

E.04204A.09.0206

ORIGINAL



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ARIZONA CORPORATION COMMIS  
UTILITY COMPLAINT FORM

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Investigator: Guadalupe Ortiz

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 86745

Date: 5/5/2010

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

First:

Last:

Complaint By: Rudy C.

Pietsch

Account Name: Rudy C. Pietsch

Home:

Arizona Corporation Commission

Street:

Work:

DOCKETED

City: Lake Havasu City

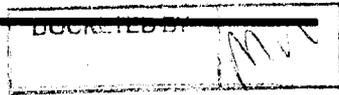
CBR:

MAY - 5 2010

State: AZ Zip:

is:

Utility Company: Unisource \*\* Energy Services (UNS)



Division: Electric

Contact Name:

Contact Phone:

Nature of Complaint:

REFERRED FROM CHAIRMAN MAYES OFFICE - OPINION OPPOSED:

RE: Docket No. E-04204A-09-0206

-----Original Message-----

From: |  
Sent: Friday, April 09, 2010 6:41 AM  
To: Mayes-WebEmail  
Subject: Unisource

To: Rep. Trent Franks  
From: Rudy C. Pietsch Phone. E-mail:  
Lake Havasu City, Az.  
Subject: Rate increases from UniSource Electric Inc. (UNS Electric)

In fiscal year 2006, UniSource Electric Inc. (UNS) pled their case to the Arizona Corporation Commission (ACC) to increase their rate by 20%; this rate increase was to compensate for rising cost and future expansion of their systems. ACC gave them the approval and in June of 2008 our monthly payment (budget plan) increased from \$127 to \$197 per month; and now UNS Electric is seeking another 18% increase in June of 2010.

<http://images.edocket.azcc.gov/docketpdf/0000085408.pdf>  
<http://uesaz.com/company/news/ElecRateInc.asp>

The UniSource conglomerate has been given complete control over the energy market with the blessing and consent of the ACC. We are at the mercy of that conglomerate because our representatives have allowed them to monopolize the energy market all in the name of progress. What happen to the competition the free market would create, what happened to the promises made about standing up and fighting for the American people not

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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large corporations?

The annual salary of UNS Senior Management Team (SMT) is between two hundred and seven hundred twenty six thousand dollars per year, do you really think they worry about the price increases at the gas pump or at the food market; I would adventure to say that they don't. UNS profit for the first quarter of 2009 was \$5 million, or \$0.14 per diluted share of common stock, compared with a net loss of \$3 million, or \$0.07 per diluted share, in the first quarter of 2008. UniSource Energy maintains 2009 earnings guidance of \$2.55 to \$2.90 per diluted share, and yet they still want us to pay out of our pockets for their future expansions.

<http://ir.uns.com/secfiling.cfm?filingID=950123-09-55048>

Questions to be answered:

- Why did we have to pay for the 9.03 mile transmission line installed for the purpose of providing Mercator Mine with the additional load requirements needed for their phase 1 mining expansion?
- How much did Mercator Mine pay out of their pockets for that construction?
- How much did are the stockholders/ shareholders of the UniSource conglomerate pay out of their pockets for the Mercator project?
- Why has UNS Electric been allowed to have a 5-year Power Purchase Agreement (PPA) from the Black Mountain Generation Station (BMGS), owned by UniSource Energy Development Company (UED)?
- How does this internal agreement promote competition with other power companies who are on the Western Area Power Administration (WAPA) electrical grid?
- How many quotes has UNS Electric received from suppliers on the electrical grid, what price were they quoted, and who were the Power Suppliers they received quotes from?
- Lake Havasu City's Black Mesa Substation is tapped into the WAPA 230 kV grid, how many quotes for a Power Purchase Agreement has UNS Electric received just for this area alone?
- Why should the citizens have to pay for the Golden Valley 230kV Transmission Line Project, which will be installed for Mineral Park Mine (Mercator and Nucor) and will also enhance the Golden Valley area?
- Why should the citizens have to pay for the additional 15-mile Transmission Line from the North Havasu substation to the Interstate I-40, and who will benefit from it?
- How much have the businesses and property owners in the I-40 area (Storage facility, Gas Stations, Property Owners, and Shareholders of UNS) paid out of their pockets for the new 15-mile Transmission Line?
- What do you consider to be reasonable profit margin for companies such as the UniSource conglomerate, and how much should the citizens of Arizona suffer before something is done to help them?

The questions could go on and on, but without answers or solutions to them, that's all they will remain, are questions. That's why we are requesting a full and complete audit on the UniSource conglomerate to learn where all the monies they receive go, and in their eyes, what merits another increase in our monthly electric bill.

We find it simply amazing how UniSource has monopolized the power industry in Arizona, and saddens use to know that they were allowed to do so, even though the livelihood of Arizona citizens were put in jeopardy. We have been lead to believe that the free market without regulations was in the best interest of the American people, but instead we have learned that the free market actually is in the best interest of human greed and large businesses.

The citizens of Arizona live by the rules, regulations and laws set down by our representatives, and you have been put into office with the expectations of looking out for our best interest (citizens), not large corporations. We hope you take an interest in our request, because we have families in Arizona who are hurting because of our economic times and believe me when I say; we don't need another rate increase on our electric bill. If you feel this request doesn't fall within your job description, then please point out someone who will take on the large corporations and look after our best interest.

Respectfully; Rudy Pietsch

Ps. Our Heaven Father has blessed a number of people in his world, and with that blessing he expects us to be a compassionate people and do what is right for each other.

Mr. Franks 1/31/2010 sent Secretary responded after Johnson contacted  
Mr. McCain 1/31/2010 sent

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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Mr. Johnson 2/20/2010 sent Response  
Mr. Gould 2/28/2010 sent  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

5/5/2010 Email to Customer:  
-----Original Message-----  
From: Guadalupe Ortiz  
Sent: Wednesday, May 05, 2010 10:42 AM  
To:  
Subject: RE: Unisource

Dear Rudy C. Pietsch,

Your email dated, April 9, 2010 in regard to the rate application filed by UNS Electric, Inc. ("UNS") sent to Chairman Mayes of the Arizona Corporation Commission ("Commission") has been received and assigned to me for further handling. An opinion has been filed on your behalf and will be docketed with the Docket Control Center of the Commission to be made part of the record.

The Commission will take your comments and concerns into consideration before a decision is rendered in the UNS rate case. Concerns raised by customers assist the Commission within the investigation and review of the rate application. Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Lastly, an inquiry will also be filed on your behalf and issued to the Executive office of UNS for response to the questions you posed in your email. Pursuant to the Arizona Administrative Code Rules UNS will have five business days to provide an initial response. Once I receive further information related to this matter I will provide you with an update.

Should you have any questions or concerns related to this matter, please feel free to call me directly at  
or on our in-state toll free telephone number (800) 222-7000.

Thank you,

Guadalupe Ortiz  
Public Utilities Consumer Analyst  
Arizona Corporation Commission  
Utilities Division

CLOSED  
\*End of Comments\*

**Date Completed: 5/5/2010**

**Opinion No. 2010 - 86745**

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