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UniSourceEnergy
SERVICES

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March 25, 2004

AZ CORP COMMISSION
DOCUMENT CONTROL

The Honorable Marc Spitzer, Chairman
The Honorable William Mundell, Commissioner
The Honorable Jeff Hatch-Miller, Commissioner
The Honorable Mike Gleason, Commissioner
The Honorable Kristin Mayes, Commissioner
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

MAR 25 2004

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**Re: In the Matter of UNS Gas, Inc. and Citizens Communications
Company-Filing For Approval of Purchased Gas Adjustor Surcharge**

**E-01032C-00-0751, G-01032A-02-0598, E-01933A-02-0914,
E-01032C-02-0914, G-01032A-02-0914, and G-01032E-03-0515**

Dear Commissioners:

At the March 17, 2004 ACC Open Meeting, concerns were expressed regarding the receipt by Mr. John Baker (a Prescott UES gas customer) of suspension of gas service notice along with a related conversation Mr. Baker had with a company customer service representative.

To confirm the prior commitment made by UniSource - no UES gas customers have or will be disconnected during the winter heating season for non-payment of past due bills.

Prior to March 17th, UES customers were continuing to receive past due bills as well as suspension notices with the express direction that customer service representatives would be very flexible in working on payment arrangements, and that no non-payment disconnections would occur during the winter heating season. Due to the concerns expressed at the March 17th Open Meeting, UES has discontinued the process of sending out suspension notices during the balance of the winter heating season.

On March 17th, I contacted Mr. Baker directly to clarify any concerns about the suspension notice and to inquire about his treatment by the customer service representative.

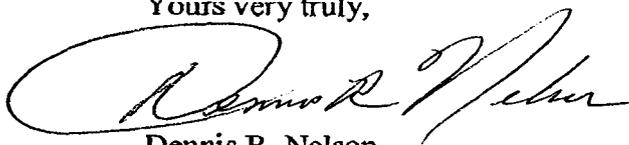
Based on that conversation, I concluded that Mr. Baker's main concern was not with the phone conversation with the customer service representative but rather with his receipt of the suspension notice.

As it turns out from our phone conversation, Mr. Baker is now considering both Budget Billing as well as his possible qualification for assistance from Catholic Social Services in Prescott.

I also have confirmed that the customer service representative conducted herself appropriately during the conversation with Mr. Baker by working in a flexible manner on possible payment arrangements. I also confirmed that the customer service representative did not advise Mr. Baker that his service would be disconnected if payment arrangements were not made.

Please let me know if you have any additional questions or concerns regarding this matter.

Yours very truly,



Dennis R. Nelson
Senior Vice President and
Chief Operating Officer

Original and 20 copies filed this 25th day
of March, 2004 with:

Docket Control
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing hand-delivered/mailed
this 25th day of March, 2004 to:

Ernest G. Johnson, Director, Utilities Division