

W-02351A-11-0231

**ORIGINAL**



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April 11, 2013

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

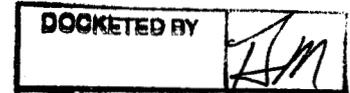
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APR 18 2013



Re: Picacho Water Company Rate Application (Docket # W-02351A-11-0231)

To Whom It May Concern:

In reviewing the usage and billings since January 2009 for Picacho Peak RV Resort we have several concerns. We have tried to talk with the Picacho Peak Water Company (PPWC) about the rates but have not been able to solve the problem. PPWC has stated that Picacho Peak RV Park needs to pay more since they caused PPWC to be out of compliance with A.D.E.Q. regarding the high nitrate levels. Since the original letter was written in 2009 we are in the process of adding an R.O. System to the RV Park. Picacho Peak RV is paying for and installing the system along with 30,000 gallons of storage. Now, with the installation of the R.O. System we will have 38% rejection of water that we will be paying for that will make our business unprofitable. Below is a summary of our concerns.

- 1) In January 2009 Picacho Peak RV started being charged \$1,425 per month for a 2" meter. However, other commercial type users continue to use 3/4" meters and are only being charged \$138.00 per month. We get our water through our 2" meter and fill our water tank. We then pressurize it so that we have adequate pressure in the park. Bowlin's has a similar setup and cannot run a convenience store and Dairy Queen with restroom off a 3/4 meter unless you have tank storage and pressurize a larger line going to your stores. Neither can the State Parks with a visitor's center, 100 RV sites, four manufactured homes and shower facilities. Picacho Peak RV also could operate sufficiently with a 3/4 inch meter and fill their on-site tank and distribute it throughout the park. In addition, Picacho Peak RV never was given notice of this increase in January 2009.
- 2) Since we have a 2-inch water meter we pay \$17,100 per year before we are billed for our water usage. All other commercial users (3/4-inch meter) pay \$1,656 per year. The Ostrich Farm has two residential meters and one commercial meter but the commercial meter never has any usage. Kind of a coincidence since commercial water usage cost is more. None of the meters in the service areas should be listed as residential users. All of the housing in the area is there to run the commercial operations; such as, the State Park, Bowlin's Travel Centers, Ostrich Farm and Picacho Peak RV.

- 3) In addition, several years ago Picacho Peak RV was served by a 1-1/2 inch meter. The meter broke and was replaced with a two- inch meter. Why was our meter upsized and now we are being penalized.
- 4) Total water usage for 2010 is listed below.

<u>User</u>	<u>Gallons</u>	<u>Meter Cost</u>
Bowlin's -	1,911,510 (All four meters)	\$429
State Park -	5,400	\$138
Emil -	21,350	\$138
Picacho Peak RV -	1,788,200	\$1,425
Ostrich -	823,320 (All three meters)	\$168

As you can see we pay more than three times as much for our meter than everyone else but use similar amounts of water. This cost is a burden on a seasonal business such as ours and the recession has caused our business to suffer.

In conclusion, Picacho Peak RV Resort wants to pay its fair share. We request that we be able to reduce our meter to a ¾ inch meter or that the water company bills its customers based on water usage.

Sincerely,



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