

Arizona Corporation Commis:  
Utilities Complaint Form



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Investigator: Jenny Gomez Phone: <<< REDACTED >>> Opinion Date: 5/8/2018  
Opinion Number: 2018 - 150296 Priority: Respond within 5 business days  
Opinion Codes: Rate Case Items - Opposed Closed Date: 5/8/2018 11:42 AM

First Name: Edward & Virginia Last Name: Rydeen Account Name: Edward & Virginia Rydeen

Address: <<< REDACTED >>>

City: Ajo State: AZ Zip Code: 85321

Company: Ajo Improvement Company Division: Electric

Nature Of Opinion

Docket Number: WS-01025A-17-0361

Docket Position: Against

May 3, 2018

Arizona Corporation Commissioner

Arizona Corporation Commission 07

DOCKETED

Consumer Services Section

MAY - 9 2018

1200 West Washington

DOCKETED BY

Phoenix, AZ 85007

*[Signature]*

RE: Ajo Improvement Company Application for Rate Increases, Docket Nos. WS-01025A-17-03612 E-01025A-17-0362, WS-01025A-17-0363

Dear Chairman and Commissioners:

On February 16th, 2018, Ajo Improvement Company submitted a request for rate increases in electric, water and waste water service to the commission. These requested rate increases ranged from 119% (electric) up to 450% (wastewater)—astonjshing figures for any rate increase application, but even more so for a utility serving such a low wealth community. I would like to voice my strong opposition to these rate increase applications.

In a place where one third of the households make less than \$25,000 per yearl and approximately 20% of families live below the poverty levell, it would be unconscionable to subject this population to such extreme rate hikes. At a time when less than half of the local citizens are even in the workforce l and public assistance is either flat or in danger of being cut, it is unreasonable to think that this community could possibly pay double, triple and quadruple what they currently pay for basic services.

What's more, the requested rate increases are not in sync with rates in the rest of the state. By full rate implementation, residential customers in the Ajo Improvement Company service area would be paying more than twice the 2017 Arizona median customer payment for water2 and nearly 3 times the median customer payment in wastewater2 .

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Since the cessation of mining operations in the mid-1980s, Ajo has suffered from decades of economic hardship and systemic disinvestment. In recent years, increased activity around eco-tourism, arts and culture have begun to offer a glimmer of economic hope, These rate increases would stop all new business investment dead in its tracks and make all but the strongest local businesses unprofitable.

Mining interests extracted tremendous value from this community (6.304 billion pounds of copper)<sup>3</sup> during the last century, and i strongly believe such an extraction of wealth came with certain responsibilities. Ajo Improvement Company cannot in good conscience point to recent investments in infrastructure as a free ticket to gouge customers. Decades of neglected preventative maintenance did not happen in a vacuum. For a generation, Ajo was a mining cash cow, but it was abandoned when extraction of value became tougher to sustain. Now, Ajo Improvement Company proposes to squeeze this community at the expense of its most vulnerable customers.

A vote to support these rate increase applications is a vote to kill Ajo. Please vote NO.

Edward & Virginia Rydeen

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| <b>Investigation</b>                      |                 |                      |               |
|---|-----------------|----------------------|---------------|
| <b>Date:</b>                              | <b>Analyst:</b> | <b>Submitted By:</b> | <b>Type:</b>  |
| 5/8/2018                                  | Jenny Gomez     | Telephone            | Investigation |
| Noted and filed for the record in Docket. |                 |                      |               |

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