

WS-03478A-12-0307



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ORIGINAL

ARIZONA CORPORATION COM

UTILITY COMPLAINT FORM

RECEIVED

Investigator: Al Amezcua

Phone: 2013 MAR -4 A 8: 33

Fax:

Priority: Respond Within Five Days

ARIZONA CORPORATION COMMISSION
SECRET CONTROL

Opinion No. 2013 - 108531

Date: 2/13/2013

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

Complaint By: First: PETITION Last: PETITION

Account Name: PETITION PETITION Home: (000) 000-0000

Street: n/a Work: (000) 000-0000

City: Yuma CBR:

State: AZ Zip: 00000 is:

Utility Company: Far West Water & Sewer, Inc.

Division: Sewer

Contact Name: Roxanne Fiddes

Arizona Corporation Commission
DOCKETED
Contact Phone:

Nature of Complaint:

2/13/13

PETITION ***** Letters sent in by 12 consumers all OPPOSED ***** WS-03478A-12-0307

DOCKETED BY [Signature]

Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

RE: Docket No. WS-03478A-12-0307

To Whom It May Concern:

We are writing to you as concerned property owners. We recently received notification regarding a proposed price increase of 188%. This increase is not only excessive, but far above and beyond any acceptable increase due to operating expenses incurred due to annual inflation. It is disturbing that Far West find it necessary to inflict such a steep increase when they do not participate in the standard practice of charging tap fees which fund the expansion capital for the majority of utility companies throughout the country.

Considering that a large percent of Far West's clientele is comprised of part-time residents who spend an average of 4 months each year using the current sewer system, Far West appears to be attempting to gain expansion capital for service not rendered. Under close examination, the proposed increase will cost the average part-time resident an average of \$187.90 per month of use while inhabiting their residence.

Current Fee: \$21.75
188% increase: \$62.65
Increased rate per year: \$751.80
Average for a 4 month resident: \$187.95

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

It is not unexpected to incur small increases in service fees, such as 10-15%, on occasion. It is also expected that a fee for the administrative cost of maintaining service during months of disuse. However, an increase of 188% exceeds simply "excessive".

It would be in the best interest of ACC to advise Far West to consider the implementation of standard tap-fees as employed by similar utility companies. This would serve Far West's need to build expansion capital for future expansion of their utilities, and still serve their current clients at reasonable rates.

Signed by:

1. Sharon T Martin
 2. Carol Larson
 3. Ken Bingham
 4. Mathen & Marion Arthurs
 5. Frank & Marty Weeks
 6. Darrell & M. Kathy Sonnenberg
 7. Eugen Anthony III
 8. Jean King
 9. McQayne Tole
 10. M W Woods
 11. Robert & Sherryl Hayes
 12. Wilson & Barbara Farrell
- *End of Complaint*

Utilities' Response:

Investigator's Comments and Disposition:

2/13/13 Comments noted for the record and docketed. CLOSED.
End of Comments

Date Completed: 2/13/2013

Opinion No. 2013 - 108531

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 108530

Date: 2/13/2013

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

Complaint By: **First:** PETITION **Last:** PETITION

Account Name: PETITION PETITION

Home: (000) 000-0000

Street: n/a

Work: (000) 000-0000

City: Yuma

CBR:

State: AZ **Zip:** 00000

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Sewer

Contact Name: Roxanne Fiddes

Contact Phone:

Nature of Complaint:

2/13/13

***** WS-03478A-12-0307 ***** PETITION signed by 18 customers.

Customer sent the following

We would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far West Water and Sewer Company, Docket Number - WS-03478A-12-0307.

Far West provides water and sewer service to the Foothills area east of Yuma. There are approximately 8,000 residential and commercial customers in this unincorporated area of Yuma County who would receive a rate increase of 188.05%. Once approved, this new rate would be the permanent rate and would continue until Far West decided to raise the rates again.

Winter residents increase Yuma's population each year by more than 80,000 people with the majority of them living in the Foothills. As customers of Far West they are required to pay for 12 months of service but may only be in residence 3-4 months.

If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck and the increase could potentially force many people to sell or go into foreclosure.

WE FEEL THIS ENORMOUS INCREASE IS NOT JUSTIFIED!!!!!!

Submitted by:

1. Dean & Janice Smith
2. Lloyd Bond
3. Lorew Scripture

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

4. Valerie & Eugene Zielke
 5. Karen Hooghton
 6. Jerry L Barton
 7. William Houghton
 8. Ron Bruland
 9. Lloyd Tobiassen
 10. Jean King
 11. Barbara Gran
 12. Larry & Evelyn Hanner
 13. Stanley Norris
 14. Matthew Feleskg
 15. Howard & Pat Hawkey Sr.
 16. Jerry Steffes
 17. Jerry & Hannelore Zak
 18. Jimmy & Susan Hall
- *End of Complaint*

Utilities' Response:

Investigator's Comments and Disposition:

2/13/13 Comments noted for the record and docketed. CLOSED.
End of Comments

Date Completed: 2/13/2013

Opinion No. 2013 - 108530

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2013 - 108531

Date: 2/13/2013

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

Complaint By: **First:** PETITION **Last:** PETITION

Account Name: PETITION PETITION

Home: (000) 000-0000

Street: n/a

Work: (000) 000-0000

City: Yuma

CBR:

State: AZ **Zip:** 00000

is:

Utility Company: Far West Water & Sewer, Inc.

Division: Sewer

Contact Name: Roxanne Fiddes

Contact Phone:

Nature of Complaint:

2/13/13

PETITION ***** Letters sent in by 12 consumers all OPPOSED ***** WS-03478A-12-0307

Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

RE: Docket No. WS-03478A-12-0307

To Whom It May Concern:

We are writing to you as concerned property owners. We recently received notification regarding a proposed price increase of 188%. This increase is not only excessive, but far above and beyond any acceptable increase due to operating expenses incurred due to annual inflation. It is disturbing that Far West find it necessary to inflict such a steep increase when they do not participate in the standard practice of charging tap fees which fund the expansion capital for the majority of utility companies throughout the country.

Considering that a large percent of Far West's clientele is comprised of part-time residents who spend an average of 4 months each year using the current sewer system, Far West appears to be attempting to gain expansion capital for service not rendered. Under close examination, the proposed increase will cost the average part-time resident an average of \$187.90 per month of use while inhabiting their residence.

Current Fee: \$21.75

188% increase: \$62.65

Increased rate per year: \$751.80

Average for a 4 month resident: \$187.95

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

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It would be in the best interest of ACC to advise Far West to consider the implementation of standard tap-fees as employed by similar utility companies. This would serve Far West's need to build expansion capital for future expansion of their utilities, and still serve their current clients at reasonable rates.

Signed by:

1. Sharon T Martin
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 8. Jean King
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 10. M W Woods
 11. Robert & Sherryl Hayes
 12. Wilson & Barbara Farrell
- *End of Complaint*

Utilities' Response:

Investigator's Comments and Disposition:

2/13/13 Comments noted for the record and docketed. CLOSED.
End of Comments

Date Completed: 2/13/2013

Opinion No. 2013 - 108531

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone: _____

Fax: _____

Priority: Respond Within Five Days

Opinion No. 2013 - 108529

Date: 2/13/2013

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

Complaint By: **First:** PETITION **Last:** PETITION

Account Name: PETITION PETITION **Home:** (000) 000-0000

Street: n/a **Work:** (000) 000-0000

City: Yuma **CBR:**

State: AZ **Zip:** 00000 **is:**

Utility Company: Far West Water & Sewer, Inc.

Division: Sewer

Contact Name: Roxanne Fiddes

Contact Phone: _____

Nature of Complaint:

2/13/13

PETITION OPPOSED WS-03478A-12-0307 ***** Letters sent in by 8 consumers.

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far West Water and Sewer Company, Docket No. WS-03478A-12-0307

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County who would receive a rate increase of 188.05%. Once approved this new rate will be the permanent rate and will continue until Far West decided to raise the rates again.

B. Far. West Water and Sewer Co., and H & S Developers have been fined and are required to pay penalties for numerous repeated alleged water and air quality violations dating back as far as 1989, 50 counts filed September 9, 2008 and additional corrections and judgements in 2010 that could amount to judgements of millions of dollars. H & S Developers is also named because it provided the services until forming Far West as a separate company in 1998 when it transferred drinking water and wastewater facilities ownership to the new company.

C. In 2006 Far West Water and Sewer finally came into compliance with ADEQ. The company has now expanded its lagoon by 300%. We speculate that this effort was only put forth to compensate for the recent subdivision that H & S Development Co. started at this time.

D. Winter residents currently flock to Yuma because of the weather and because it is economically feasible to maintain a second home here. Winter residents increase Yuma's population each year by more than 80,000 people with the majority living in the Foothills. This population will be especially affected by this increase because, since 2003, they pay for 6 months of sewer fees despite being unable to flush their toilets because they

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

have returned to their primary residences.

E. Of the "full time" Foothills residents there is a large percentage of Retirees living on a fixed income. Many more are the working class. If the proposed increase passes it would only succeed in further devastating the local economy. There are many folks who live paycheck to paycheck as it is. A fee increase as proposed could potentially force many people to sell or foreclose. With the housing market as it is today, this will only add to the declining economy.

IN CONCLUSION:

* We don't feel that the current customers should incur the costs necessary to cover a new wastewater plant needed to serve future growth. At most this cost should be absorbed by impact fees on the new lots being developed. We believe they have not suggested this because it would reduce the parent company's building profits, in part due to the recession limiting the builder's inability to charge more than the market will bear.

* We further feel that this increase is also being requested as a direct result of negligence on the part of Far West Water & Sewer. It appears as if they're poor planning failed to prevent numerous ADEQ violations. We the customers of Far West Water and Sewer do not feel that this is a cost that should be transferred to current customers.

* We feel that Far West Water and Sewer Co., should have maintained the current facilities as repeated violations have been submitted since 1990 from ADEQ as well as the September 9, 2008, 49 page compliant in Maricopa County Superior Court in which 50 counts were filed against these companies, and again in 2010 when additional fines were filed for wastewater violations and negligence. In 2006 the plant finally came into compliance with ADEQ receiving permission to allow more hookups. Maintaining is what the company should have focused on, but instead they only increased their lagoon by 300%.

THEREFORE, we feel that this enormous increase is not justified. We the current owners feel that the extra charges requested are to aid H & S Developers and Far West Water and Sewer in paying settlements incurred due to lawsuits and penalties owed to ADEQ for lack of safety and loss of life. We also feel it is possible that Far West is trying to offset the costs incurred by H & S Development Co.'s newer developments. Their lack of sales and poor investments are not our responsibility. Far West Water and Sewer and H & S Developers for years should have been investing their revenues in maintaining the system they have in place. If that had been the case, they would not be requesting this large increase.

Other cities in Arizona* have been investigated and it has been found that they have seen rate increases of 5 - 9.5%. A small percentage is acceptable and necessary, but 188% IS NOT. We the customers cannot afford this increase. We hope you will consider our concerns and VOTE NAY on this application Thank you.

Dated this 27th day of December, 2012

*Average Sewer Rates around Arizona"

Tuscon: \$40.89/month- however if you are gone for 1 month or more only monthly service fee of \$11.86 is charged.

Phoenix: \$34.25/ month

Submitted by:

1. Jen & Lorraine O'Hara
2. Donald Cowder
3. Eugene Asselstine
4. Roger & Fae Peterson
5. Delbert Warren
6. James Caviness
7. Dan & Jackie Olberg

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

8. David Sparks
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

2/13/13 Comments noted for the record and docketed. CLOSED.
End of Comments

Date Completed: 2/13/2013

Opinion No. 2013 - 108529
