



ARIZONA CORPORATION COMMISS...
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 88959

Date: 9/1/2010

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

Arizona Corporation Commission

DOCKETED

Complaint By: **First:** Kathie

Last: Miller

SEP 2 2010

Account Name: Kathie Miller

Home:

Street:

Work:

DOCKETED BY

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 -

From: Kathie Miller [mailto:
Sent: Wednesday, September 01, 2010 9:41 AM
To: Utilities Div - Mailbox
Subject: AZAmerican Rate Consolidation Issue

RECEIVED
2010 SEP - 2 P 12: 25
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

As a past resident of Anthem, and present resident of Sun City West, I'm writing to you to express my opposition to the rate consolidation that AZ American Water has requested.

It benefits only them in the long run (they don't have to continually propose increases for numerous districts...just one if they get their way!).

Certainly if the consolidation is approved by you and Anthem water users get a 'reduction' over 5 "steps"...as proposed, their rates will be reduced, supposedly, eventually. However, that doesn't guarantee that Anthem's (and all other districts' water costs) won't be increased when AZ American requests rate increases in the future! And if rates are consolidated, who knows what shenanigans they'll "work" within the rate structure of all the various districts? I don't trust them* at ALL!

I sincerely request that each Commissioner vote 'NO' on the rate consolidation that AZ American has applied for.

Katherine S. Miller

PS My distrust* stems from being in Anthem from 2000-2010. When we bought our house, we were told that Anthem's water was from the CAP. Shares were bought from the Ak-Chin nation by Del Webb to guarantee the

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

100-year water supply as required by the Dept. of Real Estate when the Anthem Master Planned community was approved. Over the years, we hear piecemeal that Anthem water is also from wells, is inter-connected with the City of Phoenix somehow.... it's all a bit dauntingly confusing and seems to me that Anthem water is or could be siphoned or intermingled (and so can be used by others) without anyone knowing who's using what water and -- long term, is Anthem still guaranteed their 100-year supply - or are others benefiting from that agreement?

Kathie Miller

Sun City West AZ 85375

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: 9/1/2010

Opinion No. 2010 - 88959

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

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez Phone: (520) Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 88865 Date: 8/27/2010

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

Complaint By: First: Bob Last: Golembe

Account Name: Bob Golembe Home: (000) 000-0000

Street: email address Work: (000) 000-0000

City: Anthem CBR:

State: AZ Zip: 00000 is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Contact Phone:

Nature of Complaint:

(Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343)

From: Bob Golembe [mailto:
Sent: Thursday, August 26, 2010 5:40 PM
To: Mayes-WebEmail
Cc: Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Jodi Jerich; Utilities Div - Mailbox; Sheila Stoeller; Judith Dworkin
Subject: Comment: Percent of Pulte Refunds, Arizona American Water Rate Filing; Docket: W-01303A-09-0343

Dear Chairwoman Mayes and Commissioners:

I believe the record needs to be corrected and expanded regarding the percentage amount of Pulte refunds included in the company's rate increase. As you will see, the value ranges from 17 to 52 percent per the documentation cited below.

In December 2009, I posed the question in an email to AAWC's rate expert Mr. Thomas Broderick. He replied: "40 percent water and 12.2 percent for wastewater." At the April 7th Public Comment with the Commissioners in Anthem, I stated for the record that per Mr. Broderick's email it was over 52 percent. Since that statement, Mr. Broderick corrected and informed me that I was mistaken to combine the water (40 percent) to the wastewater (12.2 percent) for a total of 52.2 percent.

The following testimonies follow up on answering this question. You will find that Mr. Broderick's answer ranges from 17 percent to 52 percent. Per the following transcript testimonies:

I. Arizona-American Water / Rates 5/18/2010 W-01303A-09-0343, et al. Phase II Vol. I, page 143, lines: 10-16:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Q. MAYES: "Mr. Golembe during a public comment said it was 52 percent. Is that right?"

A. Your Honor, Madam Chair, I don't think it would be that much. Let me just supplement that. But I believe we ran that. But just roughly, a \$20 million payment would be roughly about -- well, I don't want to just do it on the fly. I believe there was already a response by Anthem running -- they were asked by, I think, Commissioner Pierce to run some numbers, and I think we helped them on that. So that was submitted. So if we could just find that exhibit, we have that data.

II. Arizona-American Water / Rates 5/19/2010 W-01303A-09-0343, et al. Phase II Vol. II, page 311, lines: 17-20:

Mr. Broderick on Redirect Examination:

"You can see that the Pulte refunds in and of themselves caused a 17.16 percent rate increase for the Anthem water and Anthem/Agua Fria Wastewater districts."

III. Arizona-American Water / Rates 5/19/2010 W-01303A-09-0343, et al. Phase II Vol. II, page 313 line 25 and page 314, lines: 1-13:

Cross of Mr. Broderick by Mr. Larry Robertson Jr.:

Q. It is simply for the purpose of trying to find the source of that 52 percent that was mentioned. Do you by any chance happen to have Mr. Neidlinger's March 8th, 2010 initial direct testimony with you? I don't have my copy with me. And that's the only reason I pose the question. A. No, I do not have it up here. Q. Okay. My recollection of his testimony was that he referred to the 2008 Pulte refund representing on the order of 52 percent of the increase in the company's rate base for the Anthem district during the 2008 period. In that context, does that 52 percent figure sound familiar? A. That does, and that might be accurate if we are discussing rate base. Okay. That's all I have. Thanks, Mr. Broderick.

IV. AAWC Consolidation Meeting at Anthem, 26 July 2010:

Mr. Broderick was asked, "how much of the Pulte refunds are in the increase?" Ans: Approximately 33 percent.

In closing, I find it at the very least disconcerting that AAWC cannot nail this figure down or if the range is true, it leaves one in great confusion and mistrust of their accounting methods.

So, I ask in simple terms: "what percent increase in my bill will the Pulte refunds play?"

Bob Golembe
Anthem, AZ
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

**ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM**

Responded with the following e-mail:

Mr. Golembe,

Thank you for your recent e-mail to the AZ Corporation Commission. It has been assigned to me for a response. I am a Consumer Analyst II in the Utilities Division.

Your e-mail comments regarding the Arizona-American Water Company ("Company") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the Company application.

The concerns raised in letters, e-mails and phone calls received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase. If you should have any questions relating to this issue, please call me at 520-628-6555.

Richard Martinez
Public Utilities Consumer Analyst II
Utilities Division

8/27
Emailed to Phoenix to be docketed. FILE CLOSED.
End of Comments

Date Completed: 8/27/2010

Opinion No. 2010 - 88865

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 88941

Date: 9/1/2010

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

Complaint By: First: Douglas Last: Perez

Account Name: Douglas Perez

Home: (000) 000-0000

Street: n/a

Work: (000) 000-0000

City: n/a

CBR:

State: AZ Zip: 00000

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: Douglas Perez [mailto:...]
Sent: Thursday, August 26, 2010 9:29 PM
To: Bob Golembe; Mayes-WebEmail
Cc: Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Jodi Jerich; Utilities Div - Mailbox; Sheila Stoeller; Judith Dworkin
Subject: Re: Comment: Percent of Pulte Refunds, Arizona American Water Rate Filing;

Docket: W-01303A-09-0343

Bob,

Thank you for your advocacy in the most important issue to the citizens of Anthem.

You are more the gentleman than I as you have gone to great lengths to be fair in your reporting of AAWC testimony. I would characterize its testimony more in the order of "slippery", "mendacious" and outright dishonest.

DougP

From:
To: Chairwoman Mayes <mayes-web@azcc.gov>
Cc: Commissioner Kennedy <Kennedy-web@azcc.gov>; Commissioner Newman <Newman-web@azcc.gov>; Commissioner Pierce <Pierce-web@azcc.gov>; Commissioner Stump <Stump-web@azcc.gov>; Jodi Jerich <JJerich@azruco.gov>; ACC Mailmaster <mailmaster@azcc.gov>; Sheila Stoeller <sstoeller@azcc.gov>;

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Judith Dworkin <judith.dworkin@sackstierney.com>

Sent: Thu, August 26, 2010 5:39:48 PM

Subject: Comment: Percent of Pulte Refunds, Arizona American Water Rate Filing; Docket: W-01303A-09-0343

Dear Chairwoman Mayes and Commissioners:

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Bob Golembe
Anthem, AZ
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/1/10 Opinion noted and filed in W-01303A-09-0343 and SW-01303A-09-0343. closed
End of Comments

Date Completed: 9/1/2010

Opinion No. 2010 - 88941
