

W-01445-12-0348

ORIGINAL

ARIZONA CORPORATION COMMISSION



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UTILITY COMPLAINT FORM

Investigator: Tom Davis

Phone: 2012 DEC 12 P 3:53

Fax:

Priority: Respond Within Five Days

ARIZONA CORPORATION COMMISSION DOCKET CONTROL

Opinion No. 2012 - 107306

Date: 12/10/2012

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

Arizona Corporation Commission DOCKETED

DEC 12 2012

Complaint By: First: Peter Last: Flynn

Account Name: Peter Flynn

Home: (000) 000-0000

DOCKETED BY [Signature]

Street:

Work: (000) 000-0000

City:

CBR: 000-000-0000

State: AZ Zip:

is: Other

Utility Company: Arizona Water Company

Division: Sedona

Contact Name: Contact Phone:

Nature of Complaint:

OPPOSED W-01445-12-0348 WATER

Re: Docket W-01445-12-0348  
Application by Arizona Water Company for a Permanent Rate Increase

I am writing to comment on the astounding increase in rates (more than 25% for Sedona) requested by Arizona Water Company.

This is a hard time for many Americans, and for many Arizonans. Unemployment is high, as is underemployment, and many have faced rollbacks in their income even if fully employed. In the face of this, in a climate of inflation of 2%, we see repeated requests by utilities for rate increases vastly higher than inflation. I wonder what role the Arizona Corporation Commission plays in reviewing these requests. In a time when most companies and very many individuals are tightening their belts financially, is there any expectation that regulated utilities in Arizona will do so? The justification for the staggering rate increase is related to costs; I want to ask what effort to reduce costs has AWC made?

This is my second exposure to staggering increases in rates. I built a home in Sedona in 2009. My builder advised me that the gas company's charge for running the line from the street to the house had gone up by some 50% in the year. I wonder: how was this rate increase approved by the Arizona Corporation Commission? Surely the cost per line run didn't go up: wages across Arizona were dropping, and the gas company labor costs didn't increase by 50%. At a time when the home construction industry was flat on its back in Arizona the gas company piled on higher costs, presumably with the approval of the ACC. Again I ask: do rate hearings probe what efforts are made to reduce costs, as non-regulated companies across the US are implementing.

I have two hopes. The first is that the ACC is not a rubber stamp. The second is that the ACC, as part of its rate hearings, demands performance on cost efficiency from regulated utilities. I see little evidence of this in the application by Arizona Water Company.

ARIZONA CORPORATION COMMISSION  
UTILITY COMPLAINT FORM

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Sincerely,  
Peter Flynn  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Entered for the record and docketed  
\*End of Comments\*

**Date Completed: 12/10/2012**

**Opinion No. 2012 - 107306**

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