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CHA
JIM IRVIN
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COMMISSIONER



ARIZONA CORPORATION COMMISSION

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May 16, 2002

Chairman William A. Mundell
Commissioner Jim Irvin
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

MAY 16 2002

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In Re: ACC Docket No. E-00000-02-0051
Generic Proceeding for Electric Restructuring

My Fellow Commissioners:

I support the Chairman's continuing efforts to ensure an honest, fair wholesale electricity market for Arizona. In that regard, I would urge that the Commission add to the next Open Meeting in this docket a discussion of the recommendations contained in the Chairman's letter of May 14, 2002 and a vote by the Commissioners on his recommendations.

I believe the Arizona Corporation Commission's involvement in the many federal proceedings should be focused so we maintain our ability to provide an optimal legal and regulatory framework for Arizona ratepayers. I should point out that the Arizona Corporation Commission does not have unlimited resources and that the Commission should act in concert, and not at cross-purposes, with federal regulatory agencies.

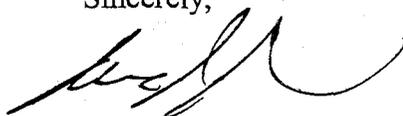
That being said, I agree that monitoring, and perhaps intervention, in the FERC docket investigating market manipulation may be necessary to provide the Commission with sufficient information to evaluate the impact of these activities on the wholesale market. Clearly our duty to the ratepayers, utilities, cooperatives and public power districts of this State requires us to be informed and aware of threats to the stability of the market. However, we should avoid any unnecessary, duplicative filings with this Commission by these Arizona entities.

I remain convinced that the best method of protecting Arizona ratepayers is to proceed with a mechanism that allows for a competitive solicitation of bids from the market. Only with actual

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information from the market can we ensure that the advantages of the Commission's wise decisions in numerous plant and line siting cases will accrue to the benefit of Arizona's ratepayers.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marc Spitzer', written in a cursive style.

Marc Spitzer
Commissioner

cc: Docket Control
All Parties in ACC Docket No. E-00000A-02-0051