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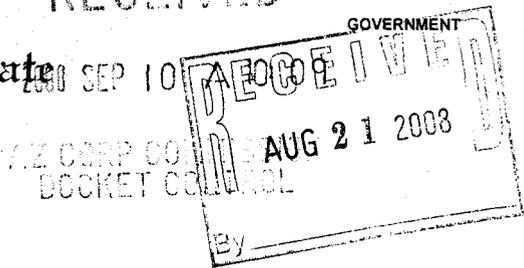


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RURAL AFFAIRS

Arizona State Senate



DISTRICT 5

ORIGINAL

August 20, 2008

The Honorable Mike Gleason  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Docket Nos. E-01345A-05-0816  
E-01345A-05-0826  
E-01345A-05-0827

Dear Commissioner Gleason:

I have been receiving calls from constituents in my rural district. The concern is the loss of the 1000 feet free extension from the utilities companies and the exorbitant cost they are charging to bring service. One woman building in Taylor is doing the labor for 600 feet of underground wires going to the pole and APS is still charging \$17,500. This is outrageous.

This is not a problem in urban Arizona where utilities have already been established but in rural Arizona it is causing a huge hardship and will stop property owners from being able to build a home or a business. We are already experiencing a huge drop in our real estate market and this is only going to make matters worse. Why would you give the power companies a rate increase and at the same time allow them to drop free extension? This is a double rate increase. Why would you not set parameters on the cost they can charge?

We do not have a choice in who we can go to buy our electricity and are forced to use the monopoly. Once hooked up, the companies then make thousands of dollars over our life time. Historically, the monthly payments have included the cost of expansion that the company was projecting for future growth. I also have been told that free extensions are still allowed on the various Native American Reservations. Is this true?

I am requesting that the Commission revisit this issue and exempt rural Arizona and require that companies go back to the 1000 feet free extension. At the very least a restriction should be in place for what they can charge.

Thank you for looking into this matter and I would appreciate a reply.

Sincerely,

Sylvia Allen  
State Senator - District 5

SA/an

Cc: Thelma Perkins  
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Holbrook, Arizona 86025

Arizona Corporation Commission  
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