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AZ CORP COMMISSION
DOCKET CONTROL

June 3, 2013

Arizona Corporation Commission (ACC)
Docket Control Center
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

JUN 04 2013



Re: Docket # E-01933A-12-0291

Commissioners;

Are you aware of what just happened in Maine?

The story in a nutshell is this: Central Maine Power (CMP) had bragged that “smart” meters were going to save ratepayers \$25 million in “operational costs” and \$338 million in “supply-side savings” over 20 years. On that assumption and without any independent verification, the gullible Maine Public Utilities Commission (MPUC) approved CMP's “smart” meter program. But now, just 3 years later, CMP has come begging for an over 8% rate increase because they found that, instead of saving ratepayers \$363 million, their “smart” meter program is actually going to cost ratepayers \$99 million. CMP was wrong by 1,848%!

Late to the party, the MPUC is finally calling for an independent audit. You can read the MPUC “Draft Order Initiating Management Audit” here: [https://mpuc-
cms.maine.gov/COM.Public.WebUI/Common/ViewDoc.aspx?DocRefId={C71F721C-6C4D-42A5-
B78E-53554C6A20ED}&DocExt=pdf](https://mpuc.cms.maine.gov/COM.Public.WebUI/Common/ViewDoc.aspx?DocRefId={C71F721C-6C4D-42A5-B78E-53554C6A20ED}&DocExt=pdf)

This brings up several points. All are ones I have made to you repeatedly in the past.

1. Utilities are chronic liars and anything they say must be verified independently. *That's your job which you have not done!* Audit the “smart” meter program in Arizona now.
2. The misnamed “smart” grid is all cost and no benefit. Indeed, all of the equipment involved is vastly more expensive than what was used in the past so why would anyone think otherwise? Do the independent cost/benefit analysis you should have done years ago and do it now.

3. Because of the proven added costs inherent in the “smart” grid, ratepayers not wanting to participate should get a refund. Do an audit now to determine the refund amount.
4. Utilities are gaming their guaranteed rate of return on “capital investments” at the expense of ratepayers. Audit now. Cost/benefit now.

For the umpteenth time I will remind you of Connecticut's pilot “smart” meter program which proved the same thing as Maine's recent financial fiasco. The “smart” grid is of no economic benefit to ratepayers. Indeed, it is an added expense borne by ratepayers. As the Connecticut Attorney General summarized, “...the costs associated with the full deployment of AMI [“smart”] meters are huge and cannot be justified by energy savings achieved.” When will you wake up to that fact and halt this toxic, rights-violating boondoggle?

You have another example of “smart” grid fiscal failure right here in Arizona. Tucson Electric Power (TEP) has had so-called “automated meters” for years but, as you well know, TEP is requesting a rate increase. Aren't rates supposed to be *decreasing* because of the new meters? Isn't that what Commissioner Robert Burns told us would happen in his recent editorial, the one he wrote about the (completely unspecified, unsubstantiated) savings that would supposedly be passed on to customers?

Meanwhile, “poor” TEP has just built a gargantuan new office building. They have enough money to continue unabated influence peddling via “charitable” and political donations. And, like the multimillion dollar APS CEO, the multimillion dollar TEP CEO has had repeated yearly compensation increases at a time when many people are lucky to even find work. Now TEP wants a rate increase? For what, so they can keep living large on the backs of ratepayers while their “smart” grid is nothing but a ratepayer rip-off?

Sincerely,



Warren Woodward