

E-01345A-05-0816



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ORIGINAL
ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

4700

Investigator: Deb Reagan

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2006 - 54053 Date: 7/27/2006

Complaint Description: 08A Rate Case Items - Opposed

Complaint By: **First:** Cynthia L. **Last:** Frantsen

Account Name: Cynthia L. Frantsen **Home:** (000) 000-0000

Street: [REDACTED] **Work:**

City: [REDACTED] **CBR:**

State: AZ **Zip:** 85541 **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 sent the following letter to the Commission -

July 25, 2006

Anzona Corporation Commission
1200 West Washington St.
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED
AUG 2 2006

Chairman Jeff Hatch Miller
Commissioner William Mundell
Commissioner Mike Gleason
Commissioner Kris Mayes
Commissioner Marc Spitzer

DOCKETED BY [Signature]

RECEIVED
2006 AUG - 2 A 9: 36
AZ CORP COMMISSION
DOCUMENT CONTROL

Dear Sirs,

I have followed with interest the recent news articles regarding APS rate increases but until I received my most recent bill, did not understand what kind of financial impact the recent rate increases would have on my household.

My actual electrical usage was \$118.87 but my total bill was \$242.87! The "other" \$124.00 - MORE than my actual electrical usage - was for extraneous charges. As you know, the "extra" charges include:

- Basic service charge
- Delivery service charge
- Environmental benefits surcharge
- Competition rules compliance charge

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- System benefits charge
- Power supply adjustment
- Metering
- Billing
- Transmission and acillary services

And then there are the taxes and fees:

- Regulatory assessment
- State sales tax
- County sales tax
- City sales tax
- Franchise fee

I have no idea what many of these fees and charges are for nor does it matter, since I am at the mercy of APS and have no choice but to pay.

To add insult to injury, the Saturday edition of the Arizona Republic ran a story entitled "Parent of APS Posts 320% Rise in Profits". This just a few months after APS asked for and received an emergency rate increase of 7.6%!!

According to the Arizona Republic, two more cases are pending that could raise the rates even more as APS wants to recover 45 million in fuel and purchased power costs it paid as a result of outages at the Palo Verde Nuclear Generating Station. And in November, APS plans to ask for another 21 % general rate increase.

I am incredulous that APS continues to ask for outrageous and repetitive rate increases, while earning record profits. In addition to the commission, I am writing to my Washington officials to demand that they reject any additional rate increases for APS.

Thank you,

Cynthia Frantsen

Cc: Rick Renzi, First District of Arizona
418 Cannon House Office Building
Washington, D.C. 20515
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Following correspondence sent to customer -

Dear Ms. Frantsen:

Your letter regarding the Arizona Public Service Company ("Company") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the Company application.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

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Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase. If you should have any questions relating to this issue, please call me toll-free at [REDACTED]

Sincerely,

Deborah Reagan
Public Utilities Consumer Analyst
Utilities Division
End of Comments

Date Completed: 8/1/2006

Opinion No. 2006 - 54053
