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ARIZONA CORPORATION COMMISSION

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July 5, 2007

Chairman Mike Gleason
Commissioner William A. Mundell
Commissioner Jeff Hatch-Miller
Commissioner Gary Pierce

**Re: Perkins Mountain Utility Co., Perkins Mountain Water Co., CC&N Applications;
Docket Nos. SW-20379A-05-0489 and W-20380A-05-0490**

Dear Colleagues:

I write today to concur with Commissioner Mundell that additional hearing dates are necessary in this matter in light of recent statements regarding alleged payments from Jim Rhodes to former Clark County, Nevada Commissioner Erin Kenny.

Recent news articles detailing the testimony of Ms. Kenny, and the alleged connection between her and Mr. Rhodes, have raised a number of questions regarding Mr. Rhodes' business practices in Nevada that I believe must be answered prior to a determination of whether the Perkins utilities would be fit and proper entities to operate in Arizona. Even though the record in this case is closed, I agree that the Administrative Law Judge should issue a procedural order setting dates for additional hearings at which Mr. Rhodes would appear, under oath, to answer questions regarding his connection to Ms. Kenny, and whether Ms. Kenny would have any official role in the proposed Arizona utilities. I would urge my colleagues to join in this request to re-open the record in this case.

Thank you for your attention to this matter.

Sincerely,

Kris Mayes
Commissioner

Cc: Chris Kempley
Lyn Farmer
Dwight Nodes
Ernest Johnson
Brian McNeil
Parties to the Docket