

GALLAGHER & KENNEDY
P.A.
ATTORNEYS AT LAW



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E-01032C-00-0751

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April 3, 2002
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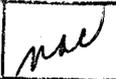
VIA HAND DELIVERY

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

APR 03 2002

Re: *Written Consents*
Docket No. E-01032C-0751

DOCKETED BY 

Dear Sir/Madam:

As requested by the Commission at the hearing on this matter April 1, 2002, enclosed are 11 copies of:

1. A December 14, 2000 letter from Nancy Loftin, Vice President and General Counsel of Pinnacle West Capital Corporation, to Michael Kennedy concerning PWC and APS' consent to representation of Citizens in this PPFAC matter and other matters.
2. A January 10, 2001 letter signed by L. Russell Mitten, Vice President, General Counsel and Secretary of Citizens concerning the matters and the December 14 letter.

These letters are the written consents referred to in paragraph 9 of Mr. Kennedy's affidavit dated March 22, 2002 (Exhibit C to Citizens' Supplement of the same date).

With reference to the last sentence of the second paragraph of Ms. Loftin's letter, Citizens never asked the Firm to represent it in negotiations concerning the long term contract (Paragraph 7 of Kennedy March 22 Affidavit; Paragraphs 6 and 7 of Mitten March 28 Affidavit). Thus, the possible further consultation concerning negotiations contemplated in that sentence never occurred.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By: 
Michael M. Grant

MMG:bo

Docket Control
April 3, 2002
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ORIGINAL and **TEN** copies filed this
3rd day of April, 2002, with:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

COPY of the foregoing hand-delivered
this 3rd day of April, 2002 to:

Dwight Nodes
Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

COPIES of the foregoing mailed this
3rd day of April, 2002, to:

Daniel W. Pozefsky
RUCO
Suite 1200
2828 North Central Avenue
Phoenix, AZ 85004

Walter W. Meek
Arizona Utility Investors Association
2100 North Central Ave., Suite 210
Phoenix, Arizona 85004

Christopher Kempsey, Chief Counsel
Legal Division
Arizona Corporation Commission
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Holly J. Hawn
Deputy County Attorney
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April 3, 2002
Page 3

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By:

Beth Oakley

3099-0039/1006590v1



PINNACLE WEST
CAPITAL CORPORATION

Nancy C. Lofin
Vice President and
General Counsel

SENT VIA FACSIMILE

December 14, 2000

Michael Kennedy, Esq.
Gallagher and Kennedy
2575 East Camelback Road
Phoenix, AZ 85016

Dear Mike:

This letter concerns our recent conversations about Gallagher & Kennedy's representation of Citizens Utilities in matters that are or may become adverse to Pinnacle West Capital Corporation ("PWC") and Arizona Public Service Company ("APS"). Gallagher & Kennedy ("G&K") has requested that PWC and APS waive these conflicts and consent to G&K's representation of Citizens. PWC and APS will waive the conflicts to the extent and on the terms set forth in this letter.

PWC and APS consent to G&K's representation of Citizens generally, including in matters where Citizens' interests may be adverse to those of PWC and APS. PWC and APS do not consent, however, to G&K acting as counsel for Citizens in any legal action directly adverse to PWC, APS, or any other PWC entity, nor do PWC and APS consent to G&K representing Citizens in negotiations with APS concerning the long term contract between Citizens and APS. If G&K is asked to represent Citizens in negotiations concerning the long term contract or similar agreements between Citizens and APS, PWC and APS will consider waiving this conflict after further consultation, provided we determine after such consultation that a waiver would not be adverse to the interests of PWC and APS.

In granting the consent set forth in this letter, PWC and APS are relying on the fact that G&K has constructed and will maintain internal ethical screens to ensure that information relating to G&K's representation of PWC, APS, or any other PWC entity will not be disclosed in any manner, directly or indirectly, to G&K lawyers or staff working on the representation of Citizens. PWC and APS understand that these ethical screens also apply to any information obtained by Mike Gallagher in his capacity as a director of PWC and APS.

If G&K concludes during the course of its representation of Citizens that the Citizens representation may adversely affect G&K's relationship with PWC, APS, or any other PWC entity, or that G&K's representation of Citizens might otherwise impair G&K's ability effectively to represent PWC, APS, or any other PWC entity, we understand that G&K promptly will consult with PWC and APS. In addition, this consent is conditioned upon G&K's obtaining Citizens' written agreement that Citizens will not seek to disqualify G&K from representing PWC, APS, or any other PWC entity in any matter, now or in the future, that is not directly adverse to Citizens.

I would appreciate your confirming that the terms of this consent are acceptable to G&K, and that the Citizens' agreement referred to in the foregoing paragraph has been obtained by G&K.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael Kennedy", written in dark ink.

GALLAGHER & KENNEDY

P.A.

ATTORNEYS AT LAW

TERENCE W. THOMPSON
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2575 EAST CAMELBACK ROAD
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January 10, 2001

VIA FACSIMILE

L. Russell Mitten, Esq.
Vice President, General Counsel and Secretary
Citizens Communications Company
3 High Ridge Park
Stamford, Connecticut 06905

Re: Representation by Gallagher & Kennedy (G&K) of Citizens Communications Company ("Citizens"), Pinnacle West Capital Corporation ("PWC") and Arizona Public Service Company ("APS")

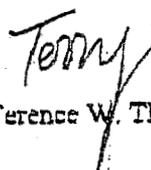
Dear Russ:

Following up on our conversation and with reference to the penultimate paragraph of the attached letter from PWC's general counsel, this will confirm that Citizens will not seek to disqualify G&K from representing PWC, APS, or any other PWC entity in any matter, now or in the future, that is not directly adverse to Citizens.

Your signing and returning to me the enclosed copy of this letter for our files will be greatly appreciated.

Sincerely,

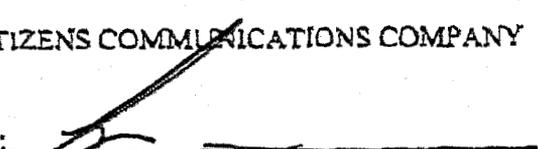
GALLAGHER & KENNEDY, P.A.

By: 
Terence W. Thompson

TWT:jaf
Enclosure

AGREED:

CITIZENS COMMUNICATIONS COMPANY

By: 
L. Russell Mitten
Vice President, General Counsel and Secretary

895133/3099.0005