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BEFORE THE ARIZONA CORPORATION

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IN THE MATTER OF THE APPLICATION
OF ARIZONA-AMERICAN WATER
COMPANY, AN ARIZONA CORPORATION,
FOR A DETERMINATION OF THE
CURRENT VALUE OF ITS UTILITY PLANT
AND PROPERTY AND FOR INCREASES IN
ITS RATES AND CHARGES BASED
THEREON FOR UTILITY SERVICE BY ITS
ANTHEM WATER DISTRICT AND ITS SUN
CITY WATER DISTRICT, AND POSSIBLE
RATE CONSOLIDATION FOR ALL OF
ARIZONA AMERICAN WATER
COMPANY'S DISTRICTS.

DOCKET NO. W-01303A-09-0343

DOCKET NO. SW-01303A-09-0343

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ITS RATES AND CHARGES BASED
THEREON FOR UTILITY SERVICE BY ITS
ANTHEM/AGUA FRIA WASTEWATER
DISTRICT AND ITS SUN CITY WEST
WASTERWATER DISTRICT, AND
POSSIBLE RATE CONSOLIDATION FOR
ALL OF ARIZONA AMERICAN WATER
COMPANY'S DISTRICTS.

**POST-HEARING BRIEF OF CORTE
BELLA COUNTRY CLUB
ASSOCIATION, INC.**

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1 Corte Bella Country Club Association, Inc. (hereinafter, "Corte Bella"), by and
2 through undersigned counsel, hereby files its Post-Hearing Brief.

3
4 **I. INTRODUCTION**

5 This case involves more than just rate shock. It is about maintaining rates in
6 accordance with past policy inclinations and precedential considerations. Deconsolidation
7 is a giant step backward from these important precepts.

8
9 Simply put, it is unfair to Corte Bella residents (as well as other Agua Fria
10 customers) to deconsolidate this district after 10 years – especially when deconsolidation
11 results in a 139.7% increase in wastewater rates on the remaining customers in the Agua
12 Fria District. The proposed deconsolidation of the Anthem / Agua Fria Wastewater
13 District is unjust, unreasonable and unnecessary.

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15 **II. DECONSOLIDATION WILL RESULT IN UNPRECEDENTED RATE SHOCK TO AGUA FRIA CUSTOMERS**

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17 It is undisputed that deconsolidation will result in rate shock to Corte Bella
18 residents and other Agua Fria customers. If deconsolidation is approved, the average
19 wastewater bill for Corte Bella residents will increase from \$67.97 per month (which
20 includes the 53.93% increase already approved in Decision No. 72047) to an astonishing
21 \$108.34 per month. *See Procedural Order docketed April 27, 2011 at 7-8.* This amounts
22 to a 139.7 % increase in wastewater rates since 2010 – a \$60.00 increase in the average
23 monthly bill. *See Direct Testimony of Sandra Murrey (Ex. A-1) at 11-14; Decision No.*
24 *72047 (Typical Bill Impact).*
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1 Corte Bella residents are also facing a proposed 82.9% increase in water rates as
2 part of Docket No. W-01303A-10-0448.¹ See *Direct Testimony of Robert Rials (Ex. CB-*
3 *1) at 9*. This only compounds the rate shock and financial hardship that Corte Bella
4 residents will experience if deconsolidation is approved.

6 Significantly, in the underlying rate case, Dan Neidlinger testified on behalf of
7 Anthem Community Council (“Anthem”) that a proposed 82% increase in wastewater
8 rates constituted rate shock. See *Direct Testimony of Dan Neidlinger docketed March 8,*
9 *2010 at 2-3*. Here, Corte Bella residents face a potential 139.7% increase in wastewater
10 rates since 2010. In other words, Corte Bella residents will experience a 60% increase (on
11 average) over current rates, which is in addition to the approximate 54% increase in rates
12 Corte Bella residents already experienced in 2011. See *Decision No. 72047; Direct*
13 *Testimony of Sandra Murrey (Ex. A-1) at 11-14*.

14 By all accounts, Corte Bella residents will experience unprecedented rate shock if
15 the Commission approves deconsolidation.

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20 **A. Anthem’s Revenue Transition Plan Does Not Mitigate Rate Shock**

21 As set forth above, Corte Bella residents already experienced a 54% increase in
22 wastewater rates (starting in early 2011) as part of Decision No. 72047.² This significant
23 increase cannot be overlooked when evaluating Anthem’s proposed revenue-transition
24 plan – which only addresses the additional 60% increase in wastewater rates that will
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26
27 ¹ If approved, the average water bill for Corte Bella residents will increase by another \$25.13. See
28 *Procedural Order (W-01303A-10-0448) docketed January 20, 2011, at 6*.

² The average monthly bill increased by \$20.61 (from \$47.36 to \$67.97 per month). See *Decision No. 72047 (Typical Bill Impact)*.

1 occur if deconsolidation is approved. *See Tr. (Neidlinger) at 315; Direct Testimony of*
2 *Dan Neidlinger (Ex. Anthem -1) at 3.*

3
4 In this regard, Corte Bella residents will experience a substantial increase in their
5 wastewater bills for four (4) consecutive years – i.e., the 54% increase approved in
6 Decision No. 72047, coupled with a combined increase of 60% over the next three (3)
7 years (via Anthem’s revenue-transition plan) if deconsolidation occurs. This clearly
8 constitutes rate shock.

9
10 Anthem’s revenue transition plan cannot disguise the fact that Corte Bella residents
11 (and other Agua Fria customers) will endure a 139.7% increase in wastewater rates since
12 2010. The revenue-transition plan amounts to the preverbal “death by a thousand cuts.”

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14 **B. The Severe Financial Impact on Corte Bella**

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16 Corte Bella is an age-restricted community (55+) that contains approximately 1,650
17 single-family homes. A vast majority of Corte Bella residents are retirees on fixed and/or
18 reduced incomes. *See Direct Testimony of Robert Rials (Ex. CB-1) at 9-10.*

19
20 Although a 139.7% increase in wastewater rates will adversely impact any
21 customer (regardless of age), it has an even more profound impact on age-restricted
22 communities. Corte Bella residents are struggling in this economy and cannot absorb
23 another 60% increase in wastewater rates on top of the 54% increase implemented earlier
24 this year. *Id.* This increase will alter the lifestyle of Corte Bella residents and other
25 retirees living in Agua Fria. *Id.*

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1 **III. SINCE INCEPTION, THE INTENT WAS FOR THE ANTHEM / AGUA**
2 **FRIA AREAS TO BE A SINGLE WASTEWATER DISTRICT**

3 The Anthem / Agua Fria Wastewater District has been a consolidated district for
4 over 10 years. Arizona-American's witness Sandra Murrey (via her pre-filed testimony)
5 described several decisions involving this district in which the Commission specifically
6 approved the extension of Arizona-American's Certificate of Convenience and Necessity.
7 *See Direct Testimony of Sandra Murrey (Exhibit A-1) at 4-5.* The Northeast Agua Fria area
8 (which includes Corte Bella) was included in the extension granted in Decision No. 65757
9 (March 20, 2003). During the evidentiary hearing, Ms. Murrey confirmed the prior
10 decisions that extended Arizona-American's service territory, including those territories
11 within this district. The service areas included the Verrado, Russell Ranch and Corte Bella
12 developments. *See Decision No. 60795 (June 19, 1998); Decision No. 63584 (April 24,*
13 *2001); Decision No. 64307 (December 28, 2001); and Tr. (Murrey) at 103-05.* Neither
14 Staff nor RUCO opposed including those areas in the Anthem / Agua Fria Wastewater
15 District.
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20 The Anthem / Agua Fria Wastewater District has also been part of two Arizona-
21 American rate cases since 2000 – one in 2002 and one in 2006. *See Decision No. 67093*
22 *(June 30, 2004) and Decision No. 70372 (June 13, 2008).* Significantly, Arizona-
23 American did not propose deconsolidation in either case; nor did Staff or RUCO propose
24 deconsolidated rate designs for Anthem and Agua Fria. *See Tr. (Murrey) at 106-07; Tr.*
25 *(Rigsby) at 513-16.* Although RUCO now justifies deconsolidation based on cost of
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1 service, RUCO did not advocate for deconsolidation in either the 2002 or the 2006 rate
2 case – despite cost of service being a longstanding rate principle. *See Tr. (Rigsby) at 578-*
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4 *79.*

5 Even in the “overall docket” (the 2009 Arizona-American general rate case that
6 culminated in Decision No. 72047), only Anthem proposed deconsolidation *in the*
7 *alternative.* RUCO did not propose deconsolidation of the Anthem/Agua Fria Wastewater
8 District despite its apparently strong belief in basing rates on cost of service. *See Tr.*
9 *(Rigsby) at 514-15.* Moreover, neither Arizona-American nor Staff advocated for
10 deconsolidation in the “overall docket” or in this proceeding.
11

12 The bottom line is that the intent was (and still is) to have the Anthem / Agua Fria
13 Wastewater District remain intact. Corte Bella residents moved into this area while the
14 district was consolidated. The district has remained consolidated for over 10 years and
15 residents have tacitly understood they are part of this district for purposes of wastewater
16 rates. They had no other choice of districts. Corte Bella residents had no part in forming
17 this consolidated district, as Anthem’s expert witness readily admits. *See Tr. (Neidlinger)*
18 *at 328.* It is unfair for Corte Bella residents to be victimized because of blind adherence to
19 a cost of service approach – especially without the benefit of evaluating other factors that
20 affect their bills, as would be done in a general rate case. The evidence in this case shows
21 that Arizona-American formed this district as a consolidated district and that no party (until
22 this docket) has opposed that arrangement. Consequently, Corte Bella residents should not
23 be subjected to deconsolidated rates and the Commission should not approve
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1 deconsolidation in this proceeding. Anthem and RUCO cannot show why deconsolidation
2 is just and reasonable.

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4 **IV. THE COMMISSION'S POLICY IS TOWARD CONSOLIDATION – NOT**
5 **DECONSOLIDATION**

6 Corte Bella admits that full consolidation of all of Arizona-American's districts
7 remains controversial and that there is no guarantee full consolidation will ever occur.
8 However, the difference here is that the Anthem / Agua Fria Wastewater District has been
9 a consolidated district for over 10 years. The facts and circumstances in this case are
10 remarkably different than in situations where consolidating stand-alone districts IS being
11 considered. Anthem and RUCO cannot show why deconsolidation should occur here in
12 light of the Commission's policy toward consolidation.
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15 Even so, the Commission's past policy direction has leaned toward consolidation.
16 In the last full rate proceeding involving Arizona Water Company, the Commission
17 supported partial consolidation of several of its 17 systems. *See Decision No. 71845*
18 *(August 25, 2010)*. This included consolidation of Arizona Water Company's Lakeside and
19 Overgaard systems and its Casa Grande Coolidge and Stanfield systems. *Id. at 45-46; 85-*
20 *87 (Findings of Fact 87, 99)*. The reasons for partial consolidation of these particular
21 systems included the sharing of management and operations personnel. *Id.* In this case,
22 Mr. Broderick for Arizona-American described the shared costs between Anthem and
23 Agua Fria – including his salary, a “great deal” of labor-related costs, and service-company
24 costs. *See Tr. (Broderick) at 197-98.*
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1 In Decision No. 71845 regarding Arizona Water Company, the Commission held
2 that partial consolidation essentially moved toward the possibility of A future single-tariff
3 pricing structure without the substantial rate impacts if consolidation were done all at once.
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5 *Id. at 50.* The Commission found that Arizona Water Company had justified the basis for
6 partial consolidation – including mitigating rate impacts of capital investment, greater
7 operational, administrative and regulatory efficiencies, and helping to ensure affordability
8 of service in all systems. *Id. at 53.* In a recent Arizona-American rate case (not involving
9 the Anthem / Agua Fria Wastewater District), the Commission made a strong statement
10 pointing out the numerous benefits of consolidation and the need to examine full
11 consolidation in future cases:
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We believe that the issue of consolidation merits thorough vetting, discussion and public participation. In the instant proceeding, parties have argued that further development of the issue is needed. Accordingly, we find it reasonable to defer this issue in the instant rate case but keep this docket open for the limited purpose of consolidation discussion.

While the Commission will defer addressing consolidation in the instant case, we believe this issue is of critical importance and that unnecessary delay does not allow customers to benefit from administrative expediency, economies of scale and other efficiencies which would otherwise occur through consolidation. Accordingly, we will require Commission Staff to propose at least one consolidation proposal in the Company’s next rate case which will allow parties and the public ample opportunity to have notice of this issue and participate in that discussion. We also believe the Company should commence a dialogue with its customers as soon as practicable, and will require it to initiate town hall-style meetings in all of its service territories to begin communicating with consumers the various impacts of system consolidation in each of those service territories, and to collect feed-back from consumers on such consolidation.

1 *Decision No. 71410 (December 8, 2009) at 51.*

2 Moreover, in the “overall docket,” Anthem’s expert witness even acknowledged the
3 many benefits consolidation offers: (1) lower administrative costs through unified
4 customer accounting and billing systems; (2) reduction in rate cases and associated rate
5 cases expenses incurred by Arizona-American, Staff, RUCO and other intervenors; (3)
6 elimination of distorted cost allocations among districts in rate filings; (4) implementation
7 of standard customer service policies and related service rates and charges; (5) improved
8 rate stability and elimination of rate shock; (6) reduced customer confusion with respect to
9 differing rate schedules under one company umbrella; and (7) development and
10 implementation of a targeted and comprehensive water conservation program for all of its
11 systems. *See Direct Testimony of Dan Neidlinger docketed May 8, 2010 at 5.*

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16 While full consolidation has not occurred to date, the issue remains open to explore
17 in future cases. Arizona-American still agrees that consolidation improves the ability to
18 implement water conservation measures. *See Tr. (Broderick) at 205-07.* Mr. Broderick
19 also testified that consolidation would improve customer service:

20
21 Q. (by Mr. Gellman): So there were enhancements above and beyond what
22 [Decision No. 71410] talked about that the company
23 cited in its direct case as benefits to consolidation?

24 A. (by Mr. Broderick): Oh, and just add to the list I think customer service
25 would be enhanced, so our phone representatives
26 don’t have to know in detail all these tariffs around
27 the state, and they don’t have to – and present
28 ownership, they are sitting often in Illinois, and they
don’t know a Tubac from a Sun City. And it can get
difficult sometimes when customers are calling. So
if we have a statewide tariff, that would help a lot.

1 *Tr. (Broderick) at 205-07.*

2 By contrast, Arizona-American indicated that administrative costs associated with
3 filing rate cases would increase if Anthem and Agua Fria were deconsolidated into two
4 districts. *See Tr. (Murrey) at 97.* The Commission has clearly leaned in favor of
5 supporting consolidated rates and districts. And, while full consolidation may not be
6 implemented for either Arizona-American or Arizona Water Company, the policy direction
7 has not been to deconsolidate districts that have been joined for over 10 years. Ever since
8 the Water Task Force Report was issued in Decision No. 62993 (November 3, 2000), the
9 Commission has supported consolidating systems and utilities for a variety of reasons –
10 including for large established companies to acquire smaller troubled water and wastewater
11 systems or to spread the costs of large capital improvements over a wider customer base.
12 While not all of those facts and circumstances exist here, some of those same principles
13 support keeping the Anthem / Agua Fria Wastewater District intact. This includes
14 simplifying and reducing the cost of the ratemaking process. The Commission should not
15 change directions in what is essentially a compliance proceeding.
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21 In the “overall docket,” the Commission was concerned about the “large disparity in
22 rates” being too much of an impediment to support full consolidation, even if the goal of
23 consolidation is admirable. *See Decision No. 72047 (January 6, 2011) at 84.* This same
24 logic applies here. The large disparity in rates that will result if deconsolidation is
25 approved (i.e., a 139.7 % increase for Agua Fria customers compared to a 15.5% increase
26 for Anthem customers) is also an insurmountable impediment. Corte Bella residents
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1 should not have to incur a 139.7% increase in wastewater rates – especially when that
2 outcome goes against the Commission’s policy in recent years.

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4 In short, consolidation remains an open issue – despite Anthem’s declarations to the
5 contrary. *See Decision No. 72047 at 84-85* (“In light of party comments, we believe it is
6 appropriate to order [Arizona-American] to develop a consolidation proposal that includes
7 all of its systems, as well as all of its systems without Sun City, to file those consolidation
8 proposals in a future rate application”). Physical interconnection is not a mandatory
9 prerequisite to consolidation, as all parties acknowledge.³ Full consolidation could be
10 revisited soon, perhaps as soon as this year, if Arizona-American continues the trend of
11 filing for new rates every three years (the “overall docket” was filed in 2009). For these
12 reasons, the Anthem / Agua Fria Wastewater District should remain intact.

13 **V. A STRICT COST OF SERVICE APPROACH DOES NOT JUSTIFY**
14 **SUBJECTING CORTE BELLA RESIDENTS TO A 139.7% INCREASE IN**
15 **WASTEWATER RATES**

16 Anthem and RUCO justify deconsolidation based on cost of service. Yet, there are
17 several reasons why this is problematic: (1) cost of service is not the only factor in setting
18 rates; (2) there is no cost-of-service study to justify the deconsolidated rate designs despite
19 the existence of the Anthem / Agua Fria Wastewater district for over 10 years; and (3) the
20 inability for Corte Bella residents to be part of the same district with other customers
21 served by the Northwest Regional Wastewater Treatment Facility (“Northwest Wastewater
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28 ³ Arizona-American has several districts in which customers are not served by the same backbone
facilities (i.e., customers within the same district are not physically interconnected). *See Tr.*
(Broderick) at 195.

1 Facility”). Accordingly, Anthem and RUCO cannot demonstrate why deconsolidated rates
2 should be approved.

3
4 First off, all parties agree that rates are not established based on cost of service
5 alone. This is the case when establishing rates for different customer classes; it is also the
6 case or should be the case for establishing rates for customers served by different facilities
7 in the same district. As Arizona-American’s witness Mr. Broderick points out, establishing
8 rates based solely on cost of service would mean every customer would be in a separate
9 rate class:
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12 Q. [by Judge Jibilian]: Okay. And on the other hand, what considerations
13 would favor keeping the district unified and the
14 Commission not adopting deconsolidation, in your
15 opinion?

16 A. [by Mr. Broderick]: Running with the same argument, if you take cost
17 of service and keep going with that, you can get
18 down to every customer being in its own class, and
19 that’s impossible. So some kind of balance has to
20 be established.

21 *Tr. (Broderick) at 277.*

22 Commission Staff has consistently argued the importance of considering other
23 factors such as gradualism and affordability when establishing rates; Staff is not proposing
24 that those factors be ignored here. *See Tr. (Becker) at 592.* RUCO acknowledges these
25 other factors and its support for conversation-oriented inverted-bloc tiered rates that are not
26 based on cost of service. *See Tr. (Rigsby) at 522-24.* Even Anthem (which is now an
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1 ardent supporter of cost of service despite advocating for consolidation in the “overall
2 docket”) acknowledges the need to use judgment to temper any result of cost of service.
3
4 *See Tr. (Neidlinger) at 299, 325.* The bottom line is that cost of service is not the end-all
5 be-all of rate design.

6 Second, despite advocating for cost of service, Anthem and RUCO have no cost of
7 service study to affirm the resulting rate designs for Anthem and Agua Fria. A cost of
8 service study can be a valuable tool in establishing rates as it verifies cost allocations and
9 determines what the utility’s costs are for serving particular customers – including across
10 different geographic areas. Cost of service studies often help to determine how different
11 classes of customers contribute to the costs incurred by a utility. This study can also be
12 useful to determine cost causation and verify allocations between customers within
13 different geographic areas served of the same district. Arizona-American does
14 acknowledge there are some shared costs between customers of the Anthem / Agua Fria
15 Wastewater District that are allocated to each. *See Tr. (Broderick) at 196-97.*

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19 The parties agree that no cost of service study was done in the “overall docket” or
20 this proceeding. Yet, inexplicably, the sole argument for deconsolidation is based on cost
21 of service. Anthem and RUCO do not rely on any cost of service study to support the
22 deconsolidation of a district that has been consolidated for over 10 years. A cost of service
23 study, at the very least, could verify that the rate design for a separate Agua Fria district
24 (including the tiers and breakover points) is appropriate.

25
26
27 Finally, deconsolidation will deny the remaining Agua Fria customers an
28

1 opportunity to have rates established based on cost of service. Partial consolidation will
2 still exist. In fact, Corte Bella residents will then be paying over three (3) times as much as
3 Sun City West residents pay for wastewater service (i.e., \$108.34 a month vs. \$30.96 a
4 month) – despite both being served by the Northwest Treatment Facility. *See Decision No.*
5 *72047 (Typical Bill Impact).*

6
7 In this regard, Anthem’s witness Dan Niedlinger admits that Agua Fria wastewater
8 customers currently subsidize Sun City West wastewater customers based on the 28% cost
9 allocation of that facility to Anthem / Agua Fria. *See Tr. (Neidlinger) at 320-21, 332.*
10 Unfortunately, this proceeding cannot address that allocation. Moreover, it is inconsistent
11 with the cost-of-service approach (supported by Anthem and RUCO) to not combine Corte
12 Bella with the Sun City West district since both are served by the Northwest Wastewater
13 Facility – as Arizona-American acknowledges and RUCO admits. *See Tr. (Murrey) at*
14 *110-12; Tr. (Rigsby) at 531-34.* Anthem even acknowledges that combining Sun City
15 West with Agua Fria makes sense. *See Tr. (Neidlinger) at 330-31; Surrebuttal Testimony*
16 *of Dan Neidlinger (Ex. Anthem -2) at 4;*

17
18 As part of this proceeding, Corte Bella residents (and other Agua Fria customers)
19 are facing a 139.7% increase in wastewater rates without any recourse to be consolidated
20 with the Sun City West District – with whom they share facilities. The result is an unjust
21 and unreasonable increase in wastewater rates to Corte Bella residents.

22
23 Given the large disparity and rate shock to Agua Fria wastewater customers, in
24 addition to the fragmented and inconsistent results, the Commission should not approve
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1 deconsolidation. Regardless, Corte Bella remains steadfast in recommending that the
2 consolidated Anthem / Agua Fria Wastewater district remain intact for it sees numerous
3 benefits with consolidation. Unlike Anthem, Corte Bella's position is consistent with
4 Commission policy and incorporates relevant factors when determining what is just and
5 reasonable.
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7
8 **VI. DECONSOLIDATION OF THE ANTHEM / AGUA FRIA WASTEWATER**
9 **DISTRICT STILL RESULTS IN PARTIAL CONSOLIDATION**

10 The parties agree that the four (4) service areas within the Anthem / Agua Fria
11 Wastewater District (i.e., Anthem, Verrado, Russell Ranch and Northeast Agua Fria, which
12 includes Corte Bella) are not physically connected in any way. *See Tr. (Murrey) at 93-94.*
13 Each of these service areas utilizes a separate wastewater collection system and treatment
14 plant.
15

16 If deconsolidation is approved, the outcome will be a partially-consolidated district
17 involving three separate systems (Verrado, Russell Ranch and Northeast Agua Fria) to be
18 known as the Agua Fria Wastewater District. *See Tr. (Murrey) at 108-10.* The very
19 situation Anthem advocates against (partial consolidation) would still be in place for those
20 remaining customers in the Agua Fria Wastewater District – but with the Anthem area
21 carved out. That is patently unfair and results in preferential treatment to Anthem.
22

23 The deconsolidation of the Anthem / Agua Fria Wastewater District will result in a
24 “domino effect” of future rate case filings and requests for deconsolidation. Arizona-
25 American’s witness Mr. Broderick even acknowledges this “domino effect”:
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28 Q. [by Ms. Van Quathem]: If the Commission in this case were to

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determine, based upon physical connection and cost of service differences alone, that the Anthem / Agua Fria Wastewater District should be deconsolidated, would you anticipate in your experience that other stand-alone water or sewer system customers might rely on the Commission's decision in this case arguing for their own deconsolidation?

A. [by Mr. Broderick]: I think there are parties already arguing that in advance of having that decision, so yes.

Q. [by Ms. Van Quathem]: So there is a potential for the decision in this case to cause some sort of domino effect in the Agua Fria District, too?

A. [by Mr. Broderick]: I think we are experiencing that already.

Q. [by Ms. Van Quathem]: And there are other water and sewer districts within Arizona-American that could also be affected by that sort of argument?

A. [by Mr. Broderick]: I believe that would be potentially the Mohave Wastewater District, yes.

Q. [by Ms. Van Quathem]: That's because they have separate stand-alone infrastructure systems within those districts?

A. [by Mr. Broderick]: Yes, two separate systems. And I hope they are not listening today.

Tr. (Broderick) at 194-95.

There is no doubt that Verrado, Russell Ranch and Corte Bella will demand a separate and/or realigned wastewater district (similar to Anthem) if deconsolidation is approved. That will be a nightmare scenario for American-American and the Commission.

1 Indeed, Arizona-American has already stated (on the record) that it will oppose any further
2 deconsolidation of the Anthem / Agua Fria Wastewater District. *Tr. (Broderick) at 194-*
3
4 95. The Commission should not approve deconsolidation under these circumstances.

5 **VII. CONCLUSION**

6 Based on the foregoing, Corte Bella respectfully requests that the Commission
7
8 leave the Anthem / Agua Fria Wastewater District intact and maintain the rates set forth in
9 Decision No. 72047.

DATED this 17th day of January 2012.

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