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VIA EMAIL

Jim O'Connor – Chairman
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Arizona 85007
OConnor-Web@azcc.gov

Re: Please Address UNS Electric Ratepayers' Concerns About Their Commission-Approved Electric Rates (Docket No. E-04204A-22-0251)

Dear Chairman O'Connor:

I write to urge the Corporation Commission ("Commission") to reconsider the rate increase for UNS Electric, Inc. ("UNSE") which it approved earlier this year in Decision No. 79277.

Since August, this docket has been flooded with concerns from UNSE customers who are suffering under the weight of catastrophic electricity bills and who feel as though the true impact of the Commission-approved rate increase was either intentionally misrepresented or, at a minimum, vastly understated. State Representatives Biasiucci, Gillette, and Borrelli, and two of your fellow Commissioners have even joined the fray, imploring the Commission to revisit Decision No. 79277 to determine whether a more equitable rate design could be achieved. Still, this Commission did not act.

On September 13, 2024, two UNSE ratepayers docketed a complaint on behalf of more than 2,000 other UNSE customers (collectively, "Aggrieved Ratepayers") in the form of a letter demanding a "rate case rehearing" pursuant A.R.S. § 40-246. Shortly thereafter, the Hearing Division issued a procedural order identifying certain technical shortcomings in the complaint and re-designating the complaint as a § 40-252 request to "rescind, alter or amend" Decision No. 79277.

Now, more than one month after receiving the complaint, and despite two additional letters from the Aggrieved Ratepayers, a letter supporting a rehearing from the Residential Utility Consumer Office ("RUCO"), and many more consumer complaints, the Commission has taken no action—whether it be pursuant to § 40-246, § 40-252, or otherwise—on the Aggrieved Ratepayers' concerns.

While the Hearing Division may have identified aspects of the complaint which fell short of the technical requirements of A.R.S. § 40-246 and its corresponding regulations, the Aggrieved Ratepayers' request is clear—UNSE customers desperately need relief from the rates this Commission approved.

Clearer still is the Commission's only appropriate course of action. The Commission must do what Commissioner Márquez Peterson recommended months ago and place this matter on a future Open Meeting agenda so that the full Commission can consider whether better rate design is feasible. Alternatively, the Commission could save the Aggrieved Ratepayers and Commission staff some time and set a hearing for the formal complaint, instead of waiting for the Aggrieved Ratepayers to first refile their formal complaint with all Is dotted and Ts crossed. The Commission certainly has the authority to do so, since § 40-246(A) allows the Commission to initiate a complaint *sua sponte*.

Regardless of how the Commission decides to act, time is of the essence. Any relief that cooler temperatures bring to the Aggrieved Ratepayers and their fellow UNSE customers will be short-lived. Come next summer, even the most scrupulous UNSE customers will again be faced with crushing electricity bills. Repayment plans and disconnection moratoriums are no substitute for just and reasonable ratemaking.

As a former Commissioner, I understand deeply the gravity of the Commission's ratemaking responsibilities and its constitutional obligations. It is for these very reasons that the Commission must act on the Aggrieved Ratepayers' request. I implore you to address the concerns of fellow Commissioners, State Representatives, RUCO, and, most importantly, the many thousands of UNSE customers who have sought relief from this Commission as soon as possible.

Sincerely,



Kris Mayes
Attorney General
State of Arizona