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Memorandum
From the office of
Chairman Tom Forese
Arizona Corporation Commission
1200 W. WASHINGTON
PHOENIX, ARIZONA
(602) 542-3933

Arizona Corporation Commission

DOCKETED

MAY 30 2017

DOCKETED BY

A handwritten signature, appearing to be "G.B.", is written over the "DOCKETED BY" text.

TO: Docket Control

DATE: May 30, 2017

FROM: Chairman Tom Forese's Office

SUBJECT: Docket No. ACC-00000B-17-0062

Correspondence from Chairman Forese

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**ARIZONA CORPORATION
COMMISSION**

Tom Forese
Chairman
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RE: Indictment of Former Arizona Corporation Commissioner
Docket No. ACC-00000B-17-0062

Fellow Commissioners and Interested Parties,

In response to the indictment of a former Arizona Corporation Commissioner and the owner of a public service company, and the allegations relating to business previously done at the Commission, it is prudent for the Commission to take immediate action. At this point we must respect that formal accusations have only been made recently, and the full process for determining guilt has yet to take place. Nonetheless, the Commission will immediately begin conducting its own due diligence concerning the policies and decisions made with respect to the accusations in the indictment and any related areas. The Commission will correct any current policies determined not to be in the public interest and make any changes to help maintain the integrity of the Commission.

First, I would request Commissioner Dunn, acting in his capacity as the Chairman of the Ethics Committee, consider any actions that may be taken by the Commission in response to these types of allegations. I acknowledge the current laws and regulations on the books, however, it is necessary the Commission shore up any gaps that may remain which could aid the current law.

I would recommend considering effective mechanisms that other government bodies use. I continue to advocate for a Code of Ethics at the Commission and believe that it will help supplement the standards that currently exist. Recently, the Commission's Executive Director issued new policies regarding the interaction of Commission Staff with those that come before the Commission. One such example is prohibiting meals between those that come before the Commission and Commission Staff. This same restriction should be considered for application to Commissioners as well. To that end, the Commission should also contemplate a formal registration process for those that lobby the Commission.

Other government bodies also have the ability to censure or remove members for certain conduct. I ask that all such possibilities be explored.

Next, I would request Commissioner Tobin, acting in his capacity as the Chairman of the Water Policy Committee, begin an audit and review of the policies and decisions made by former Commissioners that are the subject of the current indictment. The current Commission must

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determine if those decisions were made in the public interest. As has been done in other extreme situations, I would also recommend a review concerning the merit of appointing an interim manager for the effected public service company in this case and any similar cases in the future.

Commissioner Tobin has already suggested the Commission should evaluate the current structure of the Commission and consider moving certain Commission divisions to other government agencies. It has also been suggested that future Commissioners should be appointed by the Governor. Now may be the appropriate time to consider these major decisions for the future of the Commission.

Although the prospect of previous criminal behavior at the Commission is beyond terrible, I am grateful to currently serve alongside such capable and honorable officials in evaluating Commission practices. The Commission must continue to hold itself to the highest standards. I ask my fellow Commissioners to act swiftly to assess these issues that we may right any wrongs and make all necessary improvements.

Sincerely,

A handwritten signature in cursive script that reads "Tom Forese".

Tom Forese
Chairman


On this 30th day of May, 2017, the foregoing document was filed with Docket Control as a Correspondence From Commissioner, and copies of the foregoing were mailed on behalf of Tom Forese, Chairman - A.C.C. to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

ACC-00000B-17-0062

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By:



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