

MOHAVE COUNTY BOARD of SUPERVISORS



0000168881

2001 College Drive, Suite 90
Lake Havasu City, AZ 86403
johnsbd@frontiernet.net

Telephone (928) 453-0724
Fax (928) 453-0717
1-888-735-3711



ORIGINAL

BUSTER D. JOHNSON
SUPERVISOR DISTRICT 3

March 4, 2016

Arizona Corporation Commission
DOCKETED

MAR 08 2016

DOCKETED BY

AZ CORP COMMISSION
DOCKET CONTROL

2016 MAR -8 A 10:45

RECEIVED

Arizona Corporation Commission
Docket Control
1200 W. Washington St.
Phoenix, AZ 85007

RE: Docket No. E-04204A-13-0476

Dear Commissioners:

I am writing in opposition to Unisource's Electric rate structure case, Docket No. E-04204A-13-0476. As the District III Supervisor for Mohave County, Arizona, I serve the citizens of Lake Havasu City. The outcome of this case will have a direct impact on my constituents and if approved, will impose further financial burdens on all ratepayers in Mohave County.

While I understand Unisource's need to recoup the cost of building better infrastructure for the citizen's they serve, I feel this case would be setting a precedent for all electric companies around the country by imposing demand charges on all residents. Currently demand charges are unique for businesses. Demand charges only seem to benefit those who use a higher level of electricity like commercial and industrial ratepayers. Imposing this new fee onto residential consumers does not make sense. It will ultimately hurt low-income individuals who historically use less electricity and benefit the high users.

Lake Havasu City is a retirement community for thousands of senior citizens and a second home to several winter visitors from across the U.S. This extra high charge will be almost impossible for residential ratepayers to control unless they go out and spend hundreds of dollars on smart plugs and sensors to monitor this activity. Tying individual usage to the highest hourly energy use during a billing period is ridiculous. While commonplace for commercial and industrial customers, such charges are rare nationwide for residential consumers, who have less flexibility in moving electricity usage to non-peak hours.

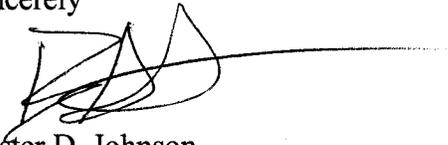
Along with this new demand charge fee, Unisource's proposal also would raise a customer's basic service fee from the current \$10 to \$20 a month. Overall residential ratepayers could be looking at an overall increase of \$30 a month. For the thousands of senior citizens and low-income individuals in Mohave County, this kind of increase would be devastating to their already tight monthly budget.

While I understand the cost of delivering electricity has gone up, it is my recommendation that the Corporation Commission reevaluate the cost structure in relationship to alternative energy.

In 2006, the Commission required electrical utilities to obtain 15% of their retail generated energy from renewable resources by 2025. In doing so, the Commission in theory is forcing utility companies to do their electric rate design similar to companies like Direct TV who offer different levels of service to individuals. Electricity is a necessity whereas having Cable TV is not.

Allowing Unisource Electric to impose demand charges on all residents will hurt the citizens of Mohave County. I urge you to vote in opposition to this case, and to consider changing the state's Renewable Energy Standard and Tarrif for all electrical utilities in the state of Arizona in order to lessen the burden on these companies and ultimately keep rates low for residents.

Sincerely

A handwritten signature in black ink, appearing to read 'Buster D. Johnson', with a long horizontal line extending to the right.

Buster D. Johnson
Mohave County Supervisor
District III