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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMM.

COMMISSIONERS

DOUG LITTLE, Chairman
BOB STUMP
ROBERT BURNS
TOM FORESE
ANDY TOBIN

Arizona Corporation Commission

DOCKETED

MAY 10 2016

DOCKETED BY *AG*

RECEIVED

2016 MAY 10 P 2: 20

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE FORMAL
COMPLAINT OF SWING FIRST GOLF LLC
AGAINST JOHNSON UTILITIES LLC

DOCKET NO. WS-02987A-16-0017

**SWING FIRST SUPPLEMENTAL
FILING**

1 Swing First Golf, LLC (“Swing First”) hereby filed copies of the groundwater bills
2 received from Johnson Utilities, LLC (“Utility”), together with comparable effluent bills from
3 2015.

4 At the April 9, 2016, Procedural Conference in this Docket, Swing First Attorney Craig
5 Marks promised to file copies of groundwater bills from Utility, when received, together with
6 comparable effluent bills from 2015. Tr. at 27:10-16. Yesterday, on May 9, 2016, Swing First
7 received bills for groundwater deliveries metered from February 26 to April 25, 2016. **Exhibit**
8 **A** is a copy of those bills, together with a cover letter from Brad Cole, Utility’s Chief Operating
9 Officer. **Exhibit B** is a copy of the comparable effluent bills from 2015.

10 From February 18 to April 16 in 2015, Swing First received 15,938,000 gallons of
11 effluent at a total cost of \$12,744.04. From February 26 to April 25 in 2016, Swing First instead
12 received 18,111,000 gallons of groundwater at a total cost of \$65,267.22. As a result of Utility’s
13 unlawful, discriminatory discontinuance of effluent service, Swing First’s water bills quintupled.

14 Swing First makes several important observations:

- 15 • On May 9, 2016, the same day that Utility filed its Supplemental Reply in Support of
16 Motion to Dismiss, Swing First finally received the overdue groundwater bills.

17 Utility’s excuse? “Upon investigation, we discovered that the mailing address was set

1 up incorrectly when we set up billing for the non-potable water.” Utility would have
2 the Commission believe this was simply a trivial, coincidental error. The
3 Commission can draw its own conclusions.

- 4 • Swing First has three enforceable contracts that require Utility to deliver effluent at
5 the tariffed rate.¹ By contrast, Swing First has not even requested groundwater
6 deliveries, let alone entered into a groundwater contract with Utility. Instead, Utility
7 has acted to unilaterally breach its existing effluent contracts and to impose a new,
8 onerous groundwater contract on Swing First.
- 9 • Utility threatens to discontinue service on May 20, 2016, if the unlawful bills totaling
10 \$65,267.22 are not paid. Temperatures are now hitting 100 degrees; the golf course
11 clearly will not last long if Utility carries out its threats. Yet, Utility ignores its
12 obligations to render timely bills under R14-2-409 and its failure to comply with the
13 requirements of R14-2-410 that must be followed prior to service termination.
- 14 • Swing First intends to recalculate the bills at the lawful effluent rate and pay these
15 amounts along with a full reservation of rights. If Utility still terminates service, it
16 will be with full notice of possible legal consequences.
- 17 • Swing First now appears to be the only customer (certainly the only golf course
18 customer) from which Utility is trying to extort five times the lawful rate by
19 threatening to cut off service. Meanwhile, effluent service to Utility’s Oasis golf
20 course continues unabated.

21 **Requested Relief**

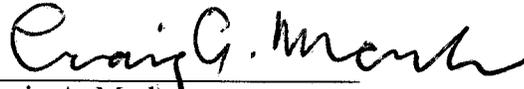
22 Swing First renews its requests that the Commission:

- 23 • Order Utility to resume effluent deliveries;
- 24 • Order Utility to rebill unlawful groundwater deliveries at the effluent rate; and
- 25 • Find that Utility may only apply to discontinue a tariffed service as part of a rate case,
26 where the Commission can evaluate the requested rate’s impacts, customer effects,

¹ See Swing First’s Brief Opposing Motion to Dismiss, dated April 29, 2016, pp. 11-16.

1 and community consequences, as part of its determination whether the application is
2 in the public interest.

3 RESPECTFULLY SUBMITTED on May 10, 2016.

4 

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12 Attorney for Swing First Golf LLC
13
14
15

Original and 13 copies **filed**
on May 10, 2016, with:

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

Copies mailed
on May 10, 2016, to:

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Phoenix, Arizona 85016-4747

Thomas K. Irvine
ASU Alumni Law Group
Two North Central, Suite 1600
Phoenix, Arizona 85004



Exhibit A

968 E. Hunt Highway
San Tan Valley, AZ 85143
Office: (480) 987-9870 Fax: (480) 987-9819

May 05, 2016

Swing First Golf, LLC
30761 N. Golf Club Drive
San Tan Valley, AZ 85143

RE: Non-potable Water Bills for March & April, 2016

Dear Swing First Golf, LLC:

Enclosed herewith you will find copies of your March and April non-potable water bills. It recently came to my attention that you had not received either of them. Upon investigation, we discovered that the mailing address was set up incorrectly when we set up billing for the non-potable water. For that, I sincerely apologize.

Please pay both bills by 4:45 pm on May 20, 2016 to avoid discontinuance of service. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Cole".

Brad Cole
Chief Operating Officer
Johnson Utilities, LLC

Johnson Utilities

968 E Hunt Hwy
 San Tan Valley, AZ 85143
 (480) 987-9870

03/25/16 00140627-01
 04/15/16 \$32,100.19

SWING FIRST GOLF COURSE
~~BELLA VISTA CAP PUMP STATION~~ 30761 N. GOLF CLUB DR.
 SAN TAN VALLEY, AZ 85143



Description	Meter Readings			Read Code	Readings Dates	
	Previous	Present	Usage		Previous	Present
Gallons	0	0	0	Initial Read	2/26/2016	2/26/2016
Gallons	0	8976000	8976000	Normal Rd.	2/26/2016	3/24/2016
WATER SERVICE						
Water Minimum			\$870.22	Water Usage		\$7,539.84
Water AZ Privilege Tax			\$563.47	Water AZ Superfund Tax		\$58.34
				Total Water Charges		\$9,031.87
OTHER CHARGES						
CAGR Fee PHX			\$23,068.32			
				Total Other Charges		\$23,068.32

Previous Balance	\$0.00		
Payment	\$0.00	Total Due	\$32,100.19

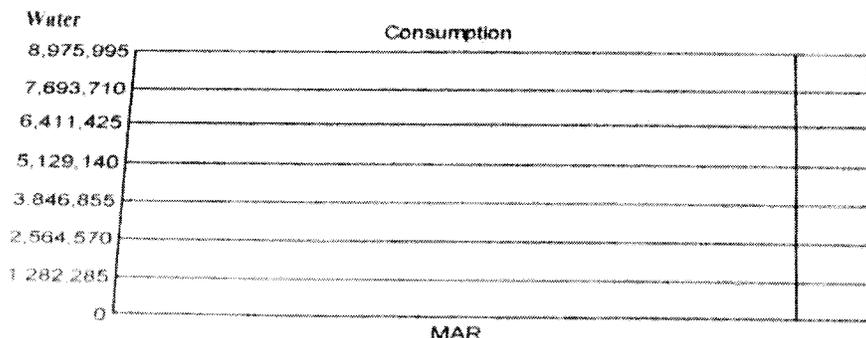
PREVIOUS BALANCE DUE UPON RECEIPT TO AVOID DISCONNECTION

A late fee of 1.5% will be charged for payments not received by the 15th of each month.

Make payments online, sign up for auto pay, or go green and sign up for Ebill by visiting www.johnsonutilities.com

SWING FIRST GOLF COURSE

BELLA VISTA CAP PUMP STATION



00140627-01 03/25/16

K5014A16000 04/15/16

From 02/25/16 to 03/25/16 = 29 Days

Johnson Utilities

968 E Hunt Hwy
 San Tan Valley, AZ 85143
 (480) 987-9870

BILLING ID: 5310 00021924

Johnson Utilities

968 E Hunt Hwy
 San Tan Valley, AZ 85143
 (480) 987-9870

04/25/16 00140627-01
 05/15/16 \$65,267.22

SWING FIRST GOLF COURSE
~~BELLA VISTA CAP PUMP STATION~~ 30761 N. GOLF CLUB DR
 SAN TAN VALLEY, AZ 85143

|||||

Description	Meter Readings		Usage	Read Code	Readings Dates	
	Previous	Present			Previous	Present
Gallons	8976000	18111000	9135000	Normal Rd.	3/24/2016	4/25/2016
WATER SERVICE						
Water Minimum			\$901.30	Water Usage		\$7,673.40
Water AZ Privilege Tax			\$574.50	Water AZ Superfund Tax		\$59.38
				Total Water Charges		\$9,208.58
OTHER CHARGES						
CAGR Fee PHX			\$23,476.95	Late Fee-Water		\$481.50
				Total Other Charges		\$23,958.45

Previous Balance	\$32,100.19		
Payment	\$0.00	Total Due	\$65,267.22

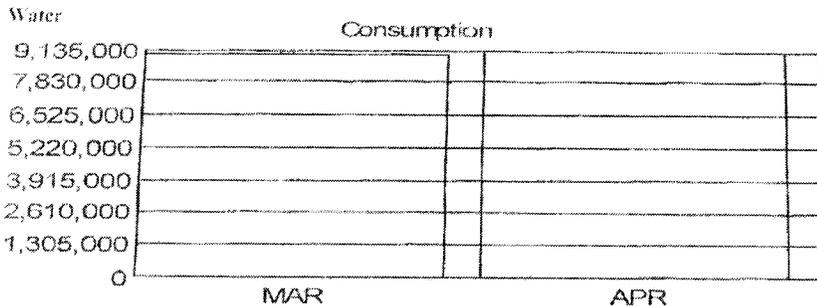
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SWING FIRST GOLF COURSE

BELLA VISTA CAP PUMP STATION



00140627-01 04/25/16

K5014A16000 05/15/16

From 03/25/16 to 04/25/16 = 31 Days

Johnson Utilities

968 E Hunt Hwy
 San Tan Valley, AZ 85143
 (480) 987-9870

BILLING ID: 5310 00021924

Johnson Utilities
 968 E. Hunt Hwy
 San Tan Valley, AZ 85143

(480) 987-9870

Exhibit B

Please Make Address Corrections Here

Amount Paid _____

Billing Date	Account Number
3/25/2015	00120362-02
Due Date	Amount Due
4/15/2015	\$4789.27

*****AUTO**SCH 5-DIGIT 85140



SWING FIRST GOLF 3 > 7332
 30761 N GOLF CLUB DR
 SAN TAN VALLEY AZ 85143-7574

Remit To:

Johnson Utilities
 968 E Hunt Highway
 San Tan Valley AZ 85143-7450

Description	Meter Readings		Usage	Read Code	Readings Dates	
	Previous	Present			Previous	Present
	293675000	298986000	5311000	Normal Rd.	02/18/2015	03/16/2015

WATER SERVICE

Water Minimum	\$901.30	Water AZ Superfund Tax	\$34.52
		Total Water Charges	\$935.82

SEWER SERVICE

Sewer AZ Privilege Tax	\$241.97	Total Sewer Charges	\$241.97
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OTHER CHARGES

Transfer Credit In*	-\$2256.86	Effluent Usage	\$3611.48
		Total Other Charges	\$1354.62

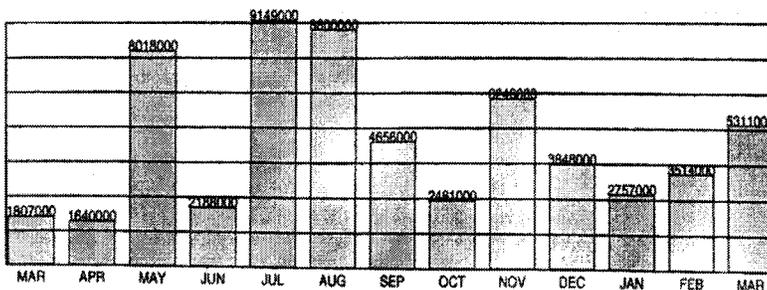
Previous Balance	\$3473.76	Total Due	\$4789.27
Payments	-\$1216.90		

PREVIOUS BALANCE DUE UPON RECEIPT TO AVOID DISCONNECTION

A late fee of 1.5% will be charged for payments not received by the due date. Failure to pay outstanding balance by due date will result in a written notice that service will be terminated in ten (10) days from the date of the notice.

Billing ID	
5310 00020536	
Customer	
SWING FIRST GOLF	
Service Address	
433 GOLF CLUB DR	
Billing Date	Account Number
3/25/2015	00120362-02
Due Date	Amount Due
4/15/2015	\$4789.27
Billing Period	
From 02/25/2015 to 03/25/2015 = 28 Days	

Consumption



CONSTRUCTION

Johnson Utilities
 968 E. Hunt Hwy
 San Tan Valley, AZ 85143

(480) 987-9870

Please Make Address Corrections Here

Amount Paid _____

Billing Date	Account Number
4/25/2015	00120362-02
Due Date	Amount Due
5/15/2015	\$8752.75

*****AUTO**SCH 5-DIGIT 85140



SWING FIRST GOLF 3 > 7294
 30761 N GOLF CLUB DR
 SAN TAN VALLEY AZ 85143-7574

*DIFF
305,000*

Remit To:

Johnson Utilities
 968 E Hunt Highway
 San Tan Valley AZ 85143-7450

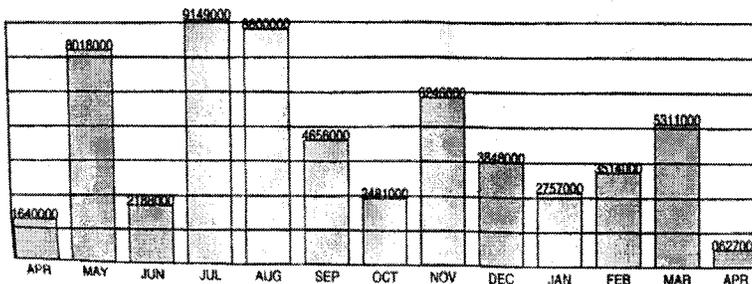
Description	Meter Readings		Usage 10627000	Read Code Normal Rd.	Readings Dates	
	Previous 298986000	Present 309613000			Previous 03/16/2015	Present 04/16/2015
WATER SERVICE			<i>10932000</i>		<i>299018000</i>	<i>309950000</i>
Water Minimum		\$901.30				
				Water AZ Superfund Tax		\$69.08
				Total Water Charges		\$970.38
SEWER SERVICE						
Sewer AZ Privilege Tax		\$484.17				
				Total Sewer Charges		\$484.17
OTHER CHARGES						
Effluent Usage		\$7226.36		Late Fee-Water		\$14.04
Late Fee-Sewer		\$57.80				
				Total Other Charges		\$7298.20

Previous Balance	\$4789.27		
Payments	-\$4789.27	Total Due	\$8752.75

PREVIOUS BALANCE DUE UPON RECEIPT TO AVOID DISCONNECTION

A late fee of 1.5% will be charged for payments not received by the due date. Failure to pay outstanding balance by due date will result in a written notice that service will be terminated in ten (10) days from the date of the notice.

Consumption



Billing ID	
5310 00020536	
Customer	
SWING FIRST GOLF	
Service Address	
433 GOLF CLUB DR	
Billing Date	Account Number
4/25/2015	00120362-02
Due Date	Amount Due
5/15/2015	\$8752.75
Billing Period	
From 03/25/2015 to 04/25/2015 = 31 Days	

CONSTRUCTION