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Utilities Division

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

Bob Burns
Andy Tobin
Boyd Dunn
Justin Olson

To: Docket Control

2018 JUL 16 A 9:42

RE: ARIZONA PUBLIC SERVICE COMPANY

Docket # E-01345A-18-0002

Please docket the attached 2 customer comments regarding the above filed case.

Customer comments can be reviewed in e-Docket under the above docket number.

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission
DOCKETED

JUL 16 2018

DOCKETED BY
WJ

E-01345A-18-0002

**Arizona Corporation Commission
Utilities Complaint Form**

Investigator: Roxanne Best **Phone:** <<< REDACTED >>> **Opinion Date:** 7/13/2018
Opinion Number: 2018 - 152356 **Priority:** Respond within 5 business days
Opinion Codes: Rate Case Items - In Favor **Closed Date:** 7/13/2018 2:24 PM

First Name: David **Last Name:** Shoup **Account Name:** David Shoup
Address:
City: Scottsdale **State:** AZ **Zip Code:** 85260
Home: <<< REDACTED >>>

Company: Arizona Public Service Company **Division:** Electric

Nature Of Opinion

Docket Number: E-01345A-18-0002 **Docket Position:** For

The increase was about 2 cents kWh, but they changed the peak and off peak hours. I think that was smoke and mirrors. My bill has gone up 15%. I'm very good at working the peak and off peak and I'm very conservative. I was gone 3 weeks out of a 35 day billing period and I still got a bill for over \$600!

Investigation			
Date:	Analyst:	Submitted By:	Type:
7/13/2018	Roxanne Best	Telephone	Investigation

Comments noted for record and docketed. Closed.

E-01345A-18-0002

Arizona Corporation Commission Utilities Complaint Form

Investigator: Roxanne Best **Phone:** <<< REDACTED >>> **Opinion Date:** 7/13/2018
Opinion Number: 2018 - 152353 **Priority:** Respond within 5 business days
Opinion Codes: Rate Case Items - In Favor **Closed Date:** 7/13/2018 2:01 PM

First Name: Glenn **Last Name:** Walsh **Account Name:** Glenn Walsh
Address: <<< REDACTED >>>
City: Prescott **State:** AZ **Zip Code:** 86301

Company: Arizona Public Service Company **Division:** Electric

Nature Of Opinion

Docket Number: E-01345A-18-0002

Docket Position: For

July 10, 2018

APS

Customer Service

P.O. Box 2906

Phoenix, AZ 85602-2906

Gentlemen:

I opened my July 9, 2018 electricity bill and was shocked to see it significantly higher than any other APS bill over the last 14 years. I examined the details available for my account #2318490000 on your data base and found my bill increased 31% (\$122 in July 2017 to \$160 in July 2018) while my total kWh usage only increased 2% (995 kWh in July 2017 to 1015 kWh in July 2018).

I performed more examination of the details available on your data base, but I was not able to find reasons to justify this large 31% increase over the year earlier bill. I did notice the current bill included two more days usage in the billing cycle, but that only represented 6.4% of my total 31% increase.

Not finding any explanations, I called your billing people. I had to wait 25 minutes to get through to billing. When I finally was connected with Denise, I was told APS was experiencing a large volume of calls to report outages. I was not waiting to report an outage, nor did I select that

Arizona Corporation Commission Utilities Complaint Form

option from your telephone menu system; i.e., I selected billing which should not have been overwhelmed with "outage" call volumes.

Denise kindly reviewed my numbers and concerns with me, and she eventually pointed to the rate increase implemented in August 2017. She said it was a 4.5% rate increase. Quite frankly, I did not recall hearing about that 4.5% rate increase, BUT that did not fully account for my 31% increase (i.e., 6.4% + 4.5% is only 10.9%). Obviously, there was another 20% to be identified as the main reason for my shocking July 2018 bill.

As I dug further into that 4.5% rate increase with Denise, I was told that On-Peak was decreased from 28 cents per kWh to 24 cents while Off-Peak was increased from 7 cents per kWh to 10 cents (a whopping 43% increase). Given I am retired, practical, and conserve my energy use by working within the Saver Choice program, the vast majority of my normal usage (especially during the air conditioning season) consists of Off-Peak rates.

I do not want to perform any more math to figure out the "real" rate increase on my conservative usage model, BUT I will guarantee you it is a hell of a lot more than the 4.5% advertised/disclosed by APS; i.e., the 4.5% increase number looks like a "shell

game". It also appears the lowered On-Peak rates would primarily benefit the big commercial power users who simply pass on those costs to us consumers while they stick it to us residential consumers who are trying to schedule usage around the prescribed "saver" time limits.

And then APS introduces their "new plan options" which begin to look like sorting out options on a car. Not only are there more options than the average consumer can effectively take in, but the "so-called tools" offered to figure out what is best for the average consumer contain legal disclaimers like "they are not 100% reliable". How reliable are they; i.e., 10%, 20% or what? Quite frankly, I suspect 90% of your residential customers did not go through much of an analysis let alone attempt to run the numbers through your "unreliable" model.

I also bet that you were flooded with calls when you rolled-out that overly complex program of options. I bet most residential consumers simply accepted what you suggested and could not

Arizona Corporation Commission Utilities Complaint Form

understand or explain the details of the various added "saver" programs. The main point here is the KISS principle; i.e., "Keep it simple stupid". Even with Denise's help today, I had a hard time figuring out if your savers choice "plus" or savers choice "max" was better for me than your "regular" savers choice which was recommended by your computer-generated messages. Even though "Savers Plus and Max" both seemed to offer me hypothetical retro-active cost savings for the last monthly billing cycle, Denise cautioned me there was no assurance it would work best for me going forward???????

Bottom line, (1) it appears my bill went way up due to your huge 43% rate increase on "Off-Peak" rates, and (2) your plan to offer more options just confounded confusion with chaos. I am copying the AZ Corporate Commission in the hopes they as regulators will look more into this apparent lack of understandable transparency, and they will also determine if the burden of rate increases are consistent with the intended objectives.

Investigation			
Date:	Analyst:	Submitted By:	Type:
7/13/2018	Roxanne Best	Correspondence	Investigation
Comments noted for record and docketed. Closed.			
