We have not heard anything from Daisy Mtn. in regards to hydrants being out of service. We repair hydrants within 72 hours of them being found to be inoperable, unless parts need to be ordered. Hydrants are top priority for us.

I would like the Fire Marshall to provide me with a list of hydrants they claim were given to us as "not working" Simply did not happen. I have been in this position since Sept. and have never even spoken with the Fire Marshall

I have the inspection sheets of every hydrant inspected this year

If you need anything else, please let me know.

Regards,

John Lulewicz  
Operations Supervisor - Paradise Valley/Anthem/Tubac  
Arizona American Water  
6215 N. Cattle Track Rd.  
Scottsdale, AZ 85250-6000  
Office (623) 445-2462  
Cell (602) 388-7171  
John.Lulewicz@amwater.com  
\*End of Response\*

### Investigator's Comments and Disposition:

4/19/2010 Emailed to AAWC.

4/19/2010 Email from Commissioner Pierce's office:

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From: Antonio Gill On Behalf Of Pierce-Web  
Sent: Monday, April 19, 2010 9:47 AM  
To: Guadalupe Ortiz  
Subject: FW: Arizona American Water Rate Increase Request and Fire Hydrants in Anthem

Good Morning Lupe,

I spoke with Phil Dyer, Daisy Mountain Fire Marshall. Mr. Dyer told me that they stopped testing the fire hydrants about 5 years ago because Arizona American Water threatened to charge them for the water. Mr. Dyer stated that at the time there was a "high failure rate" of the fire hydrants and that with no testing the failure rate would be much higher now.

Fire Marshall Dyer can be reached at,

Can the division look into this and brief all five offices as soon as possible?

Thanks,

Antonio Gill  
Aide to Commissioner Gary Pierce  
(602) 542-3933  
(602) 542-5560 Fax  
1200 West Washington

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Phoenix, Arizona 85007

4/19/2010 Email to AAWC:

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From: Guadalupe Ortiz  
Sent: Monday, April 19, 2010 12:32 PM  
To: 'Jeannie.Franz@amwater.com'  
Cc: 'Karl.Wilkins@amwater.com'; 'John.Lulewicz@amwater.com'  
Subject: RE: ACC Complaints: Eggemeyer, Peggy Peggy - Complaint No. 86413

Jeannie and Karl,

Since this issue is currently being raised in the public comment session I will be forwarding this information to the Chairman and all Commissioner's. Just so I am clear, Arizona-American will be working with the Daisy Mountain Fire Marshall in addressing this matter?

Thank You,

Guadalupe Ortiz  
Public Utilities Consumer Analyst  
Arizona Corporation Commission  
Utilities Division  
(602) 542-2406

Email from Karl Wilkins at AAWC to John Lulewicz at AAWC (Cc: Commission):

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

From: Karl B Wilkins  
Sent: 04/19/2010 02:53 PM MST  
To: John Lulewicz  
Cc: Jeannie Franz; Jeffrey Stuck  
Subject: Fw: ACC Complaints: Eggemeyer, Peggy Peggy - Complaint No. 86413

John please respond to this inquiry ASAP pertaining to the Anthem fire hydrant issue.

Thanks,

Karl B. Wilkins  
Manager, Customer Services  
Arizona American Water  
15626 N. Del Webb Blvd.  
Sun City, Arizona 85338  
Office: (623) 815-3107  
Cell: (602) 614-6226  
Fax: (623) 933-0032  
Email Karl.Wilkins@amwater.com

Email from AAWC:

Forwarded by Karl B Wilkins/AZAWC/AWWSC on 04/19/2010 02:59 PM  
Jeffrey W Stuck/AZAWC/AWWSC  
To Karl B Wilkins/AZAWC/AWWSC@AWW,  
John Lulewicz/AZAWC/AWWSC@AWW  
cc Jeannie E Franz/AZAWC/AWWSC@AWW  
Subject Re: ACC Complaints: Eggemeyer, Peggy - Complaint No. 86413

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In terms of working with the fire marshal, we have been working with Fire Chief Phil Dyer since early fall 2009 and will continue to do so.

CLOSED

\*End of Comments\*

Date Completed: 4/19/2010

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