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SOUTHWEST GAS CORPORATION

Andrew W. Bettwy, Assistant General Counsel

January 27, 2003

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

E-01933A-02-0914
E-01032C-02-0914
G-01032A-02-0914

Re: Filing of **Reply to Joint Applicants' Opposition to Southwest's Application for Leave to Intervene**
Dockets Nos. E-01933A-02-0914, E-01032C-02-0914 and G-01032A-02-0914

Accompanying this letter are (1) the original and eighteen copies of the above-referenced document, (2) a cover sheet and (3) a stamped, self-addressed envelope. Please accept the original and seventeen of the copies for filing, and date/time stamp the remaining copy and return it to me in the accompanying envelope.

Thank you for the usual courtesy.

Respectfully,

Andrew W. Bettwy

Enclosures

Arizona Corporation Commission
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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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IN THE MATTER OF THE JOINT APPLICATION)
OF CITIZENS COMMUNICATIONS COMPANY)
AND UNISOURCE ENERGY CORPORATION)
FOR THE APPROVAL OF THE SALE OF)
CERTAIN ELECTRIC UTILITY AND GAS UTILITY)
ASSETS IN ARIZONA, THE TRANSFER OF)
CERTAIN CERTIFICATES OF CONVENIENCE)
AND NECESSITY FROM CITIZENS)
COMMUNICATIONS COMPANY TO UNISOURCE)
ENERGY CORPORATION, THE APPROVAL OF)
THE FINANCING FOR THE TRANSACTIONS)
AND OTHER RELATED MATTERS.)

E-01933A-02-0914
E-01032C-02-0914
G-01032A-02-0914

**Reply
to
Joint Applicants' Opposition
to
Southwest's Application for Leave to Intervene**

Southwest Gas Corporation ("Southwest") respectfully replies to the January 22, 2003 filing by the Joint Applicants in opposition to Southwest's Application for Leave to Intervene in the above-captioned proceeding.

The Joint Applicants' filing is premised entirely on the unwarranted assumptions that (1) Southwest's only interest is to monitor the proceeding and (2) Southwest's intervention "could unduly broaden the issues . . . and could lead to unwarranted delays." Moreover,

regarding Southwest's **actual and stated** interest in the proceeding, the Joint Applicants do not -- and cannot - quarrel with the assertion in Southwest's intervention application that "[a]s a practical matter, Commission policies and precedent regarding the acquisition and sale of utility assets, such as ratemaking treatment in particular, are formulated and modified from time to time in the context of proceedings such as the above-captioned proceeding."

Southwest's interest in the proceeding, contrary to the Joint Applicants' assumption that Southwest's interest is limited to monitoring the proceeding, is to have the opportunity for input in connection with any issues in the proceeding the Commission resolution of which "as a practical matter" may result in the formulation and/or modification of policies and precedent regarding the acquisition and sale of utility assets, such as ratemaking treatment.

In connection with their efforts to deny Southwest the opportunity to have input into the formulation of Commission policies and precedent regarding the acquisition and sale of utility assets, the Joint Applicants include the following disingenuous statement: "[A] formal intervention by Southwest could unduly broaden the issues in this proceeding and could lead to unwarranted delays."

Southwest has represented to the Commission both in writing [See January 16, 2003 Application for Leave to Intervene] and orally [See Reporter's Transcript of January 17, 2003 Procedural Conference] that Southwest's intervention would not result in having the issues unduly broadened **for the reason that Southwest's participation would be limited solely to issues bearing directly on the acquisition and sale of utility assets.**

The Joint Applicants have no basis whatsoever to speculate, as they have, about some potential negative impact on the proceeding by having Southwest participate as an intervener

and, quite frankly, in light of the representations which Southwest has made on the record, the Joint Applicants' apparent unwillingness to accept those representations and the implicit assertion by the Joint Applicants that the Commission should not rely on representations by counsel for Southwest are offensive for obvious reasons.

RESPECTFULLY SUBMITTED this 27th day of January, 2003.

A handwritten signature in black ink, appearing to read "Andrew W. Bettwy", written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing **Reply to Joint Applicants' Opposition to Southwest's Application for Leave to Intervene** by faxing/mailing/delivering a copy thereof to each of the following individuals:

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Dated this 27th day of January, 2003



Andrew W. Bettwy