

ORIGINAL

OPEN MEETING AGENDA ITEM



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COMMISSIONERS  
BOB STUMP- Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH



RECEIVED  
JODERICH  
Executive Director

ARIZONA CORPORATION COMMISSION MAR - 7 A 11: 41

CORP COMMISSION  
TICKET CONTROL

March 7, 2013

Arizona Corporation Commission  
DOCKETED

MAR 7 2013

DOCKETED BY  
JBM

Mr. Michael Davoren  
Beaver Valley Water Company  
P.O. Box 421  
Payson, AZ 85547

RE: Albert L. Smith v. Beaver Valley Water Company, Inc. (Docket No. W-02015A-11-0416) – Formal Complaint.

Dear Mr. Davoren:

Several matters have come to the attention of the Utilities Division (“Staff”) of the Arizona Corporation Commission (“Commission”) regarding the formal complaint filed by Albert L. Smith against Beaver Valley Water Company, Inc. (“Company” or “you”) that is pending at the Commission in Docket No. W-02015A-11-0416. First, and most urgent, Staff has learned that you have threatened to terminate water service to Mr. Smith if you do not receive payment for the amount disputed in that formal complaint by March 11, 2013 (Attachment A).

Please be advised that you are not authorized to terminate water service to Mr. Smith under these circumstances. The formal complaint proceeding remains unresolved and the Commission has not taken any final action on that matter. As a result, the alleged debt remains in dispute and the Company may neither attempt to collect nor terminate service for nonpayment of that disputed debt. If you terminate service to Mr. Smith based on these circumstances, you may be subject to further proceedings as ordered by the Commission.

Second, it has come to the attention of Staff that the Company has been engaging in irregular billing practices with respect to Mr. Smith’s account during the last three months. Specifically, Staff has learned that the Company has been crediting Mr. Smith’s account for the full amount of his monthly water usage and has only been charging Mr. Smith for the amount of sales tax attributable to that amount. As a result, the Company has billed Mr. Smith a total of \$111.69 for water usage in the months of December, January, and February, but has only charged Mr. Smith a total of \$5.27.

March 7, 2013

Page 2

Staff would like the Company to provide a written response to this letter by March 15, 2013. In your response, Staff would like a written assurance that you will not terminate service to Mr. Smith. Also, Staff would like you to address why you are presently providing water service to Mr. Smith at virtually no cost and why you are threatening to terminate his water service for nonpayment of a disputed past debt that is under Commission consideration.

If you have any questions regarding this letter, please feel free to contact me at (602) 542-3402. Failure to respond to this letter by March 15, 2013 may subject you to further Commission proceedings. In addition, termination of service to Mr. Smith and/or failure to bill and collect the tariffed charges for water services to Mr. Smith may subject you to further Commission proceedings as well.

Sincerely,



Scott M. Hesla  
Attorney, Legal Division  
(602) 542-3402

SMH:ah

cc: Docket Control Center (Fifteen copies)  
Steve M. Olea, Director of the Utilities Division  
Albert Smith

# Attachment A

ALBERT SMITH  
RE: ACCOUNT @ UNIT 2 LOT 64  
BEAVER VALLEY

3/4/13

Mr Smith,

It has come to my attention you have dropped your formal complaint against BVWC. Therefore this billing will include the disputed amount of \$290.83. There will be no back charges for the months where all that was expected was the sales tax, as I discussed with Connie Walczak, (consumer services ACC).

It has also come to my attention (via Connie Walczak phone call on 3-4-13) that you were advised by someone at the commission that you drop the complaint for whatever reason (it doesn't matter). The fact of the matter is; if this is not the outcome you expected, your focus of dispute now rests on the ACC and not BVWC. **The Arizona Corporation Commission is not allowed to assist or advise you (complainant), in any way, during the due process.** (For those in the corrupt consumer services dept of the ACC that may read this; that means you are not to help the complainant). They did so. And unless this is the outcome you expected, you should file a complaint against the commission for corruption and /or malfeasance in the consumer services dept and seek reimbursement and damages. Connie and /or whoever was involved in giving you advice should have constrained themselves. Instead they put their ignorance on display. I don't know what their strategy was, but I am confident you are aware--Be it a decision against your complaint in "open meeting" or you dropping your complaint, the result is the same... you are responsible for the disputed amount.

I fully intend to find out why some (Connie and her charges) at the ACC have seen their way clear to, repeatedly and now predictably, break or make up their own rules. In this instance you were given poor advice from people who are not to give direction at all.

**The Executive Director advised to find against your complaint as all your evidence was rebutted.** Given you have dismissed your complaint (and it doesn't matter why), BVWC is, of course, entitled to payment.

Therefore this is a demand to pay the arrears as it appears on your billing (**\$290.83 past due immediately** and current billing by due date).

Shut off date is Monday 3-11-13.

Regards

Mike  
BVWC

RECEIVED

MAR 06 2013

P.O. BOX 421  
PAYSON, AZ. 85547

928 474-5759

Billing Date	Due Date	Account Number
3/5/2013	3/20/2013	1940
<b>Service Addr: 2-64</b>		
From:	2/5/2013	244640
To:	3/4/2013	244800
Consumption:		260
Previous Balance		\$0.00
Late Payment Fee		\$0.00
3/4" METER		\$34.29
past due		\$290.83
credit		(\$34.29)
Total Taxes		\$2.48
<b>Total Amount Due</b>		<b>\$293.31</b>

USA 33



Please Return This Pc

Billing Date	Account Number	Amount Due
3/5/2013	1940	\$293.31

**SMITH, ALBERT**  
**2613 N. McALLISTER AVE.**  
**TEMPE, AZ. 85218**

RECEIVED

MAR 06 2013

AZ CORP COMM  
Director - Utilities