

W. 01445A-11-0310

ORIGINAL



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ARIZONA CORPORATION COMMISS:
UTILITY COMPLAINT FORM

Investigator: Trish Meeter

Phone 2011 DEC 14 P 4: 08

Fax

Priority: Respond Within Five Days AZ CORP COMMISSION
DOCKET CONTROL

Opinion No. 2011 100594 Date: 11/10/2011

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

Complaint By: First: Fred Last: Hofmann

Account Name: Fred Hofmann Home:

Street: Work:

City: Gold Canyon CBR:

State: AZ Zip: 85118 is:

Utility Company: Arizona Water Company

Division: Apache Junction

Contact Name: Contact Phone:

Nature of Complaint:

DOCKET NO. W 01445A 11 0310 OPPOSED

October 29, 2011
Arizona Corporate Commission
Utilities Division
1200 West Washington
Phoenix, AZ. 85007-2996
Re: Docket No. W-01445A-11-0310
Commissioners,

Arizona Corporation Commission
DOCKETED

DEC 14 2011

DOCKETED BY [Signature]

As a Arizona Water Company client, I am writing to you in opposition to the rate increase requested by Arizona Water Company (the "Company"). This is the third request by the Company in the last ten years, starting in 2002, again in 2008 (decided in 2010) and now again in 2011 involving the Eastern Group. Just how much money does this Company need to run its operation. Enough is enough.

Every month when we get our invoice there is a circular telling us ways to conserve our water usage. I think that most of the companies clients try hard to save the water which would help reduce the cost of their (the client) water charges. I know I have. Just comparing my 2010 expenses for water usage to 2011 year to date usage, I have been reducing my water usage each month with a couple of exceptions, August and September. See attachment A. You must admit that this year we have had a much warmer summer than usual.

As my usage has been going down, my costs have been going up, except for September and October of 2011. See attachment B. So here I am trying to do the right thing and what happens. The Company makes less money and they want to keep up with the allowed percentage of profit guaranteed them by the ACC, so they apply for a rate increase. The Companies rate of 4.73% for the test year of 2010 is not enough for them. Tell me where I can receive that percentage on my investments today.

I worked for Sears, Roebuck & Co. for 42 years and they thought that a 5% return on investment after adjustments was doing good. But then again, most companies do not have a guaranteed return promised to them.

Times are tough, and everyone has to tighten their belts. That means companies as well as clients. Most homeowners and renters are having to make decisions as to what needs to be done with the money they have

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and hope that there is some left over to buy medicine and groceries.

Now we come to the good part. The Company wants a rate increase of 25.68%. They have to be out of their minds asking for such a large increase. With the economy going down the tubes, they have the gall to make such a request. I could not believe what I was reading. It is my feeling that the Company is requesting such a large increase so

that the ACC will give them an increase, but not what was requested. But it will get an increase just the same. What would they say to a union or even a single employee that came to the executive office and requested a 25.68 % increase? They would probably have a hearty laugh and kick them out of the office and tell them never to come back or discharge them. We cannot discharge them nor can we give them a kick where it would do the most good. All we can do is hope that the ACC makes the right decision and not allow any increase at this time or the near future.

I have never understood why the ACC gives companies that are under their jurisdiction a guaranteed percentage of profit. Besides allowing guaranteed profits, you are also supposed to look out for the clients of these corporations and companies to make sure the clients are not being taken advantage of. With all the dealings I have had with the Commission, business' have been given the better deal than those opposing. I guess it is politics as usual. You scratch my back and I'll scratch yours.

Thank you for your time and I would appreciate any response that any of the commissioners would like to make or if you have any questions.

Thank you again.

Respectfully,

Fred Hofmann

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11/10/2011

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End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

docketed

End of Comments

Date Completed: 11/10/2011

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