E-01345A-08-0172
OPEN MEETING AGENDA ITEM

0000091994

Betty Camargo

ORIGINAL

From: David Maurer [dmaurer@prescott.org]
Sent: Thursday, December 18, 2008 7:48 AM
To: Gleason-WebEmail
Subject: Prescott Chamber of Commerce RE: APS

Attachments: APS 120608

APS 120608 (29 KB)

Chairman Gleason:
Attached is a letter from the Prescott Chamber of Commerce regarding the APS interim rate case that you began hearing yesterday. Our Board of Directors authorized this letter at their meeting yesterday. The original, signed letter is in the mail, but I wanted you to have this copy by e-mail due to the timing of our action.
Thank you.

David Maurer
CEO
Prescott Chamber of Commerce
(928) 445-2000, ext. 115
dmaurer@prescott.org

Arizona Corporation Commission
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December 17, 2008

Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

Dear Commission Members:

On behalf of the more than 1,000 business members of the Prescott Chamber of Commerce, I am writing to express concern about the status of our electric utility, APS. Our community relies on APS for its electric power. Until now, we have taken this reliance for granted.

The Prescott area is growing, like the rest of the state, and our economic development efforts may be hampered if APS can't meet the projected energy needs in our area. It concerns us to learn that APS now has the third lowest credit rating among public utilities in the country and that their credit rating is in danger of being downgraded to junk bond status.

APS has been, in our opinion, a model company in the state of Arizona for many years. Many economic development programs, as well as community organizations, have benefited from a strong APS. A rate increase will always have its critics, but we believe APS has already taken steps to downsize its corporate structure and is looking at all forms of energy generation.

The Chamber asks that you carefully consider all aspects of this proposed rate increase.

Sincerely,

(Signature on original letter mailed 12/18 to ACC)

Karen Rizk
Chairman of the Board

Betty Camargo E-01345A-08-0172

From: John Sellers [jasellers@cableone.net]
Sent: Thursday, December 18, 2008 7:54 AM
To: Gleason-WebEmail; Pierce-Web; Hatch-WebEmail; Mayes-WebEmail; Mundell-Web
Subject: FW: APS rate hearing

Dear Sirs

My apologies but I just learnt that you were planning to close the hearings yesterday and today is a matter of moving to a decision.

In no way do I want to interfere with your decision making process which is already heavy.

In addition to be honest there is no small traffic risk from Prescott due to heavy snow.

Good luck in your deliberations and I look forwards to listening in on audio

Thank you for accepting my late written submission which I was pleased to see was posted quickly on your web site

Sincerely

John Sellers

Cc *Michelle Marini*
4715 N. 32nd Street, Suite 104
Phoenix, AZ 85018
By fax to: *(602)274-2088*

Contact details:
595 Robin Drive, Prescott, Arizona 86305
Tel: 928-277-1262
Fax: 928-277-1308
Cell: 928-310- 8220
Email: jasellers@cableone.net
Web site: www.jsellers.co.uk
This message may be confidential. If it has been received in error, please destroy the original and all copies and advise the sender. Thank you.

Betty Camargo

From: John Sellers [jasellers@cableone.net]
Sent: Thursday, December 18, 2008 7:42 AM
To: Gleason-WebEmail; Pierce-Web; Hatch-WebEmail; Mayes-WebEmail; Mundell-Web
Subject: FW: APS rate hearing
Attachments: Andy Tobin Washington.docx; Senator John McCain August 17th 2008.doc

Dear Sirs

I was unaware that there may be hearings continued today.

I plan to attend the hearings at 10.00.

It time permitted I'd like to amplify my comments previously submitted and add as an addendum the attached

Respectfully

John Sellers

Cc *Michelle Marini*
4715 N. 32nd Street, Suite 104
Phoenix, AZ 85018
By fax to: *(602)274-2088*

Contact details:
595 Robin Drive, Prescott, Arizona 86305
Tel: 928-277-1262
Fax: 928-277-1308
Cell: 928-310- 8220
Email: jasellers@cableone.net
Web site: www.jsellers.co.uk
This message may be confidential. If it has been received in error, please destroy the original and all copies and advise the sender. Thank you.

To: Arizona Representative Andy Tobin & Senator elect Steve Pierce Sunday, December 14, 2008

Infrastructure & the Auto Bailout

It should come as no surprise that after a visit to Washington I'm ever more convinced we need BOTH the private and public sectors to rebuild the country's infrastructure. The issue is timing. Barack Obama understandably has moved to a ***"use it or lose it"*** approach to speed monies to States for infrastructure. Unfortunately the $136 Billion listed by the Governors is a mere down payment relative to what's needed for infrastructure **and** supporting economic recovery. Even if say $3Trillion were invested, that's only 25% of GDP and about 50% of the bubble in the US housing stock.

The key issue for me is "pork control" and generating smart investment. GM proves the private sector has no monopoly on wisdom. But private sector co-investment and risk sharing in infrastructure, as happens internationally, can achieve this goal. A silver lining is that, with more cash, the public sector would be better able to negotiate against a Wall Street otherwise able to dictate stricter terms. A successful US PPP model may be closer to a ***"mixed ownership TVA"*** model than an outright concession. These structures, including important transparency aspects, will take time to develop but short term actions must factor in the long term role of private capital. This may seem misplaced with treasury bills yielding 0% and the stock market reduced to a call option on company assets. But this could change quickly – at least for the private sector - if not public finance which may never recover its quasi monopoly position. Financial regulatory changes should also be considered to encourage US commercial banks to return to old fashioned cash flow lending for infrastructure rather than recurrent exposure to real estate. This **lending** role US Banks ceded in the infrastructure field to European banks in the 1980's.

International bankers also know that PPP infrastructure financed on a project finance basis can add debt capacity. This will be important as the nation's debt inevitably soars. Few seem concerned today about the US's AAA rating but this might change when/if we return to having real rating agencies.

A National Infrastructure Bank **run on commercial lines** therefore makes sense to leverage limited public capital. Some projects will be funded all cash but over time my estimate is that $3 or $4 of private capital could be raised to match every Federal $ invested across the various infrastructure sectors. Mesa Mayor Scott Smith and the Morrison/Brookings Institutes are promoting the idea of "Mountain Megas" pulling 4 States together to achieve more leverage with Washington. Ann Kirkpatrick apparently has come close to a similar idea for water. A regional development bank for Northern Arizona makes sense anyway but that could morphe into or be part of a four State regional arm of the Infrastructure Bank. See attached for illustrative projects locally that such a bank might tackle. This alone exceeds $3Billion. We've already made progress defining PPP risk models for the transport and water sectors plus a start on a school. So we may have a good start already for a State with a private sector tradition.

Potentially overriding much of this is Detroit and the bailouts effects generally in creating forced public private partnerships and a revision of the country's industrial policy. These may leave us with consequences nationally - but not necessarily in Arizona. See attached from Senator Kyl.

This is a unique opportunity in depressing times but in 5 years we may look back and see a "new" New Deal and an "economic Pearl Harbor" all rolled into one as the solution to the present crises.

Please keep the above in mind as you head towards the budget discussions. Happy Holidays.

John Sellers, 595 Robin Drive Prescott, Arizona 86305

Tel: 928 277 1262 E mail: jasellers@cableone.net web site: http://www.jsellers.co.uk

To: Arizona Representative Andy Tobin & Senator elect Steve Pierce Sunday, December 14, 2008

Copy:

Ann Kirkpatrick, US Congresswoman elect

Lucy Mason Arizona State Representative

Carol Springer, Chairperson Yavapai County Board of Supervisors

Bill Feldmeier, ADOT Transportation Board

Jack Husted

Mayor Jack Wilson & Council Members, City of Prescott

Mayor Harvey Skoog & Council Members, Prescott Valley - Larry Tarkowski

Mayor Scott Smith, City of Mesa - Brent Stoddard

Big Chino Working Team

I-17 Corridor Group

Central Arizona Partnership - Jason Gisi/Steve Conrad

Rob Wagner

Prescott 2050 Vision Economic Development sub Group

Senators Kyl [Abby Donovan] and McCain - Lee Dunn

Congressman Jake Flake - Erika Nelson

California US Congressman elect Tom McClintoch - Lisa Buescher

Placer County Water Agency Directors Ben Mavy & Gray Allen

MHAAA Working Group

Secretary of State Jan Brewer

Governor Napolitano - Virginia Turner

Senator Chris Dodd - Lisa Frumin

Ben Bernanke, Federal Reserve Board Chairman

Ron Utt, Heritage Foundation

ADOT – Rakesh Tripathi/Michelle Conkle/Dan Mauller/Dallas Hammit/Cliff Passmore

APS – Mike Johnsen

ASU – Gary Aller/Tim James

Goldwater Institute – Byron Schlomach

Arizona General Contractors Association – Sarah Morgan/Barry Smiley/Kevin Wauderberg

Northpoint Learning Academy – Geneva St Amour/Ramie Liddle

Arizona State Senator Blendu

Centre for American Progress - Gene Sperling/Andrew Sherry

Brookings Institute – Mark Muro

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John & Debborah Sellers
595 Robin Drive
Prescott, Arizona 86305

Senator John McCain
5353 North 16th Street, Suite 105
Phoenix, Arizona 85016
BY FAX to 602 952 8702

August 17, 2008

Dear Senator McCain

I'm no longer working on Wall Street but it seems to me that after 30 years of gorging on debt, this country has been hit by the financial equivalent of a Pearl Harbor. Unfortunately much of that debt is not held by this country's best friends.

The difference this time is that there are no battleships visible bottoms up for the American people to see. My recollection of US Naval history is that some of those battleships were quickly repaired and witnessed the victorious end only a few years later.

In my opinion the upcoming election is about much more than change. It's about who's going to alert the American people to the fact that they're in a financial war zone. Once they get that message, this "war" might be quickly over but I'm not sure this can or should wait till after November.

Sincerely

John sellers

Tel: 928 277 1262 E mail: jasellers@cableone.net web site: http://www.jsellers.co.uk

Betty Camargo E-01345A-08-0172

From: jct9889@yahoo.com
Sent: Wednesday, December 17, 2008 9:58 PM
To: Mayes-WebEmail; Mundell-Web; Gleason-WebEmail; Hatch-WebEmail; Pierce-Web
Subject: APS Rate Hike

Hello,

I think it goes without saying that an APS rate hike is not something Arizonans can stomach at the moment. Everywhere I go I see something being sponsored by APS, how about they cut these things out of their budget and then come back to the table. I trust you will do what is right.

Thank you,

James Teigen