



ORIGINAL



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Dear Commissioners,

E-01345A-08-0172

I am Bruce Coomer, Executive Director of the Arizona Association for Economic Development. AAED is an organization with over 600 members statewide. AAED has been a part of Arizona for over 34 years. We are a strong advocate for sensible Economic Development throughout Arizona. We also are a very strong advocate for one of the leading corporate citizens in Arizona, the Arizona Public Service Company.

APS has been one of the pioneers in Arizona for sensible Economic Development. If you value sensible growth you will approve the request for a rate increase that APS has submitted.

APS has been and continues to be a model corporate citizen. The company does so much for communities statewide. APS employees volunteer thousands of hours each year to projects to promote critical programs to improve the health and welfare of Arizona citizens rich and poor.

One fact should make your decision easy. Currently APS' costs are greater than the rate they are allowed to charge. How can a responsible company like APS be expected to operate in that environment? Even with the increase they have requested they will not realize a profit. They put everything back into the communities they serve in necessary capital equipment.

APS did not ask for rate increases for over 10 years and in fact had been decreasing rates for most of that period. That is not the mark of a company looking for huge profits. That is a company that places the people they serve ahead of corporate profit. Not many of those left are there?

How is this an Economic Development issue? If the rate increase is not granted it is almost a certainty that the APS credit rating will be downgraded and pulled to the depths of a junk rating. This will mean substantially higher and unnecessary costs (millions pushing upward of a billion dollars) for APS to borrow money to continue to capitalize projects necessary to serve new residents, businesses, and industry. Sensible growth does not have unnecessary spikes in costs.

Does the Corporation Commission want citizens to pay a small increase now or a very large increase later? You cannot expect any company to sell their product for less than what it costs to produce it.

The Arizona Association for Economic Development feels strongly that APS should be awarded the rate increase they seek. They are a leader in Arizona Economic Development and corporate responsibility.

Respectfully submitted,

Bruce D. Coomer

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Executive Director
Arizona Association for Economic Development

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