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Tucson Metropolitan
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June 14, 2011

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

The Honorable Gary Pierce
Chairman
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

JUN 15 2011

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RE: Potential Reinstatement of TEP's Historic Line Extension Tariff; Docket Nos. E-01933A-07-0402; E-01933A-05-0650; E-00000J-10-0044

Dear Chairman Pierce:

On behalf of the Tucson Metropolitan Chamber of Commerce, I would like to provide you responses to the questions outlined in your letter dated June 3, 2011 to Parties to TEP Rate Case, Docket Nos. E-01933A-07-0402 and E-01933A-05-0650; and Stakeholders of Generic Line Extension Docket, Docket No. E-00000J-10-0044.

We support the reopening of Decision No. 70628 for the narrow purpose of considering a reinstatement of TEP's line extension tariff. After reviewing the draft language we support modifying TEP's line extension policy in the manner that is being considered and has been distributed by commission staff. We do not recommend consideration of an alternative proposal. We do not believe an evidentiary hearing is necessary for the narrow purpose of considering a reinstatement of TEP's line extension tariff. However, if the majority of the Commission so desires to hold such a hearing we will be prepared to participate as appropriate.

Furthermore, we wish to convey to the Commission the reinstatement of TEP's former line extension policies is of significant importance to our organization as well as the broader real estate and development industry of Southern Arizona. Changes TEP's line extension policies made in Decision No. 70628 have resulted in adverse impacts to the industry presenting a barrier to the economic feasibility of new planned residential development projects. This has caused the unintended consequences of fewer construction jobs and diminished economic growth throughout Southern Arizona.

We feel the reopening of the ACC decision in the limited manner proposed in this instance is in the public interest. In addition to the "changed circumstances" (evident by the adverse impacts to the home building and real estate development industry as referenced above), we believe ACC has the authority, both constitutionally and statutorily, to modify or rescind a prior decision.

Thank you in advance for your consideration of our organization's opinion as outlined in this letter. We look forward to quick and decisive action by the Commission on this matter. Please contact me if you have any questions concerning our position.

Sincerely,



Robert Medler
Director
Government Affairs

cc: The Honorable Bob Stump
The Honorable Sandra D. Kennedy
The Honorable Paul Newman
The Honorable Brenda Burns