

E-01345A-08-0172



0000102141

ORIGINAL

**ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM**

Investigator: Deb Reagan

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 81528

Date: 8/28/2009

Complaint Description: 08Z Rate Case Items - Other
N/A Not Applicable

Complaint By: **First:** Robert **Last:** Miles

Account Name: Robert Miles

Home: [REDACTED]

Street: [REDACTED]

Work:

City: Prescott

CBR: [REDACTED]

State: AZ **Zip:** 86303

is: Cellular

Utility Company: Arizona Public Service Company

Division: Electric

Contact Name: For Assignment

Contact Phone: [REDACTED]

Nature of Complaint:

***** E-01345A-08-0172 *****

*** REFERRED FROM CHAIRMAN MAYES' OFFICE ***

Customer sent the following -

From: Miles, Robert [mailto:robert.miles@intel.com]
Sent: Wednesday, August 26, 2009 11:32 AM
To: Newman-Web; Pierce-Web; Mayes-WebEmail; Kennedy-Web; Stump-Web
Subject: Arizona Public Service's line extension tariff

Chairman Kristin Mayes
Commissioner Paul Newman
Commissioner Gary Pierce
Commissioner Sandra Kennedy
Commissioner Bob Stump

August 26, 2009

Arizona Corporation Commission
Commissioners Wing
1200 W. Washington - 2nd Floor
Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

SEP 1 2009

DOCKETED BY [Signature]

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2009 SEP - 1 A 10:44

RECEIVED

Madam Chairman & Commissioners,

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

I would like to express my dismay regarding Arizona Public Service's line extension tariff (schedule 3, #E-01345A-08-0172).

My wife and I purchased property in rural Walker, AZ in September 2005 with aspirations of building a vacation home that would eventually become our primary home upon retirement. The lot was considered raw land as it had no electricity, water, or sewer. We knew we would incur expense to provide water and sewer services and included those estimates to determine our ability to afford the lot and subsequent home improvements. We did not, however, make provisions for electric hookup as we knew that extending service to our property was an expense absorbed by APS as a normal cost of doing business, just as it had been doing for the past 50+ years. Service existed in the neighborhood and it traveled along our street; we simply needed it extended to the lot.

Needless to say, when I contacted APS to get details on hooking up service, I was shocked to find that we now had to pay to extend that service to our home site. I was told that the Arizona Corporation Commission allowed APS to begin charging for this service only six months prior; knowing that I had missed the cut off by a mere six months only made matters worse.

What had been zero cost to us is now \$30,000!!

That figure is more than 13% of the total cost to build our home and that's just not right, nor fair.

I understand that by charging customers for electrical extensions, APS' rate increase requests are minimized by some extent. This financial shortfall can be resolved by retroactively charging the more than one million homeowners already hooked to APS power for the those line extensions already in place; this would level the playing field for those of us that must pay it going forward. If retroactively charging existing customers is considered undesirable, the Arizona Corporation Commission should negate APS' line extension tariff and return the policy to the state in which it existed previously. That way, all property owners, past and future, would share the infrastructure build out expense equally and fairly.

At a minimum, property owners, excluding developers, who purchased their land prior to the policy reversal in 2007 should be entitled to the line extension policy that existed at the time the land was purchased. By being grandfathered in, we would be able to afford to build our home and thus contribute to APS' revenue stream for decades to come. We don't want to abandon our dream of building this home but may be forced to do so if the current policy remains in effect. In addition, the value of our land has diminished significantly as a direct result of this policy.

Thank you in advance for considering my perspective as you debate the merits, or lack thereof, regarding this program during the upcoming fall session.

Please don't hesitate to contact me directly if you require additional information.

Sincerely,

Robert Miles

[REDACTED]
Mesa, AZ. 85213

Impacted Property:

[REDACTED]
Prescott, AZ. 86303

[REDACTED] Home - Mesa AZ)

[REDACTED] cell)

End of Complaint

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Utilities' Response:

Investigator's Comments and Disposition:

Customer comments entered for the record and filed with Docket Control.

Responded to customer with the following -

Dear Mr. Miles,

Your recent e-mail to Chairman Mayes and the Commissioners has been assigned to me for a response. I am a Consumer Analyst in the Utilities Division.

Your comments will be filed with Docket Control in this case and will become available for all parties to review.

The Commissioners and staff appreciate you taking the time to comment on this matter.

Deborah Reagan
Public Utilities Consumer Analyst
Utilities Division
AZ Corporation Commission
End of Comments

Date Completed: 8/28/2009

Opinion No. 2009 - 81528
