

Sheila Stoeller

ORIGINAL



0000119829

From: Bill Hanley [Bill@HDMCGROUP.COM]
Sent: Wednesday, November 03, 2010 2:54 PM
To: Newman-Web; Pierce-Web; Mayes-WebEmail; Kennedy-
Cc: 3oys@azfamily.com
Subject: FW: Johnson Utilities increases late charges to more than 100% of the total Sewer bill!

To the Arizona Corporation Commission,

Who came up with this idea??? A late fee that is larger than the sewer bill??? I was told by your office that this is because water can be turned off and sewer cannot... how exactly can the sewer be used if the water is turned off??? My water and sewer bill is combined so I pay both bills at once... if my water is off that pretty much ends my sewer use. Can you also explain why you felt the need to make us feel warm and fuzzy with the rate decrease letter (shown below in yellow), but didn't think that a huge late fee was important enough to put in the 1st paragraph of that document? According to your office the \$40 late fee is to discourage any more late payments... I would think that if was that important to you it would be sent out on a bright sheet of paper that says "VERY IMPORTANT INFO PLEASE READ" at the top, versus listing it on the last line on the back page in your letter. So you cut the monthly rates, but gave them an out and a chance to make more money off of people that are struggling to pay their bills in this economy. This sounds a lot like the credit card companies that send out letters saying please accept our new terms on late fees or your card will be cancelled! I would love to hear even a good explanation of you decision on this matter.

Thank you ,

Bill Hanley
 480-703-4672

Arizona Corporation Commission

DOCKETED

NOV - 5 2010

From: Bill Hanley
Sent: Wednesday, November 03, 2010 12:25 PM
To: '3oys@azfamily.com'
Subject: Johnson Utilities increases late charges to more than 100% of the total Sewer bill!

DOCKETED BY

To whom it may concern,

Johnson Utilities had to lower our rates per the ACC

http://www.santanvalleytoday.com/index.php?option=com_content&view=article&id=709&catid=709 . But apparently are making up the lost money with ridiculous late fees! My water service has a 6 cents late fee while my sewer service was charged a \$40 late fee! The bill for sewer was only \$35.31!!! That is more than 100% increase of the billing! There was no other notice in the previous bill of this increase other than a flyer full of decreases in cost per the ACC (see below)... funny how they didn't mention it anywhere in the writing on the 1st page of the flyer, but made it the very last item on the 2nd! I am not saying this was planned for us not to see... but really would anyone keep reading after the 1st page of numbers that mean nothing to the average consumer??? I called Johnson Utilities to complain and was told it is also listed on their website, but I couldn't find it there. She also said that this rate was set by the ACC and that they were shocked it was so high when they saw it! Since I have no other waived penalties with Johnson Utilities she said she would submit it to see if it could be removed, but I am sure that plenty of people that were already behind will not get it waived! 100% mark-up sound a lot like lonesharking to me! Especially since we have no other choice for water in San Tan Valley! I also called the ACC and they transferred me to a complaint voicemail... will let you know if I hear back from them!

Bill Hanley
 480-703-4672

Johnson Utilities

968 E Hunt Hwy
Queen Creek, AZ 85143
(480) 987-9870

AMOUNT PAID

BILLING DATE 10/25/10	ACCOUNT NUMBER 00114529-04
DUE DATE 11/15/10	AMOUNT DUE \$136.97

PLEASE MAKE ADDRESS CORRECTIONS BELOW

BILL HANLEY
28472 N SUNSET DR
QUEEN CREEK, AZ 85143

|||||

00114529040000136975



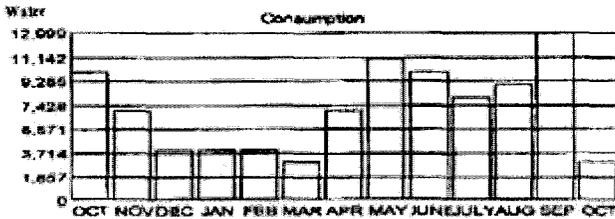
Water late fee 6 cents and
Sewer late fee \$40!!! That is
just crazy! Over 100% penalty
on Sewer fees!!!

Description	Meter Readings		Usage	Read Code	Readings Dates	
	Previous	Present			Previous	Present
419000	422000	3000	Normal Rd.	9/15/2010	10/18/2010	
WATER SERVICE						
Water Minimum		\$16.50	Water Usage			\$5.28
Water AZ Privilege Tax		\$1.68	Water AZ Superfund Tax			\$0.02
			Total Water Charges			\$23.48
SEWER SERVICE						
Sewer Fee		\$32.79	Sewer AZ Privilege Tax			\$2.52
			Total Sewer Charges			\$35.31
OTHER CHARGES						
Late Fee-Water		\$0.06	Late Fee-Sewer			\$40.00
			Total Other Charges			\$40.06

ACC - A 602-542-3026-

Previous Balance	\$138.12	Total Due	\$136.97
Payment	(\$100.00)		

PREVIOUS BALANCE DUE UPON RECEIPT TO AVOID DISCONNECTION
A late fee of \$40 for wastewater and a late fee of 1.5% for water will be charged for payments not received by the 15th of each month. Make payments online, sign up for auto pay, or go green and sign up for Ebill by visiting www.johnsonutilities.com



BILLING ID: 5310 00051900

3 on your side

BILL HANLEY	
28472 N SUNSET DR	
ACCOUNT NUMBER 00114529-04	BILLING DATE 10/23/10
ACCOUNT NUMBER 64711295	DUE DATE 11/15/10
DUPLICATE PERIOD From 09/26/10 to 10/23/10 = 29 Days	

Johnson Utilities
968 E Hunt Hwy
Queen Creek, AZ 85143
(480) 987-9870

They had no problems talking about the decrease in paragraph form on the 1st page of the flyer, but no mention of the huge increase on penalties!

NOTICE OF CHANGE IN RATES AND CHARGES
DOCKET NO. WS-02987A-08-0180
DECISION NO. 71854

On March 31, 2008, Johnson Utilities, LLC, dba Johnson Utilities Company ("Johnson Utilities") filed with the Arizona Corporation Commission ("Commission") an application to modify its rates and charges for its water and wastewater utility services. In Decision No. 71854 dated August 24, 2010, the Commission approved decreases in the water and wastewater rates. This would result in a decrease for residential water and wastewater customers.

A residential water customer using an average of 6,931 gallons per month and a 3/4-inch meter would see a decrease of \$12.78 per month, or approximately 30.01%. That customer would see his or her water bill decrease from \$42.59 per month to \$29.81 per month.

A residential wastewater customer with a 3/4-inch water meter would see a rate decrease of \$5.71 per month, or approximately 14.83%. That customer would see his or her wastewater bill decrease from \$38.50 per month to \$32.79 per month.

Pursuant to Decision No. 71854, the new rates and charges will be effective for all water and wastewater services rendered on or after June 1, 2010. The new rates will be retroactive and reflected on bills mailed at the end of September 2010.

Questions regarding these new rates and charges should be directed to the Johnson Utilities business office during normal business hours (Mon-Fri, 9 AM to 4 PM) at 480-987-9870. The new rates and charges are listed below:

WATER DIVISION

MONTHLY USAGE CHARGE:

5/8" x 3/4" Meter	\$11.00
3/4" Meter	\$16.50
1" Meter	\$27.50

COMMODITY RATES:

Gallons Included in Minimum	0
5/8" x 3/4" Meter—Residential	
0 to 4,000 Gallons	\$1.76
4,001 to 10,000 Gallons	\$2.14
Over 10,000 Gallons	\$2,496
3/4" Meter—Residential	
0 to 4,000 Gallons	\$1.76
4,001 to 10,000 Gallons	\$2.14
Over 10,000 Gallons	\$2,496
3/4" Meter—Commercial, Industrial, Irrigation and Public Authority	
0 gallons to 10,000 gallons	\$2.14
Over 10,000 gallons	\$2,496
1" Meter	
From 1 to 32,000 gallons	\$2.14
Over 32,000 gallons	\$2,496

WATER DIVISION (CONTINUED)

SERVICE CHARGES:

Establishment	\$25
Establishment (After Hours)	\$40
Reconnection (Delinquent)	\$50
Reconnection (Delinquent and After Hours)	N/A
Meter Test (If Meter is Correct)	\$25
Deposit (Residential)	(a)
Deposit (Non-Residential)	(a)
Deposit Interest	(b)
Re-establishment (Within 12 Months)	(c)
Re-establishment (After Hours)	(c)
NSF Check	\$15
Deferred Payment, Per Month	1.5%
Meter Re-read (If Meter Read was Correct)	\$5
Customer Requested Per A.A.C. 14-2-405(B)	Cost
After-hours Service, Per A.A.C. R14-2-403(D)	Refer to Above Charges
Late Charge, Per Month	1.5%

WASTEWATER DIVISION

MONTHLY USAGE CHARGE:

5/8" Meter	\$29.81
3/4" Meter	\$32.79
1" Meter	\$41.73

SERVICE CHARGES:

Establishment	\$25
Establishment (After Hours)	\$40
Deposit (Residential)	(a)
Deposit (Non-Residential)	(a)
Deposit Interest	(b)
Re-establishment (Within 12 Months)	(c)
Re-establishment (After Hours)	(c)
NSF Check	\$15
Deferred Payment, Per Month	1.5 %
After-hours Service, Per A.A.C. R14-2-603D	Refer to Above Charges
Late Charge, Per Month	\$40

Back page of a rates flyer sent last month with the bill... why would anyone see this???

- (a) Residential: two times the average monthly bill.
Non-Residential: two and one-half times the maximum monthly bill.
- (b) Interest per A.A.C. R14-2-403(B) (water) and R14-2-603(B) (wastewater).
- (c) Minimum charge times number of months off the system, per A.A.C. R14-2-403(D) (water) and R14-2-602(D) (wastewater).

In addition to the collection of regular rates and charges, Johnson Utilities will collect from its customers a proportionate share of any privilege, sales, use and franchise taxes, per A.A.C. R14-2-409(D)(5) (water) and R14-2-608(D)(5) (wastewater).