

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

ORIGINAL



ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Guadalupe Ortiz

Phone: (602) 542-2406 x2  
2010 JUL 21 P 2:52

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Priority: Respond Within Five Days

Opinion No. 2010 88024

Date: 7/22/2010

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

Complaint By: First: Ken Last: Cohen

Account Name: Ken Cohen Home: (000) 000-0000

Street: 40610 N. Candlewyck Ln Work:

City: Phoenix CBR:

State: AZ Zip: 85086 is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins Contact Phone: (623) 815-3107

Nature of Complaint:

\*\*\*\*7/22/10 EMAIL RECEIVED - OPINION OPPOSED TO AAWC - ANTHEM WATER DISTRICTIC\*\*\*\*

RE: Docket No's W-01303A-09-0343  
SW-01303A-09-0343

Arizona Corporation Commission  
DOCKETED

JUL 27 2010

From: Valorie Nimmo On Behalf Of Utilities Div - Mailbox  
Sent: Thursday, July 22, 2010 8:23 AM  
To: Guadalupe Ortiz  
Subject: FW: WATER: Comment on AAWC Post Hearing Brief: Docket: W-01303A-09-0343

DOCKETED BY [Signature]

From: Ken Cohen [mailto:kenhcohen1@q.com]  
Sent: Wednesday, July 21, 2010 1:34 PM  
To: Utilities Div - Mailbox  
Subject: RE: WATER: Comment on AAWC Post Hearing Brief: Docket: W-01303A-09-0343

Dear Chairwoman Mayes and Commissioners,

I am an Anthem homeowner and have followed these proceedings closely. I want to lend my absolute concurrence with the comments below from Bob Golembe. AAWC's comments ring very hollow when looked at in concert with their actions. They care nothing about the rate payers, only about their corporate bottom line.

As I have noted in previous e-mails to the Commission, these proposed rate increases will make my water and sewer bills exceed my utility bills - an unacceptable situation. Anthem already has seen property values drop in half with untold foreclosures. These increases will simply add to the foreclosure rate in our community and precipitously drop our property values. AAWC will have less customers to collect their obscene rates from as vacant homes do not remit water and sewer charges - will they come back and ask for a new increase yet again because their projected revenues drop?

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

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The Pulte deal was nothing more than a sham and a travesty foisted upon the homeowners which AAWC knowingly participated in - they are not stupid - they understood the implication of their deception - were they sympathetic to the rate payers at that point? I think not!!

At least BP oil has committed to spend \$20 billion minimum to right the wrong that its operations in the Gulf has caused the people of the region. When this water and sewer increase causes more homeowners to default on their mortgages, when it causes our small business owners to go out of business, when it makes it near impossible for anthem homeowners to sell their homes, will AAWC step up to the table - we all know the answer to that question - It is not that they are not 'good corporate citizens', it is that they are the epitome of poor corporate citizenship, interested only in their own bottom line and their own salaries and perks. This increase will be the equivalent of at least a 5% income tax increase on the Anthem homeowners.

I don't know how many anthem residents write in to you, but the water case is a matter of great discussion in our community - many residents are already pretty despondent over what they perceive to be the eventual outcome here - grossly higher water and sewer and common area charges. Many of our residents, like those in the general economy, are either out of work or are retired and on fixed incomes. The economy has greatly impacted our incomes.

We ask you to stand up for the citizens of Arizona and the residents of Anthem. Please don't allow this travesty to occur. Don't let this 'monopoly' take advantage of the market place!

Thank you for letting me share my angst with you,

Respectfully,

Ken Cohen

40610 N. Candlewyck Ln

Anthem, AZ 85086

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From: Bob Golembe [mailto:[anthemkid@cox.net](mailto:anthemkid@cox.net)]  
Sent: Monday, July 19, 2010 10:27 AM  
To: Undisclosed-Recipient;  
Subject: WATER: Comment on AAWC Post Hearing Brief: Docket: W-01303A-09-0343

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

From: Bob Golembe  
To: Chairwoman Mayes  
Cc: Commissioner Newman; Commissioner Kennedy ; Commissioner Pierce ; Commissioner Stump  
Sent: Monday, July 19, 2010 9:25 AM  
Subject: Comment on AAWC Post Hearing Brief: Docket: W-01303A-09-0343

Dear Chairwoman Mayes and Commissioners:

I read the POST-HEARING BRIEF OF ARIZONA-AMERICAN WATER COMPANY, dated July 16. In the introduction, page 2, lines 16-20, the company states:

"The Company is sympathetic to the difficulty that this rate increase poses for many of its rate payers. To help alleviate the degree of rate increase...."

I am a ratepayer. First, I find it hypocritical for the Company to use the term "sympathetic" and at the same time request a near doubling of Anthem water/wastewater rates. Sympathetic is defined as: 1) favorably inclined,

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

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and/or 2) agreeably suited to one's disposition or mood.

Simply, I find it more than inequable to equate their "mood" to the increase requested. The Commission has lived through a long history with AAWC and so has the Anthem ratepayer. The Pulte refunds are a major component of the increase, but the company continues to flow through with egregious rate increases regardless of their "sympathy" for the ratepayer. I would venture to state that 8,700 Anthem ratepayers would cite that the 1997 Pulte Agreement was and is a "poor business decision". The ratepayer should not shoulder the burden of a poor business decision.

The record shows that the corporate parent is making millions and paying dividends. In the instant case, this AAWC has not offered one "rate shock" leveling schedule. They oppose phasing in rates. While they favor consolidation, it was not their intent to provide this "averaging" process from the get-go; Commissioner Mayes requested a study, not AAWC.

How can AAWC claim to be "sympathetic" and at the same time ask for unreasonable rate increases. Their stand alone rate schedule will not only hurt Anthem, but damage it for years to come. Imagine, "welcome to Anthem and enjoy the highest unreasonable rates in the state." Business, commerce, lifestyles, etc. will be seriously impacted for years to come.

Your job is to determine what is "just and reasonable". Don't let AAWC achieve their goal and "kill off" their ratepayers in the process.

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

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion docketed with the Docket Control Center of the Commission to be made part of the record. CLOSED  
\*End of Comments\*

**Date Completed: 7/22/2010**

**Opinion No. 2010 - 88024**

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