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AZ CORP COMMISSION
DOCUMENT CONTROL

January 9, 2004

Lyn Farmer
Chief Administrative Law Judge
Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

RE: DOCKET NUMBER E-01345A-03-0437

Dear Chief Judge Farmer:

Pursuant to the Procedural Order issued on January 8, 2004, the Company has sent via the attached e-mail, the following information to every party who requested or received the Company's December 3, 2004 RFP.

- 1) A revised Attachment 1 reflecting the removal of the PWEC units from the attachment after the expiration of the Track B contract.
- 2) A revised schedule which modifies the date the bids are due as well as making other necessary conforming changes.

If you or your staff have any questions, please feel free to call me.

Sincerely,

Jana Van Ness
Manager
Regulatory Compliance

Attachment

JVN/srm

Cc: All parties of record
Docket Control (Original, plus 13 copies)

Arizona Corporation Commission
DOCKETED

JAN - 9 2004

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Dinkel, Patrick (F32614)

Subject: Notice of Revision of the Dates in Arizona Public Service Company's Request for Proposals for the Procurement of Generating Capacity dated December 3, 2003

The above mentioned APS RFP has been modified in response to the Arizona Corporation Commission procedural order dated January 8, 2004. The RFP schedule has been changed as shown in the attached document. RFP bids are now due January 21, 2004. In addition, Attachment 1 to the RFP (APS Summer Supply & Demand Balance) has been modified after 2006 and is attached.

If you have any additional questions regarding the RFP please contact me.

Patrick Dinkel
602-250-2016
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RFP Schedule
Updated.doc (65 K..



Supply & Demand -
Updated.xls (...

RFP SCHEDULE
Updated January 9, 2004

The RFP Process shall proceed in accordance with the following schedule:

| | Day of Week | Date |
|---|--------------------|------------------------------------|
| Announcement of RFP | Wednesday | November 19, 2003 |
| Circulation of Notice of Intent to Issue RFP | Monday | November 24, 2003 |
| RFP Issuance | Wednesday | December 3, 2003 |
| Notice of Intent to Respond to RFP Due | Wednesday | December 10, 2003 |
| Bidders Conference | Monday | December 15, 2003 |
| Proposal(s) Due Date and Submission of Bid Fee | Wednesday | January 21, 2004 |
| Summary of Bid Proposals Filed with the Arizona Corporate Commission ("ACC") | Tuesday | January 27, 2004 |
| Notification to Respondents of Short List and begin Due Diligence/Contract Negotiations with Short List Respondents | Wednesday | February 4, 2004 ¹ |
| Execution of Definitive Agreements with Successful Respondent(s) | Tuesday | April 6, 2004 ¹ |
| ACC Filing For Approval | Friday | April 9, 2004 ¹ |
| ACC and Other Necessary Regulatory Approvals (45-90 days) | | May 24 – July 9, 2004 ¹ |

Please be advised that this Notice formally supercedes and replaces any conflicting information provided in any prior documents circulated by APS relating to the RFP, including as to the foregoing revisions in the RFP dates.

¹ Dates are approximate and may change

APS SUMMER SUPPLY & DEMAND BALANCE

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|-------|-------|---------|---------|---------|---------|---------|---------|---------|
| A. LOAD REQUIREMENTS | | | | | | | | | |
| <u>SYSTEM DEMAND</u> | | | | | | | | | |
| 1 | 6,114 | 6,488 | 6,764 | 7,067 | 7,359 | 7,654 | 7,958 | 8,211 | 8,462 |
| 2 | 6.1 | 4.3 | 4.5 | 4.1 | 4.0 | 4.0 | 4.0 | 3.2 | 3.1 |
| <u>RELIABILITY</u> | | | | | | | | | |
| 3 | 801 | 856 | 896 | 940 | 983 | 1,026 | 1,070 | 1,107 | 1,143 |
| 4 | 6,915 | 7,344 | 7,660 | 8,007 | 8,342 | 8,679 | 9,028 | 9,318 | 9,605 |
| B. EXISTING GENERATION & PURCHASED POWER RESOURCES | | | | | | | | | |
| <u>EXISTING GENERATION RESOURCES</u> | | | | | | | | | |
| 5 | 4,007 | 4,003 | 4,029 | 4,029 | 4,055 | 4,055 | 4,055 | 4,055 | 4,055 |
| 6 | (54) | (54) | (54) | (54) | (54) | (54) | (54) | (54) | (54) |
| 7 | 3,953 | 3,949 | 3,975 | 3,975 | 4,001 | 4,001 | 4,001 | 4,001 | 4,001 |
| <u>PURCHASED POWER RESOURCES</u> | | | | | | | | | |
| 8 | 295 | 302 | 310 | 318 | 326 | 334 | 342 | 351 | 360 |
| 9 | 62 | 62 | 62 | 62 | 62 | 62 | 62 | 62 | 62 |
| 10 | 12 | 20 | 23 | 26 | 27 | 22 | 23 | 23 | 24 |
| 11 | 480 | 480 | 480 | 480 | 480 | 480 | 480 | 480 | 480 |
| 12 | 1,700 | 1,700 | 1,700 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | 150 | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | 175 | 50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | 2,874 | 2,764 | 2,575 | 886 | 895 | 898 | 907 | 916 | 926 |
| 16 | 6,827 | 6,713 | 6,550 | 4,861 | 4,896 | 4,899 | 4,908 | 4,917 | 4,927 |
| <u>TOTAL RESOURCES</u> | | | | | | | | | |
| C. TOTAL RESOURCES OVER / (UNDER) | | | | | | | | | |
| | (88) | (631) | (1,110) | (3,146) | (3,446) | (3,780) | (4,120) | (4,401) | (4,678) |

Notes: 1) Does not include PWEC Arizona power plants presently proposed to be acquired by APS and ratebased.

2) Current market position as of Nov. 26, 2003

January 9, 2004