



0000120050

RECEIVED

2010 NOV 16 P 4: 24

AZ CORP COMMISSION
DOCKET CONTROL



Rev. Jarrett B. Maupin, II
President

G-01551A-10-0458

ORIGINAL

Arizona Corporation Commission

DOCKETED

November 15th, 2010

NOV 16 2010

Chairman Kristin Mayes
Commissioners Pierce, Stump, Kennedy and Newman
Arizona Corporation Commission
1200 W. Washington St., 2nd floor
Phoenix, Arizona 85007

DOCKETED BY

Re: Southwest Gas Corporation Rate Increase Request: Docket: G-01551A-10-0458

Dear Chairwoman Mayes and Commissioners;

I am writing you today out of concern for our shared urban constituencies: the working poor, minorities, and the unemployed. My letter comes on the heels of and in response to the recent rate increase request submitted to the Commission by Southwest Gas Corporation. It concerns how our most vulnerable communities will be adversely affected by the rate increase; should the Commission choose to support such a poorly timed and ill-conceived request for corporate welfare. Commissioners, as professed advocates of everyday Arizonans, I trust you are all keenly aware of the current and dire economic crisis facing the majority of families in our state. The working poor, minorities, the jobless; now more than ever, these families cannot afford the burden of increased gas utility rates. With record high foreclosure rates, unemployment rates, and living under the federal-poverty-level rates; the people of Arizona should not have to live in fear of becoming victims of premeditated monetary murder by meter. This rate increase request is wrong for the people of Arizona. What is right, in light of our state's near-hopeless fight with budget deficits and its middle-class march toward poverty, is for this Commission to defend the economic interests of *the least of these*.

In 2010, a record number of Arizonans are living under the federal-poverty-level. According to reports from the Federal Supplemental Nutritional Assistance Program, more commonly referred to as "Food Stamps", some 1.04 MILLION Arizonans are not able to put food on their table, without help. They cannot afford a gas utility rate increase. The per person breakdown according to that same federal report reveals a shocking, unimaginable allotment of \$4.22 a day for food, \$29.54 a week. That means 1.04 MILLION Arizonans must calculate how to turn \$4.22 into three meals a day. They cannot afford a gas utility rate increase. Many of these are middle-class people recently unemployed or under employed; people with college degrees, calculators, and coupons that cannot find the financial formula to afford milk, bread, and meat for a meal. They cannot afford a gas utility rate increase. The proposed rate increase for the summer and the higher increase in the winter would rob the most devastated of families of 2-3 days worth of food each month. I can't imagine the day the Corporation Commission seriously considers how many days the growing majority of financially struggling Arizona families can go with out eating, not in the name of a gas utility rate increase. But let's not make them the only focus.

According to *iStockAnalyst.com*, a leading financial market news reporting service, Southwest Gas Corporation Vice-President of Pricing Don Soderberg said: "In addition to updating our rates to reflect current costs, the application allows Southwest Gas to embrace the Commission's recently-drafted gas utility energy efficiency standard. Since saving energy and money is as important to our customers now more than ever, our filing includes a number of new programs that will assist customers in using energy more efficiently." What he failed to note was that without any new cost-increasing "efficiency programs", Southwest Gas Corporation's residential customers used 12% less product in 2010 than in the past three previous years, according to recent statements made by Southwest Gas Corporation spokesperson Cynthia Messina to the *Arizona Republic*. The economic crisis has caused Southwest Gas Corporation customers to scale back, so should Southwest Gas Corporation's leadership. Instead, they have attempted to hide pay raises and increased corporate officers' pensions behind a campaign to teach customers to be "responsible stewards of resources."

Arizona Corporation Commission Chair & Members
November 15th, 2010
Page 2 of 2

In their recent announcement, Southwest Gas Corporation detailed a 2011 plan of increasing salaries and needing to raise residential consumer rates to satisfy the rising interest rates of loans used by the company to maintain service and infrastructure. This sounds a lot like the "Wall Street" banking bailout. While "Main Street" Arizona sinks, Southwest Gas Corporation seeks to increase profits by shifting all cost burdens to consumers. They have, in the midst of this crisis, offered no remedy for economic strife. No new jobs, no new opportunities. Managing only to put forward a self-serving gas utility rate increase request that promotes the worship of greed and preservation of comfortably cushioned and protected profit margins, corporate bottom-lines, before your Commission. Gambling that you; *Our Commissioners* would favor their "wants" over the needs of YOUR people. As Arizona suffers without substantive assistance for rampant foreclosure, a 9.7% unemployment rate that is growing, and the rising costs of day to day living; Southwest Gas Corporation, all the while, is plotting to raise employee salaries, boost pensions, and maintain their operational status-quo without any mention of scaling back administrative expenses, CEO pay-cuts, and other priorities in need of serious budget reviews. They want to balance out the costs of operations on the backs of Arizona's working poor without full disclosure and transparency. Southwest Gas Corporation must commit to cutting all and from everywhere they can before asking the most vulnerable and marginalized in our state to suck it up, and foot the bill.

Commissioners, what Southwest Gas Corporation wants is corporate welfare, by any means available. And while we find ourselves in the blessed seasons of Thanksgiving and charity, I caution against extending such courtesies and concessions to corporations over the needs of populations. It appears that what Southwest Gas Corporation's leadership needs the most this holiday season is a plan from the public. A plan all too familiar to Arizona's financially suffering families, a plan that shows them how to survive in lean times; how to make cuts when and where it hurts the most. A plan from you, our elected Corporation Commissioners, on how to be "*responsible stewards of resources.*"

I believe you are all leaders of immense integrity, who hold the needs of the working-poor, minorities, and the job-less close to your hearts. The people of the inner-city appreciate and recognize that you all have demonstrated the leadership needed in these types of situations before. Arizona's urban communities pray you will each find the courage to say no to Southwest Gas Corporation's unfair utility rate increase request.

With Holiday Blessings and

In Progress,

Rev.

Rev. Jarrett B. Maupin, II, *President*
Inner-City Democracy Empowerment Agency