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Before the Arizona Corporation Commission

Andy Biggs - Chairman
Bob Stump - Commissioner
Bob Burns - Commissioner
Doug Little - Commissioner
Tom Forese - Commissioner

RECEIVED

2016 JAN 11 P 12: 11

AZ CORP COMMISSION
DOCKET CONTROL

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)

Please will the appropriate people answer my questions that follow separately.

Respectfully submitted on January 11, 2016.

A handwritten signature in black ink, appearing to read "F. Botha".

Frederick G. Botha

Arizona Corporation Commission

DOCKETED

JAN 11 2016

DOCKETED BY	Handwritten initials in black ink, possibly "KJ".
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Susan Bitter Smith resigned on January 4, 2016, as Chair of the ACC, after possible conflict of interest violations. Arizona Governor Doug Ducey appointed Andy Biggs to the Commission to provide the high level of integrity he expects in the service the ACC provide to the public.

Against this background, who would have expected Staff, RUCO, Epcor and Ms. Connie Walczak to meet with the judge to answer my questions? I would.

Who would have expected Staff and Epcor to consider my questions premature? I would not.

Who would have expected Epcor to avoid answering my questions and to answer unasked questions instead? I would not.

How completely out of touch I must be with these groups, who have been appointed to serve the public and to provide high levels of customer service, as they probably imagine they do?

Is Governor Ducey's appointment of Andy Biggs going to make a difference to the way the ACC operates? Who knows? Who cares, especially after what little I have achieved since I registered as an intervenor eight years ago?

The responses that I receive to my questions following, if clear and complete, might show just how much time is being wasted by avoiding attempts to find solutions now.

In their responses to my previous request for an open meeting, Staff and Epcor have nonchalantly responded that my requests are premature without giving any substantive reasons such a delay.

I will respond first to Epcor and their comments that my request for a meeting is premature - especially since they have even answered questions that I did not ask.

Specifically, they did meet previously with me to discuss my questions but these were not the same questions that I am asking at the requested hearing. The paper copies they provided to me are over an inch and a half thick and are of little value compared with brief summary information of a few lines displayed on a computer screen in a few seconds, as I have been requesting since 2008.

Which is more useful? Hours spent reading through these voluminous paper copies or a few seconds accessing the equivalent summaries on a screen?

Whatever consolidation/deconsolidation information Epcor have been instructed by the AZCC to produce, it has to enable those at the hearing to compare both options in terms of costs and revenue and this is what my requests focus on.

I have not requested any 2015 results, as intimated by Epcor. It is the format of the results that I have requested to be finalized.

Whether Epcor like it or not or whether they have been requested to address it or not, each community within Agua Fria will require additional water and wastewater facilities in the future and all the communities will want to know their portion, if any, of such community based costs. Community costs need to be tracked.

If this issue continues to be ignored, it will be far more costly to address and correct later. If Epcor's system of tracking costs is an Oracle based system, as they have confirmed previously, it is not nearly as significant to make the change now as it will be later. Merely denying that it is a current requirement is not helpful.

No-one is asking or expecting Epcor to make its accounting system or any confidential information available to the public on its website. Also, it is no surprise that Epcor files its required annual reports.

What I am asking Epcor to do is to make available on its website publicly authorised summary information that has been extracted from its accounting system. This is to avoid masses of complex, printed documents and the lengthy delays caused by their out-of-date data extract system. The format of this screen information needs to be specified now to avoid future delays in April, 2016.

If Epcor management and staff use their computers to provide immediate access to their own information on the internet, is it any surprise that consumers would like to use the same facilities to access publicly authorised information?

Epcor already provide consumers with their billing and accounts receivable information on the internet without disclosing any additional confidential information, so why not do the same for costing information? What is the difference between the two ways of helping consumers?

With the utmost respect to the qualifications, training, experience and goodwill of Epcor's staff and legal counsel, I am no better off in having my requests answered than I was eight years ago, when I registered as an intervenor.

Will Andy Biggs find this as amusing as we all do? Imagine Governor Ducey's reactions, if he knew what was happening?

1 Questions for Staff on meetings with Epcor

1.1 Since October, 2015, has any representative of Staff met with Epcor to specify the type or format of schedules required for the consolidation/deconsolidation to be presented by Epcor in April, 2016?

1.2 If so, in terms of what docket number was such a meeting authorised?

1.3 If so, approximately how many different representatives of Staff have met with Epcor?

1.4 If so, approximately how many times have they met?

1.5 If so, approximately how much time in total has been spent?

1.6 If so, what types of schedules have been specified?

2 Questions for RUCO on meetings with Epcor

2.1 Since October, 2015, has any representative of RUCO met with Epcor to specify the type or format of schedules required for the consolidation/deconsolidation to be presented by Epcor in April, 2016?

2.2 If so, in terms of what docket number was such a meeting authorised?

2.3 If so, approximately how many different representatives of RUCO have met with Epcor?

2.4 If so, approximately how many times have they met?

2.5 If so, approximately how much time in total has been spent?

2.6 If so, what types of schedules have been specified?

3 Questions for Epcor on meetings with Staff

3.1 Since October, 2015, has any representative of Epcor met with Staff to specify the type or format of schedules required for the consolidation/deconsolidation to be presented by Epcor in April, 2016?

3.2 If so, in terms of what docket number was such a meeting authorised?

3.3 If so, approximately how many different representatives of Epcor have met with Staff?

3.4 If so, approximately how many times have they met?

3.5 If so, what types of schedules have been specified?

3.6 If so, approximately how much time in total has been spent?

3.7 If so, approximately how many hours has it taken Epcor to create the software to produce such schedules?

4 Questions for Epcor on meetings with RUCO

4.1 Since October, 2015, has any representative of Epcor met with RUCO to specify the type or format of schedules required for the consolidation/deconsolidation to be presented by Epcor in April, 2016?

4.2 If so, in terms of what docket number was such a meeting authorised?

4.3 If so, approximately how many different representatives of Epcor have met with Staff?

4.4 If so, approximately how many times have they met?

4.5 If so, what types of schedules have been specified?

4.6 If so, approximately how much time in total has been spent?

4.7 If so, approximately how many hours has it taken Epcor to create the software to produce such schedules?

5 Questions for Epcor on consumers

5.1 If any representative of Epcor has met with representatives of Staff or RUCO to specify the type or format of schedules, why were consumers not offered similar opportunities since consumers initiated this hearing?

5.2 If any representative of Epcor has met with representatives of Staff or RUCO to specify the type or format of reports, when will consumers be offered such opportunities?

5.3 If representatives of Epcor have not met with representatives of Staff or RUCO to specify the type or format of schedules, why does Epcor claim that the additional time spent and the additional schedules specified with Staff and RUCO have prevented Epcor from allocating time to consumers like myself?

6 Questions for Epcor on future plant replacement costs

6.1 When the hearing resumes in April, 2016, will Epcor provide future annual 5 year estimates of plant replacement costs for each district to enable consumers to compare the relative current and future costs of consolidation/deconsolidation in each district?

6.2 If not, what schedules for each district will be used to compare the relative current and future costs of consolidation/deconsolidation?

6.3 If there are currently no schedules to produce such figures, how many weeks will it take to produce them when the case starts again in April, 2016?

7 Questions for Epcor on Agua Fria

7.1 When the hearing resumes in April, 2016, will Epcor provide schedules on both costs and number of consumers in the Agua Fria district since it was created?

7.2 If not, what schedules will be used to determine whether the number of consumers and revenue from each community in Agua Fria, each with its own facilities, was sufficient to make the district viable on its own when Agua Fria was set up?

7.3 If not, what schedules in the consolidation/deconsolidation show whether the same mistakes are being repeated by grouping districts and communities that have duplicate facilities and are not viable as separate units in terms of revenue and costs?

7.4 If there are currently no schedules to produce such figures, how many weeks will it take to produce them when the case starts again in April, 2016?

8 Questions for Epcor on Sun City West and Corte Bella?

8.1 When the hearing resumes in April, 2016, will Epcor provide schedules on the costs and allocation of the wastewater facilities shared currently by Sun City West and Corte Bella?

8.2 If not, what schedules will be used to to determine the costs and use of the facilities by each community?

8.3 If there are currently no schedules to produce such figures, how many weeks will it take to produce them when the case starts again in April, 2016?

9 Questions for Epcor on the North West Valley plant

9.1 When the hearing resumes in April, 2016, will Epcor provide schedules on Agua Fria district's share of the annual and cumulative costs of the North West Valley plant?

9.2 If not, what schedules will be used to determine the reduction of Agua Fria's share, as has been done previously?

9.3 If there are currently no schedules to produce such figures, how many weeks will it take to produce them when the case starts again in April, 2016?

10 Questions for Epcor on plant performance

10.1 When the hearing resumes in April, 2016, will Epcor provide schedules on each water and wastewater plant's performance to ensure it is optimal and to track any malfunctions and wastage?

10.2 If not, what schedules will be used for this purpose?

10.3 If there currently no schedules to produce such figures, how many weeks will it take to produce them when the case starts again in April, 2016?

11 Questions for Epcor on tracking each community in Agua Fria

11.1 When the hearing resumes in April, 2016, will Epcor be tracking revenue and costs for each community within Corte Bella?

11.2 If not, how will any costs for future plant replacement be allocated to their specific community?

Each community in Agua Fria has its own specific water and wastewater facilities and if any changes are made to these, the other communities will want to know the relevant costs to avoid having them spread over all communities.

Such changes can be made more easily now to Epcor's Oracle software than in the future.

12 Questions for Epcor on online, internet access

12.1 Do Epcor management and staff access income and expense information online on the internet to provide convenient and immediate access and to save time?

12.2 If not, why not?

12.3 For convenience and to save time, is it surprising that many consumers wish to access public information on Epcor's revenue and costs online on the internet?

12.4 If not, why not?

12.5 If not, why do Epcor provide online, internet access to billing and accounts receivable information to consumers?

12.6 Do Epcor have any objection to their software supplier, Oracle, confirming that publicly available revenue and cost information can be made available to consumers in the same way as billing and accounts receivable information?

12.7 If so, what are the objections?

12.8 If not, will Epcor provide online, internet access to information available to the public for the consolidation/deconsolidation information in April, 2016, especially since it has been requested many times previously?

12.9 If not, why not?

13 Questions for Epcor on data requests

13.1 Why do Epcor recommend that data requests are the most appropriate form of request for information compared with online, internet access in terms of volume of printed output and the delays in producing and distributing such data?

13.2 How many management and staff at Epcor use data requests in preference to accessing information online on the internet?

14 Questions for Epcor on balanced data

14.1 Will separate revenue and cost information for deconsolidation for each district and the combined revenue and cost information for consolidation for all districts to have been balanced and confirmed correct by an independent, outside auditor?

14.2 If not, why not?

14.3 If not, will it be reasonable for Epcor to be penalized financially?

14.4 If not, why not?

14.5 Will the separate totals for each year balance with the cumulative final totals for 2015?

14.6 If not, why not?

15 Questions for Epcor on their purchase of Arizona American Water

15.1 Did Epcor purchase all the assets and liabilities of Arizona American Water?

15.2 If not, which were not purchased?

15.3 If so, were the accounting systems of Arizona American Water included in the purchase?

15.4 If so, are any changes to these systems the sole responsibility of Epcor?

15.5 If not, why not?

15.6 If so, will Epcor pay for all changes to such systems for consolidation/deconsolidation?

15.7 If not, why not?

16 Questions for Epcor on lawyers' participation

16.1 In Epcor's opinion is it possible that agreement in this hearing could and would have been reached already without using lawyers?

16.2 Would costs have been considerably less?

16.3 What are Arizona American's and Epcor's legal costs to date for this and associated hearings since 2008?

16.4 How much of this is paid by consumers?

17 Questions for Ms. Connie Walczak

17.1 Since October 1, 2015, were Epcor permitted to work with Staff and RUCO to specify their information requirements for consolidation/deconsolidation in terms of the conditions of this hearing?

17.2 If so, under what docket number?

17.3 If so, why did Ms. Connie Walczak repeatedly deny that Staff were working with Epcor for this purpose, as claimed repeatedly by Epcor.

17.4 If not, why did they do so and what is the penalty for this?

17.5 If not, when will consumers be given the same opportunity to specify their information requirements to Epcor?

18 Questions for members of the ACC and any person or group associated with the hearing

18.1 As a member of the ACC or a person or group associated with this hearing, are you prepared to disclose any financial payments or other types of favors made, in view of the publicity in the press given to two members of the Commission and to specify the penalties, if these amounts are found later to be understated?

18.2 If not, why not?

13 copies to docket control and circulated to the following:

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