

October 15, 2010

Comments on Docket A-042090

I would like the following comments made part of the record for the fuel surcharge discussion at last month's open meeting under docket A-042090 re: Order 03. Please insure this email reaches the commissioners and all staff that attending the Sep 30th Open Meeting in case I have incorrect email addresses for any of those listed.

The most recent BLS stats are out for the month of September 2010. I made the point at the SEPTEMBER meeting that fuel prices are NOT stable and continue to rise. Gasoline rose 5.1% in September 2010 while all other costs based on the CPI rose 1.1%. Again, as was the case last month when fuel prices rose 4 times as fast as the overall CPI, this past month fuel prices rose almost 5 times faster than overall CPI. Staff continues to be out of touch with reality or in ignorance of published industry standard data. Just because they THINK prices are stable without any supporting evidence, as noted in their summary of the case and that they BELIEVE fuel prices will remain stable, reality is apparently something they do not adhere to when making UTC policy. Staff does NOT have any ability to PREDICT the future of gasoline prices and the UTC should NOT make policy based on a few individual's GUESS of what is going to happen in the future to gasoline prices or any other factor that is beyond their control. This whole suggestion by staff is arbitrary and capricious and has no foundation in reality. This kind of policy making has got to stop.

The most spurious argument put forward by staff is that the older the rate case is the less confidence that they have in its ability to be responsive to the consumer. The reality is that the older the rate cases the lower the base fare and the greatest ability to respond to rising and FALLING fuel prices. How staff was able to twist this logic is incomprehensible.

We are still dumbfounded as to why the logic of terminating the current fuel surcharge methodology is even on the table. By issuing Order 3, you require the same documents to be submitted, but now add the additional burden on staff and the commissioners to review them as part of an open meeting every 2 weeks, rather than to allow a straight forward approval of a process that has worked for the past 5 years with no problems whatsoever. In addition, you prevent us, the regulated from responding in a timely manner to these obvious rapid fluctuations in fuel prices. We need help here, not hindrance.

We strongly urge the commissioners to reverse Order 3 and continue to operate as before after January 31, 2011. We also look forward to the workshop that was requested by the commissioners with the stakeholders. We specifically request that this meeting occur with enough notice to insure that everyone can attend and in order to prepare more detailed comments as well as have time to fully review any staff positions and the supporting data behind them. Thank you.

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