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Utilities Division

Bob Burns
Andy Tobin
Boyd Dunn
Justin Olson

To: Docket Control

RE: AJO IMPROVEMENT COMPANY
WS-01025A-17-0363, E-01025A-17-0362

Docket # WS-01025A-170361,

Please docket the attached 2 customer comments regarding the above filed case.

Customer comments can be reviewed in E-docket under the above docket number.

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission

DOCKETED

MAY 18 2018

DOCKETED BY

[Signature]

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2018 MAY 18 P 3:42

WS-01025A-17-0361
E-01025A-17-0362
WS-01025A-17-0363

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Investigator: Roxanne Best **Phone:** <<< REDACTED >>> **Opinion Date:** 5/15/2018
Opinion Number: 2018 - 150599 **Priority:** Respond within 5 business days
Opinion Codes: Rate Case Items - Opposed **Closed Date:** 5/15/2018 10:41 AM

First Name: Jerry **Last Name:** Leatherwood **Account Name:** Jerry Leatherwood
Address: <<< REDACTED >>>
City: Ajo **State:** AZ **Zip Code:** 85321

Company: Ajo Improvement Company **Division:** Electric

Nature Of Opinion

Docket Number: E-01025A-17-0362 **Docket Position:** Against

March 30, 2018

Arizona Corporation Commission Consumer Services Section

1200 West Washington

Phoenix, AZ 85007

RE: Ajo Improvement Company Application for Rate Increases, Docket Nos. WS-01025A-17-0361,
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)-:-astonishing 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 year¹ and approximately 20% of families live below the poverty level¹, 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 work force¹ 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

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paying more than twice the 2017 Arizona median customer payment for water² and nearly 3 times the median customer payment in wastewater².

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)³ 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.

Respectfully,

Jerry Leatherwood

1 United State Census Bureau/ American FactFinder. DP03: Selected Economic Characteristics 2012-2016 American Community Survey 5-Year Estimates.

2 2017 Arizona Water & Wastewater Rates Report. Environmental Finance Center at the University of North Carolina, 2017, pp. 23-23, PDF file, retrieved 30 March 2018.

3 Arizona Dept. of Mines and Mineral Resources, 2008, Arizona's Metallic Resources Trends and Opportunities- 2008, PDF file, retrieved 30 March 2018.

Investigation			
Date:	Analyst:	Submitted By:	Type:
5/15/2018	Roxanne Best	Correspondence	Investigation

Comments noted for record and docketed. Closed.

Arizona Corporation Commission Utilities Complaint Form

Investigator: Roxanne Best **Phone:** <<< REDACTED >>> **Opinion Date:** 5/15/2018
Opinion Number: 2018 - 150603 **Priority:** Respond within 5 business days
Opinion Codes: Rate Case Items - Opposed **Closed Date:** 5/15/2018 11:01 AM

First Name: Susan M **Last Name:** Siok **Account Name:** Susan M Siok
Address: <<< REDACTED >>>
City: Ajo **State:** AZ **Zip Code:** 85321

Company: Ajo Improvement Company **Division:** Electric

Nature Of Opinion

Docket Number: E-01025A-17-0362 **Docket Position:** Against

March 30, 2018

Arizona Corporation Commission Consumer Services Section

1200 West Washington

Phoenix, AZ 85007

RE: Ajo Improvement Company Application for Rate Increases, Docket Nos. WS-01025A-17-0361,
E-01025A-17-0362, WS-01025A-17-0363

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

Respectfully,

Susan M Siok

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		Investigation	
Date:	Analyst:	Submitted By:	Type:
5/15/2018	Roxanne Best	Correspondence	Investigation

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