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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF
THE LINKS AT COYOTE WASH UTILITIES,
LLC FOR APPROVAL OF A RATE
INCREASE.

DOCKET NO. SW-04210A-10-0392

**STAFF'S NOTICE OF FILING
DIRECT TESTIMONY**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby files the Direct testimony of Staff witnesses Gerald Becker and Jian W. Liu in the above-referenced matter.

RESPECTFULLY SUBMITTED this 5th day of April, 2011.

Ayesha K. Vohra
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and thirteen (13) copies of the foregoing were filed this 5th day of April, 2011 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing were mailed this 5th day of April, 2011 to:

Patrick J. Black
FENNEMORE CRAIG, P.C.
3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012
Attorney for The Links at Coyote Wash Utilities, LLC

Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
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1 Jason Williamson
THE LINKS AT COYOTE WASH UTILITIES, LLC
2 C/O PIVOTAL UTILITY MANAGEMENT
6825 East Tennessee Avenue, Suite 547
3 Denver, Colorado 80224

4

5

6

A handwritten signature in cursive script, appearing to read "Ashley Hodge", is written across the line corresponding to number 6. The signature is written in black ink and extends slightly to the right of the vertical line.

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BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE

Chairman

BOB STUMP

Commissioner

SANDRA D. KENNEDY

Commissioner

PAUL NEWMAN

Commissioner

BRENDA BURNS

Commissioner

IN THE MATTER OF THE APPLICATION OF)
THE LINKS AT COYOTE WASH UTILITIES,)
AN ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE CURRENT FAIR)
VALUE OF ITS UTILITY PLANT AND)
PROPERTY AND FOR RATE INCREASES IN)
ITS RATES AND CHARGES FOR UTILITY)
SERVICE BASED THEREON)
_____)

DOCKET NO. SW-04210A-10-0392

DIRECT

TESTIMONY

OF

GERALD BECKER

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

APRIL 5, 2011

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EXECUTIVE SUMMARY
THE LINKS AT COYOTE WASH UTILITIES, LLC
DOCKET NO. SW-04210A-10-0392

The testimony provided herein is intended to supplement the Staff Report of February 23, 2011, and to comply with the Procedural Order issued on March 9, 2011. In this testimony, Staff addresses in greater detail the following issues:

1. Staff's recommended fine;
2. The alleged free dumping of waste from RVs at a commercial customer location;
3. The alleged assurances made to residential customers that their rates would not increase;
4. How the proposed and recommended commercial rate methodology works in practice and what monthly rates result from it;
5. The alleged agreement by the Company to provide service to a commercial customer for a flat \$125.00 monthly rate.

The alleged noxious odors from Links' wastewater treatment plant will be addressed in the testimony of Staff witness Jian Liu.

1 **INTRODUCTION**

2 **Q. Please state your name, occupation, and business address.**

3 A. My name is Gerald Becker. I am a Public Utilities Analyst V employed by the Arizona
4 Corporation Commission ("ACC" or "Commission") in the Utilities Division ("Staff").
5 My business address is 1200 West Washington Street, Phoenix, Arizona 85007.
6

7 **Q. Briefly describe your responsibilities as a Public Utilities Analyst V.**

8 A. I am responsible for the examination and verification of financial and statistical
9 information included in utility rate applications. In addition, I develop revenue
10 requirements, and prepare written reports, testimonies, and schedules that include Staff
11 recommendations to the Commission. I am also responsible for testifying at formal
12 hearings on these matters.
13

14 **Q. Please describe your educational background and professional experience.**

15 A. I received a Masters of Business Administration with an emphasis in Accounting from
16 Pace University. I am a Certified Public Accountant and a Certified Internal Auditor.
17

18 I have participated in multiple rate, financing and other regulatory proceedings. I attended
19 the National Association of Regulatory Utility Commissioners ("NARUC") Utilities Rate
20 School.
21

22 I began employment with the Commission as a utilities regulatory analyst in April 2006.
23 Prior to joining the Commission, I worked as an Auditor at the Department of Economic
24 Security and Department of Revenue in the Taxpayer Assistance Section. Prior to those
25 jobs, I worked for 15 years as an Auditor, Analyst, Financial Analyst, and Budget
26 Manager at United Illuminating, an investor-owned electric company in New Haven, CT.

1 **Q. What is the scope of your testimony in this case?**

2 A. I am supplementing the Staff report of February 23, 2011 and responding to the
3 Procedural Order of March 9, 2011.
4

5 **SUMMARY OF ISSUES**

6 **Q. Please provide a brief summary of the issues.**

7 A. My testimony will address the following issues, as directed in the Procedural Order:
8 1. Staff's recommended fine;
9 2. The alleged free dumping of waste from RVs at a commercial customer location;
10 3. The alleged assurances made to residential customers that their rates would not
11 increase;
12 4. How the proposed and recommended commercial rate methodology works in practice
13 and what monthly rates result from it;
14 5. The alleged agreement by the Company to provide service to a commercial customer
15 for a flat \$125.00 monthly rate.

16 The alleged noxious odors from Links' wastewater treatment plant will be addressed in the
17 testimony of Staff witness Jian Liu.
18

19 **STAFF'S RECOMMENDED FINE**

20 **Q. Please provide a brief summary of the currently-authorized rates for the commercial
21 customers.**

22 A. In Decision No. 67157, the Commission authorized the Company to charge its commercial
23 customers a volumetric rate based on actual flows according to a sewer flow meter
24 installed at each customer's premises. The measured flows were to be divided by one
25 single family equivalent ("SFE") of 262 gallons per day and then multiplied by the
26 residential flat rate. This protocol required the Company to install meters to measure the
27 effluent entering the sewer system from each customer's premises. The Company's
28 approved tariff included a charge for installing such meters. The Company never installed
29 the required devices.

1 **Q. Did the Company bill according to the terms of the tariff that resulted from Decision**
2 **No. 67157?**

3 A. No. In order to comply with its tariff, the Company would have had to install flow meters
4 at each commercial customer's premises to measure the effluent entering the sewer
5 system, and the Company did not. Instead, the Company devised and implemented its
6 own billing protocol without Commission approval. Instead of measuring effluent, the
7 Company obtains water use information from the Town of Wellton, the water provider for
8 the Company's sewer customers. The Company multiplies the gallons of water purchased
9 by 85 percent and uses the result as a proxy for the amount of effluent being fed into the
10 system. This proxy amount is then divided by the presumed SFE of 262 gallons per day
11 and the result is multiplied by the residential flat rate, which is presently \$30 per month.
12

13 **Q. Does Staff consider this billing protocol to be appropriate?**

14 A. No. The Company is required to follow the approved tariff. If the Company found that
15 following its tariff was either impossible or impractical, the Company could have filed a
16 request to revise its billing practices and amend its tariff. The Company did not make any
17 such filing and used an unapproved billing protocol.
18

19 **Q. Please explain Staff's method used to calculate the recommended fine.**

20 A. Since the Company did not install the required flow meters and obtain the information
21 necessary to bill in accordance with its tariff, Staff believes that the only rate possibly
22 authorized in the Company's tariff is the flat rate of \$30 per month per customer. In order
23 to determine the number and value of all billings in excess of \$30 per month per customer,
24 Staff obtained the file supporting the Company's Measured Revenues of \$12,638 during
25 the test year. See Staff Report Schedule GWB-1. Staff examined the file for all billings
26 greater than \$30 per month and determined that there were 70 bills in excess of \$30 per

1 month, and that the cumulative billings in excess of \$30 per month have an aggregate
2 value of \$10,227.

3
4 **Q. What does Staff recommend?**

5 A. Staff recommends that the Commission levy a fine of \$10,227 against the Company. This
6 is based on a methodology that mirrors the aggregate value of each occurrence when the
7 Company billed a customer in excess of \$30 per month.

8
9 **THE ALLEGED FREE DUMPING OF WASTE FROM RECREATIONAL VEHICLES**
10 **("RVs") AT A COMMERCIAL CUSTOMER LOCATION**

11 **Q. Please summarize the concern regarding the free dumping of waste from RVs.**

12 A. A customer submitted a complaint to eDocket indicating that there is a line of RVs at the
13 gas station dumping their sewage free of charge.

14
15 **Q. Does Staff have any additional information on this allegation?**

16 A. Yes. Staff has reviewed the customer complaint and has performed some additional
17 analysis. The commercial customer in question appears to be the Chevron station located
18 near Exit 30 of Interstate Highway 8 in Wellton, AZ. This station is part of the
19 sanidumps.com chain which provides facilities where RVs can discharge stored waste and
20 refill the water tanks. In this instance, the Chevron station does not charge RVs to dump
21 their waste but does charge for water.

22
23 **Q. Please explain further.**

24 A. The Chevron station in Wellton provides for dumping free of charge but makes water
25 available for sale to the customers presumably to refill the RVs, as necessary and to aid in
26 the cleaning of the tanks. Staff reviewed the revenue data for this customer and

1 determined that the billing for this commercial customer in the test year was
2 approximately \$1,856, or 14.7 percent of the \$12,638 of Measured Revenues in the test
3 year. The revenues of \$1,856 also represent 1.1 percent of the Total Operating Revenue
4 of \$163,448 for the test year.

5
6 **Q. Does Staff have any other observations?**

7 A. Staff notes that the Measured Revenues of \$12,638 is derived from ten customers, of
8 which one customer is the Coyote Wash Club which is billed at a flat rate of \$125 per
9 month,¹ or \$1,500 per year. See Attachment 1. Excluding the flat-rated activity from the
10 remaining commercial customers which were billed volumetrically, Staff determined that
11 there are nine commercial customers billed on a volumetric basis and that these customers
12 generated revenue of \$11,137.85 during the test year, for an approximate average billing
13 of \$1,237.54 ($\$11,137.85 / 9$). In further analyzing the billing distribution, Staff
14 calculated the median, volumetrically-based, annual bill at approximately \$469. This
15 means that the annual billing for the Chevron station of \$1,856 is 150.0 percent of the
16 average, volumetrically-based, annual bill and 395.7 percent of the median,
17 volumetrically-based, annual bill for commercial customers.

18
19 **Q. In addition to its analysis of revenue, does Staff have any other observations?**

20 A. Yes. In a conversation with Jason Williamson of Pivotal Utilities Management, LLC on
21 March 23, 2011, Mr. Williamson stated that he had been in contact with the owner of the
22 Chevron station who is also the owner of the Company. Mr. Williamson further stated
23 that the owner of the service station estimates the number of RV dumps per year at 1,000
24 and that RV tanks range in size from 12-45 gallons. This means that, on the high end, the
25 RVs are annually dumping 45,000 gallons of effluent into the sewer system.

¹ This account is discussed further below under the alleged agreement to provide service to a commercial customer at a flat rate of \$125 per month.

1 Staff reviewed the application and notes that the Company reports monthly flows that total
2 to 10,465,400 gallons during the test year.² This data is summarized on Attachment 2.
3 Staff divided the estimated RV dumps of 45,000 gallons by the total annual gallons of
4 10,465,400 and calculated that the RV dumps represent approximately 0.4 percent of the
5 flows.

6
7 Staff then evaluated the relationship between the revenues paid by the Chevron station of
8 \$1,856 with the total Flat Rate Revenues of \$124,289 plus the Measured Revenues of
9 \$12,638, or \$136,927. Dividing the revenues from the Chevron station of \$1,856 by total
10 flat and measured sewer revenues of \$136,927 indicates that the Chevron station paid
11 approximately 1.4 percent of the total flat and measured sewer revenues during the test
12 year. See Attachment 2.

13
14 Staff recognizes that there is sewage flow from the Chevron station in addition to the
15 dumping of waste from RVs. However, considering that the dumping of RV waste
16 represents only 0.4 percent of the flows into the system and that the Chevron station paid
17 approximately 1.4 percent of the total flat and measured revenues, Staff concludes that the
18 dumping of RV waste by itself cannot represent an unfair burden being placed on other
19 customers.

20
21 **Q. What does Staff infer from this data?**

22 A. Based upon the above relationships, it appears to Staff that this customer is paying its fair
23 share of costs and not burdening other customers with undue costs. Staff further notes that
24 a more definite answer to this would necessitate a cost of service study which is not
25 typically performed on smaller, Class D utility companies.

² See page 11 of Company application dated September 23, 2010.

1 **ALLEGED ASSURANCES MADE TO RESIDENTIAL CUSTOMERS THAT THEIR**
2 **RATES WOULD NOT INCREASE**

3 **Q. Is Staff aware of any representations made by the Company to assure customers that**
4 **there would be no rate increases?**

5 A. No.

6
7 **Q. Does Staff have any other information regarding the possibility of a rate increase?**

8 A. In reviewing the transcript of the hearing of June 4, 2004, in Docket No. SW-04210A-03-
9 0712, Staff notes that Staff recommended a rate proceeding “be filed no later than three
10 months following the fifth anniversary of any decision in this matter.”³ Further, Decision
11 No. 67157 adopted Staff’s recommendation.⁴

12
13 **Q. Does Staff make any inference from these facts?**

14 A. Yes. Staff infers that, not only was a future rate increase contemplated, but the Company
15 was ordered to file a subsequent rate case by a date certain.

16
17 **HOW THE PROPOSED AND RECOMMENDED COMMERCIAL RATE**
18 **METHODOLOGY WORKS IN PRACTICE AND WHAT MONTHLY RATES RESULT**
19 **FROM IT**

20 **Q. Please describe the proposed and recommended commercial rate methodology.**

21 A. The proposed and recommended commercial rate methodology is the same as the current
22 practice, which does not conform to the Company’s existing tariff. The Company obtains
23 water use data from the Town of Wellton, multiplies the usage by 85 percent, divides the
24 result by 262 gallons per SFE, and multiplies by the present SFE flat rate of \$30.00 per
25 month. The only changes recommended in this proceeding are 1) a formal adoption of the

³ Transcript page 74, lines 1-2

⁴ Decision No. 67157, dated August 10, 2004, page 8, lines 17-9

1 billing practice in the tariff that results from this proceeding and, 2) an increase to the SFE
2 rate. The Company proposes an SFE rate of \$41.60 per month and Staff recommends a
3 rate of \$38.99 per month. As discussed more fully in the Staff report of February 23,
4 2011, the commercial rates would increase proportionately to the residential rates and the
5 increase would be 30.0 percent.

6
7 **THE ALLEGED AGREEMENT BY THE COMPANY TO PROVIDE SERVICE TO A**
8 **COMMERCIAL CUSTOMER FOR A FLAT \$125.00 MONTHLY RATE**

9 **Q. Does Staff have any first-hand knowledge of the alleged agreement?**

10 A. No. Staff was not involved with the negotiation of the agreement.

11
12 **Q. Please describe Staff's knowledge of the alleged agreement.**

13 A. Staff's knowledge is based on an email received from Jason Williamson of Pivotal Utility
14 Management, LLC on November 11, 2010. The email stated:

15
16 With respect to your question...on the Clubhouse, this rate was arrived at
17 early on (probably before our involvement), and to be honest, I'm not sure
18 of its genesis. I think their water meter was not a good determining factor
19 on which to base the sewer fee because the vast majority of the metered
20 use was for irrigation and pond make-up water. Obviously, there is not a
21 separate rate in the current tariff for the clubhouse, and until you
22 mentioned it, I hadn't noticed it being different from the other billing
23 items. I'll wait on your suggestion to determine whether or not we should
24 have the clubhouse migrate over to the commercial customer approach
25 (based on water use - which may or may not be possible from a plumbing
26 perspective), or to set up a separate tariff for the clubhouse (that may be
27 preferable in this case)..In general, based on the size of the clubhouse and
28 use, a rate equivalent to 4-5 SFE seems appropriate for this facility, in my
29 opinion.
30

1 Staff used the above as the basis for evaluating the billing practices that actually occurred
2 in this proceeding and as the basis of its conclusion that the current billing practices were
3 not in accordance with the tariff approved as a result of Decision No. 67157.

4
5 **Q. Based on the above, what does Staff recommend?**

6 A. As indicated in the Staff Report, Staff recommends that all commercial customers be
7 billed using the same volumetrically-based methodology.

8
9 **OTHER ISSUES**

10 **Q. Does Staff have other comments?**

11 A. Yes. Subsequent to filing its Staff Report on February 23, 2011, Staff recognized that two
12 changes to Schedule GWB-4 attached to that report are appropriate. First, an explanatory
13 footnote should have been provided for the reconnection charge associated with
14 delinquent accounts. Second, Staff's recommended charge for deferred payments should
15 have been 1.5 percent per month. The appropriate revisions are presented below and a
16 revised Schedule GWB-4 is attached.

17
18 **Delete:**

	Present Rate	Proposed Rate	Staff Recommended
Reconnection (Delinquent)	30.00	Cost	Cost

21 **Change to:**

	Present Rate	Proposed Rate	Staff Recommended
Disconnect/Reconnect (Delinquent)	30.00	Cost	Cost ****

26 **Add footnote at bottom:**
27 ****: Actual cost of physical disconnection and reconnection (if same customer)
28 and there shall be no charge if there is no physical work performed.

30 **Delete:**

	Present Rate	Proposed Rate	Staff Recommended
Deferred Payment	N/A	N/A	N/A

33

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Insert:

	Present Rate	Proposed Rate	Staff
Recommended			
Deferred Payment	N/A	N/A	1.5 %

Q. Does this conclude your Direct Testimony?

A. Yes, it does.

Summary of Commercial Bills during Test Year

Commercial Billings	
Name	Total
1631.01 - K CHENS - COM - TERM	\$ -
1632.01 - ARIZONA RV AND PARTS - COM	\$ -
1587.01 - QUIZNOS - COM - TERM	\$ 76.47
1590.02 - BEACH CLUB - COM - EMAIL	\$ 220.32
1590.01 - SHOOTERS - COLLECT - TERM - DNS	\$ 368.39
1606.01 - FIRST SOUTHERN BAPTIST - COM	\$ 398.01
1591.01 - COYOTE WASH MARKET - COM - TERM	\$ 469.31
1001.01 - COYOTE WASH CLUBHOUSE	\$ 1,500.00
1553.02 - MICROTEL - ANDARONA - COM	\$ 1,805.23
1605.01 - CHEVRON STATION - COM - Lien	\$ 1,856.21
1553.01 - MICROTEL CW LLC - COM - TERM	\$ 1,904.71
1552.01 - JACK IN THE BOX - COM	\$ 4,039.21
(blank)	
Grand Total	\$ 12,637.86

1001.01 - COYOTE WASH CLUBHOUSE	<u>\$ (1,500.00)</u>
Adjusted Annual Balance of Volumetric Billings	<u>\$ 11,137.86</u>

10 Active Customers, \$12,637.86 per year
Only 9 Active Customers billed volumetrically, \$11,137.86 per year
Average Commercial Customer Billed Volumetrically, per year \$ 1,237.54
Median Commercial Customer Billed Volumetrically per year \$ 469.31
(Of the 10 active accounts shown above, Staff excludes
Coyote Wash Clubhouse because it is billed at a flat rate)

Comparison of Wastewater Flows and Revenues

WASTEWATER FLOWS*:

Jan-09	1,174,900
Feb-09	1,106,000
Mar-09	1,193,500
Apr-09	870,000
May-09	744,000
Jun-09	810,000
Jul-09	620,000
Aug-09	589,000
Sep-09	630,000
Oct-09	775,000
Nov-09	930,000
Dec-09	1,023,000
Totals 2009	<u>10,465,400</u>

Number of RV Dumps	1,000
Max.Gallons per Dump	45.00
RV Dumps	<u>45,000</u>
RV Dumps as % of Total for 2009	0.43%

REVENUES:

From Chevron station**	\$	1,856	
			Chevron station as % of Revenues
Test Year Revenues:			
Flat Revenues***	\$	124,289	1.49%
Measured Revenues***	\$	12,638	14.69%
Total Flat & Measured	\$	<u>136,927</u>	1.36%

Notes:

*: Per Co. Application, page 11

** Per Attachment 1

***: Per Staff Report, Schedule GWB-1

RATE DESIGN

	Present Rates	Proposed Rates- Co.	Staff Recommended Rates
Monthly Usage Charge- Residential - ALL Commercial - ALL ex. Coyote Wash Clubhouse	\$30.00 \$0.00	\$ 41.60	\$ 38.99
Commodity Rates			
Residential	N/A	N/A	N/A
Commercial - ALL ex. Coyote Wash Clubhouse	The commercial rate will be calculated for each commercial customer by dividing one single family equivalent (SFE) into the average daily flow rate of the commercial customer. One SFE is equal to 267 gallons per day. The resulting factor will be multiplied	The commercial rate will be calculated for each commercial customer by dividing one single family equivalent (SFE) into the average daily flow rate (as determined by the metered water use times a factor of .85) of the commercial customer. One SFE is equal	The commercial rate will be calculated for each commercial customer by dividing one single family equivalent (SFE) into the average daily flow rate (as determined by the metered water use times a factor of .85) of the commercial customer. One SFE is equal
Sale of Effluent, per thousand gallons	\$2.00	\$2.77	\$2.60
Service Charges			
Flow Meter Installation Charge	100.00	N/A	N/A
Establishment	25.00	30.00	30.00
Establishment (After Hours)	N/A	N/A	N/A
Disconnect/Reconnect (Delinquent)	30.00	Cost	Cost****
Reconnection (Delinquent) after hours	N/A	N/A	N/A
Deposit	Per Rule*	Per Rule*	Per Rule*
Deposit Interest	Per Rule**	Per Rule**	Per Rule**
Re-Establishment (Within 12 Months)	25.00	25.00	25.00
NSF Check	1.5% / Mo.	1.5% / Mo.	1.5% / Mo.
Late Payment Penalty	N/A	N/A	N/A
Deferred Payment			
Service Lateral Installation Charges			
Per Service Line			
4" Meter	N/A	N/A	N/A
6" Meter	N/A	N/A	N/A
8" Meter	N/A	N/A	N/A
12" Meter	N/A	N/A	N/A
UNAUTHORIZED RATES			
Commercial- Coyote Wash Clubhouse	\$125 per month	\$173.33 per month	Bill on Commercial Rate

* Per Commission Rules (R14-2-603.B)
 ** Months off system times the minimum (R14-2-603.D.1)
 *** Per Commission Rules (R14-2-608.F)
 **** Actual Cost of physical disconnection and reconnection (if same customer) and there shall be no charge if there is no physical work performed.

BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE

Chairman

BOB STUMP

Commissioner

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PAUL NEWMAN

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BRENDA BURNS

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DOCKET NO. SW-04210A-10-0392

DIRECT

TESTIMONY

OF

JIAN W. LIU

UTILITIES ENGINEER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

APRIL 5, 2011

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PURPOSE OF TESTIMONY.....	2

EXECUTIVE SUMMARY
THE LINKS AT COYOTE WASH UTILITIES, LLC
DOCKET NO. SW-04210A-10-0392

CONCLUSIONS:

- A. Staff did not detect any odor during its site inspection on January 11, 2011.
- B. Demand placed on the plant by the free dumping had very little impact on the plant's operation in 2009.

1 **INTRODUCTION**

2 **Q. Please state your name, place of employment and job title.**

3 A. My name is Jian W. Liu. My place of employment is the Arizona Corporation
4 Commission (“Commission”), Utilities Division, 1200 West Washington Street, Phoenix,
5 Arizona 85007. My job title is Water/Wastewater Engineer.

6
7 **Q. How long have you been employed by the Commission?**

8 A. I have been employed by the Commission since October 2005.

9
10 **Q. Please list your duties and responsibilities.**

11 A. As a Water/Wastewater Engineer, my responsibilities include: the inspection,
12 investigation, and evaluation of water and wastewater systems; preparing reconstruction
13 cost new and/or original cost studies, and investigative reports; providing technical
14 recommendations and suggesting corrective action for water and wastewater systems; and
15 providing written and oral testimony on rate applications and other cases before the
16 Commission.

17
18 **Q. How many companies have you analyzed for the Utilities Division?**

19 A. I have analyzed approximately 45 companies covering various responsibilities for the
20 Utilities Division.

21
22 **Q. Have you previously testified before the Commission?**

23 A. Yes.

1 **Q. What is your educational background?**

2 A. I am a Ph.D. Candidate in Geotechnical Engineering from Arizona State University
3 (“ASU”). I have a Master of Science Degree in Natural Science from ASU and a Master
4 of Science Degree in Civil Engineering from Institute of Rock & Soil Mechanics
5 (“IRSM”), Academy of Sciences, China.

6
7 **Q. Briefly describe your pertinent work experience.**

8 A. From 1982 to 2000, I was employed by IRSM, SCS Engineers, and URS Corporation as a
9 Civil and Environmental Engineer. In 2000, I joined the Arizona Department of
10 Environmental Quality (“ADEQ”). My responsibilities with ADEQ included review and
11 approval of water distribution systems, sewer distribution systems, and on-site wastewater
12 treatment facilities. I remained with ADEQ until transferring to the Commission in
13 October 2005.

14
15 **Q. Please state your professional membership, registrations, and licenses.**

16 A. I am a licensed professional civil engineer in the state of Arizona.

17
18 **PURPOSE OF TESTIMONY**

19 **Q. Were you assigned to provide Staff’s engineering analysis and recommendation for**
20 **The Links at Coyote Wash Utilities, LLC (“Links” or “Company”) in this**
21 **proceeding?**

22 A. Yes. I reviewed the Link’s application and responses to data requests, and I inspected the
23 wastewater treatment plant (“WWTP”) on January 11, 2011. Since the Company is
24 classified as a Class D Utility, Staff filed a Staff Engineering Report on February 23,
25 2011. This Engineering Report was attached to the Staff Report labeled as Exhibit A.

1 The purpose of this Testimony is to respond to the Administrative Law Judge's Procedural
2 Order, Staff was ordered to address the following topics: (1) the alleged noxious odors
3 from the Links' WWTP, and (2) the alleged free dumping of waste from RVs at a
4 commercial customer location.

5
6 **Q. Were there any odor issues during your inspection on January 11, 2011?**

7 A. No, however the Company has informed Staff that it has made several improvements to
8 address any odor issue near the Links' WWTP, and will be filing Testimony to address the
9 issue.

10
11 **Q. How many gallons of waste water flow from the commercial customer location were**
12 **treated by the Links WWTP during the peak day in 2009?**

13 A. According to the Company less than 1,200 gallons.

14
15 **Q. How many total gallons of sewage flow were treated at the Links WWTP during the**
16 **peak day in 2009?**

17 A. According to the Company, the peak day flow treated by the Links WWTP in 2009 was
18 39,500 gallons.

19
20 **Q. Does this conclude your direct testimony?**

21 A. Yes, it does.