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April 18, 2005

Mr. James Pignatelli, CEO
UniSource Energy Corporation
One South Church, Suite 100
Tucson, AZ 85702

RE: Unisource PGA Surcharge, Docket No. 04204A-05-0046

Dear Mr. Pignatelli:

You stated in your letter dated April 12, 2005 that UNS Gas found only two filings regarding telephone inquiries made to Commission Staff. Since February 1, 2005, the Corporation Commission has docketed forty-five complaints against the UniSource surcharge. Thirty-three of the complaints were made via telephone calls, thirty-two of which were docketed prior to the March 24, 2005 Open Meeting. I have included below some representative comments from the docketed complaints:

- "[C]ustomer states that her monthly bill this month is over $200 and normally it is approximately $40." Opinion No. 2005-41761, February 1, 2005.
- "Customer lives on $564/month so when she receives a gas bill for $104 like she did last year, she need[s] assistance from an agency or she will have her services disconnected." Opinion No. 2005-41931, February 7, 2005.
- "I am opposed to any rate increase sought by UniSource Energy Services. The rates keep going up to the point I cannot afford to turn my gas on." Opinion No. 2005-42667, March 4, 2005.

I must believe you when you say that you take all such complaints seriously. It appears, however, that your company did not take the time to exhaustively review the docket prior to the Open Meeting in March. These complaints, which are important, are available to anyone who requests them from our docket control or consumer services section.

In my representative capacity, I hear from constituents daily. During the time period mentioned above, I received several complaints from individuals and would be happy to provide you with their names and phone numbers. The name of one of the individuals who complained about her gas bill was already in the docket, as she had contacted Staff's Consumer Services representatives. Again, had you looked in the docket prior to the Open Meeting you would have had access to her complaint. The other individuals complained about your company's lack of an Internet bill pay option and about problems with UniSource customer service representatives'

knowledge about northern Arizona's natural gas situation and the company's billing process. This latter matter was not directly related to the surcharge issue but I nonetheless raised it during the March hearing.

I am happy to discuss with you further any of the complaints I received. As you know, I am also available for office hours in Tucson on a monthly basis. Please feel free to call Sheila Stoeller to set up a meeting.

Sincerely,

Kris Mayes
Commissioner

Cc: Chairman Jeff Hatch-Miller
Commissioner William Mundell
Commissioner Marc Spitzer
Commissioner Mike Gleason
Lyn A. Farmer, Chief Administrative Law Judge, Hearing Division
Christopher Kempley, Chief Counsel, Legal Division
Ernest Johnson, Director, Utilities Division