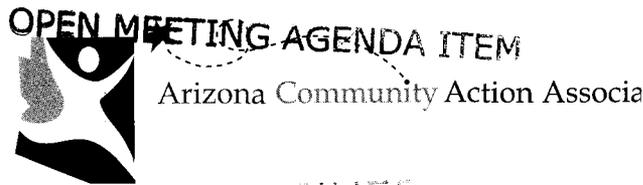


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December 17, 2013

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Chairman Stump and Arizona Corporate Commissioners  
1200 W. Washington St.  
Phoenix, AZ 85007

CORPORATE COMMISSION  
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DEC 17 2013

Docket No. E-04204A-12-0504

DOCKETED BY

Chairman Stump and Arizona Corporate Commissioners:

The Arizona Community Action Association ("ACAA") submits the following comments in response to the Recommended Opinion & Order from the Hearing Division issued November 25, 2013.

ACAA opposes the freezing of the Customer Assistance Residential Energy Support Low Income Medical Life Support Program ("CARES-M") tariff that has been proposed in the pending settlement. CARES-M is a valuable program, upon which a particularly vulnerable class of ratepayers depends, making its freezing a significant hardship for this customer class.

CARES-M has shown healthy growth, indicating that it is a successful program providing a valuable service to a population in need. In the last five years, enrollment has gone from 230 ratepayers in January 2008 to 451 customers in June 2013.

Additionally, the program reported no marketing or administrative expenses, making this service least burdensome to those ratepayers not enjoying the program's benefits.

It can be very expensive to be sick in this state. The Arizona Health Survey found in 2008 that one in four Arizonans were "currently paying medical bills or had problems paying medical bills over the past year." (1) A study published in the American Journal of Public Health medical debt to be a better predictor than insurance status of whether people will delay or do without required medical care (2).

The amount of people in UNS Electric's service territory at the income level qualifying for the CARES program is substantial. In Mojave county 28.7% of the residents' income level is at 150% of the poverty level; in Santa Cruz county the number leaps to 40.1% (4,5).

The implication of these statistics is clear: the need for energy assistance is high. Given this stark reality, it would be unwise and inappropriate to freeze access to future customers eligible for the CARES-M program. The tariff description itself designates this rate for customers who "require the use of medical equipment considered essential for sustaining life and is operated at the residence" (6). For these customers, paying their electricity bill is literally a matter of life and death. We believe the administration of this program is worth avoiding the risk of life itself for the ease of administering one less low-income program.

As UNS Electric's customers continue to age and experience more age-related health issues, it is critical that there be programs available to offset the high energy burden for these vulnerable populations. Therefore, we recommend and request that the CARES-M rates not be frozen. If an adjustment must be made, a modification similar to what has been proposed for the CARES program would be acceptable.

Enclosed please find an analysis of the CARES-M data reported on this docket.

Regards,



Kevin Hengehold  
Energy Program Director  
Arizona Community Action Association



Cynthia Zwick  
Executive Director  
Arizona Community Action Association

- 1: <http://arizonahealthsurvey.org/wp-content/uploads/2010/01/AHS-HealthTakes10.01.pdf>
- 2: <http://www.pharmacy.arizona.edu/releases/medical-debt-occurs-despite-insurance>
- 3: [http://www.chronicdiseaseimpact.com/state\\_sheet/AZ.pdf](http://www.chronicdiseaseimpact.com/state_sheet/AZ.pdf)
- 4: [http://azcaa.org/wp-content/uploads/2013/02/TableP10D\\_2010.pdf](http://azcaa.org/wp-content/uploads/2013/02/TableP10D_2010.pdf)
- 5: [http://azcaa.org/wp-content/uploads/2013/02/TableP10E\\_2010.pdf](http://azcaa.org/wp-content/uploads/2013/02/TableP10E_2010.pdf)
- 6: <https://www.uesaz.com/doc/customer/rates/electric/CARES-M.pdf>

CARES-M Analysis

duration	avg participat	avg discount over that	admin expense	making expenses	source
Jan-Jun 2008	232	\$71.13	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000087339.pdf">http://images.edocket.azcc.gov/docketpdf/0000087339.pdf</a>
Jan-Jun 2009	273	\$102.17	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000093211.pdf">http://images.edocket.azcc.gov/docketpdf/0000093211.pdf</a>
Jul-Dec 2009	276	\$80.03	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000101152.pdf">http://images.edocket.azcc.gov/docketpdf/0000101152.pdf</a>
Jan-Jun 2010	272	\$84.06	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000107042.pdf">http://images.edocket.azcc.gov/docketpdf/0000107042.pdf</a>
Jul-Dec 2010	284	\$57.21	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000113336.pdf">http://images.edocket.azcc.gov/docketpdf/0000113336.pdf</a>
Jan-Jun 2011	313	\$81.12	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000122258.pdf">http://images.edocket.azcc.gov/docketpdf/0000122258.pdf</a>
Jul-DEC 2011	346	\$75.52	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000127854.pdf">http://images.edocket.azcc.gov/docketpdf/0000127854.pdf</a>
Jan-Jun 2012	419	\$28.34	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000133741.pdf">http://images.edocket.azcc.gov/docketpdf/0000133741.pdf</a>
Jul-Dec 2012	448	\$27.96	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000138116.pdf">http://images.edocket.azcc.gov/docketpdf/0000138116.pdf</a>
Jan-Jun 2013	460	\$28.68	0	0	<a href="http://images.edocket.azcc.gov/docketpdf/0000141644.pdf">http://images.edocket.azcc.gov/docketpdf/0000141644.pdf</a>
		no data			

Jul-Dec 2008

