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Before the Arizona Corporation Commission

Susan Bitter Smith - Chairman  
Bob Stump - Commissioner  
Bob Burns - Commissioner  
Doug Little - Commissioner  
Tom Forese - Commissioner

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AZ CORP COMMISSION  
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In the matter of Epcor Water Arizona, Inc. of ) Docket Nos SW-01303A-09-0343  
a hearing on rate consolidation/deconsolidation ) W-01303A-09-0343  
proposals for possible rate changes for utility )  
service in all of its Arizona wastewater districts )

I am submitting a summary of recent meetings I have had with Mr. Tom Broderick of the ACC and Ms. Sheryl Hubbard and Ms. Sarah Mahler of Epcor to ensure that the information from Epcor for the proposed consolidation/deconsolidation hearing in April, 2016, meets the requirements of the ACC, Epcor, RUCO and consumers and that future delays and costs in producing such information can be eliminated.

Without the time and help of these three executives I could not have produced this summary. My thanks to them.

Respectfully submitted on September 23, 2015.

Frederick G. Botha

Arizona Corporation Commission

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Epcor are spending significant time and costs on manually allocating historical expenses from Arizona American Water to Epcor's current information system. These allocations could be done easily by computer at minimal cost, if only the ACC Staff and RUCO would determine the formulae for doing so - for example, using criteria such as capital equipment, consumption, number of customers or a combination of these.

If ACC Staff and RUCO consider that such methods are unfair to some customers, then they should for the record state what the cost savings would be and how much customers' monthly accounts could vary at worst. This would enable all parties to be aware of the tradeoffs and for the ACC to decide whether to use appropriate criteria or not. If this manual process needs to be done again, consumers should be made aware of the associated costs and delays beforehand.

The ACC, RUCO and Epcor have not in the past made it clear what the impact of planned capital improvements will be on future consumer water and wastewater rates. This could easily be done from the information in the current Epcor computing information system and would eliminate much misunderstanding about future increases.

Much time and cost could be saved if major Epcor vendors, such as APS, provide their monthly charges in a data format to be automatically input into their system to avoid manual entry.

Each day's financial income and expense transactions are balanced on the information system at Epcor, ensuring that up-to-date information is available for the ACC, RUCO and consumers. However, some of the information is confidential, so attempts need to be made to extract whatever authorized information is needed by the ACC, RUCO and consumers. Making this information available online on the internet will assist everyone significantly and replace the current time consuming and costly system of data requests. The information does not have to be in final approved form - it is useful at each stage of its preparation.

Provision needs to be made by Epcor to capture data at each community level to ensure that any information needs in the future can be easily met.

There is no need for significant amounts of paper to be printed unless it is requested for special purposes. Providing access online on the internet is the way of the future.

The ACC needs to publish the lists of those accounts used to determine rates for consumers.

In the coming months I will meet with Sarah Mahler at her and Sheryl Hubbard's convenience to identify what information consumers need and intervenors will be updated for their input.

It would be to the advantage of the ACC, RUCO, Epcor and consumers for the ACC and RUCO to establish guidelines on what information they need online on the internet from Epcor.

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