



# CITY OF TUCSO

The Sunshine City



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May 21, 1998

ARIZONA CORPORATION  
COMMISSION

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Director of Utilities

Jack Rose  
Executive Secretary  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2996

Arizona Corporation Commission  
**DOCKETED**

MAY 26 1998

DOCKETED BY: *JRH*

**Re: Statement of Position of the ACC Staff**

Dear Mr. Rose:

City of Tucson Staff has preliminarily reviewed the May 19 Statement of Position that was faxed to us on that date. It is not possible in the short turn-around time that you requested for us to give you comprehensive comments. Therefore, we reserve the right to submit those remarks at the Commission open meeting or at such other time as may be appropriate.

However, the City does have a couple of initial comments that we ask you to consider. It appears that the Section on "Timing and Customer Selection" leaves little or no room for aggregation of smaller loads. We urge the staff to reconsider this section and require the providers to allow aggregation beginning January 1, 1999.

The Section, "Targeted Rate Decreases" is not specific about the source of revenue for financing these proposed "decreases". The City could not support rated decreases in-lieu of competition without knowing the financing mechanism and it's long term effect on the ratepayer.

Jack Rose  
May 21, 1998  
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City staff remains committed to working with all of the parties to achieve a solution to these complicated issues that is fair to all.

Sincerely,



Loretta Humphrey  
Principal Assistant City Attorney

cc: Jim Irvin  
Renz D. Jennings  
Carl J. Kunasek  
Arizona Corporation Commissioners  
→ Ray Williamson

Ron Meyerson  
Jim Perry  
Operations Department

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