



0000055009

COMMISSIONER  
MARC SPITZER  
COMMISSIONER



ARIZONA CORPORATION COMMISSION

ORIGINAL  
04  
BRIAN C. McNEIL  
EXECUTIVE SECRETARY  
RECEIVED

2002 DEC 10 P 3:44

December 10, 2002

AZ CORP COMMISSION  
DOCUMENT CONTROL

Marshall Magruder  
P. O. Box 1267  
Tubac, AZ 85646

Arizona Corporation Commission  
DOCKETED

RE: Docket No. E-01032C-00-0751  
Citizens Communications Company  
Purchase Power and Fuel Adjustment Clause

DEC 10 2002

DOCKETED BY CAR

Dear Mr. Magruder:

This letter is sent by way of response to your letter to me dated November 13, 2002. Your letter raised the question of whether a conflict of interest might exist as a result of Deb Scott's employment at Citizens Communications Company following her employment as the Utilities Director at the Arizona Corporation Commission.

The issue you raise is a serious one. It is also one that faces many government employees when they depart government employment to assume a position in the private sector. The matter has been addressed by the legislature with the passage of Conflict of Interest statutes. Those statutes are found at A.R.S. § 38-501, *et. seq.* In particular, A.R.S. § 38-504 addresses requirements of public officials during and after their tenure in government.

The relevant concern from the conflict of interest statutes is the requirement that a public officer or employee is foreclosed from appearing before an agency in any matter in which they were directly concerned for a period of twelve months following their employment. Ms. Scott, as Utilities Director, would have had substantial administrative discretion or direct involvement in this matter. Therefore, it would be inappropriate for Ms. Scott to appear before the Commission in this proceeding. In addition, Ms. Scott is a member of the Arizona Bar. Accordingly, her activities are governed by the Arizona Rules of Professional Conduct, as adopted by the Arizona Supreme Court.

Please be advised that I have no reason to believe that Ms. Scott has acted to the contrary of either of these requirements. Ms. Scott has not entered an appearance in this matter before the Commission. As far as I know, Citizens Communications has been represented at all times by either outside counsel, or their General Counsel Mr. Russ Mitten. Other than having her name and address on a shipping label, I have no reason to believe that Ms. Scott has had any involvement with this matter during her employment at Citizens. In addition, while it does appear that Ms. Scott attended at least one meeting on this case during her tenure at the

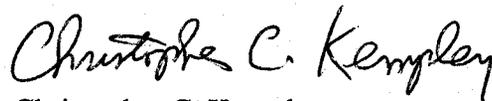
Marshall Magruder  
December 10, 2002  
Page Two

Commission during 1999, it is my belief that the Utilities Division's substantive position in this matter was developed after Ms. Scott's departure from the Commission.

I see no reason to believe that Ms. Scott's involvement in this matter constitutes a conflict of interest. This is the case as it relates to both her time as Utilities Director and, insofar as I have any information, during her current employment with Citizens.

I hope this information is helpful to you. I appreciate your concern in this matter. If you have any questions, please feel free to contact me at (602) 542-6025.

Sincerely,



Christopher C. Kempley  
Chief Counsel

CCK

cc: Docket Control with copies  
Service List  
Deb Scott