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REALTORS® Land Institute
NATIONAL ASSOCIATION OF REALTORS®
ARIZONA CHAPTER, #35

October 6, 2009

E-01345A-08-0172

The Honorable Bob Stump
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

Dear Commissioner:

On behalf of the statewide membership of the Arizona REALTOR® Land Institute, we would like to add our voices to the others asking that current members of the Arizona Corporation Commission to rescind your 2007 policy change disallowing company-provided initial line extension by Arizona electric utilities.

We have read through the public testimony as well as your public comments, and hope that the actual impact of that original decision is beginning to be better understood by you and the members of your staff.

Regardless of the current national recession and economic downturn within our state, your policy change on electric line extensions has had a devastating impact on raw land ownership and housing affordability across Arizona's fifteen counties – rural and metropolitan communities. This certainly was not a policy discussion which your office first adequately vetted with the property-owning public.

The current rhetoric reveals the true policy intent – it is not about ratepayer cost, which APS estimates as .20 a month when the policy changed in 2007 – it is not about actual cost to any utility company since line extensions are now being charged at tens of thousands of dollars, completely in excess of the cost of transmission cable and the labor to pull it from the existing grid to the new service box – it is a policy that is directed at inhibiting the ability, and penalizing through additional costs, people who chose to build on individual parcels outside of subdivisions and master-planned communities. We understand the Commission's next target will be domestic wells. None of this newer regulatory direction seems focused on consumer protection.

This letter is to join others who have submitted to the current APS rate case docket, asking for the rescission of the 2007 change, restore a practice that Arizona utilities used for fifty years and continue to use on reservation lands and within the Salt River Project service area, and resist pitting current rate payers against property owners waiting to become new subscribers, with the anti-growth rhetoric. Every electric customer today came on line after the customers who preceded them, just like water users benefiting from the Central Arizona Project. The costs of growth as well as the benefits we each share from growth in Arizona are borne by Arizona Residents, old and new.

Sincerely,

Rick Padelford, CCIM, President
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Arizona Corporation Commission
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