

W-02465A-15-0367



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**ORIGINAL Arizona Corporation Commis  
Utilities Complaint Form**

**Investigator:** Deborah Reagan **Phone:** <<< REDACTED >>> **Opinion Date:** 3/3/2016  
**Opinion Number:** 2016 - 129161 **Priority:** Respond within 5 business days  
**Opinion Codes:** Rate Case Items - Opposed **Closed Date:** 3/3/2016 4:18 PM

**First Name:** Mark **Last Name:** Phillips **Account Name:** Mark Phillips  
**Address:** <<< REDACTED >>>  
**City:** Hereford **State:** AZ **Zip Code:** 85615

**Company:** Liberty Water-Bella Vista Water Company, Inc. **Division:** Water

**Docket Number:** W-02465A-15-0367

Nature Of Opinion  
Arizona Corporation Commission

DOCKETED

**Docket Position:** Against

Customer sent the following -

MAR 04 2016

To Whom It May Concern:

DOCKETED BY *JK*

RECEIVED  
2016 MAR -4 A 9:36  
AZ CORP COMMISSION  
DOCKET CONTROL

I am writing to comment of the proposed rate increase requested by Liberty Utilities, Docket No. W-024665-A-15-0367. I am strongly opposed to the proposal as submitted to the Corporation Commission. Under the proposal as submitted, my monthly bill would increase on average by \$7.46, a 32.24% increase in my costs. A monthly increase of almost one third seems excessive.

As a retiree on a fixed income, I would like to be able to request a 34% increase in my monthly income, but in this day and age of low to no inflation not only does my monthly income not increase, but with the drop in the stock markets what little "disposable" income I had has evaporated as well. I truly would like to have a yearly guaranteed return of 9.5% as is being requested by Liberty.

I see Liberty's rate increase request as being in three parts that I would like to comment on separately.

- 1). Automatic increase in consumption fees as electrical rates increases are approved by the Commission: I think this is a good idea, and should be approved, as long as there is oversight by the Corporation Commission. Liberty Utilities should not have to spend it's time and money nor the corporations time in reviewing a rate increase proposal every time that the electric utility raises rates.
- 2). Base rate increase: Liberty's proposal to raise the monthly base fee from \$15.00 to \$19.20 seems excessive, but this rate increase would give Liberty a guaranteed revenue stream from month to month. This would allow the utility to cover increases in operating expenses without the monthly variation in consumption revenues.
- 3). Consumption rate increase: I oppose these fee increases on two factors. First, Liberty does not purchase water from the state or other entity, so does not have in increase in expenses to provide the water. Second, if the Commission approves the automatic rate increase for electrical power costs then Liberty will have their expenses covered , and not need additional fees to meet expenses.

While I will admit that did not read the entire 500+ pages of the proposal; I did not see in any of the material

## Arizona Corporation Commission Utilities Complaint Form

that I read any indication by Liberty as to how their rate increase would improve system capacity or reliability. I did see a long section on how Liberty would reduce/shutdown services in the event of low water. I find it interesting that they are talking about how to deal with water shortages when their well that is across the street from my house has been shut down and not used for the last year.

In conclusion, I request that the Corporation Commission not approve the rate increase as submitted. I support the automatic increases for Liberty when the electrical rates are increased, as long as the commission has oversight of those hikes. While I think the \$4.20 monthly increase for basic service is larger than it needs to be, this hike would allow for the utility to have guaranteed additional monthly revenue to cover operating expenses. I oppose any increase in the consumption rates as I do not see how Liberty Utilities needs the additional money to cover any of their needs.

Thank you for taking the time to considering my comments. I would appreciate knowing the results of the hearing on this matter.

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<b>Investigation</b>			
<b>Date:</b>	<b>Analyst:</b>	<b>Submitted By:</b>	<b>Type:</b>
3/3/2016	Deborah Reagan	Telephone	Investigation
Comments entered for the record and filed with Docket Control.			

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