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To: Arizona Corporation Commission  
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Arizona Corporation Commission  
**DOCKETED**

AUG 04 2016

**Commissioners:**

Doug Little, Chairman  
Andy Tobin, Commissioner  
Tom Forese, Commissioner

Bob Stump, Commissioner  
Bob Burns, Commissioner

DOCKETED BY	<i>[Signature]</i>
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**DOCKET NO. WS-01303A-0145**

To the Chairman and Commissioners and all with concerns with the pending case.

**Opposition to Rate Consolidation and other matters  
proposed by Epcor Water and the Arizona Corporation  
Commission.**

**Case No. WS-01303A-0145**

I am sure the people of Sun City and Sun City West are getting just as annoyed as I am about this constant nagging from Epcor Water (Epcor) and the Arizona Corporation Commission (ACC) concerning rates and consolidation. Any other prestigious and respectful business would have told Epcor no and that would have been the end of it. So this letter should have been expected by the ACC and Epcor.

I begin with Document No. 0000170096 that Epcor submitted.

Original cost: \$94 million and replacement cost of \$127 million. The difference is 30 percent. After another fuzzy math application is applied, we bring the amount down to \$111 million, a difference of 20 percent. So the difference (\$111m-\$94m = \$17 million additional monies on top of the already \$112 million sent to Canada in the form of PROFITS! In a previous Epcor Case, they claimed they were entitled to a return on investment, and there it was stated under 7 percent.

Then I read Document No. 0000170096. Here it is stated that a few living in the boonies are tired of paying high fees. Well, build your own system if the local jurisdiction permits it, if not, then consult with State Legislatures to lift this ban. The serious problem with this, is that the ACC staff, ignorance of the breadth of the law they are to uphold, suggests they include non-participants in the matter. If I were watching the TV series of Keystone Cops, I'd be laughing, but this is no laughing matter coming from a government agency that should be more intelligent. If the ACC were my doctor, I'd be very much scared!!!

I have also heard that the ACC wants this action of Rate Consolidation to reduce their work load. No where can I find in the Arizona Revised Statutes, nor the ACC rules and regulations that says incompetence is acceptable to changing the laws. So I offer three options for those at the ACC:

Number 1: If in fact you cannot handle the load, then hire more people. This though is not really an option because you've admitted incompetence to perform the work.

Number 2: Do a better job of scrutinizing Rate Cases when they come in and immediately reject the request if it is frivolous. Now again, this really isn't an option because you have also demonstrated incompetence in judgment.

Number 3: Resign. This I have confidence you can perform.

A few years ago, I read in the Arizona Republic that the ACC received a request for rate adjustment. The owner of the utility said he want his rate payers to pay his personal income taxes. According to the article, the case was actually created for review. The public expects a heck of allot more than this stupidity, and proof that the ACC should have their doors closed until competent staff can be found.

Now over the past few years, I have studied this idea of Public Utilities and Commissions. I'd say I have about 3 months into it at a cost if I were a consultant of \$130,000. It is amazing to think that government expects the public to keep up with them in law creation and other actions they take. I have a solution for that as well: remove government and start over with the State Constitution. Now I also work for a living, and to perform the work also of government is taxing, and so, I remove my offer of Consultant and put together facts the best I know them and submit them for public review, comment or action. The public pays a big cost for government and they are continuously short changed every time.

## **Creation of the Interstate Commerce ACT (1887)**

In one Corporation Commission case concerning a Railroad Company (RRC), In order to fully understand the purpose of these laws governing Public Utilities (Original Intent) one would study the following Rate Case:

Five cities are serviced by one RRC. The RRC charges different rates along its infrastructure that connects the five cities. The U.S. Government created the Interstate Commerce ACT (1887) which has the same verbiage of ARS 40-361.

**40-361.** *Charges by public service corporations required to be just and reasonable; service and facilities required to be adequate, efficient and reasonable; rules and regulations relating to charges or service required to be just and reasonable.*

The ACC request for Rate Consolidation or Single Tariff Pricing between Independent Districts violates this law. Lawmaking is reserved for lawmakers, such as our State Legislature and Congress. So where did the ACC get this concept that a single ownership over multiple Districts is okay? I am sure the idea was passed to them from one of the many National Associations, such as Water, Accountants and the U.S. EPA (EPA), for the EPA has been in contact with the World Bank who has studied the concept on the Continent of Africa and finalized a report in 1990. The World Bank, as well as the IMF are sister organizations under the Federal Reserve; a foreign entity without a country (though rumor has it they came from Russia, but we know one with the idea of creating the Federal Reserve came from a German Bank and headed up the newly establish arm of government.)

Joanna sounds the Bell once again and the citizens have taken noticed, that there is a new princess in town and it is a visitor from Canada. They call themselves Epcor, but they are a part of the family known in Canada as the City of Edmonton. They came to Arizona and New Mexico for the riches they offer and the weak government that will oversee them, the Arizona Corporation Commission. Reported by the parent company, the city of Edmonton, they received \$112 million in 2013 and by the end of 2016, will have recouped their original investment of \$450 million between Arizona and New Mexico Water and Wastewater operations. All is fine in the Land of Milk and Honey (Canada).

This Bell ringing resonates back to the time of Alexander Hamilton, our founding father and also who is on our ten note, and quoted as saying: "That government which governs best, governs least". Hamilton also was impressed with one

Rothschild, who said: "I care not who makes the laws of a nation, as long as I control its money".

**Eminent Domain Case:**

American Water, the predecessor to Epcor, attempted a Rate Consolidation with a city in the State of Indiana. The city threatened American Water with Eminent Domain, and American Water thereafter accepted a rate increase of one dollar.

In New Hampshire, home of Budweiser, were also threatened with Rate Consolidation from a water/wastewater company who had been present since the late 1800's. Well a few years ago, the city is now a proud owner of a water/wastewater company through Eminent Domain.

I suggest to the communities under this case to not threaten, but to take positive actions through Eminent Domain and stop this constant nonsense and greed. This would also benefit the ACC in freeing up available man hours in performing these tedious tasks. Even the ACC has the power to initiate and make stand a case for Eminent Domain. One such ACC case is here in Arizona, down by the City of Tucson.

**Aging System:**

Epcor claims that Sun City has an aging system. The same claim has been made about New York City (over 100 years old) and Portland, Oregon's infrastructure. I have contacted both and they have assured me that their system is intact and there are no threats of collapse. New York also stated the breakage they have had is caused by other utility companies installing their own infrastructure. So aging system is an attempt to scare the public and to pull the wool over the eyes of the ACC.

I think this suffices for now, if the parties involved would care to receive even more information, please send me an email and I will submit a part two. The Public as well as any newspaper are free to use any or all of this letter for publishing to help educate the Public of the facts and their rights.

Thank you, and sincerely, Helmuth Hack, Youngtown, Arizona

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