

COMMISSIONERS  
KRISTIN K. MAYES - Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP



ARIZONA CORPORATION COMMISSION

September 20, 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 53 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**  
SEP 20 2010

DOCKETED BY	<i>Rose</i>
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RECEIVED  
ZND SEP 20 PM 3:28  
AZ CORP COMMISSION  
DOCKET CONTROL

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

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone: ( )

Fax: ( )

Priority: Respond Within Five Days

Opinion No. 2010 - 89401

Date: 9/16/2010

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

Complaint By: First: Peter Last: Donnelly

Account Name: Peter Donnelly

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:

DOCKET NO'S W-01300A-09-0343 and SW-01303A-09-0343  
REFERENCE: Arizona - American Water Company - ANTHEM  
\*\*\*\*\*

: Pete Donnelly [mailto:  
Sent: Wednesday, September 15, 2010 1:28 PM  
To: Utilities Div - Mailbox; Pierce-Web; Newman-Web; Mayes-WebEmail; Kennedy-Web; Stump-Web  
Subject: Meter Size Impact onAnthem Water Rates

Commissioners,

I would like to add my voice to those upset that ratepayers with a 1" meter pay more for their water than those with a 3/4" meter. The cost for AAWC to provide service is the same irrespective of the meter size. Why should those of use in Anthem who have fire sprinkler systems pay more for our water when the additional cost to AAWC to provide the service is ZERO ?

Peter Donnelly

Anthem, AZ 85086

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Noted and filed in Docket Control for the record.  
\*End of Comments\*

Date Completed: 9/16/2010

Opinion No. 2010 - 89401

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

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

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**Investigator:** Jenny Gomez

**Phone:**

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No.** 2010 - 89400

**Date:** 9/16/2010

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

**Complaint By:** **First:** Howard **Last:** Pearch

**Account Name:** Howard Pearch

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

**Street:**

**Work:**

**City:** Phoenix

**CBR:**

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

**is:** E-Mail

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

DOCKET NO'S. W-01303A-09-0343 and SW-01303A-09-0343

REFERENCE: Arizona - American Water Company - ANTHEM

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From: HOWARDANDJEAN  
Sent: Wednesday, September 15, 2010 8:50 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Water Case

I am 80 years old and have been retired for 15 years. During that period we have had to put up with inflation which chips away at your fixed income in an incipient manor.

This water bill increase is not incipient - it is a 77% increase of which we were not forewarned at the time we purchased our home in Anthem. Had we been aware it might have affected our decision to buy here.

We came from La Quinta, California where we paid \$18. a month for water and sewer. Here we are paying \$120.00 a month which in itself is ridiculous, but raising it another 77% is outrageous.

There must be another better answer.

Howard Pearch

Anthem, Az. 85086

\*End of Complaint\*

**Utilities' Response:**

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.  
\*End of Comments\*

Date Completed: 9/16/2010

Opinion No. 2010 - 89400

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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 89411 **Date:** 9/16/2010

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

**Complaint By:** **First:** Art and Pam **Last:** Pullem

**Account Name:** Art and Pam Pullem

**Home:** ( )

**Street:**

**Work:**

**City:** Phoenix

**CBR:**

**State:** AZ Zip: 85086

**is:** Cellular

---

**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 \*\*\*\*\*

Received the following -

From: Art & Pam [mailto:art.pullem@azwater.com]  
Sent: Tuesday, September 14, 2010 3:37 PM  
To: Utilities Div - Mailbox  
Subject: Water

We're retired and on a fixed income. We have not received any COL (Cost of living increase) for this year and none for next year. One must ask why water in Phoenix is less expensive? when was the last time the water expense was reduced? - NEVER!!! What kind of programs does the water company have to reduce their cost of doing business? Do their employees continue to receive pay increases?

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

**Date Completed:** 9/16/2010

**Opinion No.** 2010 - 89411

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM





# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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- Will be \$161.04.
- My current bill is \$90.82.
- Total percent increase: 77.3%.
- Total annual dollar increase: \$842.64
- Water increase: 91.3%
- Wastewater increase: 60.9%

This is only residential use and does not include any additional increase for HOA, Council or Country Club fees.

Commissioner Mayes, we would hope that when decision time comes you would look at the big picture of Anthem's survival. This increase in the amounts AAWC is requesting would cause, in an already struggling community just getting off the ground, repercussions that would last for years. We would hope that consolidation of all of AAWC service areas be seriously considered.

Thank you for your time and consideration in this matter.

Kindest regards,

Jon & Marv Lou Patterson

Direct:

Fax:

\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

9/15/10 Comments entered for the record and docketed.

\*End of Comments\*

Date Completed: 9/15/2010

Opinion No. 2010 - 89382

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone: \

Fax: /

Priority: Respond Within Five Days

Opinion No. 2010 - 89386

Date: 9/15/2010

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

Complaint By: First: Jason Last: Brommel

Account Name: Jason Brommel Home: (000) 000-0000

Street: N/A Work:

City: Phoenix CBR:

State: AZ Zip: 85086 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  
REFERENCE: Arizona - American Water Company - ANTHEM  
\*\*\*\*\*

From: Jason Brommel [mailto:  
Sent: Tuesday, September 14, 2010 5:00 PM  
To: Utilities Div - Mailbox  
Subject: Correspondence in regards to Anthem, Arizona water rate increase case

In reference to the increase in Anthem water rates proposed by Arizona-American Water:

To the Arizona Corporation Commission,

The burden must be shifted toward a more fair compromise.

American Water, Arizona-American's parent company, is a publicly-traded corporation. I believe that its interest is primarily in making as much profit as it possibly can in order to deliver the highest possible returns to its shareholders. I personally find it easy to infer that this may be its primary concern, and that the needs of its customers, and their own financial concerns, come secondary.

Now I'm not saying that there's anything wrong with being a profitable, publicly-traded company, but when residents of a particular community have no other choice but to subscribe to the only water system available, that a fair compromise must be made, because there is no other means for customers to secure the water that they need to operate their households. In this situation, customers have no choice but to shoulder the burdens that the investment strategies or decisions their corporate water supplier has chosen to make, however wise or unwise those decisions may have been.

I feel one of the major components of this case that must be considered in the decision-making is that it has been said by some that, when purchasing a home in Anthem, the details behind the ways under which the water

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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system had been financed had not been disclosed at the time of purchase. Furthermore, I feel that financial decisions such as this are the responsibility of the water utility to plan for in a more prudent way - not one where a profitable company proposes nearly 100% rate increases, who, according to its latest public earnings report, is exceeding 2009 levels in net income by a healthy margin, and seems to be turning very healthy profits during the worst economic times in decades.

To me, that is the most important factor to consider: Should a highly profitable, large corporation be granted the go ahead to implement a nearly 100% rate increase, which I feel may further add comfort and ease to their already healthy margins, at the expense of the thousands of residential and hundreds of small and local businesses who are already struggling to make ends meet? Is it fair to expect them to shoulder the burdens of infrastructure financing decisions that were made without their input or that were totally beyond their control?

In my opinion, a more fair-minded solution should be in order. I would guess that American Water knew what they were getting into when they purchased the Anthem infrastructure. In my opinion, they should have been ready to absorb a bit of shock in the cost of the infrastructure - a cost which is their responsibility to manage in an appropriate method. I do not feel that passing an almost 100% rate increase on to its customers is the appropriate method.

Yes, this may make it easy for the water company to continue to have healthy profit margins and continue delivering good returns for its shareholders, but is that what's most important in this matter?

Is it fair to force already struggling families and residents, who have no other choice in water delivery systems, to have to cut their already stretched budgets to pay more for water, so that an already thriving company can continue to thrive, without an equal sacrifice made by it?

I feel the bottom line is this, just as so many families have had to make sacrifices in this down economy to make ends meet - many to the brink of losing their homes, depleting their savings, or going into debt - so too must this corporation make sacrifices.

I have seen that some estimate this increase may tack on an additional \$70 - 80 per month on to an existing average bill of \$85. This could mean that many families might be forced to forego other important necessities that they can no longer afford, because they might have to suddenly pay that money toward their water bill instead, which is a necessity that no one can forego. Water is life, and it is a basic human right.

Furthermore, if water bills in the area double, some to the point of being prohibitively expensive, then it could also make it much more difficult than it already is for homeowners who are trying to sell their houses. Prospective residents may pass up houses in this area because they know how much the water bills are. Additionally, it could dissuade prospective businesses from deciding to locate in Anthem, because it would make their cost of operating, especially for restaurants and those who have to use a lot of water, much higher than other locations. This is not-to-mention the existing businesses who are just hanging by a thread in these tough economic times who may have to close up shop, because their water bills have pushed them over the brink. With so many vacant storefronts already in the Anthem area, this could make matters worse, and make it even harder to attract new businesses.

There are so many ways in which a rate hike of this sort could further damage an already struggling economy - these are just a few.

I feel that the Arizona Corporation Commission must take these issues and concerns into mind when considering such a substantial rate hike. They must look at the needs of the community, its residents, and their financial situations as well. I feel that, if looked at creatively, the water company could come up with many other solutions that would not affect their customers so much, rather than passing the burden on directly to their customers.

This burden must be shifted toward something that is more fair and takes into full account the needs and the

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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reality of the residents and business owners who have no choice in the matter but to subscribe to these water services.

As an Anthem resident, I appreciate your consideration.

Sincerely,

Jason Brommel  
Anthem, AZ  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Filed for the record in Docket Control  
\*End of Comments\*

Date Completed: 9/15/2010

Opinion No. 2010 - 89386

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89387

Date: 9/15/2010

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

Complaint By: First: Barbara Last: Krebaum

Account Name: Barbara Krebaum

Home: (

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

9/15/10 \*\*\*\*\*REFERRED BY CHAIRMAN MAYES' OFFICE  
\*\*\*\*\*

Reference: AZ AMERICAN  
WATER\*\*\*\*\*ANTHEM\*\*\*\*\*OPPOSED\*\*\*\*\*  
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Barbara Krebaum [mailto:  
Sent: Monday, September 13, 2010 3:38 PM  
To:

Subject: Pending Arizona American Water Rate Hike

Dear Chairwoman Mayes and Commissioners Kennedy, Newman, Pierce and Stump:

RE: Pending Arizona American Water Rate Hike

When I moved to Anthem in December 1999 I envisioned it as a great master-planned community that would attract buyers for many years into the future. Now Anthem is in danger of becoming one of the undesirable communities in the Phoenix area to live.

It appears that efforts are being made to establish an appalling rate increase so Arizona American Water can make the early payback of the loan originally set-up between Del Webb (Pulte) and Citizens Water (now owned by American Water). Instead, I believe American has reasonable options to utilize the nationally accepted standard of financing water infrastructure over a 35 or 40 year time frame. I understand that American Water is a national company that is currently profitable and paying dividends, so the need to adopt this accelerated payment schedule is unreasonable. Also, once the infrastructure loan is repaid, what guarantees do the Anthem residents have that our water rates will be returned to normal/legitimate rates?

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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My current water bill is already \$110 a month. A 77% increase to my water bill, plus the trickle-down additions to my HOA dues and social club dues will add another \$100+ to my monthly budget. Like many Americans my financial situation has also taken a turn for the worse. When I moved to Anthem I was married and enjoying a dual income. I am now divorced, living on one-half the income I used to have. The divorce decree gave me possession of the house, and all the bills, while I tried to sell. My house was on the market for over 3-years. After many price reductions and no offers, I have given up while I wait for any signs of economic recovery. As I approach retirement, selling a home I can no longer afford is imperative. If Arizona American Water is allowed to enact their proposed rate hikes I'm not sure how I will be able to market my house once I disclose my utility bills.

Please do not allow Arizona American Water to enact their proposed water rates. While the short term increase will be difficult; the long term damage to the reputation of the community and resale potential of the homes will be a disaster.

Sincerely,  
Barbara Krebaum  
2100 W. ...  
ANHEM, AZ 85003

\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

9/15/10 Comment entered for the record and docketed.

\*End of Comments\*

Date Completed: 9/15/2010

Opinion No. 2010 - 89387

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

Investigator: Deb Reagan

Phone:

Fax: (

Priority: Respond Within Five Days

Opinion      No. 2010      89363      Date: 9/14/2010

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

Complaint By:      First:      Last:  
Jim      Doering

Account Name:      Jim Doering

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 \*\*\*\*\*

Received the following -

From: Jim Doering [mailto:j  
Sent: Tuesday, September 14, 2010 3:19 PM  
To: Utilities Div - Mailbox  
Subject: American Water Rates

Dear: Arizona Corporation Commissioners.

From: Jim Doering      Anthem AZ 85086

I recently moved to Arizona from the Kansas City Area, this past December, so I'm a new Anthem Resident. I have also lived in Salt Lake City and Portland Oregon. I am writing to you to help us with our Water Rates and the proposed recommendation to increase the rates significantly. I work as a Middle Manager with a large trucking company. I was kind of shocked to learn of such a high proposed rate increase for water. I understand all Corporations in America must make money. I work everyday to insure my company is profitable. However, I would position to you that rate increases, such as the one proposed in Anthem, would never be a successful tactic in our Trucking Business. Customer would leave.

With the poor economy, increasing water rates substantially would have a huge negative impact on my monthly personal budget, and would certainly create some difficulties with a normal Arizona lifestyle of natural landscapes in well maintained neighborhoods, such as Anthem.

Please understand that writing a letter to you isn't being done because I don't care about Corporations. I do, however, reasonable increases is what I would ask the Commission to recommend. Reasonable could be

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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consider no rate increase up to 10%. Anything more than 10% would be devastating and would have a trickle down effect to many things that Anthem as to offer.

Thanks for for your consideration.

Respectfully, Jim Doering

\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

Date Completed: 9/16/2010

Opinion No. 2010 - 89363

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Steve & Lois O'Neill

Anthem, AZ 85086

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

Date Completed: 9/16/2010

Opinion No. 2010 - 89365

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

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**Investigator:** Deb Reagan

**Phone:** (602) 364-0236

**Fax:**

**Priority:** Respond Within Five Days

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**Opinion No. 2010 89364 Date: 9/14/2010**

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

**Complaint By:** **First:** Peter **Last:** Donnelly

**Account Name:** Peter Donnelly

**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 \*\*\*\*\*

Received the following -

From: Pete Donnelly [mailto:];  
Sent: Tuesday, September 14, 2010 1:28 PM  
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: Anthem Water Rate Case

I am a retiree living in Anthem on a fixed income. The proposed water rate increase by Arizona American Water Company (AAWC) will have a huge impact on our budget. Something will have to give, whether it is our church donations or our monthly dinner out or perhaps an 82 degree thermostat setting vs. 78 in the summer. In short, our lifestyle will suffer.

I guess I'm old school but I thought that a business and its stockholders provided the capital for investments in new business and then recouped that investment over the long haul through operating profits. It appears to me that AAWC wants the ratepayers to buy them the plant so they can then profit by providing water and sewer service to us. AAWC wants the plant paid for in a short time frame which will adversely effect the lifestyle of most Anthem residents. I'd be willing to bet that once the payments to Pulte/Del Webb for the plant are complete we will never see a rate decrease.

If AAWC and it's parent company are not willing to make the investment for the long haul I would suggest that portion of our payments to AAWC earmarked to pay for the plant should be used to purchase shares of AAWC's parent company for the ratepayers making those payments. If we are buying the plant for AAWC, we should share in the ownership.

We need your help. I never thought I'd be paying more for water and sewer than for electricity in Arizona.

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Sincerely,

Peter Donnelly

Anthem, AZ 85086

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

Date Completed: 9/16/2010

Opinion No. 2010 - 89364

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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will also increase. Unfortunately, the local businesses, that we try to support, will also have to pass on their large increase to their customers. We, unfortunately, will be hit from all ends. Because we live in the country club, we have a 1" meter coming into our home. The basic water and sewer fee for this 1" meter is \$70.64 per month, before we use one drop of water. It is my understanding that if this increase is approved, that the 77% increase will also be on this large basic service fee. We have been told that residents with a 3/4" meter pay much less for their service fees. Unfortunately, all the residents in the country club have the 1" meter. The country club residents are paying a larger water/sewer bill each month than other residents.

On December 15, 2009, the Anthem Community Council Board of Directors meeting was held where Paul Townsley, Arizona American Water president, made a presentation on the company's history. After that meeting, an article was published in The Foothill Focus on December 23, 2009 entitled "Water Rates Discussed at Anthem." The Managing Editor, Marc Buckhout, reported in his article the following: Another topic of confusion is the different rate structure for homes with .75 inch meter water pipes as opposed to those with 1 inch meter pipes. "There is a higher rate for those with 1-inch because the presumption is they are from larger homes and will have a higher demand on the system," Townsley said. If that's problematic, Townsley said AAW would be willing to work with the Anthem Council's Utilities Committee on a proposal to unify the rates regardless of the size of a home's water pipes.

That was last December, and nothing has been done to unify the rates. We are still paying the very high 1 inch meter fees. We do not have a large home -- our home is 2600 sq.ft. We usually consume around 4,000 gallons or less per month.

Not only will this increase definitely put a huge financial burden on us, but it will make the difference for several of our neighbors and friends in Anthem on whether they can continue to afford to live in our Anthem community. This increase is wrong and it is greedy on the part of the Arizona Water Association. Please do not approve their rate hike.

Thank you for your consideration on this extremely important and crucial issue to all Anthem residents and businesses.

Ron & Jackie Skaer

Anthem, AZ 85086

\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89307

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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We -- my specific family - has lost over 35% of our income, our house has depreciated by 35% (fortunately we are still above water), we have had to cut out eating out, vacations, and basically any extra expenses. We have had to continually cut back our expenses of things people take for granted, gas for cars, food for the house, activities for our kids. We have done so because it is our RESPONSIBILITY. There is no one to bail us out.

If the Council chooses to proceed with this rate action it will come close to doubling our water bill and increase our Anthem dues (due to their passing on their rising costs). In percentage terms, after all of our income loss and expense cuts, this water increase will increase our budget by 6% on a monthly basis. As we have already come close to cutting to the bone, I don't know where we will find this further expense. And although we can cut back some usage, water is a key need for daily life.

As we have taken responsibility for ourselves, it is time that Corporations, including American Water, take responsibility for their unfortunate business decisions. They are accountable for the deal they cut with Del Webb. They need to owe up to it.

Sincerely  
Marcy Oelhafen

Anthem, AZ 85086  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89308

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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 89309

**Date:** 9/14/2010

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

**First:**

**Last:**

**Complaint By:** Gloria Becker and Terr Rial

**Account Name:** Gloria Becker Rial and Terry Rial

**Home:**

**Street:**

**Work:**

**City:** Phoenix

**CBR:**

**State:** AZ Zip: 85086

**is:**

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

**Division:** Water

**Contact Name:** Karl Wilkins

**Contact Phone:** (623) 815-3107

**Nature of Complaint:**

\*\*\*\*\* W-01303A-09-0343 AND SW-01303A-09-0343 \*\*\*\*\*

Received the following -

From: ( ;  
Sent: Monday, September 13, 2010 6:41 PM  
To: Utilities Div - Mailbox  
Subject: Regarding increase in water rates

Hello,

I bought a house in the Anthem Country Club area one year ago. Never was it indicated that there were water issues with rates potentially doubling. We are in Anthem only part of the year and are currently charged at least \$90 a month whether we use any water or not. With the possible increase we could be paying \$200 per month. This would make our utilities difficult to manage. We are retired and bought the house in a short sale. The increase in rates will make the utilities unmanageable and the resale of the house impossible due to the increase in utilities.

We need to have the cost spread out over a larger group of people served by Arizona American Water and not have our area charged to the point that it's unrealistic for the average person to live there. The cost of the fees for the country club and Anthem Community Center will rise. The area will suffer greatly and most of us will not be able to maintain our residences.

Please keep in mind that this large corporation did not inform us of these issues and we bought our home. This was kept from people buying into the area and now we are informed that these of huge increases. This is not fair and I hope as an elected board member that you will understand this situation and work to prevent this doubling of our service costs.

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Thank you

Gloria Becker Rial and Terry Rial

Anthem, AZ 85086  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments entered for the record and filed with Docket Control.  
\*End of Comments\*

**Date Completed: 9/14/2010**

**Opinion No. 2010 - 89309**

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 89310

Date: 9/14/2010

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

Complaint By: First: K. M. Last: Bradburn

Account Name: K. M. Bradburn

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 \*\*\*\*\*

Received the following -

From: Katiebb [mailto:]  
Sent: Monday, September 13, 2010 7:16 PM  
To: Utilities Div - Mailbox  
Subject: WATER RATES IN ANTHEM

Everyone is struggling with finances and fear abounds in the community. Real Estate prices have dropped, many are on fixed incomes and have no extra income to pay for a rate hike of the proportion that you suggest. Please, stop this excess charging.

K M Bradburn

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89310

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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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 89311 Date: 9/14/2010**

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

**Complaint By:** **Jeffrey and Denise Goldin**

**Account Name:** Jeffrey and Denise Goldin

**Home:** ( )

**Street:**

**Work:** ( )

**City:** Phoenix

**CBR:** ( )

**State:** AZ Zip: 85086

**is:** ( )

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**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 \*\*\*\*\*

Received the following -

From: arizonagoldin [mailto: ]  
Sent: Monday, September 13, 2010 7:34 PM  
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: Anthem Water Rate Increase  
Importance: High

Good Day,

We are residents who live in the Anthem community, on the country club side. The water rate hike requested by Arizona Water is above and beyond a feasible rate for home owners. When we moved in here, we only thought to ask about the availability of water, never suspecting our water rates would be triple those of Phoenix Water. We are paying approximately \$138.00 per month which does not include waste pick up. At Desert Ridge our water was \$42 per month and included trash pick up.

The rates out here are entirely exorbitant and unreasonable. This will greatly affect selling our home to anyone who is intelligent, unless they are very well off. Most people these days with this economy are just getting by. An increase in the water rate would mean \$200+ per month. I don't know how young families can afford this. These rates will ruin this community as people shy away from buying here.

I believe we need a rate decrease instead of a rate hike!! Arizona Water is doing okay and if they are not perhaps they should go bankrupt, write off debt and sell out to someone else who can run this without a debt overhead. The only answer I have is that people in Anthem are middle class folks most of us - this isn't the Boulders or Desert Mountain, and water rates like this are out of range for many of us. I live with my husband, no kids and no pool and yet our water is \$138!!

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

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We run the dishwasher once a week, wash clothes once a week, have no grass and no pool. These rates are totally exorbitant unreasonable! We should not be made to pay for a bad business deal between Pulte and Del Webb and Arizona Water!

Please review this letter and decide if you would want to pay this kind of water rate!

Jeffrey and Denise Goldin

Anthem, AZ 85086

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

**Date Completed: 9/14/2010**

**Opinion No. 2010 - 89311**

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone: ( ) ( ) ( ) ( ) ( ) ( )

Fax: ( ) ( ) ( ) ( ) ( ) ( )

Priority: Respond Within Five Days

Opinion No. 2010 89313

Date: 9/14/2010

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

Complaint By: First: Larry Last: Sullins

Account Name: Larry Sullins 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 \*\*\*\*\*

Received the following -

From: Larry Sullins [mailto: ]  
Sent: Monday, September 13, 2010 5:47 PM  
To: Utilities Div - Mailbox  
Subject: water fees

I can't afford to spend more on water fee's. Please help put a stop to the fee increases in Anthem. WE'RE IN A RECESSION-(DEPRESSION)

Larry Sullins  
Anthem  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89313

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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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 89344 Date: 9/14/2010

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

Complaint By: First: Barbara L. Last: Spindel

Account Name: Barbara L. Spindel 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 \*\*\*\*\*

Received the following -

From: Barbara Spindel [mailto:']  
Sent: Tuesday, September 14, 2010 11:06 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Water rate case

To whom it may concern

Please be advised that the rate increase proposal submitted by Arizona American Water will have a major impact on my standard of living, as a retiree with a limited income this increase will affect my ability to maintain living in Anthem and will force me to sell my home at not only currently depressed value, but an even further decrease that will be surely impacted in a major way if this increase is allowed to proceed.

It is inconceivable that a company can make a deal with a developer, which the home buyer was not be informed about, with the expectation that the rate increases will cover their cost immediately. They are called the "Arizona American Water Company" not the Anthem Water Company. When I was in the business world if I made a business decision that had a cost associated with it, it was born by the whole company not one community or buyer. To say that the cost of the infrastructure was not in the development cost, is just not justifiable, I ask you to protect the home owners and business owners in Anthem from this unfair attempt by AWC to extort money from the people of Anthem, they are a national company that makes millions of dollars a year, and if it was a bad decision they made then they not Anthem should have to pay for it.

Sincerely,

Barbara L. Spindel

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem AZ 85086

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments entered for the record and filed with Docket Control.

\*End of Comments\*

**Date Completed:** 9/14/2010

**Opinion No.** 2010 - 89344

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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As I understand the rate making process, the revenue requirement is determined mostly by three primary factors: (1) Rate Base, (2) Rate of Return, and (3) Operating Expenses. The only way to reduce the rate request is to reduce any or all of those three factors. Any other factors such as meter size, cost of effluent water, etc. simply shifts the cost from one AAWC Anthem customer to another AAWC Anthem customer. A brief discussion of each of those three factors follows.

### RATE BASE:

I don't fully understand how the rate base is determined, but I feel certain that the balloon payments made by AAWC to Pulte would have a significant impact on the rate base. Based on information received from RUCO, AAWC has paid Del Webb/Pulte for Anthem a total of \$52,961,098 (\$36,237,175 for water and \$16,723,923 for sewer). A total of \$22,924,632 (\$14,480,136 for water and \$8,444,496 for sewer) has already been included in the rate base for Anthem. The current rate request includes a total of \$23,294,422 (\$17,037,608 for water and \$6,256,814 for sewer). AAWC has made a final payment of \$6,742,041 (\$4,719,429 for water and \$2,022,612 for sewer) which is not included in the current rate request.

I have lived in Anthem for over 10 years and find that most of the residents are reasonably intelligent people who would know to inquire about utility rates, including water rates, before buying a house. I am not aware of a single person who was told about the secret agreement between Del Webb/Pulte and the water utility company which would eventually result in the balloon payments by AAWC to Del Webb/Pulte prior to purchasing their home. Del Webb/Pulte and the water company were parties to the agreement, so they obviously knew about it. Apparently the Commissioners at that time and RUCO knew about the agreement. But the parties who were going to be hi-jacked by huge rate increases at a later date (the home buyers) were never told about the pending balloon payments until the 2008 rate hearing. Even then, the Anthem residents had no representation at the rate hearing because Pulte still controlled the Anthem Community Council and the attorney allegedly representing Anthem was paid by Pulte and actually representing the interests of Pulte, not the Anthem residents.

You, the current commissioners, have an opportunity to correct the egregious transgressions of common business ethics and honesty which have been inflicted on the Anthem residents. You can mitigate the hugely outrageous rate increases by (1) reviewing the previous rate increase and disallowing the balloon payments (\$22,924,632) made by AAWC to Del Webb/Pulte and (2) disallowing the balloon payments totaling \$23,294,422 made by AAWC to Del Webb/Pulte which is included in the current rate request. If there is some justifiable reason why you cannot do that, then the total amount of those payments should be spread out over the remaining life of the assets. Since this is the area of expertise for the Commission staff and RUCO, perhaps they may have other ideas for mitigating those hugely outrageous rate increases.

As I recall, the vote to include those balloon payments at the last rate hearing was three for and two against. Chairman Mayes (then Commissioner) was vehemently opposed to the unusual financial arrangement between AAWC and Pulte and worked diligently to discourage approval. I hope that she is still as passionate about her position this time as she was at the previous rate hearing, and that the other four commissioners will come to that same understanding.

### RATE OF RETURN:

Stephen P. Puhr, an Anthem resident, has already provided to the Commissioners a detailed analysis for reducing the rate of return. His comments and recommendation were docketed on June 2, 2010 as reference number 112576.

### OPERATING EXPENSES:

The Commission staff and RUCO have reviewed the expenses submitted by AAWC and made

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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recommendations for lowering those expenses. But there may be an opportunity for further review and reductions. Mr. Broderick at AAWC and I had an exchange of emails in early March this year, and Deborah Reagan at the Arizona Corporation Commission received copies of those emails. An extract from that exchange is as follows (my comments in black and Mr. Broderick's comments in red):

(2) I would expect that the Anthem water plant and equipment would be a separate and distinct "cost and profit center" within the overall structure of Arizona-American Water. Does Arizona-American Water have separate and independently audited financial statements which are specific to only the Anthem water plant and equipment? No. We have audited financial statements only for Arizona-American and that is partly why the Commission's rate case process is so time consuming as we essentially custom build financial statements for each district when we file a rate case using actual data that requires allocations and Commission Staff and RUCO essentially audit them. If so, are those financial statements available for review by the Anthem residents and the Arizona Corporation Commission? Yes. The equivalent of the district level financials is publicly available to you and was provided to the Commission when we filed the pending case. They are too large to attach to this reply, but let me know if you'd like a CD mailed to you. I believe Anthem is not a profit center in the sense you are using the term. It is a profit center to the extent required by the Commission's rate case process which determines as a component of your rates the allowed return on equity."

Since AAWC "custom builds" their financial statements, it seems to me that there is ample incentive and opportunity for AAWC to overstate their expenses in an effort to obtain higher rates from their Anthem customers. Commission staff and RUCO need to be extra ordinarily diligent in questioning expenses based on "custom built" financial statements. Even then, I don't understand how they can accurately audit "custom built" financial statements which require allocations submitted by AAWC.

### CONCLUSION:

The residents of Anthem are pleading with you to correct the mistakes which have been made in the past and to establish fair and reasonable rates during the current hearing. Two major factors which should be reviewed are (1) lack of disclosure to the home buyers about the pending balloon payments, and (2) lack of representation for the Anthem residents at the previous rate case.

#### Lack of Disclosure:

It is my understanding that Del Webb/Pulte, AAWC and/or its predecessor utility company, RUCO, and the Arizona Corporation Commission all knew about the agreement for the balloon payments, but nobody bothered to tell the home buyers in Anthem before it came to their attention during the previous rate case. All four entities had the opportunity to inform the home buyers, and it would seem to me that common business ethics would dictate that such vital information should have been made available to potential buyers before they bought a house in Anthem. Apparently Del Webb/Pulte and the water utility company did not want to disclose that information because it would certainly make most people more hesitant to buy a house in Anthem.

However, both RUCO and the Arizona Corporation Commission (ACC) could have made that information available. The ACC has the responsibility to set fair and reasonable rates. I would think and hope that would apply to future rates to the extent that there is known information as well as current rates. However, I am not aware that the ACC made any effort to make that information known to potential home buyers. It seems to me that RUCO (Residential Utility Consumer Office) would have the responsibility to be a proactive advocate on behalf of the residential utility consumers. It would have been a simple matter for RUCO to prepare literature providing information about the pending balloon payments. However, I am not aware than RUCO made any effort to provide that information.

#### Lack of Representation:

The residents of Anthem had no representation at the previous water rate hearing because Pulte still controlled

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

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the Anthem Community Council and the attorney allegedly representing Anthem was paid by Pulte and was actually representing the interests of Pulte, not the Anthem residents.

**RECOMMENDATIONS:**

The unusual (and undisclosed to home buyers on a timely basis) financial arrangement between AAWC and Pulte and/or their predecessors needs to be reviewed in its entirety. I think the vote at the previous rate hearing to include the balloon payments in the rate base was three for and two against. This time please make it five against including the balloon payments in the rate base.

The previous Anthem water rate case should be reviewed and the balloon payments totaling \$22,934,632 made by AAWC to Del Webb/Pulte should be removed from the rate base since the Anthem residents had no representation at that hearing.

The balloon payments made by AAWC to Del Webb/Pulte totaling \$23,294,422 included in the rate base for the current request should be removed.

If there is some justifiable reason why those balloon payments cannot be removed from the rate base, then the total amount of all balloon payments (\$52,961,098) should be spread out over the remaining life of the assets.

Since commission staff and RUCO are the experts, they may know of other ways to mitigate the impact of the balloon payments.

The Rate of Return should be lowered to the recommendation of Stephen Puhr as mentioned above.

The Commission staff and RUCO should do another diligent review of the expenses submitted by AAWC and remove any and all expenses which have not been thoroughly and completely substantiated with verifiable documentation.

AAWC should maintain accurate accounting information which is specific to each water district. This would eliminate the need for AAWC to "custom build financial statements for each district when we file a rate case using actual data that requires allocations."

Respectfully Submitted,

Lynn Vick, Retired  
Anthem, Arizona 85086  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Comments entered for the record and filed with Docket Control.  
\*End of Comments\*

**Date Completed: 9/14/2010**

**Opinion No. 2010 - 89312**

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

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**From:**  
**Sent:** Tuesday, September 14, 2010 2:49 PM  
**To:** Pierce-Web; Gary Pierce; Mayes-WebEmail; Kristin Mayes  
**Subject:** Water Consolidation

Docket No W-01303A-09-0343 AND SW -01301A-09-0343

I am against the Proposal of the water consolidation.

I am resident of Sun City

Mable Hansen

Sun City AZ 85351

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone:

Fax: ( )

Priority: Respond Within Five Days

Opinion      No. 2010 - 89339      Date: 9/14/2010

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

Complaint By:      First: Richard      Last: Tigges

Account Name: Richard Tigges      Home: (000) 000-0000

Street: n/a      Work: (000) 000-0000

City: Phoenix      CBR:

State: AZ      Zip: 85086      is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:      Contact Phone: ( )

Nature of Complaint:

From: Richard Tigges [ ]  
Sent: Monday, September 13, 2010 2:37 PM  
To: Utilities Div - Mailbox  
Subject: Anthem water rates

Just a note to let you know how I feel about the Arizona American Water proposed rate increase for Anthem, Arizona.

First, the rate increase about 2-years ago should have never been granted.

The current request for a rate increase shows total disregard for their customers by Arizona American Water. Asking for any increase in this economy is shameful. The astronomical increase proposed by this company is an insult, not only to consumers, but to the Corporation Commission.

The current economy is such that homeowners are having a hard time holding on to their homes. A rate increase will only make a bad situation worse.

I think a study would show that the demographics for the Anthem community have changed considerably in the past few years. The turnover of homes in this area has been tremendous, and is continuing. People, like my wife and I, bought or are buying here because it is a nice community and housing prices are very low. We could never have afforded a home here, or anywhere in Phoenix, a few years ago. We are just average folks, not wealthy, hardly middle class. We live on a small fixed retirement income. Two of our neighbors are struggling to keep their homes. Another rate increase will put even more of us in a bad situation.

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

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Granting an increase of any kind would be an injustice to the people in this community, adding to the injustice done two years ago.

The Arizona Constitution charges the ACC with ensuring that "just and reasonable rates" are charged by utilities.

Please see that justice is done, and the constitution is upheld.

I thank you for your time reading this, and for the difficult task you have before you.

Richard Tigges

Richard Tigges

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89339

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**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 - 89340

Date: 9/14/2010

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

Complaint By: First: Susan Last: Woods

Account Name: Susan Woods

Home: (000) 000-0000

Street: n/a

Work: (000) 000-0000

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

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Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone: ,

Nature of Complaint:

From: [susanwoods@comcast.net](mailto:susanwoods@comcast.net)  
Sent: Monday, September 13, 2010 1:56 PM  
To: Mayes-WebEmail  
Subject: Proposed Water Rate Increase in Anthem - HELP!!

Good Day!

We, as all homeowners in Anthem, will be significantly affected by the proposed water rate increase starting with our water bill which will be raised beyond what anyone could ever have imagined when we first purchased our home. Our HOA dues will go up because they will be impacted by the increase. Everything that we purchase here in Anthem will go up because those businesses will be affected by the water rate increase. It will produce a domino effect of a huge magnitude. We are now retired and on a fixed income. This proposed, outrageous increase was never entered into our budget because who would have thought that this would ever be something we would have to worry about? Certainly our home value will be obliterated. Who in their right mind would want to move into a community that has water bills that make it prohibitive to live? I truly believe that Anthem could turn into a ghost town because no one will be able to maintain their homes and businesses in this community. PLEASE put yourselves in our place and think about how devastating this water rate increase could be not only to us but to all the families that up to this point have been so happy to call Anthem home.

As you are well aware, Arizona American Water Company, is a huge, multimillion dollar corporation with profits each year. They can certainly afford to use other standard practices to ensure the return of their infrastructure investment. If they made poor business decisions, why should we have to pay for their mistakes?

I urge your very careful consideration of what this will mean to my family and to all residents of Anthem.  
Thank you,  
Susan Woods

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89340

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**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 - 89323

**Date:** 9/14/2010

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

**Complaint By:** **Heather Zellers**

**Account Name:** Heather Zellers

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

**Street:** n/a

**Work:**

**City:** Phoenix

**CBR:**

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

**is:**

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

From: Heather Zellers  
Sent: Saturday, September 11, 2010 3:59 PM  
To: Utilities Div - Mailbox  
Subject: Anthem Water Rates

Hello,

My name is Heather Zellers, and I live in the country club side of Anthem. This is just a brief, but very important request.

PLEASE do not increase our water bill by so much. Our bill is almost \$200 in the summer anyway, and we dont have a pool. I cant believe it is that high already, and to increase it would be outrageous. We have lost \$375,000 value on our house from when we bought, this would just drop the value of all of our homes so much. Thank you for reading this.

Heather Zellers

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion Docketed  
\*End of Comments\*

**Date Completed:** 9/14/2010

**Opinion No.** 2010 - 89323

**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 - 89322

Date: 9/14/2010

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

Complaint By: First: **Travis & Sahannon** Last: **Hill**

Account Name: Travis & Sahannon Hill

Home: (000) 000-0000

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

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

Division: Water

Contact Name:

Contact Phone: (

Nature of Complaint:

From: Shannon Hill  
Sent: Saturday, September 11, 2010 12:38 PM  
To: Utilities Div - Mailbox  
Subject: Water increase in Anthem

To whom it may concern,

I just wanted to express my concern over allowing the rates to be increased in Anthem. Things are already very tight in today's economy and an increase such as this would only burden the residents of Anthem even further. Even if we exclude the current dispute between all parties and the residents, an increase at this time just doesn't make sense. Please listen to the residents in the area when we say that a 50% increase in rates, even a 25% increase in rates is just not reasonable.

Thanks,  
Travis & Shannon Hill

Anthem, AZ 85086  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Opinion No. 2010 - 89322

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**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 - 89329

Date: 9/14/2010

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

Complaint By: First: Jack Last: Dose

Account Name: Jack Dose

Home: (000) 000-0000

Street: n/a

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

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Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: J & B  
Sent: Monday, September 13, 2010 10:23 AM  
To: Utilities Div - Mailbox  
Subject: Water rate

Gentlemen;

Please don't single out Anthem by increasing the water rate to an un affordable amount. we are living on Social Security and it would be a tremendous burden if the rate doubled. Why not consolidate? That would be fair for all involved.

The increased rate would also bring down the value of my house which is already below what I paid for it.

Please consider the seniors and all the people out of work due this terrible economy. It makes me sick to think about this extremely high rate increase.

Jack Dose  
Anthem resident  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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Date Completed: 9/14/2010

Opinion No. 2010 - 89329

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**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 - 89328

Date: 9/14/2010

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

Complaint By: First: Michael Last: Caplin

Account Name: Michael Caplin

Home: (000) 000-0000

Street: n/a

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

---

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: Michael Caplin [m]  
Sent: Monday, September 13, 2010 3:53 AM  
To: Utilities Div - Mailbox  
Subject: Water rate increase

I find it hard to believe that the Corporate commission would raise water rates at a time like this in our economy. Not only would it put a hardship on families that can barely make ends meet but it would have far reaching consequences with regards to property values as well as the communities infrastructure. Please rethink your decision to raise water rates.

Michael Caplin

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89328

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89327

Date: 9/14/2010

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

Complaint By: First: Norman Last: Hamra

Account Name: Norman Hamra Home: (000) 000-0000

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:

From: Mike Hamra ]  
Sent: Sunday, September 12, 2010 10:24 PM  
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: Water rates in Anthem

The proposed water rates for the Anthem area are not reasonable. We were not advised of this possibility when we purchased our home over five years ago. We do not agree with any rate that doubles our cost for water. This is not reasonable. We pay over \$100 a month for basic service, not to mention the dues for the Country Club, which are also affected by this increase. It would be different if we used an exorbitant amount of water, this is our basic cost. Your need to hear what we are saying here and do the right thing. We realize that water is very important but not to the extent that it causes people to think about leaving the area. Your action in our favor would also help our property values rather than making it difficult for us to survive the current economic condition. This is a chance for you to make a real difference in the lives of the people in the Anthem community. We trust that you will act to prevent any increase in our water rates.

Regards,  
Norman Hamra

Anthem, AZ 85086  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 9/14/2010

Opinion No. 2010 - 89327

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89325

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**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 - 89326 Date: 9/14/2010

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

Complaint By: First: Robert & Judith Last: Stubblefield

Account Name: Robert & Judith Stubblefield Home: (000) 000-0000

Street: Work:

City: Phoenix CBR:

State: AZ Zip: 85086 is:

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Utility Company: Arizona - American Water Company

Division: Water

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

Nature of Complaint:

From:  
Sent: Monday, September 13, 2010 10:32 AM  
To: Utilities Div - Mailbox  
Subject: Anthem rate increase

Dear Commissioners,

You have a major challenge facing you with regard to this decision. We appreciate your efforts to make your decision fair and equitable.

We built our home in Anthem in 2000 and still find it difficult to understand why the cost of the water infrastructure was not added to the price of the lots at that time. Unfortunately, that is an issue over which we have/had no control, yet we suffer the consequences going forward indefinitely.

We are not rate experts. The only thing we can do is ask you to consider a rate increase that is justifiable and fair. It is our opinion that the homeowners in Anthem have not been treated fairly, but we hope that we can put that label on your decision.

As retirees who must watch very carefully every expense, we have our concerns about any drastic increases and their effect on our ability to maintain our Arizona home.

Thank you for your consideration.

Sincerely,

Robert and Judith Stubblefield

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem, AZ 85086  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89326

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

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Investigator: Brad Morton

Phone:

Fax: (602) 974-2000

Priority: Respond Within Five Days

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Opinion No. 2010 - 89324

Date: 9/14/2010

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

Complaint By: First: Randy Last: Karvanek

Account Name: Randy Karvanek Home: (000) 000-0000

Street: n/a Work:

City: Phoenix CBR:

State: AZ Zip: 85086 is:

---

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Contact Phone:

Nature of Complaint:

From: randy karvanek :]  
Sent: Sunday, September 12, 2010 7:57 AM  
To: Utilities Div - Mailbox  
Subject: Water rates

Living in Anthem we cannot afford to have increases in our water rates. My wife is out of a job and ends are hard enough to meet.

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89324

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

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Investigator: Brad Morton

Phone: . . . ) 5'

Fax:

Priority: Respond Within Five Days

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Opinion No. 2010 - 89332

Date: 9/14/2010

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

Complaint By: First: **Scott** Last: **Elder**

Account Name: Scott Elder

Home:

Street: n/a

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

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

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: Scott Elde

Sent: Monday, September 13, 2010 10:48 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Proposed Water Increase in Anthem, Arizona

Arizona Corporation Commissioners:

I am writing to you today to express my concerns with the Arizona American Water rate increase. My understanding is that this multi-million dollar corporation is working with the Commission to impose a 77% increase in our water bills. This increase would drastically affect my household budget. So much so that I would need to cut the kids' sporting activities and our donations we try to make each year at Boulder Creek High School and Diamond Canyon Elementary School. Or worse, it could blow our budget to the point we can no longer afford to live here in Anthem.

We are a family of five. We have two sons: Ty and Adam, both doing very well in school at Boulder Creek. They are active in sports and taking honors classes for college. My daughter, Sava, is a 7th grader at Diamond Canyon and is in Choir and an active member of the Musical Theater of Anthem. We have lived here in Anthem for 8 years now. We love our community and are very active within it. With this economic down-turn, it has been very straining on our finances. We have cut out just about everything we can in order to make ends meet while working hard to get back to the level we were once at. This rate increase would be a punch in the stomach to us, and one we may not be able to survive financially.

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

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I ask you to reject the proposed increase. I've told you my personal story, but there are hundreds of other families here in Anthem that have very similar circumstances. Our community is hurting right now, and this increase would cause serious harm to our already strained community.

Regards,

Scott Elder

Concerned Anthem Resident

~~Copy of ...~~  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89332

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89331

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# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone:

Fax:

Priority: Respond Within Five Days

Opinion      No. 2010 - 89330      Date: 9/14/2010

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

Complaint By:      First:      Last:  
**Glen & Brenda**      **Slobodian**

Account Name:      Geln & Brenda Slobodian      Home: (000) 000-0000

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:

From: Slobodian, Glen  
Sent: Monday, September 13, 2010 10:25 AM  
To: Utilities Div - Mailbox  
Subject: Water Increase

To: Arizona Corporation Commissioners

Re: Rate increase will affect you and your family budget.

Please accept this email as our protest to the water rate increase to the Anthem Country Club. This increase will have a dramatic effect on our family budget, not only to our personal water bill, every organization and business in Anthem will be affected by this increase. Our quality of life will be affected in many levels around the community.

Please be reminded that our water company, Arizona American Water Company, is a multimillion dollar corporation with yearly profits and one that can afford to use other standard practices to secure their return of infrastructure investment.

Remember, in addition to your personal water bill, every organization and business in Anthem will be affected by this increase. Your budget will be affected in many levels around the community.

Please think about what this increase will do to our community... and remember, the Arizona Corporation Commissioners are elected to their seats by our votes.

Glen & Brenda Slobodian

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem, AZ

85086

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89330

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**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 - 89334

Date: 9/14/2010

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

Complaint By: First: Bruce & Gayle Last: Perry

Account Name: Bruce & Gayle Perry Home: (000) 000-0000

Street: n/a Work: (000) 000-0000

City: Phoenix CBR:

State: AZ Zip: 85086 is:

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Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Contact Phone:

Nature of Complaint:

From  
Subject: water rate's  
Date: Mon, 13 Sep 2010 00:37:36 -0500

Dear commissioners:

It is my understanding Arizona Water Co. wants to raise our rates to cover a very bad investment that they made. It is not acceptable to pay more than the going rates around this valley. The up front costs are include in the price of the home and to pay for that twice is not fair. I also under stand this company is profitable. This deal will only devalue our property and upset a very nice community. Bailouts have not worked in the past and will not work in the future. We are all getting strapped make the right and fair decision and deny the rate increase, please.

Sincerely Bruce & Gayle Perry new Anthem residents

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89334



ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Sincerely,

Pauline Thomas

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89333

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**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 - 89337

Date: 9/14/2010

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

Complaint By: First: Nelson & Phyllis Last: Saunders

Account Name: Nelson & Phyllis Saunders

Home:

Street: r

Work: (000) 000-0000

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

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Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: Nelson Saunders  
Sent: Monday, September 13, 2010 11:20 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Community 77% Water Increase

The proposed increase is unheard of in our modern society and I feel we have been scammed by Pulte and the Arizona Commission.

When we purchased our home in 2005, we were not notified of Pulte's outstanding debt. Neither were we advised by the Commission of such a possibility of incurring a future enormous debt. We live on a fixed income and simply cannot afford another increase in our monthly expenses. Both my wife and I both now have enormous out-of-pocket medical expenses in excess of \$1500/month that are NOT covered by insurance or Medicare. We have already cut out all living expenses we can. We do all of our own housekeeping, yard work, pool work, maintenance, etc.

My monthly water bills for the last four months have AVERAGED \$131/mo, which in and of itself is ridiculous. I know for a fact that homes in Phoenix do not pay this exorbitant rate. Arizona American Water is a profitable company and can use other industry standards to pay for their infrastructure upgrades and investments.

As a voter, I'm counting on each of you to do the right thing. Do not increase our rates. If anything, they should be reduced to be on par with the rest of the state.

Sincerely,

Nelson & Phyllis Saunders

Anthem, AZ 85086

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion Docketed

\*End of Comments\*

Date Completed: 9/14/2010

Opinion No. 2010 - 89337

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**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 - 89336

**Date:** 9/14/2010

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

**Complaint By:** **Jane & Barry Wasserman**

**Account Name:** Jane & Barry Wasserman

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

**Street:**

**Work:** (000) 000-0000

**City:** Phoenix

**CBR:**

**State:** AZ Zip: 85086

**is:**

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

From: janewass@aol.com  
Sent: Monday, September 13, 2010 12:38 PM  
To: Utilities Div - Mailbox  
Subject: NO to water rate increase

Please vote against a water rate increase for Anthem. We are senior citizens and cannot afford to see our water bills increase severely. We cannot afford to pay higher dues as homeowners to supplement water for the common areas.

PLEASE HELP US and VOTE NO!!!!  
Jane and Barry Wasserman

Anthem, AZ 85086  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion Docketed  
\*End of Comments\*

**Date Completed:** 9/14/2010

**Opinion No.** 2010 - 89336

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

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**Investigator:** Brad Morton

**Phone:**

**Fax:** (602)

**Priority:** Respond Within Five Days

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**Opinion No.** 2010 - 89335

**Date:** 9/14/2010

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

**Complaint By:** **First:** Lee **Last:** Larsen

**Account Name:** Lee Larsen

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

**Street:** n/a

**Work:** (000) 000-0000

**City:** Phoenix

**CBR:**

**State:** AZ Zip: 85086

**is:**

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

**Division:** Water

**Contact Name:**

**Contact Phone:**

**Nature of Complaint:**

From: Larsen, Lee  
Sent: Monday, September 13, 2010 10:35 AM  
To: Utilities Div - Mailbox  
Subject: Water rates - Anthem

Don't know how you can justify huge rate increases in this economy. Please consider this carefully as it impacts a lot of families in a very difficult time.

Lee Larsen  
President/Market Manager  
Clear Channel Denver

\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion Docketed  
\*End of Comments\*

**Date Completed:** 9/14/2010

**Opinion No.** 2010 - 89335

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89338 Date: 9/14/2010

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

Complaint By: First: Terry & Peter Last: Petrone

Account Name: Terry & Peter Petrone Home: (000) 000-0000

Street: n/a Work: (000) 000-0000

City: Phoenix CBR:

State: AZ Zip: 85086 is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Contact Phone:

### Nature of Complaint:

From: Terry [r  
Sent: Monday, September 13, 2010 11:42 AM  
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: 77% Water Rate Increase????

Are you all kidding? What business in these economic times is allowed a 77% rate increase. This is criminal. People are either without jobs or barely holding on to their jobs. As a small business owner that deals business to business, we are watching businesses go under at an alarming rate. When they go out of business we take a hit as well...there's your domino effect. We can't raise our prices 77% or we would be out of business, instead we take the cut and try to live with it unlike these large corporations that have us all over a barrel and are allowed by people like you to get away with it. If this goes through, just wait till the next election cycle, not only will you lose my vote, but I will personally make it known to everyone we come in contact with just how criminal and negligent you and your actions are. This increase would seriously impact our personal lives. Thank you for your time and consideration.

Sincerely,  
Terry & Peter Petrone  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Opinion Docketed  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 9/14/2010

Opinion No. 2010 - 89338

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

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**From:** Judy Dennison [jad1104@sbcglobal.net]  
**Sent:** Monday, September 13, 2010 1:34 PM  
**To:** Mayes-WebEmail  
**Subject:** water rate hike in Anthem

PLEASE PLEASE PLEASE FIND A WAY TO HELP US SO OUR RATES DON'T GO UP SO HIGH IN ANTHEM!!!! TIMES ARE SO BAD FOR EVERYONE NOW, IT IS A TERRIBLE DILEMA FOR EVERYONE....WE CANNOT AFFORD THAT INCREASE WHICH WOULD INCREASE DUES AS WELL....PLEASE PLEASE PLEASE...THERE MUST BE A WAY.

Judy and Robert Dennison  
2152 Muirfield  
NEW OWNERS !!!!

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 89232 Date: 9/10/2010

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

Complaint By: First: Tom & Linda Last: Johnson

Account Name: Tom & Linda Johnson Home: (000) 000-0000

Street: n/a 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:

From: Tom Johnson [mailto:  
Sent: Thursday, September 09, 2010 9:28 AM  
To: Utilities Div - Mailbox  
Subject: Please reject the Arizona American Water Rate Increase Proposal

Dear Commissioners,

Our family has had no increase in income for several years but deductions in the form of increased rates and taxes continue to diminish our lifestyle.

As residents of Anthem we were completely shocked to learn of the underhanded tactics employed by Del Webb Corporation/Pulte Homes to recover infrastructure costs of the water system. There "should be a law" that prevents this kind of deal-making while keeping the homeowner/buyer in the dark.

Please consider making this payback fair and affordable for the residents of Anthem and prevent our community from becoming an undesirable place to reside due to the cost of water.

Tom and Linda Johnson  
The Landing  
Anthem, AZ  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343. closed  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 9/10/2010

Opinion No. 2010 - 89232

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

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

Investigator: Carmen Madrid

Phone:

Fax:

Priority: Respond Within Five Days

Opinion      No. 2010      89233      Date: 9/10/2010

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

Complaint By:      First:      Last:  
**Mark**      **Fleishour**

Account Name:      Mark Fleishour      Home: (000) 000-0000

Street:      n/a      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:

From: Mark Fleishour [mailto:...]  
Sent: Thursday, September 09, 2010 8:52 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Water Rates

To all,

Enough is enough !!!.. they tried to pull a fast one and got caught ... Do not raise our water rates 77% at a time when all of our asset values are going down .. that rate hike will KILL OUR CHANCES of ever selling our homes !!!! Which means more foreclosures, lower home values,etc .. then you will end up with NO usage in Anthem to pay for your plant up here ... I am getting sick and tired of the overall "Let's see how much we can gouge them and get away with" attitude of government, corporations, gas stations, etc ... time to turn back the clock to a more HONEST time in history where people (government included) did WHAT WAS RIGHT !! Any of you have any INTEGRITY and HONESTY left in your bones !!!!!

Mark Fleishour  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343. closed  
\*End of Comments\*

Date Completed: 9/10/2010

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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Opinion No. 2010 - 89233

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

Investigator: Carmen Madrid

Phone:

Fax:

Priority: Respond Within Five Days

Opinion      No. 2010      89234      Date: 9/10/2010

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

Complaint By:      First: Ruth A.      Last: Hasman

Account Name: Ruth A. Hasman      Home: (000) 000-0000

Street: n/a      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:

From: Ruth Hasman [mailto:  
Sent: Thursday, September 09, 2010 8:45 AM  
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: Anthem Water Rate Case - PLEASE Deny this Increase.

To: Arizona Corporation Commissioners

Chairwoman Mayes, Commissioners Kennedy, Newman, Pierce, Stump

RE: Anthem Water Rate Increase      Docket W-01303A-09-03-43, SW-01303A-09-03-43

As a new (less than 1 year) and unsuspecting property owner in Anthem, I am writing to you today to request your consideration in reviewing the proposed rate increase for Anthem residents and to deny this grossly unfair increase.

As Lee and I are approaching retirement age we started searching for a modest size home to fit our budget. We have always been conservative (some would even say to frugal) in our life style. We are ever mindful of doing our part to recycle and we truly value natural resources. We have never abused utilities and always look for ways to conserve (using rain barrels, solar lighting, turning back the temperature on the hot water tank and the furnace, etc.) After awhile you get used to taking lukewarm showers and putting on extra clothing in the winter months. When we purchased the home in Anthem, we were in the state of shock by the first water bill that we received; we immediately contacted the Water Department to inquire about reducing the 1" meter currently at the home to a 1/2" or 3/4" meter to reduce water consumption. This was done after much research to determine that the fire sprinkler system would effectively function, but - only to be told by the Water Department, that they would require an extensive and expensive process (which I will not take up you time with details at this time) in order to change the meter. In other words, they did not want to make the process easy to allow us to reduce our water bill. We understand that companies are in business to make a profit, however, there is only "so much" to

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

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go around - that being "natural resources" and/or money to live on. We have done all of these things because we believe that it is the right thing to do and also, so as to have enough money to retire without being a burden on our family or anyone else. Unfortunately, due to the state of the current economy and loss of jobs within our specific fields, we have been forced into retirement earlier than originally planned. While we were still hopeful that we would be able to manage, we have now been hit with the news of these exorbitant increases in water rates, which in turn will increase other fees due to the Homeowners Association, and it will also have a negative and drastic effect on the entire community property values as this area will no longer be a desirable and/or an affordable area in which to relocate.

How very sad that a utility company would be able to have such a negative impact on the lives of so many and be able to destroy such a lovely community by charging these outrageous fees.

Even after saving all of our lives, Lee and I will not be able to stay in Anthem if this rate increase is allowed and I fear we will suffer significant financial loss on the sale of our home, as I suspect this area will no longer be desirable, or affordable by many. Our once exciting and hopeful venture of retirement has turned into a nightmare. At our age, "time is against us" and we will not be able to recoup this type of a loss.

PLEASE- PLEASE do not allow the Water Department to have this huge increase in rates and penalize the "current" unsuspecting property owners that were never made aware of the situation that existed in this community. Please be fair in you assessment and allow Anthem to remain a viable area.

Sincerely -- Thanking you in advance for your time and consideration.

Ruth A. Hasman  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Opinion noted and filed in Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343. closed  
\*End of Comments\*

**Date Completed: 9/10/2010**

**Opinion No. 2010 - 89234**

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone: "

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 89235 Date: 9/10/2010

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

Complaint By: First: Don Last: Morue

Account Name: Don Morue Home: (000) 000-0000

Street: n/a 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:

From: Don Morue [mailto:  
Sent: Thursday, September 09, 2010 8:29 AM  
To: Utilities Div - Mailbox; Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox  
Subject: Increase in Anthem Water Rates

I am writing to express my strong concern about the proposed increase in rates by Arizona American Water. We are retired and on a fixed budget. I am not sure we would have moved to Anthem if this information had been properly disclosed. Not only would the increase dramatically impact our monthly rates, but also other costs for living in Anthem such as HOA and Country Club fees. I firmly believe that Arizona American Water and Pulte should both share in the burden of this rate hike since there should have been proper disclosures. It's not fair for others to pay for their failure to disclose or mismanagement in not counting the costs beforehand. As other utilities have small percentage increases, that might be appropriate for water also. However, this kind of a rate hike is just not fair to the community.

Moreover, I am very concerned about the people here in Anthem that are already struggling in this economy. There could be no worse time for this to happen. I see more people being forced into short sales or foreclosure because of this added expense. This will have a negative effect for Arizona American Water and the community overall.

My recommendation is to implement an equitable plan for everyone.

Thanks in advance for your consideration of this important matter to Anthem residents.

Don Morue

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

Opinion noted and filed in Docket Nos. W-01303A-09-0343 & SW-01303A-09-0343. closed

\*End of Comments\*

Date Completed: 9/10/2010

Opinion No. 2010 - 89235

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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 - 89171      Date: 9/9/2010

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

Complaint By:      First: Jeff      Last: Swanitz

Account Name: Jeff Swanitz      Home: (000) 000-0000

Street: email address      Work:

City: Anthem      CBR:

State: AZ      Zip: 85086      is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:      Contact Phone:

Nature of Complaint:

Docket W-01303A-09-0343, SW-01303A-09-0343

From: Jeff Swanitz [mailto:jswanitz@azwater.com]  
Sent: Wednesday, September 08, 2010 8:22 AM  
To: Utilities Div - Mailbox  
Subject: Anthem Water Rate Increase

Simply put, the proposed water rate increase by Arizona American Water is something that cannot happen to the residents of Anthem.

The current economy and high rate of foreclosures in that area are indicative of only a few of the many reasons a utility company like AAW, who post regularly high profits, should reconsider this increase.

I know many families, mine included, that would likely be driven from their homes with an increase of this magnitude.

As stated above, the utility company is more than capable of carrying this cost, and should look to find alternative methods for absorbing some, if not all of the infrastructure costs.

The agreement between Pulte and AAW was based on a build out date of Anthem. It came sooner than anticipated, and now the residence of this community are required to foot the bill for poor planning on the builder and especially the utility companies part? Simply put: NO.

\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

9/09/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Date Completed: 9/9/2010

Opinion No. 2010 - 89171

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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9/09/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

Date Completed: 9/9/2010

Opinion No. 2010 - 89175

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem, AZ 85086  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

9/08/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89169

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

9-08-10

Emailed to Phoenix for docketing. FILE CLOSED.

\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89142

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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compared to Minnesota. I hope that you will help the thousands of homeowners to get affordable water rates when we already pay much higher rates than the homeowners of the Phoenix valley.

Thanks for your consideration,

Jim and Allison Gaasedelen

Anthem homeowners  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

9/08/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

**Date Completed: 9/8/2010**

**Opinion No. 2010 - 89157**

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Sincerely,  
Anthem resident  
Robert Kuchar  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

9/08/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89160

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

9/08/10

Emailed to Phoenix for docketing. FILE CLOSED.

\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89164

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Anthem, AZ 85086  
\*End of Complaint\*

Utilities' Response:

Investigator's Comments and Disposition:

9/08/10  
Emailed to Phoenix for docketing. FILE CLOSED.  
\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89169

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

9-08-10

Emailed to Phoenix for docketing. FILE CLOSED.

\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89142

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ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Investigator's Comments and Disposition:

9/08/10

Emailed to Phoenix for docketing. FILE CLOSED.

\*End of Comments\*

Date Completed: 9/8/2010

Opinion No. 2010 - 89165

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