

COMMISSIONERS  
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Executive Director

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**ORIGINAL**

**ARIZONA CORPORATION COMMISSION**

May 11, 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 11 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**

MAY 11 2010

DOCKETED BY *MM*

AZ CORP COMMISSION  
DOCKET CONTROL

2010 MAY 11 P 4: 10

RECEIVED

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

**Investigator:** Jenny Gomez

**Phone:** :

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 86850**

**Date:** 5/11/2010

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

**Complaint By:** **First:** Don **Last:** McDaniel

**Account Name:** Don McDaniel

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

**Street:**

**Work:**

**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:**

\*\*\*DOCKET NUMBERS W-01303A-09-0343, SW-01303A-09-0343\*\*\*\*

REFERENCE: Arizona - American Water Company - Sun City

From: Don McDaniel [mailto:.  
Sent: Tuesday, May 11, 2010 2:33 AM  
To: Utilities Div - Mailbox  
Subject:

Sirs

My name is Don Mc Daniel and I live in Sun City on a very limited income. I cannot afford to pay the rate changes your group is suggesting, why should I have to pay for water that someone in an another area is using, the idea is totally unacceptable.

Don Mc Daniel

Sun City 85351  
\*End of Complaint\*

**Utilities' Response:**

N/A  
\*End of Response\*

**Investigator's Comments and Disposition:**

5/11/10 Comments entered for the record and filed with Docket Control.  
\*End of Comments\*

**Date Completed:** 5/11/2010

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Opinion No. 2010 - 86850

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W-01303A-09-0343  
SW-01303A-09-0343

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

**Investigator:** Deb Reagan

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 86846 Date: 5/11/2010**

**Complaint Description:** 08H Consolidation - In Favor  
N/A Not Applicable

**Complaint By:** **First:** Bob **Last:** Golembe

**Account Name:** Bob Golembe

**Home:**

**Street:**

**Work:**

**City:** Phoenix

**CBR:**

**State:** AZ **Zip:** 85086

**is:**

**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 sent the following -

From: Bob Golembe [mailto: ]  
Sent: Sunday, May 09, 2010 8:00 AM  
To: Mayes-WebEmail  
Cc: Utilities Div - Mailbox; brigsby@azruco.gov; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Dan Pozefsky; Senator David Braswell  
Subject: Comment on Consolidation: Dockets: W-01303A-09-0343 & SW-01303A-09-0343

Dear Chairwoman Mayes and Commissioners:

As an Anthem resident, I have read with interest the issue of consolidation and I support a state-wide program. I also believe it is a complex issue faced with legal, regulatory, financial and lifestyle issues. I do not want any one community hurt or greatly benefit at the expense of others, but there is a mechanism to level the playing field.

First, I would like to respond to Ms. Jodi A. Jerich, RUCO Director's Direct Testimony, page 13, on this docket, dated 3 May 2010.

Ms. Jerich, states:

"Clearly, the Sun City ratepayers strongly object to subsidizing Anthem's costs. It is clear that any consolidated rate design would be to the immediate benefit of the Anthem ratepayers. However, RUCO has not received any letters or emails supporting rate consolidation from these ratepayers. During the Anthem public comment hearing, RUCO only remembers one person even mentioning the possibility of rate consolidation as one

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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possible option to reduce the proposed rate increase.

In addition to Anthem's lack of support for a rate consolidation proposal, it appears that Anthem may even be unsupportive of the general concept of rate consolidation. At the public comment hearing, many Anthem residents voiced their objection to their wastewater system being consolidated with the Agua Fria wastewater system. They clearly did not like the fact a portion of the Northwest Treatment Facility is included in their wastewater rates when Anthem is not connected to that wastewater treatment plant. That plant, located within the boundaries of the Sun City West system, provides service to Agua Fria residents."

On the surface, Ms. Jerich appears correct; however, there are circumstances behind her observations that led to her conclusions as to why the Anthem community has not been outspoken on supporting or opposing consolidation:

The December 15, 2009 community open house meeting by AZ American Water Co. (AAWC) presented no data to make a decision.

At the December 15 meeting by AAWC, Pres. Townsley quietly said, "I think Anthem would benefit."

The AAWC Consolidation Fact Sheet provided is not a sufficient statement to make a decision; it provides no cost/billing impact data.

Anthem Council and legal were fairly silent on the issue so there was no initiative to rally the community.

Consolidation was mentioned at the April 7, 2010 Anthem community meeting with the Commission.

A typical Anthem resident does not read docketed material to keep up with the discussion, data, legal and other ramifications to make a rational position.

I am aware of RUCO's Consolidation chart from Mr. Jerich's direct testimony, dated May 3, 2010. Looking carefully under Scenario 1: state-wide consolidation it shows in dollars Anthem (-\$5) to Sun City (+\$11). These dollar amounts are NOT that high. In fact, I see a +/- \$20 spread between all districts. These dollar ranges can be mitigated if consolidation is phased in over 3 years resulting in a level "playing field" for all AAWC customers.

What is wrong with an expected planned increase vs. an unknown amount? While \$5 for Anthem does not benefit by a huge savings nor is \$11 a huge increase for Sun City, I would hope that the angst from Sun City would be calmer if this leveling period rate of change was applied and understood.

Whether one pays now or later due to refund issues or aging infrastructure, Anthem and others would benefit both in the short term as well as the long term by spreading the cost of business among the entire customer base. The Commission would also benefit administratively as well as the taxpayers.

Thank you,

Bob Golembe  
Anthem, AZ  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 5/11/2010

Opinion No. 2010 - 86846

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W-01303A-09-0343  
SW-01303A-09-0343

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

**Investigator:** Guadalupe Ortiz

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 86831**

**Date:** 5/10/2010

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

**First:**

**Last:**

**Complaint By:** Carol

Davis

**Account Name:** Carol Davis

**Home:**

**Street:**

**Work:**

**City:** Sun City

**CBR:**

**State:** AZ Zip:

**is:**

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

OPINION OPPOSED TO SUN CITY WATER RATE INCREASE AND CONSOLIDATION:

RE: Docket No. W-1303A-09-0343  
SW-01303A-09-0343

Customer is opposed to the rate increase and rate consolidation requested by AAWC. Customer states that an increase of 143% is ridiculous and suggests that AAWC give the Sun City service territory back to the entity serving this area in 2001, since AAWC has proven it is unable to act responsibly while providing service to the public.

\*End of Complaint\*

**Utilities' Response:**

n/a

\*End of Response\*

**Investigator's Comments and Disposition:**

I informed the customer that her opinion would be filed on her behalf and docketed with the Docket Control Center of the Commission to be made part of the record. CLOSED

\*End of Comments\*

**Date Completed:** 5/10/2010

**Opinion No.** 2010 - 86831

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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**Investigator:** Brad Morton

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No.** 2010 - 86821

**Date:** 5/10/2010

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

**First:**

**Last:**

**Complaint By:** Margene

Ballard

**Account Name:** Margene Ballard

**Home:** (623) 000-0000

**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:**

**Contact Phone:**

**Nature of Complaint:**

Sun City

Customer against rate increase and consolidation. She is blind and does her best to conserve water.

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Docketed.

\*End of Comments\*

**Date Completed:** 5/10/2010

**Opinion No.** 2010 - 86821

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

**Investigator:** Brad Morton

**Phone:** (

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No.** 2010 - 86812

**Date:** 5/10/2010

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

**Complaint By:** **First:** Thomas **Last:** Czyz

**Account Name:** Thomas Czyz

**Home:** (

**Street:**

**Work:**

**City:** Phoenix

**CBR:**

**State:** AZ **Zip:** 85086

**is:**

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

ANTHEM

In regards to American water rate increase to follow are some of the reasons why such a large increase should not be given.

1. Del Webb spent \$160 million to build Anthem;s water system in 1997.
2. When American water purchased the system from Del Webb it was to pay back Del Webb as Anthem grew.
3. This was estimated at a 20 year build out, but it happened in 10 years.
4. American water co. made a bad business decision, not people at Anthem's fault.
5. No written statements wre given to the residents about how their payback to Del Webb would be paid back and how it would affect the home owners at Anthem water rates.
6. American water owes Del Webb a huge balloon payment.
7. American water can renegotiate this with Del Webb.
  - A. They can sell bonds.
  - B. They can go to lenders and get a new loan.

I have lived in the Phoenix area since 1988. This is the third water company that I have dealt with.

Never have I had bills and costs like here at another for water and sewer.

I and my wife are retired, I am 100% disabled on fixed income.

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

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To live here at Anthem the rates for HOA are \$141.50 per month for Parkside residents and \$290 per month for Country Club.

Water rates already are approx. \$100 per month for all residents plus trash rates of another \$100 per year.

Enclosed are some bills from when I lived in Peoria and American water at Anthem Arizona and in Peoria also included trash.

Also enclosed is a copy of Phoenix Arizona rates and use taxes and etc. and monthly service charge. Basic service For Phoenix 1" water line \$5.21 to \$7.82 American water service charge \$42.88.

Thank you for reading this letter and looking at the copies of bills I sent.

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion docketed, called and advised woman we were mailing back original bill copies that consumer had sent.

\*End of Comments\*

**Date Completed: 5/10/2010**

**Opinion No. 2010 - 86812**

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

**Investigator:** Deb Reagan

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion**      **No.** 2010      **86809**      **Date:** 5/10/2010

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

**Complaint By:**      **First:**      **Last:**  
Ellis W.      Blair

**Account Name:**      Ellis W. Blair      **Home:**

**Street:**      **Work:**

**City:**      Sun City West      **CBR:**

**State:**      AZ      **Zip:** 85375      **is:**

**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 sent the following -

We live in an age community where at least 90% of us are on a limited income. Social Security did not give us a raise.

With everybody wanting to raise our rates (Cox cable, teleph, APS, gasoline and on) we people on limited income have to give up something else (food - meds).

I do not think it fair to compare our rates/usage with a community of intergenerational people that most likely use more water per person than we do.

It would not be right to grant a rate increase with the econ the way it is.

Thanks.

\*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:** 5/10/2010

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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Opinion No. 2010 - 86809

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**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 86804

**Date:** 5/7/2010

**Complaint Description:** 08G Consolidation - Opposed  
N/A Not Applicable

**Complaint By:** **First:** John **Last:** Strozyk

**Account Name:** John Strozyk

**Home:**

**Street:**

**Work:**

**City:** Sun City

**CBR:**

**State:** AZ **Zip:** 85373

**is:**

---

**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 sent the following -

There is a reason the company created servicing districts, and there are reasons why the cost for utilities is different in different districts. As a concerned homeowner I am voicing my objection to the proposed "district consolidation". I do not see a reason why I would want to subsidize the utility rates for a customer in another district, rather than let him pay the appropriate rate. We have a choice of where we live, which extends to the choice of utility company, its districts and the corresponding charges. The consolidation undermines the basic right for a business to set its rate schedule according to market conditions, it also undermines my ability to choose the right business for my needs. No more socialization, let the free enterprise take its course.

\*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:** 5/10/2010

**Opinion No.** 2010 - 86804

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

**Investigator:** Brad Morton

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 - 86795**

**Date:** 5/7/2010

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

**Complaint By:** **First:** April **Last:** Keys

**Account Name:** Arizona Elite Properties

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

**Street:**

**Work:**

**City:** Gilbert

**CBR:**

**State:** AZ **Zip:** 85297

**is:** Cellular

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

SUN CITY

From: April Keys  
Sent: Friday, May 07, 2010 11:55 AM  
To: Utilities Div - Mailbox  
Subject: Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343.

To Whom It May Concern:

I am a real estate agent doing business in and around the Sun City areas, including the new development of Sun City which is not age restricted.

With the increase in waste water and water, this would cause cause great difficulties to seniors who are struggling right now.

I used to also live in Sun City and saw some frightening things. Unless you actually go to Sun City, which seems to be the poorest of the Sun Cities, you have no idea how little some of these people actually have. Most seniors are on fixed incomes living solely on social security income which we know is roughly \$1200 a month. Every penny more they have to pay means money they will not be able to use for other basic needs.

I know Arizona American Water is a business and needs to stay competitive to stay alive, I just ask that this situation be carefully considered and reviewed before increasing rates. Or better yet, keeping rates low in the Sun City, Sun City West communities.

Thank you for your time.

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

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April Keys, Realtor ©

Arizona Elite Properties

Gilbert. AZ 85297

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion docketed  
\*End of Comments\*

**Date Completed: 5/7/2010**

**Opinion No. 2010 - 86795**

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W. 01303A. 09. 0343  
SW. 01303A. 09. 0343

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

**Investigator:** Richard Martinez      **Phone:**      **Fax:**

**Priority:** Respond Within Five Days

**Opinion No. 2010 - 86761**      **Date:** 5/5/2010

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

**Complaint By:**      **First:** George      **Last:** Eichler

**Account Name:** George Eichler      **Home:** (000) 000-0000

**Street:** email address      **Work:**

**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:**

Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

"Water is a RIGHT, not a privilege. Do not consolidate Sun City's water or wastewater and, if rates raise anyway, keep raise to a bare minimum-- regarding Dockets #s W-01303A-09-0343 & SW-01303A-09-0343."

Thank you,

George Eichler

Sun City, AZ 85351

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

5/05-

Emailed to Phoenix to docket.

Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

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FILE CLOSED.

\*End of Comments\*

**Date Completed:** 5/5/2010

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Opinion No. 2010 - 86761

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**ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM**

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Sun City, AZ 85351

Enclosure

(includes: e-mail exchanges between customer and another community member who gives information to others regarding the Public Comment Meeting that will be held in Sun City on May 17, 2010. This email lists the names and phone numbers & email addresses of the Commissioners so that others may write to the Commissioners expressing their opinions)

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

5/11-

Emailed to Phoenix to docket.

Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

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FILE CLOSED.

\*End of Comments\*

**Date Completed: 5/10/2010**

**Opinion No. 2010 - 86835**

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