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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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BOB STUMP

2010 FEB 19 A 10:58
AZ CORP COMMISSION
DOCKET CONTROL

Jon Sandler,

Complainant,

vs.

UNS Electric, Inc.

Respondent

DOCKET NO. E-04230A-09-0494

**UNS ELECTRIC, INC.'S
SUPPLEMENTAL EXHIBIT
FILING TO THE RESPONSE TO
FORMAL COMPLAINT AND
MOTION TO DISMISS**

UNS Electric, Inc. ("UNS Electric" or the "Company"), through undersigned counsel, respectfully supplements its earlier response to the formal complaint filed by Jon Sandler on October 19, 2009 ("Formal Complaint"). UNS Electric inadvertently left off Exhibits A, B and C, as referred to in our earlier response. Complaint Nos. 80409 and 81231 are hereby attached as Exhibit A, and UNS Electric's Rules and Regulations, Section No. 6.A regarding Service Establishments is hereby attached as Exhibit B. Lastly, UNS Electric's Rules and Regulations, Section No.7.C, D and E regarding Provision of Service, are hereto attached as Exhibit C.

RESPECTFULLY SUBMITTED this 19th day of February 2010.

UNS Electric, Inc.

By Melody Gilkey
Melody Gilkey
Attorney for UNS Electric, Inc.
One South Church Avenue, Ste 200
Tucson, Arizona 85701

Arizona Corporation Commission

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FEB 19 2010

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Original and 13 copies of the foregoing
filed this 19th day of February 2010 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered/mailed
this 19th day of February 2010 to:

Belinda A. Martin, Esq., Administrative Law Judge
Hearing Division
Arizona Corporation Commission
400 West Congress Suite # 221
Tucson, AZ 85701-1347

Janice Alward, Esq., Chief Counsel
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Steve M. Olea, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By Cara Ruben

EXHIBIT A

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone: (520) 628-6555

Fax: (520) 628-6559

Priority: Respond Within Five Days

Complaint No. 2009 - 80409

Date: 7/15/2009

Complaint Description: 01Z Billing - Other
05Z Quality of Service - Other

Complaint By: **First:** John **Last:** Sandler

Account Name: Grand Properties

Home: (520) 377-0205

Street: 1192 Zircon, #1

Work:

City: Rio Rico

CBR:

State: AZ **Zip:** 85648

is:

Utility Company: Unisource ** Energy Services (UNS)

Division: Electric

Contact Name: Brenda Bevard

Contact Phone: (520) 884-3651

Nature of Complaint:

Customer is not happy since the day Unisource took over and purchased Citizens. Customer said he is very frustrated with Unisource's lack of customer services. Customer has to have this staff call and wait from five minutes up to and over one hour to speak with a customer services representative. Once customers reach Unisource the customer is only allowed to give the Unisource representative no more than three orders at one time and then the customer has to repeat the tedious task of possibly waiting an additional hour on the phone two more separate times.

Customer is also upset that the other day customer faxed over ten orders to Unisource on June 29th. Unisource confirmed they received this order for ten transfers of services. The orders were not worked until July 10th long after the services were already disconnected. Customer is upset that years ago when customer wanted to put his units on a Landlord Lease Agreement ("LLA") customer was told that LLA were not permitted in Santa Cruz County?

Customer is not happy in Unisource's poor customer services skills whenever he calls.

Please investigate as to why customer is not on a LLA?

Has customer requested this in the past?

Is Unisource only taking three orders per call?

Why can't a business such as this customers" be assigned a business representative where customer could place a call directly to this designated person?

Please report your findings to the ACC.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Pending
End of Comments

Date Completed:

Complaint No. 2009 - 80409

From: ACC Complaints - All

Sent: Monday, July 20, 2009 11:11 AM

To: 'Richard Martinez'

Subject: ACC Complaints: Sandler, John - SC UNSE Complaint No. 80409: 01Z Billing - Other Acct# 8072549450

Brenda BeVard, UNS Electric, Inc. ("UNSE") Representative, spoke with Mr. Sandler on July 17, 2009 regarding his service with UNSE.

On June 29, 2009 UNSE received ten faxes from Grant Properties with request to establish ten separate services. The request to establish service at 1192 Zircon Court, 1, was disconnected on June 29, 2009 at the request of the previous party, which was also the date the service establishment that was requested by Grant Properties. UNSE faxed a confirmation of receipt to Grant properties on July 1, 2009 and informed the customer that the service was scheduled to be connected on July 10, 2009. Please refer to UNSE Rules and Regulations, Section No. 3.E.2 (page 12).

E. Service Establishments, Reestablishment or Reconnection Charge

2. Should service be established during a period other than the Company's regular business hours at the Customer's request, the Customer may be required to pay an after-hour charge for the service connection. Where the Company's scheduling will not permit service establishment on the same day as requested, the Customer can elect to pay the after-hour charge for establishment that day, or his service will be established on the next available working day. The after-hour charge is set forth in the Statement of Additional Charges at Section 14. Even so, a Customer's request to have the Company establish service after-hours is subject to the Company having Staff available; there is no guarantee that the Company will have the staffing available for service establishment or reestablishment outside of regular business hours.

All service request orders are accepted during the initial call from customers; however, Grant Properties faxes their request individually for each order.

Previous to April 2007, UNSE did not offer its customers electric landlord agreements. In April 2007 UNSE converted to a new billing system and began to offer its customers electric landlord agreements.

Question: Please investigate as to why customer is not on a LLA?

Since April 2007, UNSE has not received a signed landlord agreement from Grant Properties.

Question: Has customer requested this in the past?

UNSE has no record of Grant Properties requesting a landlord agreement prior to a request made on July 8, 2009.

Question: Is Unisource only taking three orders per call
No.

Question: Why can't a business such as this customers" be assigned a business representative where customer could place a call directly to this designated person?
Service establishments and disconnection orders are placed through the UNSE Customer Care department. Also, requests made by Grant Properties are for residential service and not commercial.

From: Richard Martinez [mailto:RMartinez@azcc.gov]
Sent: Wednesday, July 15, 2009 3:59 PM
To: ACC Complaints - All
Subject: ACC Complaints: Sandler, John - Complaint No. 80409

Please see the attached complaint. It is in PDF format.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone: (520) 628-6555

Fax: (520) 628-6559

Priority: Respond Within Five Days

Complaint No. 2009 - 81231

Date: 8/18/2009

Complaint Description: 04D Service - Not Working
N/A Not Applicable

Complaint By: First: Jon Last: Sandler

Account Name: Jon Sandler

Home: (520) 377-0205

Street: 1192 Zircon, #1

Work:

City: Rio Rico

CBR:

State: AZ Zip: 85648

is:

Utility Company: Unisource ** Energy Services (UNS)

Division: Electric

Contact Name: Brenda Bevard

Contact Phone: (520) 884-3651

Nature of Complaint:

Customer wants the following questions answered by UNS Energy.

I have 3 things I could use additional help with in getting Unisource to respond-

1) approx. 3 weeks ago I filed a complaint with Unisource after one of their many power outages damaged my stereo amplifier and DVD player. I have followed up twice with Customer Service (what a misnomer that is with UNS) only to be told that they have a record of my calls and someone will call me. No one ever does and it's getting ridiculous. I don't want to wait anymore. In years past, they sent you a form and then sent you a check. This isn't rocket science.

2) at approx. 8:45 am Saturday 8/15/09, the community I live in, Tubac, Az., had another of our power outages. It goes off so often it's crazy. Assuming it was just a normal problem, I did not call it in. When power was not restored by 9:45 , I called "emergency" and was told there had been no other calls so it must be my house. I checked all breakers and called back to say I found no problem and requested immediate service to restore electricity on a day that was to be at least 95 degrees. By 11:40 am, still no one had shown up and when I called in to find out why (again "emergency"), they now said it was community wide but had no idea when power would be restored. At 11:55, I was pulling out of my driveway and a UNS truck went past so I chased him down. He was looking for my house and told me he had not been alerted to a problem until after 11 am! Power was not restored until approx. 4 pm-over 7 hours without electricity! I would like answers to the following questions-

-what caused the outage?

-what took so long to restore power?

-I called at 9:45. Why was the guy not alerted until after 11 am and didn't show until 12? What is the benefit of calling "emergency" if it is not treated like an emergency?

-how can UNS not know when hundreds of homes suddenly go dead and off the grid? What can be done to alert them when there is a problem and not many people call to report it?

-most importantly, why does our power go out so often and what can be done to prevent this from happening so often?

**ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM**

3) Power went off again sometime in the afternoon yesterday! I came home to all the clocks flashing again. What caused this?

I would appreciate any help you can be in getting Unisource to respond as a normal business (which had some competition) would/should. I would like my stereo equipment repaired or replaced and I would like to replace my frozen food which sat without electricity for 8 hours on Saturday.

Did Risk Management contact this customer since the time he filed for a damage/loss report?

What is causing the outages as described by this customer and what caused this huge delay in restoration of power?

Please contact customer and explain to him the reasoning behind the non-contact with customer and the fact that UNS continues to lose electrical services to its customers.

Please report your findings to the ACC.
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Pending
End of Comments

Date Completed:

Complaint No. 2009 - 81231

From: ACC Complaints - All

Sent: Thursday, August 20, 2009 4:27 PM

To: 'Richard Martinez'

Subject: ACC Complaints: Sandler, Jon - SC UNSE Complaint No. 81231: 04D Service - Not Working Acct# 3680220000

Patty Tilghman, UNS Electric, Inc. ("UNSE") Claims Analyst spoke with Mr. Sandler on August 19, 2009 and explained that UNSE will not make a payment for damage claims related to a problem the Company could not have reasonably foreseen.

Please refer to UNSE Rules and Regulations, Section No. C (page 66).

C. Continuity of Service

The Company will make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company will not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

1. Any cause against which the Company could not have reasonably foreseen, or made provision for (see Subsection 7.E.);
2. Intentional service interruptions to make repairs or perform routine maintenance; or
3. Curtailment, including brownouts or blackouts.

Brenda BeVard, UNSE Representative and Angelica Orta-Madrigo, UNSE Distribution Supervisor, spoke with Mr. Sandler on August 20, 2009 regarding outages; a request for a damage claim; and to answer Mr. Sandler's questions and concerns.

Customer's Questions:

What caused the outage?

Bad underground cable.

What took so long to restore power?

Emergency cable had to be installed between the transformer and the overhead line.

Why was the guy not alerted until after 11 am and didn't show until 12? What is the benefit of calling "emergency" if it is not treated like an emergency?

The first no power call UNSE received was at 8:55 am and a crew was dispatched to the area at 9:01 am. UNSE crews do not show up to individual houses (premise), they're routed to where the problem is located with the Company's facilities. It also takes time to locate the problem, especially when the problem is in the underground system. An additional crew was also dispatched to this location at a later time to assist with installation for emergency cable to restore power.

How can UNS not know when hundreds of homes suddenly go dead and off the grid? What can be done to alert them when there is a problem and not many people call to report it?

Generally when hundreds of premises are without power, UNSE receives a high volume of calls to report the outage. In this case, there were sixteen (16) premises without power. The first no power call was reported at 8:55 am. Power was restored for ten (10) premises at 12:41 pm and the remaining six (6) premises were restored at 4:14 pm.

Most importantly, why does our power go out so often and what can be done to prevent this from happening so often?

There has been a variety of reasons for power outages, some localized, others wide spread. Some outages can be explained others cannot be. Unfortunately, that is the nature of the electric system. It is not until a pattern develops that further investigation is warranted. Nonetheless, the Company understands that our customers are burdened when experienced with any type of outage. UNSE takes outages very serious and works as quickly as possible to restore power.

Power went off again sometime in the afternoon yesterday! I came home to all the clocks flashing again. What caused this?

A temporary outage was required to remove the emergency cable and to repair and install the replacement cable.

Question by the Commission:

Question: What is causing the outages as described by this customer and what caused this huge delay in restoration of power?

These outages that have affected this service area are caused by a variety of reasons like equipment failure, which UNSE may not reasonably foresee, storms or safety hazards. In the case of the outage on August 15, 2009, a bad underground cable needed to be temporarily replaced by an emergency cable installed from the overhead line. This is a time consuming process.

From: Richard Martinez [mailto:RMartinez@azcc.gov]

Sent: Tuesday, August 18, 2009 11:04 AM

To: ACC Complaints - All

Subject: ACC Complaints: Sandler, Jon - Complaint No. 81231

Please see the attached complaint. It is in PDF format.

EXHIBIT B



**UNS Electric, Inc.
Rules & Regulations**

**SECTION 6
SERVICE LINES AND ESTABLISHMENTS**

A. Priority and Timing of Service Establishments

1. After the Applicant has complied with the Company's application requirements and has been accepted for service by the Company, and obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction, safety and governmental standards or regulations, the Company will schedule that Customer for service establishment.
2. All charges are due and payable before the Company will schedule the Customer for service establishment.
3. Service establishments will be scheduled for completion within five (5) business days of the date the Customer has been accepted for service, except in those instances when the Customer requests service establishment beyond the five (5) business day limitation.
4. When the Company has made arrangements to meet with a Customer for service establishment purposes and the Company or the Customer cannot make the appointment during the prearranged time, the Company will reschedule the service establishment to the satisfaction of both parties.
5. The Company will schedule service establishment appointments within a maximum range of four (4) hours during normal business hours, unless another timeframe is mutually acceptable to both the Company and the Customer.
6. Service establishments will be made only by the Company.
7. For the purposes of the rule, service establishments are where the Customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.
8. A fee for service establishment, reestablishment, or reconnection of service may be charged at a rate on file with and approved by the ACC. Whenever the Applicant requests after-hours handling of his request, the Company will charge an additional fee on file with and approved by the ACC, unless a special call-out is required. If a special call-out is required the charge will be for a minimum of two (2) hours at the Company's then-prevailing after-hours rate for the service work on the Customer's premises. Special handling of calls and the related charges will be made only on request of the Applicant.

Filed By: Raymond S. Heyman
Title: Senior Vice President and General Counsel
District: Entire Electric Service Area

Tariff No.: Rules & Regulations
Effective: October 7, 2009
Page No.: Page 18 of 59

EXHIBIT C

**SECTION 7
PROVISION OF SERVICE**
(continued)

7. The Customer, at his expense, may install, maintain and operate check-measuring equipment as desired and of a type approved by the Company, provided that this equipment will be installed so as not to interfere with operation of the Company's equipment. This is also provided that no electric energy will be remetered or submetered for resale to another or to others, except where such remetering will be done in accordance with the applicable orders of the Commission.

C. Continuity of Service

The Company will make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company will not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

1. Any cause against which the Company could not have reasonably foreseen, or made provision for (see Subsection 7.E.);
2. Intentional service interruptions to make repairs or perform routine maintenance; or
3. Curtailment, including brownouts or blackouts.

D. Service Interruptions

1. The Company will make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
2. The Company will make reasonable provisions to meet emergencies resulting from failure of service and will issue instructions to its employees covering procedures to be followed in the event of emergencies in order to prevent or mitigate interruption or impairment of service.
3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
4. When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance, the Company will attempt to inform affected Customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. These repairs will be completed in the shortest possible time to minimize the inconvenience to the Customers of the Company.

**SECTION 7
PROVISION OF SERVICE**
(continued)

5. The ACC will be notified of interruption in service affecting the entire system or any significant portion thereof. The interruption of service and cause will be reported by telephone to the ACC within two (2) hours after the responsible Company representative becomes aware of said interruption. The Company will then issue a written report to the ACC.

E. Interruption of Service and Force Majeure

1. The Company will make reasonable provision to supply a satisfactory and continuous electric service, but does not guarantee a constant or uninterrupted supply of electricity. The Company will not be liable for any damage or claim of damage attributable to any temporary, partial or complete interruption or discontinuance of electric service attributable to a force majeure condition as set forth in Subsections 7.E.4. or 7.E.5., or to any other cause that the Company could not have reasonably foreseen and made provision against. Further, the Company will not be liable for any of the above-described interruptions if, in the Company's judgement, it is necessary to permit repairs or changes to be made in the Company's electric generating, transmission, or distribution equipment, or to eliminate the possibility of damage to the Company's property or to the person or property of others.
2. Whenever the Company deems a condition exists that warrants interruption or limitation in the service being rendered, this limitation or interruption will not constitute a breach of contract and will not render the Company liable for damages suffered by the Customer. Further, the Customer will not be excused from further fulfillment of the contract.
3. The use of electric energy upon the Customer's premises is at the risk of the Customer. The Company's liability will cease at the point where its facilities are connected to the Customer's wiring.
4. Neither the Company nor the Customer will be liable to the other for any act, omission, or circumstances (including, but not limited to, the Company's inability to provide electric service) due to the following:
 - a. flood, rain, wind, storm, lightning, earthquake, fire landslide, washout or other acts of the elements;
 - b. accident or explosion;
 - c. war, rebellion, civil disturbance, mobs, riot, blockade or other act of the public enemy;
 - d. acts of God;
 - e. interference of civil and/or military authorities;
 - f. strikes, lockouts, or other labor difficulties;



UNS Electric, Inc.
Rules & Regulations

SECTION 7
PROVISION OF SERVICE
(continued)

- g. vandalism, sabotage, or malicious mischief;
 - h. usurpation of power, or the laws, rules, regulations, or orders made or adopted by any regulatory or other governmental agency or body (federal, state or local) having jurisdiction of any of the business or affairs of the Company or the Customer, direct or indirect;
 - i. breakage or accidents to equipment or facilities;
 - j. lack, limitation or loss of electrical or fuel supply; or
 - k. any other casualty or cause beyond the reasonable control of the Company or the Customer, whether or not specifically provided herein and without limitation to the types enumerated, and which by exercise of due diligence the Company or the Customer is unable to overcome.
5. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees will not be considered to be a matter within the control of the Company.
6. Nothing contained in this Section will excuse the Customer from the obligation of paying for electricity delivered or services rendered.

F. General Liability

- 1. Company will not be responsible for any third-party claims against Company that arise from Customer's use of Company's electricity.
- 2. Customer will indemnify, defend and hold harmless the Company (including the costs of reasonable attorney's fees) against all claims (including, without limitation, claims for damages to any business or property, or injury to, or death of, any person) arising out of any act or omission of the Customer, or the Customer's agents, in connection with the Company's service or facilities.
- 3. The liability of the Company for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Company, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, or changing the service or facilities or equipment shall not exceed an amount equal to the charges applicable under the Company's Pricing Plans (calculated on a proportionate basis where appropriate) to the period during which the error, mistake, omission, interruption or delay occurs.

Filed By: Raymond S. Heyman
Title: Senior Vice President and General Counsel
District: Entire Electric Service Area

Tariff No.: Rules & Regulations
Effective: June 1, 2008
Page No.: Page 25 of 59