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EXCEPTION

BEFORE THE ARIZONA

JIM IRVIN
COMMISSIONER-CHAIRMAN
CARL J. KUNASEK
COMMISSIONER
TONY WEST
COMMISSIONER

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IN THE MATTER OF COMPETITION) DOCKET NO. RE-00000C-94-0165
IN THE PROVISION OF ELECTRIC)
SERVICES THROUGHOUT)
THE STATE OF ARIZONA)

Arizona Corporation Commission

DOCKETED

FEB 17 1999

THE ARIZONA CONSUMERS COUNCIL'S EXCEPTIONS
TO THE RECOMMENDED ORDER

DOCKETED BY *cfw*

The Arizona Consumers Council wishes to applaud the rules addition of objective educational programs, R14-2-1615, D. Educational programs are necessary to insure that consumers have adequate information to make reasonable choices in the market. Consequently we support all efforts for objective consumer education. We concur with the Arizona Community Action Association that consumer groups must be included in the committees that determine (both information and) educational programs. (See ACAA's comments on R14-2-1618, D and F.10; also see RUCO for the distinction between education and information.)

Clearly, there is limited potential for benefits to small electric consumers in the near term. We remind the Commission, Staff and Hearing Officer about consumer protections in the Arizona Constitution. Let us reiterate a position we have long held. Constitutional provisions in Article XV, Sections 3, 12, and 14, provide protections to small vulnerable electric customers. The deliberations of the Arizona Corporation Commission using fair value, just and reasonable and other standards have been a protection to consumers in the past. We have concerns about the attempts to eliminate these protections in the rules as well as in granting CC&Ns, etc.

For example, in R14-2-202. A. b., setting only maximum rates runs counter to the concept of just and reasonable rates which have a relationship between the rates and costs.

We support ACAA's proposed changes to enhance residential participation in competition. R14-2-1603 B. 1, G. 7, and R14-2-1604, B. We strongly concur with the view that CC&Ns must provide for all classes of customers. R14-2-1603 A., et. al. should be changed to incorporate such language.

The Arizona Consumers Council has consistently been opposed to securitization. Consequently, we ask that R14-2-1607 I. be stricken. Securitization will be a burden to Arizona consumers and taxpayers.

Arizona Consumers Council, p. 2, Exceptions to Order, Rules

R14-2-1609 has been removed. We oppose this removal. Solar energy, renewable resource development and new forms of generation are important and deserve better support, especially in Arizona. Green power programs are having success and should not be thrown out.

The Arizona Consumers Council has continuing concerns about customers being disadvantaged or taken advantage of by new power brokers as we enter into the a complicated market situation. We have outstanding issues with these rules regarding consumer protection. Time does not allow enumeration of the many issues so we must defer them to another day.

Respectfully submitted this 17th day of February, 1999.

A handwritten signature in cursive script, appearing to read "Barbara Sherman". The signature is written in dark ink and is positioned above the typed name.

Barbara Sherman for Albert Sterman and
The Arizona Consumers Council

ORIGINAL and ten copies of
the foregoing filed this 17th
day of February, 1999, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Copy of the foregoing mailed this 17th
day of February, 1999, to:
All other parties listed on Docket No. RE-00000C-94-0165