

Tucson Electric Power
E-01933A-07-0402
E-01933A-05-0650



June 14, 2011

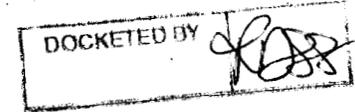
2011 JUN 15 A 10: 52

Arizona Corporation Commission
DOCKETED

Mr. Gary Pierce, Chairman
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Az. 85007-2927

AZ CORP COMMISSION
DOCKET CONTROL

JUN 15 2011



Re: Docket Nos. E-01933A-07-0402 and E-01933A-05-0650
and Docket No. E-00000J-10-0044
Potential Reinstatement of Tucson Electric Power's (TEP) Historic Line
Extension Tariff

Dear Chairman Pierce:

Terramar Properties, Inc. has developed over 150 residential subdivisions in Southern Arizona over the last 39 years. Terramar Properties, Inc. is a member of Metropolitan Pima Alliance and has been involved with TEP, Southern Arizona Homebuilders Association and others in discussing the issues in the Line Extension Agreement. When the TEP Line Extension Agreement changed about two years ago it had a major negative economic impact on projects that we were developing. In fact, the deposit required for one project changed from a \$125,000 Letter of Credit to a \$1,100,000 Cash Deposit.

We appreciate the fact that the Arizona Corporation Commission intends to reopen the hearing process on this matter. We have reviewed the amended LEA and support the modifications set forth in that document.

We urge the ACC to approve TEP's proposed LEA modifications.

Thank you for your attention to this matter.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Terry L. Klipp".

TERRY L. KLIPP
President

TLK:ks