

ORIGINAL



0000128441

BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE  
Chairman

2011 AUG 19 P 3:09

BOB STUMP  
Commissioner

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

PAUL NEWMAN  
Commissioner

AUG 19 2011

SANDRA D. KENNEDY  
Commissioner

DOCKETED BY *[Signature]*

BRENDA BURNS  
Commissioner

IN THE MATTER OF THE APPLICATION )  
OF ARIZONA-AMERICAN WATER )  
COMPANY, AN ARIZONA )  
CORPORATION, FOR A )  
DETERMINATION OF THE CURRENT )  
FAIR VALUE OF ITS UTILITY PLANT )  
AND PROPERTY AND FOR INCREASES )  
IN ITS RATES AND CHARGES BASED )  
THEREON FOR UTILITY SERVICE BY ITS )  
AGUA FRIA WATER DISTRICT, HAVASU )  
WATER DISTRICT, AND MOHAVE )  
WATER DISTRICT. )

DOCKET NO. W-01303A-10-0448

NOTICE OF FILING  
CERTIFICATION OF MAILING

Arizona-American Water Company ("Arizona-American") files the attached Affidavit in relation to the customer notice required by the August 2, 2011 Procedural Order.

RESPECTFULLY SUBMITTED this 19th day of August, 2011.

LEWIS AND ROCA LLP

*[Signature]*

Thomas H. Campbell  
Michael T. Hallam  
40 North Central Avenue  
Phoenix, AZ 85004  
Attorneys for Arizona-American Water Company

1 ORIGINAL and thirteen (13) copies  
2 of the foregoing filed  
3 this 19th day of August, 2011, with:

4 The Arizona Corporation Commission  
5 Utilities Division – Docket Control  
6 1200 W. Washington Street  
7 Phoenix, Arizona 85007

8 Copy of the foregoing hand-delivered  
9 this 19th day of August, 2011, to:

10 Steve Olea  
11 Utilities Division  
12 Arizona Corporation Commission  
13 1200 W. Washington Street  
14 Phoenix, Arizona 85007

15 Teena Jibilian, Administrative Law Judge  
16 Hearing Division  
17 Arizona Corporation Commission  
18 1200 W. Washington Street  
19 Phoenix, Arizona 85007

20 Janice Alward, Chief Counsel  
21 Charles Hains  
22 Legal Department  
23 Arizona Corporation Commission  
24 1200 W. Washington Street  
25 Phoenix, Arizona 85007

26 Copy of the foregoing mailed  
this 19th day of August, 2011, to:

Michelle Wood  
Residential Utility Consumer Office  
1110 W. Washington Street, Suite 220  
Phoenix, AZ 85007

Greg Patterson, Director  
Water Utility Association of Arizona  
916 W. Adams, Suite 3  
Phoenix, AZ 85007

Joan S. Burke  
Law Office of Joan S. Burke  
1650 N. First Ave  
Phoenix, AZ 85003  
Attorney for Corte Bella

LEWIS  
AND  
ROCA  
LLP  
LAWYERS

1 Kenneth Hewitt  
18729 N. Palmero Court  
2 Surprise, AZ 85387

3 Michele L. Van Quathem  
Ryley Carlock & Applewhite, P.A.  
4 One North Central, Suite 1200  
Phoenix, AZ 85004-4417  
5 Attorneys for Verrado and DMB

6 Curtis S. Ekmark  
Ekmark & Ekmark, LLC  
6720 N. Scottsdale Road, Suite 261  
7 Scottsdale, AZ 85253  
8 Attorneys for SCGCA

9 Peggy H. Rahkola  
The Arizona Traditions Homeowners Association  
10 17221 N. Citrus  
Surprise, AZ 85374

11 Jim Weihman  
The Happy Trails Community Association  
12 17200 W. Bell Road  
Surprise, AZ 85374  
13

14 Nicholas Mascia  
The Surprise Farms III  
Community Association  
15 1600 W. Broadway Rd., Suite 200  
16 Tempe, AZ 85282

17 Mike Orose  
The Crystal Springs Estates  
Home Owners Association  
18 8407 N. 178th Ave  
Waddell, AZ 85355  
19

20 Paul Briningstool  
Ashton Ranch Homeowners Association  
P.O. Box 9151  
21 Surprise, AZ 85374

22 William B. Lipscomb  
Kingswood Parke Community Association  
23 14976 W. Bottletree Ave  
Surprise, AZ 85374  
24

25 Kevin Chiariello  
Greer Ranch South HOA  
16074 W. Christy  
26 Surprise, AZ 85379

1 Tony DeSanti, President  
Clearwater Farms Unit II Property Owners Association  
2 7710 N. 175th Avenue  
Waddell, AZ 85355

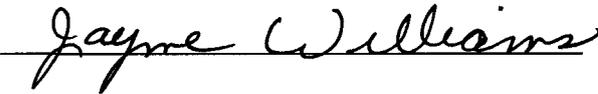
3 Frederick G. Botha and Mary L. Botha  
4 23024 N. Giovota Drive  
Sun City West, AZ 815375

5 Pauline A. Harris Henry  
6 The Russell Ranch Homeowners Association  
17936 W. Solano Drive  
7 Litchfield Park, AZ 85340

8 Peter and Rochanne Corpus  
8425 N. 181st Drive  
9 Waddell, AZ 85355

10 Scott T. Waterhouse  
18550 W. Kolina Lane  
11 Waddell, AZ 85355

12 Michael D. Bailey  
James Gruber  
13 Surprise City Attorney's Office  
16000 N. Civic Center Plaza  
14 Surprise, AZ 85374

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1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 GARY PIERCE  
Chairman

3 BOB STUMP  
4 Commissioner

5 PAUL NEWMAN  
Commissioner

6 SANDRA D. KENNEDY  
7 Commissioner

8 BRENDA BURNS,  
9 Commissioner

10 IN THE MATTER OF THE APPLICATION OF )  
ARIZONA-AMERICAN WATER COMPANY, )  
11 AN ARIZONA CORPORATION, FOR A )  
DETERMINATION OF THE CURRENT FAIR )  
12 VALUE OF ITS UTILITY PLANT AND )  
PROPERTY AND FOR INCREASES IN ITS )  
13 RATES AND CHARGES BASED THEREON )  
FOR UTILITY SERVICE BY ITS AGUA FRIA )  
14 WATER DISTRICT, HAVASU WATER )  
DISTRICT, AND MOHAVE WATER )  
DISTRICT )

DOCKET NO. W-01303A-10-0448

15 **Affidavit of Barry Pawelek**

16 1. My name is Barry Pawelek, and I am employed by American Water as  
17 the Customer Communications Manager for its Western Division. My business address is  
18 American Water, 9514 Blue Heron Drive, Middleton WI 53562.

19 2. I am submitting this affidavit on behalf of Arizona-American Water  
20 Company ("Arizona-American"), the applicant in the above-captioned docket. Arizona-  
21 American is also part of American Water's Western Area.

22 3. As part of my job duties, I supervised the provision of the customer  
23 notice required by the Procedural Order dated August 2, 2011 (the "Notice"), a copy of  
24 which is attached as Exhibit A to this Affidavit.

25 4. On August 5, 2011, the Notice was mailed to all customers of Arizona-  
26 American in the Agua Fria Water District.

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5. Proof of postage is attached as Exhibit B to this Affidavit.

Dated this 16 day of August, 2011.

  
\_\_\_\_\_  
Barry Pawelek

State of Wisconsin        )  
County of Dane            )

Subscribed and Sworn to before me on August 16<sup>th</sup>, 2011.

Name: Susan R. Johnson

My Commission Expires: 12-11-11

**EXHIBIT A**

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ARIZONA  
AMERICAN WATER

2355 W Pinnacle Peak Rd, Suite 300  
Phoenix, AZ 85027

PRESORTED  
1<sup>ST</sup> CLASS MAIL  
US POSTAGE  
PAID  
SMI

**URGENT INFORMATION REGARDING  
RATE CASE INTERVENTION**

**PUBLIC NOTICE OF HEARING ON THE APPLICATION  
OF ARIZONA-AMERICAN WATER COMPANY FOR  
RATE INCREASES FOR UTILITY SERVICE IN ITS  
AGUA FRIA WATER DISTRICT, HAVASU WATER  
DISTRICT, AND MOHAVE WATER DISTRICT.  
(DOCKET NO. W-01303A-10-0448)**

August 3, 2011

### **Summary**

On November 3, 2010, Arizona-American Water Company, Inc. ("Arizona-American" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for permanent revenue increases for its following Districts: Agua Fria Water district, Havasu Water district, and Mohave Water district. **You are receiving this notice because you are a customer in the Agua Fria Water District.**

For its **Agua Fria Water district**, Arizona-American's application requests an annual revenue increase of approximately \$17,879,283 or 73.1 percent over current revenues. For average consumption (7,362 gallons per month) 5/8 x 3/4-inch meter residential customers of the Agua Fria Water district, Arizona-American's request would increase monthly rates by 82.89 percent or \$25.13. If you would like the Company to calculate the bill impact of its proposal based on your consumption, please contact its Customer Service at 1.800.383.0834 or e-mail at [infoaz@amwater.com](mailto:infoaz@amwater.com).

The Commission's Utilities Division ("Staff") has audited and analyzed the application, and has made certain recommendations regarding Arizona-American's proposed rate increase. The Residential Utility Consumer Office ("RUCO") is also a party to this proceeding and has also analyzed the application and made recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The rates approved by the Commission may be higher or lower than the rates requested by Arizona-American.

### **How You Can View or Obtain a Copy of the Rate Proposal**

Copies of the application and proposed rates are available from Arizona-American, 2355 W. Pinnacle Peak Rd., Phoenix, AZ 85027; at [www.arizonaamwater.com](http://www.arizonaamwater.com); at the Commission's Docket Control Center, 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours; and at the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function, located at the bottom of the website homepage.

### **Arizona Corporation Commission Public Hearing Information**

The Commission will hold a hearing on this matter beginning **August 17, 2011, at 1:00 p.m.**, at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. The next day of the hearing will be **August 25, 2011, at 9:30 a.m.** Written public comments may be submitted by mailing a letter referencing Docket No. W-01303A-10-0448 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Consumer Services Section at 1.800.222.7000 or 602.542.4251.

**If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket.**

**However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function, located at the bottom of the website homepage. RSS feeds are also available through e-Docket.

### **About Intervention**

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene.

If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **August 24, 2011**, and send a copy of the motion to Arizona-American or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Arizona-American, a shareholder of Arizona-American, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Arizona-American or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **August 24, 2011**. All parties must comply with Rules 31 and 38 of the Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law. For information about requesting intervention, go to <http://www.azcc.gov/divisions/utilities/FORMS/interven.pdf>. The granting of intervention entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, e-mail [sabernal@azcc.gov](mailto:sabernal@azcc.gov), voice phone number 602.542.3931. Requests should be made as early as possible to allow time to arrange the accommodation.

**THIS NOTICE WILL ALSO APPEAR IN A BILL INSERT DURING THE SEPTEMBER BILLING CYCLE. IF YOU DO NOT RECEIVE THAT BILL INSERT, PLEASE CONTACT THE COMPANY AT 1.800.383.0834 OR BY EMAIL AT [infoaz@amwater.com](mailto:infoaz@amwater.com).**



**EXHIBIT B**

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# Postage Statement -- First-Class Mail

Transaction Number: 201121720403353 M0	CAPS Transaction Number: 2011080520403300M0	Postage Statement Number: 117307498
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Mailing Group	Mailing Group ID <b>97876951</b>	Mailing Job Number	Open Date <b>08-05-2011</b>
	Preparer <b>1831-PI-SERVICE MAILERS INC</b>	Origin <b>PSW - USPS Entered</b>	Close Date <b>08-05-2011</b>
	Job Description		

Mailer	Permit Holder's Name and Address and Email Address, if Any  <b>SERVICE MAILERS INC 3101 EXPOSITION PL LOS ANGELES, CA 90018-4000 Contact Name: GEO HARO (323)292-0133 gharo@smailers.com  CRID: 2435979</b>	Name and Address of Mailing Agent <i>(If other than permit holder)</i>	Name and Address of Individual or Organization for Which Mailing is Prepared <i>(If other than permit holder)</i>  <b>ARIZONA AMERICAN WATER 19820 N. 7TH STREET PHOENIX, AZ 85024 Contact Name: SERVICE MAILERS (323)292-0133</b>
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Mailing	Post Office of Mailing <b>LOS ANGELES CA 90052-9998</b>	Processing Category <b>Letters (may include Cards)</b>	Parcels Only Hold For Pickup (HFPU): No. of Pieces <b>0</b>	Mailer's Mailing Date <b>08/05/11</b>	Federal Agency Cost Code	Statement Seq. No. <b>31305</b>	No. & type of Containers <b>Sacks: 0 1 ft. Letter Trays: 15 2 ft. Letter Trays: 0 EMM Letter Trays: 21 Flat Trays: 0 Pallets: 1 Other: 0</b>
	Type of Postage <b>Permit Imprint</b>		Weight of a Single Piece <b>0.0120 lbs.</b>	Combined Mailing <input type="checkbox"/> Single Class	Total Pieces <b>34,933</b>		
	Permit # <b>1831</b>	For Mail Enclosed Within Another Class <input type="checkbox"/> Standard Mail <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library Mail <input type="checkbox"/> Media Mail <input type="checkbox"/> Periodicals <input type="checkbox"/> Parcel Post				Total Weight <b>419.1960 lbs.</b>	
	For Automation Rate Pieces, Enter Date of Address Matching and Coding <b>08/02/11</b>		Move Update Method: <b>NCOALink</b>				

Postage	Letter or flat-sized mailpieces contain: <input type="checkbox"/> Reply card or reply envelope <input type="checkbox"/> Only contents that are not required to be mailed FCM <input type="checkbox"/> DVD/CD or other disk <input type="checkbox"/> Round Trip Only: 1 DVD/CD or other disk <small>Complete if the mailing includes pieces bearing metered or precanceled stamps.</small>	Parts Completed <b>A, B</b>	
	Rate at Which Postage Affixed (Check one) <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither	<b>Subtotal Postage (Add parts totals)</b>	<b>\$12,103.69</b>
	_____ pcs. x \$ _____ = <b>Postage Affixed</b>		<b>\$0.00</b>
	<b>Incentive/Fee</b> _____ (% or \$0.00) x Total Postage or Pieces as applicable		<b>\$0.00</b>
		<b>Net Postage Due</b>	<b>\$12,103.69</b>
	<b>For USPS Use Only: Additional Postage Payment (State reason)</b>		
	<b>Total USPS Adjusted Postage</b>	<b>\$12,103.69</b>	

Certification	Incentive Claimed: _____
	The mailer certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent certifies that he or she is authorized on behalf of the mailer then that mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control. The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and the mailing qualifies for the prices and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment.  Privacy Notice: For information regarding our Privacy Policy visit <a href="http://www.usps.com">www.usps.com</a>

# Part A

## Automation Prices

Letters		Price	No. of Pieces	Total Postage
A5	5-Digit	\$0.340	29,534	\$10,041.5600
A6	3-Digit	\$0.365	1,060	\$386.9000
A7	AADC	\$0.368	1,131	\$416.2080
A8	Mixed AADC	\$0.390	3,050	\$1,189.5000

**Part A Total** \$12,034.17

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# Part B

## Nonautomation Prices

Letters		Price	No. of Pieces	Total Postage
B4	Single-Piece	\$0.440	158	\$69.5200

**Part B Total** \$69.52