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COMMITTEES: COMMERCE HEALTH JUDICIARY & PUBLIC SAFETY

DISTRICT 28

Arizona House of Representatives Phoenix, Arizona 85007

November 17, 2017

Office of the Honorable Mark Brnovich Arizona Attorney General 1275 West Washington Street Phoenix, Arizona 85007

Re: City of Phoenix's Disproportionate Paradise Valley Sewer Charges

Dear General Brnovich:

It has come to my attention that the City of Phoenix has been charging its Paradise Valley customers grossly inequitable and excessive rates, sometimes as much as five times Phoenix rates, for the sewer services it provides pursuant to Phoenix City Code Chapter 28. According to an outpouring of constituent accounts (provided in the attached document), the disparate rates charged between 2014 and 2017 amounted to more than \$3 million in overcharges to Paradise Valley residents.

A.R.S § 9-511.01 states that "[r]ates and charges demanded or received by municipalities for water and wastewater service shall be just and reasonable. Every unjust or unreasonable rate or charge demanded or received by a municipality is prohibited and unlawful." Certainly, charging one group of customers rates largely in excess of those charged to another group of customers for similar services would be unjust and unreasonable.

Despite repeated requests from my constituents to provide complete comparative water usage and sewer charge information for its Paradise Valley and City of Phoenix customers, the City of Phoenix has failed to do so, and has, to date, provided only partial and inconsistent information. As a market participant charging residents of another municipality for essential sewer services, the City of Phoenix has a legal obligation and responsibility to be just, reasonable and transparent with those customers. The City of Phoenix should not be permitted to gouge utility rate payers simply because they are non-residents and disenfranchised from voting for Phoenix City Councilmembers.

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Accordingly, I respectfully request your formal opinion as to whether the City of Phoenix is violating state law by charging Paradise Valley customers sewer rates and fees which, as compared to those charged to City of Phoenix customers, are excessive and exorbitantly disproportionate.

Respectfully,

Representative Maria Syms

Legislative District 28

Arizona State House of Representatives