

E-01345A-05-081



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**ORIGINAL**

**ARIZONA CORPORATION COMMISSION**

**UTILITY COMPLAINT FORM**

E-01345A-05-0816

Investigator: Deb Reagan

Phone: (602) 364-0236

Fax: (602) 542-2129

Priority: Respond Within Five Days

Opinion No. 2005 - 48957 Date: 12/21/2005

Complaint Description: 08A Rate Case Items - Opposed

Complaint By: First: Steve F. Last: Lenards

Account Name: Steve F. Lenards Home: (602) 493-5092

Street: 4434 E. Nisbet Rd. Work:

City: Phoenix CBR:

State: AZ Zip: 85032 is:

Utility Company: Arizona Public Service Company

Division: Electric

Contact Name: For assignment Contact Phone: (602) 000-0000

Nature of Complaint:

\*\*\*\*E-01345A-05-0816\*\*\*\*

Customer wrote the following to the Commission received 12/12/05 -

December 17, 2005

Arizona Corporation Commission  
1200 W. Washington St.  
Metro Phoenix, AZ 85007

Re: APS-Very Large Rate Increase/s

Members of the Commission:

Customers of APS received a letter stating that APS had filed with your Commission for a rate increase of 20%. The letter went on say that this was in addition to the 1.7% temporary increase for a rate increase to cover fuel price adjustments pending before your commission. They also said that they intend to file for another fuel price adjustment in April 2006 that could be as much as an additional 5%, a portion of which is for Palo Verde-related expenses.

Pending fuel request	1.7% fuel increase
Recently filed rate request	20%
Upcoming April fuel request	5%
	26.7%!!

This is nearly a 30% increase with not time limit - forever.

The fuel increases many be somewhat justified - but should be tied to the price of fuel. Palo Verde problems seem to be a result of mismanagement and should not be passed on to customers.

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The 20% increase has little explanation in the letter. It appears to be a permanent request. These rate increases represent \$500-\$600 per year for me as a typical fixed-income residential customer. (That is like gasoline going from \$3.15 to \$3.99 permanently.)

APS refers to the cost of serving additional customers. In my opinion this is also additional revenue for the company.

A viable electric utility should rightfully be implementing capital projects for expanded power distribution and seeking new providers of power - like the Montana sources discussed in some newspaper articles. These capital projects should not result in "permanent" rate increases as they are a cost of doing business and, at best, should be temporary.

Please scrutinize these requests with extra care and approve only a justifiable amount that will provide a reliable supply of affordable electric power - without excess profit for APS.

Thank you,

Steve F. Lenards, 602.493.5092  
4434 E. Nisbet Rd., Phoenix, AZ 85032  
\*End of Complaint\*

**Utilities' Response:**

**Investigator's Comments and Disposition:**

Customer comments entered for the record and with the Docket in this matter.  
\*End of Comments\*

**Date Completed: 12/21/2005**

**Opinion No. 2005 - 48957**

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