



Control Number: 28813



Item Number: 310

Addendum StartPage: 0

**Thomas Tryer**

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**From:** "Thomas Tryer" <thomas.tryer@sbcglobal.net>  
**To:** "Thomas Tryer" <thomas.tryer@sbcglobal.net>  
**Sent:** Monday, March 29, 2004 10:05 PM  
**Subject:** Docket No. 28813 Concerning Cap Rock Energy Corp's Proposed Rate Increase

Public Utilities Commission Of Texas  
P.O. Box 13326  
Austin, TX 78711-3326  
Attn: Central Records/Filing Clerk  
Open Record Docket No: 28813

2004 APR -2 11:28  
PUBLIC UTILITIES COMMISSION  
Filing Clerk

**Subject:** Docket No. 28813 Concerning Cap Rock Energy Corp's Proposed Rate Increase

Gentlemen,

My home in northwest Midland, TX is served by Cap Rock. Cap Rock does not deserve or need a rate increase at this time. It appears to me Cap Rock is up to its old tricks. A few years ago before Cap Rock became an investor owned utility, many of the people in my neighborhood asked for a meeting with Cap Rock concerning our extremely high electric rates. Cap Rock did not want to meet, but we persisted. The meeting was finally held in their corporate offices in downtown Midland in the morning in the middle of the week. Cap Rock tried to set the meeting up at their office in Stanton, TX about 25 miles from Midland in an attempt no doubt to limit the attendance of the complaining customers. We told them no way, and they gave in.

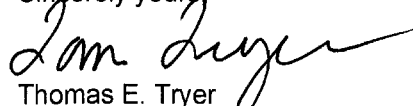
The results that came out of the meeting were gratifying. They lowered our rates substantially (about 25 %), and gave each of us a couple of hundred dollars credit against future electric bills. If this was not an admission that they had been overcharging, then I do not know what is.

Now Cap Rock has asked the PUC of Texas for what is apparently an across the board rate increase. Let's examine the facts. The facts are these:

1. One year ago Cap Rock common stock (symbol RKE on the American Exchange) traded at about \$ 10.00/share. Today it trades at \$ 31.90/share.
2. Cap Rock's current earnings per share (EPS) are \$ 7.49 giving it a price to earnings (PE) ratio of 4.26. A typical investor owned electric utility has a PE ratio of 10 to 15.
3. Cap Rock obviously does not need a rate increase at this time. Even if their EPS became one-half of what it is today, their PE ratio would be less than 10 which is excellent.

Please take the above facts into consideration when you are deciding what to grant Cap Rock in the way of a rate increase.

Sincerely yours,



Thomas E. Tryer  
4504 Bent Tree Trail  
Midland, TX 79707  
e-mail: thomas.tryer@sbcglobal.net  
Office tel: 432-561-8594

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