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Bisbee, AZ 85603-1622
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Arizona Corporation Commission
Docket Control Center
1200 W. Washington Street
Phoenix, AZ 85007

AZ CORP COMMISSION
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E-01345A-03-0437

Dear Docket Control Supervisor:

This letter comments on the announced Arizona Public Service (APS) proposed rate increase here in Cochise County, in particular, the city of Bisbee. I have not seen any docket number published hence no reference to it.

APS has been a good corporate neighbor for as long as I can remember since coming here in 1992. However, the 9.8% increase will hurt the fixed income citizens in direct proportion to their wealth or lack thereof. Not only is our water rate a burden, and our slowly increasing sewer rate under Federal and State mandate for the new sewer system, but also this APS rate will affect things like oxygen concentrators, swamp coolers, air conditioners and other medically useful items. Still, the spiral of hiked rates must be ridden financially on fixed income and with many of us loaded with prescription drug costs, hiked natural gas, gasoline and grocery costs this rate hike is bad news.

Were the so-called "greens" not so successful in forcing power generation from clean natural gas, in preventing scrubbed coal power generation from a cheaper and plentiful source and also preventing drilling for new natural gas sources, electric power could remain less expensive. One has to be concerned that hydroelectric generation will dwindle under the increasing droughts and lessened water availability to run the turbines. While I can understand the need for the utility to recover costs by passing along these to consumers, at some close future time the financial backbone of the consumers will simply no longer be able to carry the cost load. Federal figures be damned, the grocery costs are already advancing in many categories and you can almost bet that Social Security COLA will reflect a very low rate of creep by year's end.

Do we simply cut back, literally sweat out the summer heat and wait for the next rate hike? You have your utility rate of return problems and we have our fixed income headaches. I do not like the APS rate increase, can guess that it is already cut and dried, and have only accomplished the fact that I complained.

Sincerely,

Robert Downing
Robert Downing

Arizona Corporation Commission
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DOCKETED BY *[Signature]*