

W-01583A-09-0589



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ORIGINAL

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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**Investigator:** Jenny Gomez

**Phone:** /

**Fax:**

**Priority:** Respond Within Five Days

**Opinion No.** 2010 87239

**Date:** 6/3/2010

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

**Complaint By:** **First:** Vincent & Regina **Last:** Aultman

**Account Name:** Vincent & Regina Aultman

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

**Street:**

**Work:**

**City:** Sahuarita

**CBR:**

**State:** AZ **Zip:** 85629

**is:**

**Utility Company:** Las Quintas Serenas Water Company

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

\*\*\*\*DOCKET NO. W-01583A-09-0589\*\*\*

REFERENCE: Las Quintas Serenas Water Company

May 25, 2010

Vincent G. Jr. & Regina Aultman

Sahuarita, Arizona 85629

Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Arizona 85007

Ref: Docket No. W- 01583A - 09-0589

Dear Honorable Committee Members;

We would like to address the proposed rate increase from a consumers' point of view, as we are not educated enough to go into the detailed aspects of business accounting.

The areas we would like to comment on are listed below.

1. The rate of return on investment in today's economy.
2. Undefined "commercial" standpipe customers.
3. The "Arsenic Remediation" Surcharges.

Arizona Corporation Commission  
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# ARIZONA CORPORATION COMMISSION

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Beginning with No. 1, our economy has nearly ground to a halt and in certain situations, it has actually deflated as we can see in the real estate market and the employment market. We are sure you are aware of the drastic reductions in budgets while we, in this area particularly, have seen increases in taxes for schools and now across the state sales increases. Those of us who have fixed incomes, such as social Security, are receiving zero (0) increases and dramatically reduced interest rates on what savings we have.

The "return on investment" of 2.25% is already ten (10) times what our savings are doing and maybe more than that on our diverse investments. No government agencies are guaranteeing us nine percent (9%) returns.

Please consider the economy and just plain "Joe citizen" which this district is made up of when you make your decisions. LQS Water is making it clear they intend to approach you more frequently than in the past, so maybe the increases should be in smaller increments.

In area Number 2, we are afraid we have to make some assumptions, and we all know what happens when we do that! But some of them are coming from direct observations. We were unable to find out about "Commercial Vendors" of LQS Water because LQS Water is not defining any of the "water trucks" as commercial, and yet there are numerous vehicles with "nameplates" on, them hauling LQS water somewhere.

It seems to us that to be in the water resale business, you must have a reasonable number of clients to maintain the business successfully.

We would like to suggest that the clients of each vendor are in reality clients of LQS Water Co. and that as such, they should be individually liable for a 5/8" meter account.

They then could contribute a fair share to the plant costs of LQS Water Co. system the same as the actual individual standpipe customers do. Of course, that also brings up the question of, really are all the individual haulers just hauling for themselves? All factors must be considered when you are dealing with a basically land locked system.

As for No. 3, we want to divide it up into two parts. "the first being directly related to area number two (2), in that each of those clients of the commercial, vendors need to make the same surcharge contribution as all of the others on the distribution system; including the "Hookup fee". We believe the fair collection of these reasonable fees probably amounts to hundreds, if not thousands, of dollars each month. These kind of adjustments need to be made prior to burdening the rest of us with rate increases.

If these resources of revenue are met with reluctance from the vendors, they should feel free to move to other sources. Reduction in demand for the product is acceptable because it really reduces wear and tear on the system, lowers energy fees and conserves for the people actually in the defined service area, not spread all over areas outside the city.

The second part of No. 3 we want address is the "elimination of the arsenic remediation surcharges." There really is NO elimination of these fees! This is just smoke and mirrors hiding these fees inside the meter base charges and increasing rates themselves. These fees came about from the EPA making unfunded mandates on all of us thus avoiding their obligations and responsibility, financially and other ways.

We must keep the fees for these obligations out in front of everyone all the time; not hidden in basic meter charges. If they are allowed to be hidden, customers will never know when the arsenic treatment is paid off and LQS Water continue to collect forever if they are allowed to hide this specific charge. This way everyone knows exactly what we are paying for and can reflect on them each month. Over time we all seem to forget what we are actually paying for because they got hidden in other charges and, it conveniently leaves room to add on and introduce other surcharges sometime in the future.

Finally, we would like to suggest LQS Water address their billing system to show each level of water used and the amount charged as usage increases. This would encourage water conservation and be a genuine

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compliment to their customers. In this day and age of taxes and more taxes and fees and surcharges, businesses need to stand up and stand out in their business dealings as we are in many other areas of our lives here in Arizona.

Thank you for allowing us to address you.

Sincerely,

Vincent G Aultman, Jr.  
Regina F, Aulunan  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments noted for the record and docketed. CLOSED.  
\*End of Comments\*

**Date Completed: 6/3/2010**

**Opinion No. 2010 - 87239**

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