

Arizona American Water
W-01303A-10-0448
In Opposition

Antonio Gill

From: Dave Kearney [djkas@cox.net]
Sent: Tuesday, December 06, 2011
To: Slump-Web; Burns-Web; Pierce-Web; miz2.mills@agccam.com
Cc: miz2.mills@agccam.com
Subject: Commissioner Slump

Please say "No" to the proposed increase for me!

Sincerely,

John D. Kearney



0000132689

ORIGINAL

December 6, 2011

Arizona Corporation Commission
Commissioner Slump
Commissioner Burns
Commissioner Pierce
Commissioner Newman
Commissioner Kennedy

John D. Kearney
14950 W. Mountain View Blvd., #4203
Surprise, AZ 85374-4736

Dear Commissioners:

I am a homeowner and year-round resident in the Sun City Grand Community Association. I am writing to you in reference to the proposed water rate increase by Arizona-American Water Co. that may raise my monthly bill by over 82%.

This proposed increase has the potential to not only increase my personal bill, but also increase the association assessments to cover its increased costs for water. I, as well as the majority of Sun City Grand Community, am living on a fixed income. The proposed increase will have a substantial effect on my quality of life.

Arizona-America Water Co. took it upon itself to build the multi-million dollar White Tank Water Treatment Facility. They did this in anticipation of increased water requirements to meet the needs of "expected" population growth in the West Valley. Much of the capacity of the plant was to be used to satisfy future growth. Therefore, the vast majority of the plant was to be financed and paid for by water hook-up fees from new customers and developers. As a result of the decline in the economy, however, the anticipated population growth and increased water requirements did not occur.

I feel it is outrageous that Arizona-American Water Co. assumes that these costs should be borne by existing customers via an unrealistic rate increase. The purpose of the plant was to provide for "future growth" and not to be financed by existing customers.

I feel that this rate increase will also have a very negative effect on future growth, home sales and the local business community here in Surprise.

Arizona Corporation Commission
DOCKETED
DEC - 7 2011
DOCKETED BY [Signature]

RECEIVED
2011 DEC - 7 A 11: 12
AZ CORP COMMISSION
DOCKET CONTROL

Antonio Gill

From: Ron Ransom [double-r@cox.net]
Sent: Tuesday, December 06, 2011 2:59 PM
To: Pierce-Web
Subject: Fwd: Increase water rate of 80 percent plus;

Antonio Gill

From: W. G. Lang [wglang@cox.net]
Sent: Tuesday, December 06, 2011 3:56 PM
To: Slump-Web; Burns-Web; Pierce-Web; Newman-Web; Kennedy-Web
Cc: miz2.mills@agccam.com
Subject: Docket No. W-01303A-10-0448 - American Water 83% Rate Increase

Sent from my ipad II

Begin forwarded message:

From: Ron Ransom <double-r@cox.net>
Date: December 6, 2011 2:38:56 PM MST
To: Ron Ransom <double-r@cox.net>
Subject: Increase water rate of 80 percent plus;

This messages being written in reference to the proposed raise in water cost in Surprise Az. Which it is my understanding over 80 percent. I would like to call to your attention the city of Maricopa, a few year ago Maricopa was forecasted by the year 2020 to have at least 3 hundred thousand population, developers in anticipation of this predicted growth, made all of the necessary adding of electrical, water, sewage, you understand and probably know the story. The forecast for Maricopa Az. Now base on the past few years economical down fall, the new population prediction is approximately 3 thousand. Now back to Surprise and the reason for this off the charts increase of 80 plus percent rise in water cost. A few years ago Surprise was considered to be among the fastest growing cities in Az. I believe there was even talk of building the largest shopping center in Az. here. I can understand your position of reacting to those forecast as developers did in Maricopa. however that was your choice, how is it Surprise became your bail out. I would like to remind you Surprise Az. was chosen by Money Magazine as one of the top 5 places to retire to in America. That tells me some one has paid attention to what is happening here, it also says this city has a large number of senior citizens. I find it ironic that Arizona Water would take advantage of so many senior, which many have limited income. I suggest to you, you did the same thing developers did in Maricopa, you roll the dice and the result was crap. My question to you is, does it matter to you, that there's a possibility, Money Magazine could come in the near future and do a story, on how seniors were under siege and being held hostage to the failed anticipated greed of a water company. I find it repulsive for us...the resident of Sun City Grand to have to deal with such childish attempt at extortion...as my Grandmother use to yell at me CHILD YOU BETTER "BEHAVE"....This is a great city that is trying to maintain during some troubling time, don't dip into our pockets and cause the growth to cease. I'm sure we can help you with some of your loss, however no one wants to feel misused and abused....peace Ron Ransom

Sent from my ipad II

Subject: Docket No. W-01303A-10-0448 - American Water 83% Rate Increase

An 83% price increase is unbelievable.

You know it.

It is like Walmart tomorrow raising their prices 83% and expecting everyone to keep buying their products. An item priced today at \$10.00 tomorrow will be \$18.60, an item today priced at \$20.00 will be priced at \$36.60, etc. Then in a little while their operating cost will increase and they will raise their prices again for "inflation." The 83% increase would be the base and any increase would be on top of the base forever. However, they certainly would not say their prices are being raised because we made a mistake in our strategy.

No. Walmart would absorb the additional 83% costs, learn from it, and move on. They would not expect their customers to pay for their mistakes. Besides, their customers would not put up with it. However, American Water has a monopoly on their customers. The customers you are to protect.

American Water should do what every business like Walmart would do. They are in business taking business risks and absorbing additional costs caused by those risks as any business should do.

American Water is still making a profit and paying dividends to their stockholders, who also took a risk by investing in the company. It is a shared risk between them and the company.

The 83% increase appears to be predicated on the \$74 million White Tanks Regional Treatment Plant that was built for the expected growth of the community that did not materialize. It has also been surmised that the rate increase is to make a potential sale of the water district more attractive to a potential buyer. Neither of these situations should be the basis of this type of rate increase.

It appears that American Water is playing the negotiation game, asking for more than they are willing to settle for. They are expecting the Commission to play the role of Solomon, the wise man, and split the baby in two as it did in Anthem by giving them half of what they asked for. Either way they win. You and the water users loose.

You have heard repeatedly how the escalating cost of this staple would affect individuals, Home Owners Associations, the city services, and various business such as restaurants, stores, car washes, and Surprise Stadium which attracts visitors to Surprise's surrounding businesses, etc, just to name a few.

A decision on this rate increase has been lingering for months. It is time for the Arizona Corporation Commission to make the decision to decline this 83% rate increase.

Antonio Gill

From: denjan4@comcast.net
Sent: Tuesday, December 06, 2011 4:29 PM
To: Slump-Web; Burns-Web; Pierce-Web; Newman-Web; Kennedy-Web
Subject: Docket No. W-01303A-10-0448

Dear Commissioners:

My wife and I recently retired to Surprise from the Chicago area. We planned for many years to insure our resources and finances were properly allocated to accomplish the retirement we worked so long and hard for.

We are well aware of the pending water rate increase proposed by the subject and strongly oppose this legislation. We are both on a fixed monthly income, so an 80% increase in not only our individual water bill but also the water bill for the association within which we live would have a significant negative impact on our monthly budget, with no benefit to us.

While the action of the board to approve construction of a new water treatment facility to accommodate future development might have been viewed as forward thinking and visionary in prosperous times, it now poses a monumental debt which must be addressed.

To encumber existing customers for a facility built for future users is unfair and unreasonable.

The Board must find another alternative to address this issue and not burden existing customers who have their own financial burdens to bear.

Dennis and Jan Huffaker
14950 W. Mountain View Blvd. #4104
Surprise, Az. 85374
8477287-2082 (Cell)

5

6

Antonio Gill

From: azmap@aol.com
Sent: Tuesday, December 06, 2011 8:06 PM
To: newman-web@azcc.gov; Burns-Web; Pierce-Web; Slump-Web; Kennedy-Web
Subject: Arizona American Rate Increase Docket No. W-01303A-10-0448

Dear Commissioners:

I am writing to you to express my serious concerns regarding the proposed 82 percent increase in water rates by Arizona American Water.

I am a single resident of Surprise in the Agua Fria District. In April 2010 I was laid off from my job, after taking a pay cut and surviving 10 layoffs. In April 2011 I began working at Arizona Traditions HOA here in Surprise, for considerably less salary than I was previously earning.

As a single person and one-income household, a rate increase such as this would affect me in several negative ways. It would increase my personal water bill; it would potentially cause an increase in my monthly HOA dues; and it affects the chances of me receiving a salary increase on my job, since the HOA I work for would also be adversely affected by this increase - it would affect the annual budget which directly affects my salary. So, I would get hit three-fold. Not to mention a fourth negative impact - the value of our homes would be affected by this increase. It is a difficult enough market for people who are trying to sell their homes ... if potential buyers do their homework and find out that our water rates are so high, they will look elsewhere in the valley to purchase homes. Fifth - retail suppliers here in the district would raise their prices to meet their increased expense. I am sure if I thought about the big picture longer, I could come up with even more negative impacts on the residents and homeowners of Surprise. We are all struggling to pay our bills and stay afloat in this tough economy - how dare AZ-American Water ask us to pay for their bad business decision.

I am begging you, as a single income household, to say "NO" to Arizona American Water Company. Why should we, the citizens of Surprise, pay for a water treatment plant that was built based on poor decisions by the water company. They knew the market was beginning a downturn, and yet they continued with their building project. This was a bad business decision, and the residents of the Agua Fria Water District should not have to pay for their bad business decision.

Please do not grant their request for a "bailout" at the expense of the Surprise residents.

Thank you,
Michele A. Pinsky
17101 N Elko Drive
Surprise, AZ 85374

7

Antonio Gill

From: Dave Darby [davefoto@msn.com]
Sent: Tuesday, December 06, 2011 8:07 PM
To: Pierce-Web
Subject: American water

Commissioner Pierce,

I just moved to Surprise from Wickenburg because of decisions I made in 2004 and 2006 before the market turned. I am losing my house because of them. I have had to live with my decisions as have others. As a business man, I have to live with my business decisions good or bad and only I am able to solve them. Arizona American Water should have to live with their decisions and it should not be the burden of their customers to bail them out. I live on a very small income and every dime counts. I cannot afford even a 10% increase in my water bill that is already at \$90. I have a family of 5 and my mother-in-law lives with us because of her health and personal finances. Please vote no on the proposed increase. Thank you for holding people accountable for their decisions and not bailing them out with our money.

Thank you for your time,
Samuel D Darby
16315 W Monte Cristo Ave.
85388

Dave Darby
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8