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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL
November 13, 2013

Sandra D. Kennedy

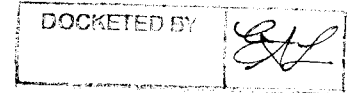
2317 E. Wier Ave.

Phoenix, AZ. 85040

Arizona Corporation Commission

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Docket No. E-01345A-13-0248:

I am writing with profound concerns and a formal request that Commissioner Gary Pierce recuse himself from the upcoming net metering vote due to his relationship with Arizona Public Service. The media has reported the following actions in recent weeks:

- Justin Pierce (son of Arizona Corporation Commissioner Gary Pierce) is running for Arizona Secretary of State. On October 17, Arizona's Yellow Sheet reported that Justin Pierce is raising money from companies regulated by his father, including a consultant to APS.
- According to the same Yellow Sheet report, multiple lobbyists who do work for APS were invited to a recent Justin Pierce fundraiser.
- As reported by the Huffington Post on October 25, the head lobbyist for APS, Jessica Pacheco, booked a room at the Phoenix Country Club for a Justin Pierce event.
- Gary Pierce makes the majority of his income as a marketing consultant for a firm owned by his political consultant, and that of his son Alan Heywood. See Mr. Pierce's financial disclosures.
- I am concerned that APS may be compensating Heywood, directly or indirectly. If I am mistaken about this I will withdraw this particular concern. Mr. Heywood can clean all of this up with a simple "no."
- In the shadow of these discreet activities, Gary Pierce has changed his story on solar to favor APS. Gary Pierce first requested his own staff to conduct an analysis of the competing net metering proposals, citing staff's experience in such issues. Staff sided with the solar industry's view that any issues should be addressed in a rate case. When Gary Pierce didn't like this answer, he told his staff to redo the analysis.
- Commissioner Pierce flip-flopped as well on more energy choice for Arizona, making the motion to stop further consideration of deregulation, at APS' request.

I find this chain of reported events deeply troubling. It sets a dangerous precedent for The Arizona Corporation Commission. The Commission must operate with unquestioned ethics and integrity. As we move towards a vote that could derail an entire industry in Arizona and across the country it is imperative that Commissioner Pierce recuse himself from this vote for reasons stated above. Elected officials throughout our state's history have done so for far fewer reason than the unquestioned appearance of conflict and perhaps a direct conflict before Mr. Pierce.

Sincerely,

Sandra D. Kennedy
Arizona Corporation Commissioner
2009 - 2013