

Sheila Stoeller

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From: Bob Golembe [anthemkid@cox.net]
Sent: Tuesday, September 07, 2010 9:51 AM
To: Mayes-WebEmail
Cc: Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Jodi Jerich; Utilities Div - Mailbox; Sheila Stoeller; Judith Dworkin; Senator David Braswell
Subject: Comment: Proposed Tariff Difference on Water Meter Sizes, Docket: W-01303A-09-0343 and SW-01303A-09-0343

Dear Chairwoman Mayes and Commissioners:

If you recall during your visit to Anthem for our Public Comment session on April 7th, I brought to your attention the approx. \$50 spread that Arizona American Water Co. (AAWC) proposed in its tariff for 1-inch water meter users vs. 3/4-inch users. Since that time, I have collected more data and information that questions the fairness of this tariff difference.

First, AAWC reportedly claims that the increase is due to the infrastructure differences to deliver the volume and pressure for homes that feature fire sprinkler suppression systems. Factually, there are 182 homes in the Parkside subdivision of Anthem's Parkside Landings that have fire sprinklers supported by 3/4-inch meters. In addition, there are 2866 homes in the Anthem Country Club that are supported by 1-inch meters. Both subdivisions feature 1-inch pipes to the lot lines. In fact, there are homes in Parkside that have 1-inch meters **WITHOUT** fire sprinklers.

In my opinion, it is not a matter of water meter size; **it is a matter of cost of service and what is fair**. The \$50 spread vs. the national average of \$6.05 (ref: "Integration of Residential Sprinklers with Water Supply Systems, A Survey of 20 US Communities, September 2009) needs to be considered when making a decision.

- Are there TWO infrastructure systems in place?
- Can AAWC provide data that justifies the tariff difference?
- Can AAWC show in their revenue requirements where the cost for 1-inch meter size service is an accounting item that justifies collecting an additional \$1,719,600 per year?

The bottom-line is that unless AAWC can justify the huge difference they are asking for, it should not be fully granted. Again, **it is NOT a matter of size, it is a matter of cost of service and what is fair**.

Thank you,

Bob Golembe
Anthem

Arizona Corporation Commission

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