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September 17, 2009

Creden W. Huber
Chief Executive Officer
Sulphur Springs Valley Electric Cooperative Inc.
P. O. Box 820
Wilcox, Arizona 85644-0820

Dear Mr. Huber:

I am writing to let you and your management team know that the Arizona Corporation Commission (ACC) has received the attached emails indicating that Sulphur Springs Valley Electric Cooperative (SSVEC) has been telling realtors and contractors in the Sonoita/Elgin area that a hookup moratorium is in effect due to the issue of the 69kV line.

As you know SSVEC must file a request with the ACC to institute a moratorium. In checking with our staff, no such request has been filed. Obviously if SSVEC did in fact file such a request, it would need to be supported by compelling evidence that no additional capacity exists now, which I believe may be contrary to the record in Docket No. E-01575A-08-0328.

I have referred these allegations to our utilities and customer service staff to investigate.

Please respond to these allegations by letter indicating whether SSVEC is in fact telling contractors and realtors in the area that no more hookups will be allowed.

As I indicated in the last month's open meeting, I expect that the ACC would work closely with SSVEC cooperatively as you proceed in the feasibility study. These allegations cause serious concern about how well the process is working.

I look forward to your response, which I request be provided within two weeks of the date of this letter and docketed in Docket No. E-01575A-08-0328.

Sincerely,

Paul Newman

Paul Newman
Commissioner

cc: Chairman Kristin K. Mayes
Commissioner Gary Pierce
Commissioner Sandra D. Kennedy
Commissioner Bob Stump
Ernest G. Johnson
Steve Olea
Elijah Abinah
Docket No. E-01575A-08-0328

Jennifer Ybarra

From: S SCOTT [susanscott15@msn.com]
Sent: Friday, September 04, 2009 7:41 AM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web
Subject: SSVEC

Importance: High

Dear Chair Mayes and Commissioners:

It was most disturbing to hear of SSVEC's most recent tactics to divide and conquer our communities so that they may continue their efforts to install the 69KV line. Several of our realtors and building contractors have reported that SSVEC has placed an immediate moritorium on electrical hookups in our communities. This is despite the fact that they testified to you on August 17, 2009 that they had the capacity to add 50+ homes in our area. Based on past building that could last us 3-5 years.

I understand that they have started a letter writing campaign in support of the 69KV line. I want to assure you that I believe the decision you made requiring an independent feasibility study continues to be the correct one. This will be the only way we in the community and SSVEC will truly know the best, most cost effective method to provide energy to our communities. Thank you for your strong support of this effort.

Regards,

Susan Scott

Jennifer Ybarra

From: Save the Scenic Sonoita Grasslands [sonoitagrasslands@gmail.com]
Sent: Thursday, September 10, 2009 12:01 PM
To: Mayes-WebEmail; Pierce-Web; Newman-Web; Linda Kennedy; Stump-Web
Cc: John Maynard
Subject: Sonoita Area - SSVEC moratorium

Dear Chairwoman Mayes and Commissioners:

Subject: Can SSVEC arbitrarily impose a moratorium on new hook ups for this area and/or selectively grant applications?

SSVEC is giving out information which is causing havoc in our communities of Elgin, Patagonia and Sonoita regarding new electrical hookups. Contractors, potential real estate buyers and real estate agents are being told conflicting information. What they report being told is that "a moratorium is in place because the 69kv line has been stopped." In short, when people call about a hookup, they come away from the conversation believing that they will not be able to build.

I have had 5 local real estate agents report to me, and not happily I might add, that SSVEC has imposed a moratorium on building in our area.

One agent said her client was looking at a piece of property and when they called SSVEC about a hook up they were told "The people in this area are fighting us and there will be no more hookups by SSVEC until the 69kV line is built."

Another agent had a client go into SSVEC and ask for a hook up and they were told there was a moratorium and that they should submit paperwork and they would be put in line for a hookup.

Another person called SSVEC and the person they spoke with said "I have been told to notify each applicant that we aren't denying applications/permits but we aren't guaranteeing them either. A moratorium may be imposed because of demand. There is a 'pending' list and I don't know when the moratorium will actually be imposed or the possibility of one being lifted."

Attorney Leslie Kramer had a contractor stop in her office the day after the hearing in Tucson to tell her that he had just been told there would be no new hookups, and if that was true, he was out of business.

A real estate friend of mine is so mad about all this that he is no longer speaking to me.

I am not surprised by SSVEC's behavior of divide and conquer as this has become its strategy of choice in our community.

I recall the attorney for the SSVEC saying at the hearing that they may have to come back of the ACC and ask for a moratorium at their next rate increase, but nothing was said about an immediate moratorium if the line was delayed.

In conclusion, my question is this: Can SSVEC arbitrarily impose a moratorium for this area and/or selectively grant applications?

The last graph SSVEC displayed at the Santa Cruz County Board of Adjustments Hearing showed electric demand decreasing in our area.

If SSVEC is receiving requests from residents at Hwy 82 and Hwy 90 near the substation, perhaps they could separate those services from the V7 Feeder.

Thank you very much,

Gail Getzwiller

PO.Box 815, Sonoita, AZ 85637 (520-455-5020)