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August 4, 2009

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**SAHBA**  
the community builder

Southern Arizona Home Builders Association

**Southern Arizona  
Home Builders  
Association**

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Tucson, Arizona 85716  
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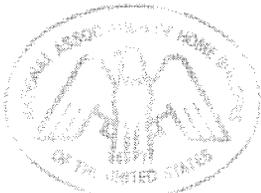
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The Honorable Kristin Mayes, Chair  
The Honorable Sandra Kennedy  
The Honorable Paul Newman  
The Honorable Gary Pierce  
The Honorable Robert Stump  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Az. 85007

RE: Arizona Public Service Company Docket No. E-01345A-08-0172

Dear Commissioners:

On behalf of the Southern Arizona Home Builders Association, I am writing to respectfully request that the Commission consider reinstating the line extension policy from 2007 as it related to builders, developers and individual land owners.

The policy that eliminates line extension considerations for Tucson Electric Power (TEP) and Arizona Public Service (APS) has the unintended effect of suppressing economic growth. Without growth and development, this unreasonable rule will further cripple Arizona's housing industry that will, in turn, further de-stabilize our state government's ability to achieve a balanced budget.

In 2008, 3,018 permits for new homes were issued in our area, served primarily by TEP. For 2009, only 1,500 permits are projected. Several of our SAHBA builder members have told me that this policy will cost an estimated minimum \$5,000 per lot. As it stands, this line extension ruling decreases both home affordability and the construction of new homes.

Thank you for your consideration,

Roger Yohem  
Vice President

Arizona Corporation Commission  
**DOCKETED**

AUG 13 2009

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AZ CORP COMMISSION  
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