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RE: Docket # WS-02987A-16-0017

Johnson Utilities Response to Karen Christian's Email to Commissioner Andy Tobin

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Dear Arizona Corporation Commission:

I am submitting this letter in response to an email sent to Commissioner Tobin's Executive Assistant Jennifer Bontrager and filed in this docket on May 10, 2016.

First let me highlight that 99% of the text contained in the referenced email has nothing to do with this docket. I would question why it's even allowed to be placed into this docket. Ms. Christian has a long sordid history of lashing out against Johnson Utilities ("Company") and rabble rousing the community against anything related to the Company. This is evidenced by the fact that she neither lives in the area known as the Bonanza Highlands nor was she a former customer of the repeatedly vandalized standpipe. It's becoming clear that Ms. Christian holds an emotional disdain towards the Company and all communications from her should be held with suspect.

In regards to the Bonanza Highlands water main projects which is unrelated to this docket and for the benefit of Commissioner Tobin, we have installed more than 19,000 linear feet of new water mains across 7 phases. Of the potential 186 customers, only 39 have actually signed up for water service. That represents a dismal response rate approaching 21%. There have been an additional 15 customers who have signed up for service where water mains existed prior to the destruction of the standpipe. The Company has expended more than \$417,000 dollars to provide service to only 39 new customers. The Company questions where these people are that say they want water service. The Company also questions whether it's reasonable to expect the other nearly 25,000 water customers to continue subsidizing these water main installations when clearly the evidence shows they are not really that interested in receiving service from the Company. The Company cannot continue to install water mains unless more interest is generated and we have asked those people whose deposits were refunded to talk to their neighbors and get them interested in signing up for service. How many millions of dollars will you have the Company spend to bring service to a wildcat subdivision when the evidence shows that the interest is really 2 lots on this street, 3 on that one, 1 on the other, and so on.

Also unrelated to this docket, and part of the filing in this docket, Ms. Christian wrote an email to Commissioner Tobin dated April 08, 2016 where her motives are suspect. In that email, she clearly states she is advising people that she hears from to file a complaint on a case that was closed by the Commission. A case where the Company adamantly argued that the sale of water through the standpipe service was not a tariffed service under the Company tariff, that the standpipe service is not a regulated service, and

the Company has a right to discontinue operating the standpipe. Further, in that prior case, no person or entity had filed a formal complaint regarding closure of the standpipe, no person or entity sought intervention in that docket, and that the Company or Staff had received no reports that any person or entity was without access to potable water. In a sort of joint stipulation agreement and in the Order, the right was reserved by Staff its ability to propose a tariff for standpipe service in the Company's next rate case.

It's important to restate or emphasize a couple of points regarding the standpipe. No person is without access to potable water. What Ms. Christian is rabble rousing about is her advocating of a more convenient source of potable water and a cheaper source of potable water. She uses the phrase "they are highly inconvenienced" in that email. Clearly that's the point of her disdain.

In that April 8 email, she once again used the word "affiliate" to confuse or mislead the reader into believing that Roadrunner Transit is an affiliate of the Company. I would suspect that she does not know the definition of the word "affiliate" in the context of regulated utilities or she is intentionally trying to mislead the reader into believing that Roadrunner Transit is an affiliate. She needs to quit stirring the pot.

Also in that email, she states that folks are being told they have to wait up to 6 days for delivery of water and that is "unacceptable". First let me state that her statement is not true. I suggest she choose her words more carefully in the future. Roadrunner Transit has indicated to me that they are doing same day deliveries or fulfilling orders within 24 hours. Second, Roadrunner Transit is not responsible to ensure that everyone in the Bonanza Highlands has water. Those folks have choices. They can use Roadrunner Transit, they can use other unregulated water haulers, or they can haul water themselves (which apparently many in that area are doing) from standpipes located in Florence and Apache Junction.

So, after responding to all the non-related statements made in this docket, I find it amusing that she clearly does not contribute much to the Swing First Golf case. Rather, it appears she is using this platform to further her emotional disdain toward the Company, to attempt strike an emotional discord on the closed standpipe docket, and to intentionally mislead the reader into thinking that Roadrunner Transit is an affiliated company and regulated by the Commission. Enough is enough.

Sincerely,



Brad Cole
Chief Operating Officer
Johnson Utilities, LLC