

ORIGINAL

RECEIVED



0000155098

2014 JUL 31 A 11: 16

July 29, 2014

Arizona Corporation Commission  
1200 West Washington St  
Phoenix, AZ 85007-2996

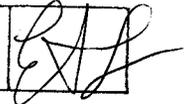
ACC CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

JUL 31 2014

RE: DOCKET NUMBERS W-01303A-09-0343 AND SW-01303A-09-0343

Mr. Chairman and Commissioners:

DOCKETED BY 

I have read the correspondence from EPCOR, posted on your site, dated July 14, 2014, and have the following observations.

1. It makes sense to me that there is a sort of 'safety in numbers' when it comes to paying for regional infrastructure improvements. The legitimate question is – 'what defines a region?' It occurs to me that it is not fair for one neighborhood to have disproportionate costs for utility service as compared to an adjacent neighborhood as it affects property values which would then have collateral effects in everything from crime rates to quality of primary education. This, of course, would have further effects on property values.
  - a. I am relatively new here to Arizona coming from Fairfax, VA. Home of one of the largest school districts in the country. This may seem like an odd comparison but they very effectively and efficiently serve nearly 200,000 students in their "region" because size gives you lots of opportunity for efficiency.
  - b. I am for consolidation as recommended by EPCOR.
2. It strikes me as odd, however, that EPCOR can already conclude that they are for consolidation before they have presented any study findings.
3. This leads me to focus on their "advocating for a revenue neutral consolidation."
  - a. It further occurs to me that, while we need EPCOR to stay in business, the profit level that is considered acceptable is very subjective.
  - b. As a monopoly, do they not have any consequence for their poor business decisions?
  - c. What growth projections did they consider when adding capacity in the West Valley?
  - d. What deals were brokered with the residential developers in the West Valley?
    - i. Would someone forced to make decisions under the pressure of free market competition have made these same deals?
    - ii. Did these deals intentionally put risk onto future homeowners without any ability for those homeowners to reasonably foresee them?
4. I also hope the Commission will take an objective look at allowing EPCOR to be compensated for the study through future rate case. To this I ask:
  - a. What were their previous recommendations? Did the ACC go against their recommendations? If not, then EPCOR has culpability in making recommendations that led to bad outcomes.
    - i. Again, if forced to operate in a free market, would the same decisions have been made?
    - ii. If forced to operate in a free market, would the same effort have been made in the research used to support the recommendations?
5. Finally, I am curious about EPCOR's sense of urgency.
  - a. To what extent are they trying to get away from a bad deal?

- b. Of course, I would like my water bill lowered as soon as possible. Like others in Verrado, my bill is up substantially (nearly 240%) since we moved to the community in July 2010. The urgency concerns me that they are trying to get a decision before thoughtful deliberations can be made.
- c. Disclosure: I am writing this letter with a sense of urgency and wish that I knew the answers to the questions that I have posed above but I do not feel that I have time to do all of the research with EPCOR's next milestone coming on August 8<sup>th</sup>.

Thank you for your attention,

A handwritten signature in black ink, appearing to read "David Wender". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Wender

Buckeye, AZ