

ORIGINAL



0000146862

RECEIVED

2013 JUL 15 P 12: 59

July 15, 2013

AZ CORP COMMISSION
DOCKET CONTROL
Chairman Bob Stump
Commissioner Gary Pierce
Commissioner Brenda Burns
Commissioner Bob Burns
Commissioner Susan Bitter Smith
Arizona Corporation Commission
1200 West Washington – 2nd Floor
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

JUL 15 2013

DOCKETED BY [Signature]

Re: Initial Comments Of The Navajo Nation Regarding Letter Inquiry Of Arizona Corporation Commission, Generic Docket No. E-00000W-13-0135, In The Matter of the Commission's Inquiry Into Retail Electric Competition.

Dear Honorable Commissioners:

The Navajo Nation respectfully submits the following initial comments, pursuant to the Arizona Corporation Commission's ("Commission") letter requesting comments from interested stakeholders on whether retail electric competition in Arizona is "in the public interest".¹

Retail electric competition would cause devastating economic consequences for the Navajo Nation and Arizona ratepayers in the aftermath of a prolonged economic recession. First, it would cause the Navajo Nation to lose a singular and unique opportunity for the Navajo Nation to participate in the energy market as a coal supplier to the Four Corners Power Plant ("FCPP"), and to transition that market into the use of new and cleaner energy resources for the benefit of the Navajo people and Arizona ratepayers. What's good for the Navajo will be good for Arizona, as the transaction with the FCPP will secure jobs and income for both communities over the long term.

Second, if the Commission proceeds with its inquiry into retail electric competition, the Navajo Nation and Arizona ratepayers will face severe economic consequences right away. The two largest coal plants serving Arizona (the FCPP and Navajo Generating Station, or "NGS") and the coal mines that serve them will shut down. That will eliminate valuable jobs, revenues, and income for the Navajo and Arizona communities. In particular, the

¹ Commission Letter re *Generic Docket No. E-00000W-13-0135 / In the Matter of the Commission's Inquiry into Retail Electric Competition*, filed May 23, 2013 ("Letter"), p. 1.

Navajo community, half of which resides in Arizona, will suffer a critical blow to its struggling economy.

Third, a deregulation policy that applies to the FCPP and NGS will cause both plants and the coal mines that serve them to shut down. That would eliminate coal as an energy resource for Arizona permanently, *reducing competition*. Arizona ratepayers and the Nation would bear the high costs of such a policy, which would be felt across Arizona and the region for years to come.²

For these reasons, the Navajo Nation strongly urges the Commission to end this inquiry within 90 days with a decision not to pursue retail electric competition at this time. That would provide regulatory certainty for the FCPP to close the transaction with the Navajo Nation, for the benefit of cleaner, affordable coal-fired generation to Arizona ratepayers. Alternatively, the Commission should decide within 90 days to exempt the FCPP and NGS from retail electric competition. This would protect Arizona ratepayers from losing a stable energy resource and paying millions of dollars to replace it.

I. THE DEAL

For over nine months, the Navajo Nation has pursued a unique opportunity to gain ownership of the Navajo Mine from BHP Billiton, Inc. In May, 2013, the Navajo Nation created the Navajo Transitional Energy Company (“NTEC”), a limited liability company with the Navajo Nation as the sole owner, to enter into agreements to supply coal to the FCPP through 2031. Both operations are located on the Navajo Nation in northwest New Mexico, near the border of Arizona.

As part of the transaction, Arizona Public Service (“APS”), the operator and one of the owners of the FCPP, along with Southern California Edison (“SCE”), Public Service Company of New Mexico, Salt River Project, Tucson Electric Power and El Paso Electric, planned to shut down three smaller generating units, purchase the ownership interests of SCE in the remaining two units, and retrofit costly Best Available Retrofit Technology (“BART”) for the remaining two units to bring them to required emission standards by July 1, 2013. All of these changes will lead to a cleaner, more efficient power plant for the Southwest. However, the transaction will not close without an expedited decision from the Commission on this inquiry.

² To that end, the Navajo Nation addresses the following issues set forth in the Commission’s Letter:

- 1) Will retail electric competition reduce rates for all classes of customers – residential, small business, large business and industrial classes?
- 4) Please identify the risks of retail electric competition to residential ratepayers and to the other customer classes. What entity, if any, will be the provider of last resort?
- 7) Will retail electric competition require the divestiture of generation assets by regulated electric utilities?
- 17) What impact will retail electric competition have on resource planning?

Source: Letter, pp. 1-3.

The agreements leading to these changes were to close on July 1, 2013. However, the closing date of the transaction is now on hold pending the outcome of the Commission's inquiry into the feasibility of retail competition in the electricity market. APS "currently expects that it will not be in a position to close the Four Corners purchase transaction with SCE until the Commission's intentions with regard to pursuing deregulation in Arizona become clearer".³

Without an expedited decision from the Commission that deregulation will not apply to the FCPP, ***APS will withdraw from the transaction.*** As a result, the FCPP and Navajo Mine will shut down, impacting the Navajo Nation and Arizona.

II. WHAT'S GOOD FOR THE NAVAJO IS GOOD FOR ARIZONA

With more than 300,000 members, the Navajo Nation is the largest Native American nation, both in terms of population and land area in the United States. Nearly half of those members live in Arizona. The Navajo Nation has suffered a depressed economy for many generations and is one of the two poorest areas in the United States, with an unemployment rate that has increased from 42.16% in 2001 to 50.52% in 2007.⁴ Since the current national recession hit in late 2008, the Navajo Nation has suffered even more unemployment, particularly for younger Navajo people, who are often forced to move elsewhere. According to the American Community Survey (ACS) of the U.S. Census Bureau, 36.76% of the population of the Navajo Nation lives below the poverty level.⁵

The Navajo Nation and Arizona ratepayers share economic interests and energy resources. Almost of all the mineral-based energy resources within Arizona, particularly coal, are on tribal lands. There are also numerous natural gas pipeline segments, transmissions lines for electricity and hydroelectric dams on tribal lands within the state.

Coal is the Navajo Nation's most valuable and plentiful natural resource. Of the internal revenue sources for the Nation in 2006, revenue from natural resources associated with energy (excluding taxes) comprised about 52% of the gross revenue available for the entire General Fund Budget.⁶ In addition, the Navajo Mine is a major employer in the Northern and Eastern areas of the Navajo Nation. Approximately 87% (371 out of 427) of the mine's employees are Native Americans most of which are members of the Navajo Nation.⁷

³ See, e.g., APS's June 17, 2013 Form 8-K Report to the United States Securities and Exchange Commission, available at <http://www.sec.gov/Archives/edgar/data/7286/000110465913049672/a13-15125_18k.htm> (as of July 10, 2013). On June 25, 2013, in Docket No. EPA-R09-OAR-2013-0489, the EPA issued a proposed rule extending the deadline for FCPP's BART compliance decision to December 31, 2013, available at <<http://www.regulations.gov/#!documentDetail;D=EPA-R09-OAR-2013-0489-0006>> (as of July 10, 2013).

⁴ See the 2009-2010 *Comprehensive Economic Development Strategy of the Navajo Nation* ("2009-2010 CEDS"), p. 20, available at <http://www.navajobusiness.com/pdf/CEDS/CED_NN_Final_09_10.pdf> (as of July 10, 2013).

⁵ 2009-2010 CEDS, p. 23.

⁶ *Id.* at p. 98, Table 11 (($\$36,776 + \$80,643$)/ $\$228,019 = 51.5\%$).

⁷ *Id.* at p. 37.

72% of FCPP's 586 employees are members of the Navajo Nation and FCPP has an annual payroll of more than \$ 41 million.⁸

By acquiring the Navajo Mine and entering into the coal supply agreements with FCPP, NTEC will secure the jobs of over 800 employees at the mine and power plant, most of whom are Navajo, and the jobs of many more involved in support industries. The jobs at Navajo Mine and FCPP are some of the highest paying jobs on the Navajo Nation.⁹

The transaction would also secure over \$40 million in royalties and taxes paid to the Navajo Nation annually and utilized for benefits and services for the Navajo people. Additional income in the form of dividends will also become available to complement the royalty and tax income to bring the positive cash flow to the Navajo Nation over the term of the agreements to over \$1 billion.

The economic multiplier effects of a \$1 billion income stream from FCPP, Navajo Mine, and NTEC will benefit the State of Arizona. This income stream would go directly into the Nation's general fund, which is distributed widely across the Navajo Nation to pay for central and local government services, including Navajo Nation employee salaries and benefits. As the Navajo Nation's headquarters are located in Arizona, along with 57 of the 110 Navajo Nation chapters, these funds would have a direct multiplier effect within the State of Arizona.

Ten percent of NTEC's net income from the Navajo Mine will be used to invest in renewable energy resources. This will benefit the Navajo community and Arizona with clean energy resources and reduced greenhouse gas emissions.

Most of the Navajo Nation is located in Arizona, and, although not located directly in Arizona, the multiplier effects of the Navajo income stream from an FCPP, Navajo Mine, and NTEC that remain in business will benefit the State of Arizona.¹⁰ An Arizona State University ("ASU") analysis of the economic impacts on New Mexico from the Navajo Mine and FCPP shows a Total Labor Income Impact of 2.5 billion dollars and a Gross State Product Impact of 6.5 billion dollars for the period 2016 to 2031.¹¹ In addition to the multiplier impacts of FCPP and Navajo Mine revenues to the Nation from the Nation's presence in Arizona, as New Mexico's neighboring state, the substantial economic benefits conferred on New Mexico from continued operation of the plant and mine will also be felt in Arizona.

⁸ *Id.* at p. 35.

⁹ See 2009-2010 CEDS, pp. 36-37.

¹⁰ See, e.g., Croucher, Evans and James, *Navajo Generating Station and Kayenta Mine: an Economic Impact Study*, Arizona State University: Carey School of Business (Feb. 2, 2012), p. 2, available at <<http://ngspower.com/pdfx/SRPASUNGS.pdf>> (as of July 10, 2013) ("Due to the inter-linked nature of the Arizona economy both within itself and its links to the rest of the US (and world), the eventual ripple effects depend on a variety of factors including the size of the direct impact, its location in terms of county and economic sector, and its duration.")

¹¹ See *Fact Sheet: the Economic Impacts of Navajo Mine and the Four Corners Power Plant*, attached hereto as Exhibit A.

All of these benefits will be lost if the Commission proceeds with its inquiry into a deregulated market.

III. A DEREGULATED MARKET WILL CAUSE ECONOMIC DEVASTATION FOR THE NAVAJO COMMUNITY AND ARIZONA RATEPAYERS

There is no doubt that a deregulated market will shut down coal plants at a high cost to Arizona and the Navajo Nation. The owners of the FCPP and NGS will have no incentive to implement the expensive retrofits required to bring the FCPP and NGS into compliance with the federal Environmental Protection Agency's emissions standards.

As the FCPP and NGS are critical providers of baseload electricity generation for Arizona, the state-wide impacts of shutting down both plants will be severe:

- For instance, if NGS and the Kayenta Mine shut down, the state would lose \$20.46 billion in Gross State Product and \$11.16 billion in Real Disposable Personal Income cumulatively.
- Similarly, both the Navajo community and Arizona would lose jobs and income streams if the FCPP shuts down. The Navajo community stands to lose all of the well-paying jobs that account for 7.63% of the total income, salary and benefits earned on the Navajo Nation in Arizona and New Mexico. These workers earned about \$46 million in combined salary and benefits in 2007.¹²
- In addition to the lost salaries, BHP Billiton and its employees provide substantial contributions to the San Juan United Way and Navajo United Way, contributions that totaled over \$680,000 in 2007. Furthermore, BHP Billiton and its employees provided over \$100,000 in scholarships to Native American children in 2007.¹³ These benefits would likely all be lost.
- Arizona would lose all of the dollars in taxes and income that the employees spend. The total lost direct and indirect income associated with closing the mine would be about \$61 million per year.
- A substantial portion of the Navajo Nation's income is derived from royalties, taxes, and other revenues associated with the Navajo Mine's operations. All of that would be lost if the Navajo Mine and FCPP shut down.
- The Navajo Nation also taxes the Navajo Mine's and support industries' transactions, which are goods and services purchases. The Mine also pays

¹² 2009-2010 CEDS, p. 37.

¹³ *Id.*

rights-of-way fees and purchases other resources from the Navajo Nation and its members. These revenue streams would abruptly end with devastating effects.

- The Navajo Nation will lose the opportunity to participate in the energy market as a coal supplier and to transition that market to new and cleaner energy technologies.
- Similarly, Arizona will lose the option to purchase such cleaner technologies and further reduce its greenhouse gas emissions.
- Significantly, the Commission will need to address the millions of dollars Arizona ratepayers will have to pay for the “stranded costs” that APS accumulated from its investment as an owner of the FCPP. That will result in higher rates, along with the costs to replace the energy lost from coal-fired generation, unless this issue is addressed up front.

IV. DEREGULATION WILL REDUCE RETAIL COMPETITION—AND ARIZONA RATEPAYERS WILL PAY FOR IT

Retail electric competition would eliminate the stable-priced resource of coal forever. Arizona ratepayers will lose 2,040 MW of coal-fired generation alone from the FCPP. Replacing that power will cost millions of dollars and result in significant rate increases to Arizona ratepayers.

The only energy resource available to replace that large amount of capacity quickly is natural gas. Renewable resources will not meet this need, as they do not provide baseload generation, are not available on such a large scale and are not integrated fully into the electric grid. Renewable resources have also not reached grid parity with natural gas or coal prices.

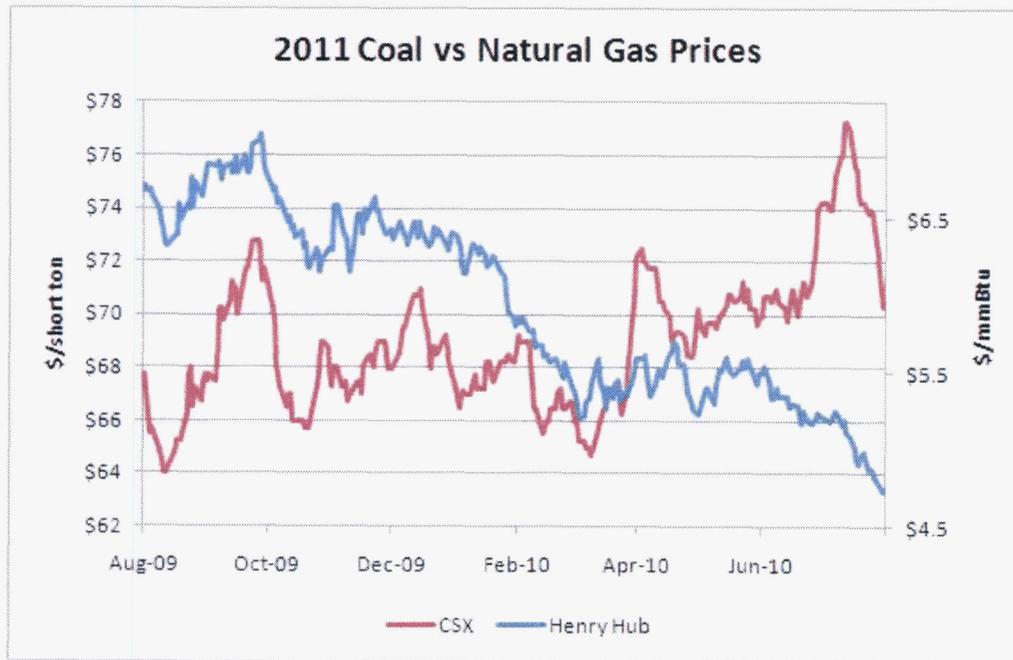
A. Arizona Must Keep Coal In The Mix For Long Term, Stable Prices

The Navajo Nation urges the Commission to recognize that competition is not the way to address the truth that “costs are rising due to global demand for fossil fuels”.¹⁴ While competition is efficient, efficiency does not drive market prices down. Only a balance of supply and demand into a price that reflects the market will achieve lower prices. The best way to do that is to diversify Arizona’s energy portfolio, not eliminate existing valuable resources such as coal.

There is no single fuel source right now that will provide long-term stable prices. That is why so many states and countries focus on supply diversity to protect their ratepayers from

¹⁴ Electric Power Supply Association, *Myths & Realities of Competitive Electricity Markets, Myth: Electricity restructuring has failed because retail rates are rising - not dropping - in regions with competitive electricity markets*, available at < <http://www.epsa.org/industry/index.cfm?fa=mythsRealities>> (as of July 10, 2013).

rate hikes and unstable energy prices. As indicated in the graph below, coal and natural gas prices move in *opposite* directions:



Source: <http://blog.newenergy.com/wp-content/uploads/2010/08/Coal-vs-Gas-Prices1.jpg>

In a deregulated market, Arizona ratepayers will no longer benefit from the stable price of coal. The price of natural gas is historically volatile. In the last year, the price of natural gas doubled from around \$2.00/mmbtu to \$4.00/mmbtu. The price dipped slightly to average between \$3.90/mmbtu in June 2013 to \$3.60/mmbtu in July, 2013, but the EIA forecasts that this dip will not last for long.¹⁵ In fact, EIA forecasts that natural gas prices will rise in the next 2 years, causing the demand for coal-fired generation to increase.¹⁶ The result will be that Arizona customers, of all classes, will ride the rollercoaster of prices set by one fuel source, instead of benefitting from a diversified portfolio of generating sources that ‘smooth out’ price volatility from any one source.

This means Arizona ratepayers will pay higher rates because of *reduced* competition from coal as an energy resource. ***That defeats the Commission’s purpose to increase retail competition with deregulation.***¹⁷

¹⁵ US EIA Natural Gas Futures Contract 1 Price Index for June 2013 to July 2013, available at <<http://www.eia.gov/dnav/ng/hist/rngclw.htm>> (as of July 10, 2013).

¹⁶ U.S. EIA Short Term Energy Outlook, July 2013, p. 6, <http://www.eia.gov/forecasts/steo/pdf/steo_full.pdf> (“EIA expects the Henry Hub price will increase from an average of \$2.75 per MMBtu in 2012 to \$3.76 per MMBtu in 2013 and \$3.91 per MMBtu in 2014.”); *Id.* at p. 7 (“EIA expects total coal consumption to increase from 890 million short tons (MMst) in 2012 to 950 MMst in 2013 as consumption in the electric power sector rises due to higher electricity demand and higher natural gas prices.”).

¹⁷ See Letter, p. 1.

Residential ratepayers will feel the hardest hit from increased rates.¹⁸ It's no wonder that deregulated states pay, on average, rates that are as high as 3.0 cents per kWh above rates in regulated states.¹⁹ For example, average rates in California have increased more than the national average, while rates in Montana have increased exactly at the national average.²⁰

It is not in the public interest to move forward with a deregulated market that will increase prices at a time when Arizona and the Navajo Nation need every dollar to diversify their energy resources.

B. Significant Risks Of Infrastructure, Transmission and Market Manipulation Remain From The Western Energy Crisis Days

In 2002, the Commission determined it was not in the public interest to pursue retail electric competition for 100% of the Arizona market.²¹ The Commission stated:

It is clear that the Commission and all parties expected benefits from retail competition, yet there is no active retail competition, so actual benefits are still unknown. It is said that consumers will benefit from wholesale competition, but *not without the proper market structure and regulatory framework that will support it.*²²

The Commission got it right. It found there was no proper market structure or regulatory framework to support deregulation, especially given "what happened in California."²³ Specifically, the Commission found that "market power is held by the incumbent utilities; . . . transmission constraints exist that potentially exacerbate market abuse; . . . more protections are needed against self-dealing and inappropriate affiliate transactions; and investigations are ongoing into market manipulations and improprieties."²⁴

Arizona still faces these risks today. While some small independent power generators serve Arizona load, market power is still largely held by incumbent utilities. Thus, retail electric competition will require the divestiture of generation assets by regulated electric

¹⁸ Inside E Street, *Power Play* (March 12, 2012), available at <<http://www.aarp.org/politics-society/government-elections/info-03-2012/video-energy-deregulation-inside-estreet.html>> (as of July 10, 2013).

¹⁹ American Public Power Association ("APPA"), *Retail Electric Rates in Deregulated and Regulated States* (April 2013), p. 2; available at <http://www.publicpower.org/files/PDFs/RKW_Final_-_2012_update.pdf> (as of July 10, 2013).

²⁰ *Id.*

²¹ D.65154, *Re Electric Restructuring Issues; Re Arizona Public Service Company; Re Arizona Independent Scheduling Administrator; Re Tucson Electric Power Company*, 2002 Ariz. PUC LEXIS 12 ("D.65154, 2002 Ariz. PUC LEXIS 12").

²² Emphasis added. D.65154, 2002 Ariz. PUC LEXIS 12, *43.

²³ D.65154, 2002 Ariz. PUC LEXIS 12, *43.

²⁴ D.65154, 2002 Ariz. PUC LEXIS 12, **43-44.

utilities. No deregulated state market has allowed its electric utilities to retain their generation assets. As a result, coal-fired generation in Arizona will be shuttered because the investment costs to address EPA regulations are too large and difficult to predict for an entity operating in a highly competitive market.

As Arizona will become much less fuel-diverse, the amount of available generation in Arizona will shrink. Significantly, Arizona electricity prices will rise and will continue to rise into the future as market participants continually seek to avoid having to build new generation to maintain profits.

Similarly, transmission constraints still exist in Arizona since 2002, leaving Arizona vulnerable to market abuse. Arizona will need to set up and structure a Regional Transmission Organization (“RTO”) to develop the rules required to administer power markets, decide which generators will run and at what levels, grant (or deny) the transmission services needed for transactions to occur, and run the billing systems for payments for power.²⁵ There is no question this oversight will be necessary, as is the case in states with deregulated markets. However, this setup will take time, resources, and massive layers of bureaucracy to manage—with no guarantees that prices will lower over time. In states with deregulated markets, prices have increased despite RTO oversight because the markets are not competitive.²⁶ That begs the question of whether it’s in Arizona ratepayers’ interests to increase government spending, just to oversee and manage a market that is already regulated by other government agencies.

Resource planning will be made based on the evaluation of the market price available to energy providers and their estimates of that price over time. While this method is useful, the way the market restricts consumption is through price increases during high periods of demand. In Arizona, electricity demand peaks in the summer because of their need to survive in one of the world’s hottest and driest deserts. So when Arizona needs power most, and there aren’t many places to buy it, ***energy providers will extract a very high price for that power.***

That is the very reason for regulation of utilities. Regulators limit that price extraction and they provide incentives to utilities to always ensure that there is a reliable, adequate supply for customers when they need the service. Under a deregulated market, all of these customer protections will disappear. That is precisely what occurred in states such as California in 2000-2002.

Moreover, since 2002, investigations and proceedings from the aftermath of the California energy crisis remain ongoing. J.P. Morgan Bank’s recent “market manipulation” of power markets show that ratepayer protections against market manipulation are still

²⁵ See APPA, *A Brief Description of the Six Regional Transmission Organizations (RTOs)* (Feb. 2008), <http://www.publicpower.org/files/PDFs/IssueBriefRTOs.pdf>

²⁶ *Id.*

necessary.²⁷ Indeed, investigations and proceedings related to market manipulation in the California energy crisis are still ongoing.²⁸

The Commission should not proceed with deregulation policies given these conditions. As the Commission stated in 2002, the Commission's primary purpose is to uphold "the public interest. This means maintaining the ability, through our jurisdiction, to insure that Arizona ratepayers receive reliable, safe, economic, and efficient electric power."²⁹

A deregulated market is not the answer to reliable, economic electric power. Now is the time to safeguard coal as a stable priced energy resource, and diversify Arizona's energy supply to protect ratepayers from high power prices over the long term.

V. CONCLUSION

The Navajo Nation urges the Commission to do what's good for the Navajo Nation and Arizona—that is, retain a diversified energy supply that includes coal, create jobs, and boost revenues.

For the foregoing reasons, the Navajo Nation respectfully urges the Commission to end its inquiry into retail electric competition within 90 days, for the FCPP to close the transaction with the Navajo Nation, and benefit Arizona with cleaner, affordable coal-fired generation. Alternatively, the Commission should decide within 90 days to exempt the FCPP and NGS from any retail competition policy. The transaction is vital to the public interest.

//

//

//

//

//

²⁷ DiSavino, *U.S. May Charge JPMorgan For Power Market Manipulation: Analysts* (May 3, 2013), available at <http://www.huffingtonpost.com/2013/05/03/jpmorgan-power-manipulation_n_3211827.html> (as of July 10, 2013).

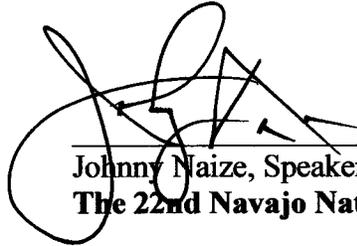
²⁸ See, e.g., The Associated Press, *California consumers could see \$1.6 billion in refunds from energy crisis in 2000* (February 19, 2013), available at <http://www.oregonlive.com/business/index.ssf/2013/02/california_consumers_could_see.html> (as of July 10, 2013).

²⁹ D.65154, 2002 Ariz. PUC LEXIS 12, *45.

Respectfully yours,



Ben Shelly, President
THE NAVAJO NATION



Johnny Naize, Speaker
The 22nd Navajo Nation Council

309477048.1

PROOF OF SERVICE

I, Jarvis Williams, declare as follows:

I am employed by the Navajo Nation Office of the Speaker. I am over the age of eighteen years and not a party to this action. My business address is THE NAVAJO NATION OFFICE OF THE SPEAKER, P.O. Box 3390, Window Rock, Arizona 86515. On July 12, 2013, I served the within:

INITIAL COMMENTS OF THE NAVAJO NATION REGARDING LETTER INQUIRY OF ARIZONA CORPORATION COMMISSION, GENERIC DOCKET NO. E-00000W-13-0135, IN THE MATTER OF THE COMMISSION'S INQUIRY INTO RETAIL ELECTRIC COMPETITION.

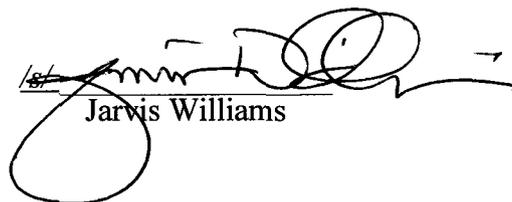
on the interested parties in this action addressed as follows:

See attached service list.



(BY U.S. MAIL) By placing such document(s) in a sealed envelope, with postage thereon fully prepaid for first class mail, for collection and mailing at The Navajo Nation Office of the Speaker, Window Rock, Arizona following ordinary business practice. I am readily familiar with the practice at the Navajo Nation Office of the Speaker for collection and processing of correspondence for mailing with the United States Postal Service, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for collection.

I declare under penalty of perjury under the laws of the Navajo Nation that the foregoing is true and correct and that this declaration was executed on July 12, 2013, at Window Rock, Arizona.


Jarvis Williams

VIA US MAIL:

Kristie Deiuliis
67 South Bedford Rd Ste 201-E
Burlington, Massachusetts 01803

Rick Umoff
505 9th St NW, Ste 800
Washington, District of Columbia 20004

Sara Birmingham
505 9th St NW, Ste 800
Washington, District of Columbia 20004

Carrie Hitt
505 9th St NW, Ste 800
Washington, District of Columbia 20004

Tina Lee
2929 Allen Parkway, Ste 2280
Houston, Texas 77019

Annie Lappe
1120 Pearl St, Ste 200
Boulder, Colorado 80302

Brett Kraus
99 East 700 South
Logan, Utah 84321

Joseph Drazek
Quarles & Brady LLP
One Renaissance Square
Two N. Central Ave.
Phoenix, Arizona 85004

Cynthia Zwick
2700 N. Third St. – 3040
Phoenix, Arizona 85004

Nicholas Dranias
500 E. Coronado Rd
Phoenix, Arizona 85004

Philene Taormina
34 Wheelock St
Montpelier, Vermont 05602

Valerie Hayes
Direct Selling Association
1667 K St.NW – 1100
Washington, District of Columbia 20006

Brad Nelson
7001 SW 24th Ave
Gainesville , Florida 32607

Chris Hendrix
2001 S. E. 10th St
Bentonville, Arkansas 72716

Jane Briesemeister
98 San Jacinto Blvd. Ste 750
Austin, Texas 78701

Kevin Higgins
215 South State Street, Ste. 200
Salt Lake City, Utah 84111

James Hamilton
822 N. 5th Ave
Phoenix, Arizona 85003

Timothy Hogan
202 E. McDowell Rd. – 153
Phoenix, Arizona 85004

Lauren Patheal
Triadvocates, LLC
Two N. Central Ave. – 1150
Phoenix, Arizona 85004

Albert Acken
One N. Central Ave Ste 1200
Phoenix, Arizona 85004

Kenneth Sundlof, Jr.
Jennings Strouss & Salmon, P.L.C.
One E. Washington St., Ste. 1900
Phoenix, Arizona 85004-2554

Scott Wakefield
201 N. Central Ave., Suite 3300
Phoenix, Arizona 85004-1052

Michael Patten
400 E. Van Buren St. - 800
Phoenix, Arizona 85004-3906

Michele Van Quathem
Ryley Carlock & Applewhite
One North Central
Suite 1200
Phoenix, Arizona 85004-4417

Robert Lynch
340 E. Palm Lane ,Ste 140
Phoenix, Arizona 85004-4603

Daniel Pozefsky
1110 West Washington, Suite 220
Phoenix, Arizona 85007

Janice Alward
1200 W. Washington
Phoenix, Arizona 85007

Steve Olea
1200 W. Washington St.
Phoenix, Arizona 85007

Arizona Corporation Commission
Lyn Farmer
1200 W. Washington
Phoenix, Arizona 85007-2927

Anthony Wanger
615 N. 48th St
Phoenix, Arizona 85008

Alan Kierman
615 N. 48th St
Phoenix, Arizona 85008

Meghaen Dell'Artino
328 E. Keim Rd
Phoenix, Arizona 85012

Heather Bernacki Wilkey
3030N. Central Ave Ste 1408
Phoenix, Arizona 85012

William Sullivan
501 East Thomas Road
Phoenix, Arizona 85012-3205

Michael Curtis
501 East Thomas Road
Phoenix, Arizona 85012-3205

Robert Metli
2398 E. Camelback Rd., Ste. 240
Phoenix, Arizona 85016

Patrick Black
Fennemore Craig, P.C
2394 E. Camelback Rd, Ste 600
Phoenix, Arizona 85016

C. Webb Crockett
Fennemore Craig, P.C
2394 E. Camelback Rd, Ste 600
Phoenix, Arizona 85016

Michael Grant
2575 E. Camelback Rd.
Phoenix, Arizona 85016-9225

Vicki Sandler
14402 S. Canyon Dr.
Phoenix, Arizona 85048

Arizona Public Service Company
Leland Snook
P.O. Box 53999, Mail Station 9708
Phoenix, Arizona 85072

Robert Taylor
Salt River Project-Regulatory Policy
P.O. Box 52025, PAB221
Phoenix, Arizona 85072

Jeffrey Johnson
P.O. Box 53999, MS 9708
Phoenix, Arizona 85072

Jeff Woner
K.R. Saline & Associates, PLC
160 N. Pasadena, Ste 101
Mesa, Arizona 85201

Steve Jennings
16165 N. 83rd Ave., Ste 201
Peoria, Arizona 85382

Bradley Carroll
88 E. Broadway Blvd. MS HQE910
P.O. Box 711
Tucson, Arizona 85702

Lawrence Robertson, Jr.
PO Box 1448
Tubac, Arizona 85646

Jeff Schlegel
1167 W. Samalayuca Dr.
Tucson, Arizona 85704-3224

A. B. Baardson
6463 N. Desert Breeze Court
Tucson, Arizona 85750

Tyler Carlson
P.O. Box 1045
Bullhead City, Arizona 86430

Jana Brandt
P.O. Box 52025, PAB221
Phoenix, Arizona 85072

Thomas Loquvam
P.O. Box 53999, MS 8695
Phoenix, Arizona 85072

Thomas Mumaw
P.O. Box 53999, Station 8695
Phoenix, Arizona 85072-3999

David Berry
P.O. Box 1064
Scottsdale, Arizona 85252-1064

Lawrence Robertson, Jr.
PO Box 1448
Tubac, Arizona 85646

Steve Jennings
16165 N. 83rd Ave., Ste 201
Peoria, Arizona 85382

Bradley Carroll
88 E. Broadway Blvd. MS HQE910
P.O. Box 711
Tucson, Arizona 85702
Russell Jones
5210 E. Williams Circle - 800
Tucson, Arizona 85711

Charles Moore
1878 W. White Mountain Blvd.
Lakeside, Arizona 85929

Raymond Hagerman
5101 College Blvd
Farmington, New Mexico 87402

Applied Metering Technologies, Inc.
Mario Natividad
9244 Bermundez St.
Pico Rivera, California 90660-4510

Rick Gillam
1120 Pearl Street, Ste 200
Boulder, Colorado 80302

309517316.1