

W-02199A-11-0329
SW-02199A-11-0330

ORIGINAL



ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Guadalupe Ortiz

2011 NOV 22 P 2:04

Fax: (602) 341-2121

Priority: Respond Within Five Days

AZ CORP COMMISSION
DOCKET CONTROL

Opinion No. 2011 - 100687

Date: 11/16/2011

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

Complaint By: First: Jim Last: Hegyes

Account Name: Jim Hegyes

Home:

Street: 91

Work:

City: Sun Lakes

CBR:

State: AZ Zip:

is:

Utility Company: Pima Utility Company

Division: Sewer

Contact Name:

Contact Phone:

Nature of Complaint:

CORRESPONDENCE RECEIVED - OPINION OPPOSED TO THREE TIER RATE STRUCTURE:

RE: Docket No.'s W-02199A-11-0329
SW-02199A-11-0330

DOCKET NO. W-02199A-11-0329 ET AL

Arizona Corporation Commission

DOCKETED

NOV 22 2011

Sun Lakes, AZ 85
November 14, 2011

DOCKETED BY

Arizona Corporation Commission
Consumers Services Section
1200 West Washington
Phoenix, AZ 85007

Subject: Pima Utility Company's recent request for water/wastewater rate increases

Reference 1): Docket No. W-02199A-11-0329 et al.

Reference 2): Increase in the current two-tier rate structure to a three-tier rate structure

With regard to Reference 1), Pima Utility Company recently notified Sun Lakes homeowners, and possibly other nearby serviced homeowners, of their application to the Arizona Corporation Commission for water and wastewater rate increases.

Pima Utility's proposed rate increases for residential water service of 35.91% and 22.25% for wastewater

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

treatment are excessively high.

I am not aware of anyone, including myself, who would deny Pima Utility a reasonable Return on Investment, but the substantial proposed rate increases are not supported by any facts:

Homeowners have not been notified of specific Capital Improvements and their associated costs that would justify the proposed rate increases;

Pima Utility Company water quality reports for the last thirteen years have not indicated any violations which required remedial action;

Pima Utility Company sells wastewater to the Sun Lakes Homeowner Association for Common Area and Golf Course irrigation purposes (Another Profit Center).

With regard to Reference 2), "Pima Utility Company uses six deep wells to pump groundwater from the East Salt River Valley Alluvial Aquifer which is located in the East Salt River sub-basin of the Phoenix Active Management Area." 1

To the best of my knowledge, most, if not all of the water pumped from these six wells is consumed, and reused in Sun Lakes for irrigation of Common Areas and Golf Courses. It would be conceivable that this extensive use of wastewater significantly contributes to recharging the previously mentioned Aquifer.

Given my previous statements on Aquifer recharging, I respectfully request that the Pima Utility Company/Sun Lakes be granted a waiver from the three-tier rate structure and be allowed to continue the current two-tier rate structure.

Note 1: Quote from Pima Utility Company's "2010 Consumer Confidence Report".

Yours truly,

Jim Hegyes

ATTACHED - FAQ's from Pima Utility:

Frequently Asked Questions
Page 2

How can I participate in the process?

The Commission will hold public comment sessions to allow for input from our customers. In addition, customers may view the application and all other case documents and track progress online at the Commission's website www.cc.state.az.us. Once on the website use e-DOCKET to access Docket No. W-02199A-11-0329 for water and Docket No. SW-02199A-11-0330 for wastewater.

Will there be any other changes to my bill?

(Yes. The Arizona Corporation Commission now requires water utility companies to use a three tier rate structure for residential customers to encourage water conservation. Pima currently uses a two tier rate structure with water usage between 0 and 10,000 gallons costing less than water usage above 10,000 gallons per month. Pima proposes to add a new 0 to 4,000 gallon tier for residential customers. In a three tier rate structure, water usage in the 0 to 4,000 gallon tier will cost less per gallon than water usage in the next tier of 4,001 to 10,000 gallons, and water usage above 10,000 gallons will cost more per gallon than the lower tiers.)

How can I get additional questions answered?

We welcome your questions and comments at any time. You can submit questions by email to pimirates@yahoo.com or call us at (480) 525-PIMA or (480) 525-7462.

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UTILITY COMPLAINT FORM

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed. CLOSED

End of Comments

Date Completed: 11/16/2011

Opinion No. 2011 - 100687
