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AZ CORP COMMISSION
DOCUMENT October 10 2006

Martin L. Shultz
Vice President
Government Affairs

Arizona Corporation Commission

DOCKETED

OCT 10 2006

The Honorable Janet Napolitano
Governor, State of Arizona
1700 W Washington
Phoenix, AZ 85007

DOCKETED BY	NR
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Dear Governor Napolitano:

Re: Proposed Solution For
Havasupai Lack of Reliable
Electricity -United States Funding

I understand that you received a letter dated September 6, 2006 from Robert E. Broz, Chief Executive Officer Mohave Electric Cooperative (Mohave Electric). This letter pertained to Mohave Electric's response to your request for electric service assistance for the Havasupai Indian Tribe and the Bureau of Indian Affairs (BIA)/Mohave Electric electrical system serving the Supai Village.

We believe that the letter may be the source of confusion regarding APS and its ability to respond to requests for repairs to this BIA transmission line, and may inappropriately give the impression that APS has a history of making such repairs at the request of the BIA or the Havasupai Tribe. Please understand that our nearest service and utility crew is located miles away from the facilities at issue, the area is well outside our certificated territory and we have no contractual arrangements with any party regarding tribal service (or any related facilities).

The 70-mile BIA/Mohave Electric transmission line is outside of the APS service territory and APS does not have authority to serve customers who rely upon this transmission line as their source of electrical service. As you know, APS works diligently to ensure that the electric service infrastructure and resources are available to serve APS customers reliable electric service.

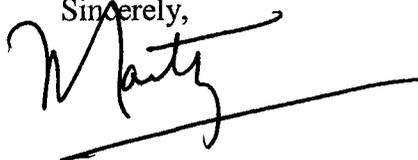
We have periodically responded to requests from the BIA and/or the leadership of the Havasupai Reservation regarding an invitation for APS to consider owning, and performing maintenance and repair of the BIA transmission line. After careful consideration of a variety of matters, including our obligations to serve APS customers according to our Certificate of Convenience and Necessity filed with and approved by the Arizona Corporation Commission, APS has declined

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October 4, 2006
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such invitations, in part on the basis that we could not provide the expected service quality and reliability, given the location and current responsibilities of our personnel and resources. We do sympathize with the difficulties experienced by the Havasupai Tribe and other customers and are willing to participate in joint discussions on this matter if you believe our participation would be helpful.

Please let me know if you have any additional questions about this matter. I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Marty", with a long horizontal line extending to the right from the end of the signature.

cc: Mohave Electric Cooperative, Inc.
Alan Stephens, Co-Chief of Staff, Arizona Governor's Office
The Honorable Jon Kyl, U.S. Senator
Lucy Murfitt, Aide to Senator Kyl, Washington, D.C. Office
Andy Jacobs, Aide to Senator Kyl, Local Office
The Honorable John McCain, U.S. Senator
Becky Jensen, Aide to Senator McCain, Washington, D.C. Office
Paul Hickman, Aide to Senator McCain, Local Office
The Honorable Trent Franks, U.S. Congressman
Jeff Choudry, Aide to Congressman Franks, Washington, D.C. Office
Shari Farrington, Aide to Congressman Franks, Local Office
Chairman Thomas Siyaja, Sr., Havasupai Tribe
Members of the Arizona Corporation Commission
Arizona Corporation Commission Docket Control
(for Docket No. E-01750A-05-0579)
Ernest Johnson, Director of Utilities, ACC
Chris Kempley, Chief Counsel, ACC
Mark J. Wenker, Esq., Legal Counsel to BIA
Michael A. Curtis, General Counsel, Mohave Electric Cooperative, Inc.