

1 **KRISTIN K. MAYES**  
2 **ATTORNEY GENERAL**  
(Firm State Bar No. 14000)  
3 JOHN RAYMOND DILLON IV (BAR NO. 036796)  
4 ASSISTANT ATTORNEY GENERAL  
5 OFFICE OF THE ATTORNEY GENERAL  
6 2005 North Central Avenue  
7 Phoenix, AZ 85004-1545  
8 Telephone: (602) 542-3725  
9 Facsimile: (602) 542-4377  
10 Email: [consumer@azag.gov](mailto:consumer@azag.gov)  
11 *Attorneys for the State of Arizona*

12 **SUPERIOR COURT OF ARIZONA**  
13 **IN MARICOPA COUNTY**

14 STATE OF ARIZONA, *ex rel.* KRISTIN K.  
15 MAYES, Attorney General,

16 Plaintiff,

17 v.

18 ARIZONA PUBLIC SERVICE COMPANY,  
19 An Arizona Corporation,

20 Defendant.

Case No.:

**COMPLAINT**

(Assigned to Hon. )

21 Plaintiff, State of Arizona *ex rel.* Kristin K. Mayes, the Attorney General (the  
22 “State”), alleges the following for its Civil Complaint (the “Complaint”) against  
23 Defendant Arizona Public Service Company (“APS” or “Defendant”).

24 **JURISDICTION AND VENUE**

25 1. The State brings this action pursuant to the Arizona Consumer Fraud Act,  
26 Arizona Revised Statutes (“A.R.S.”) §§ 44-1521 through 1534.

27 2. This Court has subject-matter jurisdiction.

28 3. This Court may issue appropriate orders pursuant to A.R.S. § 44-1528.

1  
2 4. Events occurred in this state which are the subject of this Complaint.

3 5. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401(17).

4 **PARTIES**

5 6. Plaintiff is the State of Arizona *ex rel.* Kristin K. Mayes, the Attorney  
6 General of Arizona, who is authorized to bring this action pursuant to A.R.S. §§ 44-1521  
7 through 1534 (the “ACFA”).

8 7. Defendant APS is an Arizona public service corporation, incorporated on  
9 February 16, 1920, with its principal place of business at 400 N. 5th Street in Phoenix,  
10 Arizona.

11 **FACTUAL BACKGROUND**

12 8. The Arizona Attorney General, upon reasonable cause, is vested with the  
13 authority to investigate and adjudicate alleged unlawful practices pursuant to A.R.S. § 44-  
14 1521 et seq., and such authority is in addition to all other causes of action, remedies, and  
15 penalties available to the State.

16 9. APS is the largest electric utility in Arizona and serves more than 1.2 million  
17 residential customers across 11 of Arizona’s 15 counties. APS is a public service  
18 corporation regulated by the Arizona Corporation Commission (the “Commission”).

19 10. Based on information and belief, in 2018, APS disconnected electric service  
20 for nonpayment approximately 110,029 times, including approximately 29,240  
21 disconnections between June and September 2018.

22 11. On or about June 13, 2019, the Commission opened a generic docket to  
23 conduct an investigation and comprehensive review of its electric utility disconnection  
24 rules and the disconnection policies of public service corporations. *See* Docket No. E-  
25 00000A-19-0128.

26 12. On or about June 14, 2019, then-Commission Chairman Robert Burns  
27 requested that Commission Utilities Division Staff initiate emergency rulemaking to  
28 review and amend the Commission’s rules governing termination of electric service. That

1 same day, the Commission opened Docket No. RU-00000A-19-0132 to commence the  
2 emergency rulemaking process.

3 13. On or about June 20, 2019, the Commission amended A.A.C.§ R14-2-211  
4 to include a moratorium on residential electric service disconnection during the period  
5 from June 1 through October 15. *See* Decision No. 77260.

6 14. The Commission further ordered Arizona electric utilities to submit  
7 applications incorporating the summer moratorium on residential terminations by June 28,  
8 2019. *See* Decision No. 77261.

9 15. On or about June 28, 2019, APS submitted an application pursuant to  
10 Decision No. 77261 asking the Commission to approve inclusion of the emergency rules  
11 regarding termination of service into Service Schedule 1. *See* Docket No. E-00000A-19-  
12 0218. On August 19, 2019, the Commission approved APS’s application with minor  
13 revisions. *See* Decision No. 77371.

14 16. In or around April 2021, APS implemented a voluntary policy referred to as  
15 the “Voluntary 95-Degree Hold,” under which APS refrained from disconnecting  
16 residential electric service when temperatures were forecasted to be 95 degrees Fahrenheit  
17 or higher. This voluntary policy was implemented in addition to the calendar-based, June  
18 to October 15, summer moratorium on residential electric service terminations called for  
19 by the emergency rules. The Commission completed its final rulemaking in November  
20 2021, and the Attorney General’s Office issued a letter approving the final disconnection  
21 rule on February 16, 2022. The final rules became effective April 18, 2022. APS elected  
22 to continue its calendar-based disconnection moratorium.

23 17. On or about May 10, 2024, APS discontinued its Voluntary 95-Degree Hold  
24 practice on electric service disconnections for residential customers.

25 18. On or about May 13, 2024, APS remotely disconnected electric service to  
26 the residence of Katherine Korman due to nonpayment. Based on information and belief,  
27 the daily high temperature on that date reached approximately 99 degrees Fahrenheit.

28 19. At the time APS disconnected service to Ms. Korman’s residence, Ms.

1 Korman was enrolled in APS’s Saver Choice Plus rate plan. Based on APS’s available  
2 rate options and usage information, other APS rate plans to which Ms. Korman was  
3 eligible, were available and that, depending on usage patterns, could have resulted in lower  
4 overall costs to Ms. Korman.

5 20. Based on information and belief, APS did not regularly disclose to Ms.  
6 Korman, or to other similarly situated consumers enrolled in the Saver Choice Plus rate  
7 plan, material information regarding the potential availability of alternative rate plans or  
8 the potential cost-savings implications associated with those alternatives.

9 21. Based on information and belief, APS was aware that consumers enrolled  
10 in the Saver Choice Plus rate plan lacked access to APS’s rate comparison tools and that  
11 such consumers, while aware that remaining on such plan would not allow them access to  
12 the rate comparison tools, were not periodically receiving material information necessary  
13 to evaluate whether alternative rate plans could reduce their overall electricity costs.

14 22. Based on information and belief, APS knew or should have known that  
15 consumers enrolled in the Saver Choice Plus rate plan may have reasonably relied on APS  
16 to provide accurate and complete information regarding available rate options, and that  
17 the omission of such information may have affected consumers’ decisions regarding their  
18 electric service.

19 23. On or about May 19, 2024, after six days of disconnected electric service,  
20 Ms. Korman was found deceased in her residence.

21 **CLAIM FOR RELIEF**

22 **VIOLATIONS OF THE ARIZONA CONSUMER FRAUD ACT**

23 **A.R.S. §§ 44-1521 through 1534**

24 **(Against Defendant APS)**

25 24. The State realleges and incorporates by reference all prior allegations of this  
26 Complaint as though fully set forth herein.

27 25. The conduct described in the preceding paragraphs of this Complaint  
28 constitutes deceptive or unfair acts or practices, including fraud, false pretenses, false

1 promises, misrepresentations, or concealment, suppression or omission of material facts  
2 with intent that others rely on such concealment, suppression or omission, in connection  
3 with the sale or advertisement of merchandise in violation of A.R.S. §§ 44-1521 through  
4 44-1534, including, but not limited to, the following:

5 a. Defendant APS engaged in deceptive and unfair acts and practices by  
6 terminating its Voluntary 95-Degree Hold on residential electric service  
7 disconnections; and

8 b. Defendant APS engaged in deceptive and unfair acts and practices by  
9 concealing, suppressing, or omitting material information regarding the  
10 availability of more economical utility rate plans and the potential cost  
11 savings associated with those plans, with the intent that consumers rely on  
12 such concealments, suppressions or omissions in connection with the sale  
13 or provision of utility services.

14 26. At the time Defendant APS engaged in the acts and practices alleged in this  
15 Complaint, Defendant knew or should have known that its conduct was of the nature  
16 prohibited by A.R.S. § 44-1522, subjecting itself to enforcement and penalties as provided  
17 in A.R.S. § 44-1531(A).

18 27. With respect to the concealments, suppressions, or omissions of material  
19 fact described above, Defendant acted with the intent that others rely on such  
20 concealments, suppressions, or omissions.

21 28. With respect to the unfair acts and practices described above, Defendant  
22 APS's conduct caused or was likely to cause substantial injury to consumers that was not  
23 reasonably avoidable by consumers and was not outweighed by countervailing benefits to  
24 consumers or to competition.

25 **PRAYER FOR RELIEF**

26 WHEREFORE, the State respectfully requests that the Court enter judgment in its  
27 favor and against Defendant, and grant the following relief:

28 29. Pursuant to A.R.S. § 44-1528(A)(1) and Ariz. R. Civ. P. 65(d)(1), issue a

1 permanent injunction enjoining and restraining (a) Defendant; (b) its officers, agents,  
2 servants, employees, attorneys; and (c) all persons in active concert or participation with  
3 any person described in subsections (a) or (b), directly or indirectly, from engaging in  
4 deceptive, misleading, or unfair acts or practices, including the concealment, suppression,  
5 or omission of material facts, in violation of the Arizona Consumer Fraud Act, A.R.S. §  
6 44-1522(A), including the unlawful acts and practices alleged herein;

7 30. Pursuant to A.R.S. § 44-1528(A)(4), issue a permanent injunction,  
8 prohibiting Defendant from engaging in specified unlawful practices, including:

9 a. Disconnecting residential electric service on days when forecasted  
10 temperatures exceed 95 degrees Fahrenheit; and

11 b. Concealing, suppressing, or omitting material information from  
12 consumers regarding the availability of more economical utility rate  
13 plans and the potential cost savings associated with those plans;

14 31. Pursuant to A.R.S. § 44-1531, order Defendant to pay to the State of Arizona  
15 a civil penalty of up to \$10,000.00 for each willful violation by Defendant of A.R.S. § 44-  
16 1522, in the amount of not less than \$100,000.00;

17 32. Pursuant to A.R.S. § 44-1534, order Defendant to reimburse the State for its  
18 reasonable attorneys' fees and costs incurred in the investigation and prosecution of the  
19 unlawful acts and practices alleged in this Complaint; and

20 33. Award the State such other and further relief the Court deems just and  
21 proper.

22 DATED this 15th day of April, 2026.

23  
24 **KRISTIN K. MAYES**  
25 **Attorney General**

26 By: \_\_\_\_\_  
27 John Raymond Dillon IV  
28 Assistant Attorneys General  
*Attorneys for the State of Arizona*