

LEWIS  
AND  
ROCA  
LLP  
LAWYERS

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ORIGINAL



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RECEIVED

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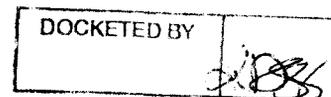
May 9, 2011

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED

MAY 9 2011

Arizona Corporation Commission  
Utilities Division - Docket Control  
1200 W. Washington Street  
Phoenix, Arizona 85007



Re: In the Matter of Arizona-American Water Company  
Docket No: W-01303A-10-0448

Docket Control:

Arizona-American received the attached letter directly from Havasu RV Resort and is filing it in the docket as a courtesy to Havasu RV Resort.

Very truly yours,

Michael T. Hallam

MTH/jw



1905 Victoria Farms Rd. • Lake Havasu City, AZ 86404 • 928-764-2020

Havasu RV Resort  
1905 Victoria Farms Road  
Lake Havasu City, AZ 86404

March 30, 2011

Arizona American Water Company, Inc.  
2355 W. Pinnacle Peak Road  
Phoenix, Arizona 85027

RE: Docket No. W-01303A-10-0448

Dear Commissioners:

The referenced rate increase requested by Arizona American Water identifies an increase of 58% which will severely impact the citizens living at Havasu RV Resort. Havasu RV Resort was established as an RV Condominium so that members could purchase their lots as opposed to renting them. The Resort has 400 lots with 340 sold at this time and operates thru a Property Owners Association. These lots were purchased primarily by retired fixed income Senior Citizens trying to control their living costs and maintain the RV life-style.

Arizona American Water is the supplier of the water for this Resort which is delivered through a master meter thus the Resort receives one bill. Water consumption at the Resort averages in excess of 1.5 million gallons each month. This bill is paid the Resort from the property owner's due and these large increases in water expense are well beyond the amounts allowed in the dues. As with many property owners associations, increases in property owners dues are limited each year. This increase severely affects our budget.

We are requesting that any increase the Commission allows be based upon a rate of return in the range of 1 to 1 1/2 per cent as opposed to their requested rate and that it be phased in over a three year period thus allowing for improvement in the overall state of our economy. In addition, it appears that this asset is in the process of being sold to EPCOR of Edmonton, Canada. We question whether the increase is truly necessary, or whether it just makes for a more attractive purchase for EPCOR. When this transaction is consummated if history tells us anything, we will be experiencing additional rate increases in the near future. These are increases we can not afford.

Thank you for your consideration

Havasu RV Resort  
Property Owners Association.

Norman Vaughan  
Secretary