

Public Comment—Docket 17-11008—SW Gas Expansion in Mesquite—Angel De Fazio

The applicant has made many claims in its filings with PUKE that lack factual accuracy.

The Qualtrics survey of resident and business owner interest in, on the city of Mesquite's web site is deceptive; it doesn't begin to accurately assess interest or even disclose that the existing residents and business owners will likely not have access to new natural gas service given the applicant's plans to deal with new developments on the northwest and southwest sides of the city, not existing development. Asking existing residents and business owners who won't be able to secure natural gas service if they are 'interested' is a poor approach that generates meaningless support.

No proof has been offered that new businesses have bypassed Mesquite solely because it lacks natural gas. Thus, there is no tangible, lost, economic development that the applicant can point to, with any reasonable authority. The sparse water supply, lack of trained workers and lack of worker housing are all much bigger, unanswered questions than the availability or unavailability of natural gas in Mesquite, and for which solutions have not been proposed or funded by the city's officials and business boosters.

Why should natural gas ratepayers in LV subsidize Mesquite's hoped-for development, to the detriment of the Valley, when metro Vegas has all of the necessary transportation and utility infrastructure, plus a viable pool of workers, to promote efficient, in-fill growth rather than creating more sprawl in the relative middle of nowhere?

Subsidies to artificially induce more enrollees so SWG can increase its rate base must be paid by SWG's other ratepayers. The money is not 'free,' a common misconception when large bureaucracies frivolously spend other people's money to improve corporate revenue. The paltry number of new customers forecasted by SWG (2,250 residential and 31 commercial connections) for a community of 20,000 people after 17-years' effort and spending \$36.6 million of ratepayer money will yield an uncertain amount of savings over current energy providers. At its essence, SWG really has no incentive to prudently expand its service territory, as it will be allowed to earn a rate of return regardless of how many new customers it secures. Speaking of economic activity and wages paid, is not the same as, recouping the original \$36.6 million through actual cost savings by the customers SWG hopes to attract. Any savings would not return to those southern Nevada ratepayers funding the expansion, but remain with the permanently subsidized beneficiaries.

SWG and its consultant, IHSM, have jointly failed to prove the financial and service merits of the Mesquite expansion proposal. SWG should not be arbitrarily

avored by government regulators, unsupported by the sparse evidence and multiple speculations and forecasts submitted, while harming southern Nevada ratepayers who must support this boondoggle. Let those who directly benefit from this expansion pay the hefty costs if they want natural gas service.