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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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AZ CORP COMMISSION  
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COMMISSIONERS

MARC SPITZER, Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
MIKE GLEASON  
KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION OF  
ARIZONA PUBLIC SERVICE COMPANY FOR A  
HEARING TO DETERMINE THE FAIR VALUE  
OF THE UTILITY PROPERTY OF THE  
COMPANY FOR RATEMAKING PURPOSES, TO  
FIX A JUST AND REASONABLE RATE OF  
RETURN THEREON, TO APPROVE RATE  
SCHEDULES DESIGNED TO DEVELOP SUCH  
RETRUN, AND FOR APPROVAL OF  
PURCHASED POWER CONTRACT.

DOCKET NO. E-01345A-03-0437

AMENDED RATE CASE  
PROCEDURAL ORDER

**BY THE COMMISSION:**

On June 27, 2003, the Arizona Public Service Company ("APS") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase and for approval of a purchased power contract.

On July 25, 2003, the Utilities Division Staff ("Staff") of the Commission filed a letter stating that the application was found sufficient and classified the applicant as a Class A utility.

By Procedural Order issued August 6, 2003, dates for prefiled testimony and hearing were established.

Pursuant to Procedural Order issued April 29, 2004, the procedural schedule and discovery in this matter was temporarily stayed at the request of the parties in order to allow the parties to participate in settlement discussions. Procedural conferences were held on May 26, and June 14, 2004 in order to determine whether the stay should be extended.

By Procedural order issued June 18, 2004, a procedural conference was scheduled for July 20, 2004. By Procedural Order issued July 20, 2004, the procedural conference was rescheduled for August 18, 2004, due to scheduling conflicts.

On August 18, 2004, Staff filed a Notice of Proposed Settlement Agreement.

1 The August 18, 2004 procedural conference was held as scheduled and the parties proposed  
2 procedural dates for filing testimony and for the hearing on the Proposed Settlement Agreement.

3 On August 28, 2004, the Town of Wickenburg filed a Motion to Withdraw as Intervenor.

4 Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern  
5 the preparation and conduct of this proceeding.

6 IT IS THEREFORE ORDERED that the stay of the procedural schedule and discovery in this  
7 matter is lifted.

8 IT IS FURTHER ORDERED the hearing in the above-captioned matter shall commence on  
9 **November 8, 2004, at 10:00 a.m.** or as soon thereafter as is practical, at the Commission's offices,  
10 1200 West Washington Street, Arizona 85007.

11 IT IS FURTHER ORDERED that a pre-hearing conference shall be held on **October 27,**  
12 **2004,** at 1:30 p.m. or as soon thereafter as is practical, at the Commission's offices, 1200 West  
13 Washington Street, Arizona 85007, for the purpose of scheduling witnesses and the conduct of the  
14 hearing.

15 IT IS FURTHER ORDERED that the parties shall file testimony and associated exhibits to be  
16 presented at hearing on or before **September 27, 2004.**<sup>1</sup>

17  
18 IT IS FURTHER ORDERED that non-signatory parties who do not file testimony shall file a  
19 statement of position on the Proposed Settlement Agreement on or before **September 27, 2004.**

20 IT IS FURTHER ORDERED that the parties shall file responsive/clarifying testimony and  
21 associated exhibits on or before **October 25, 2004.**

22 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the**  
23 **filing is due.**

24 IT IS FURTHER ORDERED that any objections to any testimony or exhibits which have  
25 been prefiled as of October 27, 2004, shall be made before or at the October 27, 2004 pre-hearing  
26 conference.

27 \_\_\_\_\_  
28 <sup>1</sup> The Commission expects that each party that is a signatory to the Proposed Settlement Agreement will have a witness available to testify on its behalf, and encourages non-signatory parties to provide witnesses, also.

1 IT IS FURTHER ORDERED that all testimony filed shall include a table of contents which  
2 lists the issues discussed.

3 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to  
4 pre-filed testimony shall be reduced to writing and filed no later than five days before the witness is  
5 scheduled to testify.

6 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the  
7 pre-filed testimony of each of their witnesses and shall file each summary at least two working days  
8 before the witness is scheduled to testify.

9 IT IS FURTHER ORDERED that copies of summaries should be served upon the Presiding  
10 Officer, the Commissioners, and the Commissioners' aides as well as the parties of record.

11 IT IS FURTHER ORDERED that the Company shall provide public notice of the hearing in  
12 this matter, in the following form and style with the heading in no less than 24 point bold type and the  
13 body in no less than 10 point regular type:

14  
15 **NOTICE OF PROPOSED SETTLEMENT AGREEMENT AND**  
16 **PUBLIC NOTICE OF HEARING ON THE APPLICATION FOR RATE INCREASE**  
17 **AND APPROVAL OF PURCHASED POWER CONTRACT**  
18 **BY ARIZONA PUBLIC SERVICE COMPANY**  
19 **DOCKET NUMBER E-01345A-03-0437**

20 On June 27, 2003, Arizona Public Service Company, ("APS") filed an application  
21 with the Arizona Corporation Commission for a 9.8 percent increase (\$175.0 million)  
22 over adjusted test year revenues, and for approval of a purchased power contract with  
23 Pinnacle West Energy Corporation. Copies of APS' application and proposed tariffs  
24 are available at its office [insert address and telephone number] and the Commission's  
25 offices at 1200 West Washington, Phoenix, Arizona, for public inspection during  
26 regular business hours.

27 On August 18, 2004, a Proposed Settlement Agreement was filed with the  
28 Commission.

29 The Commission will hold a hearing on this matter beginning November 8, 2004 at  
30 10:00 a.m. at the Commission's offices, 1200 West Washington, Phoenix, Arizona.  
31 Public comments will be taken on the first day of the hearing. Written public  
32 comments may be submitted via email (visit  
33 <http://www.cc.state.az.us/utility/cons/index.htm> for instructions), or by mailing a letter  
34 referencing Docket Number E-01345A-03-0437 to: Arizona Corporation Commission,  
35 Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

1 The law provides for an open public hearing. The Commission does not discriminate  
2 on the basis of disability in admission to its public meetings. Persons with a disability  
3 may request a reasonable accommodation such as a sign language interpreter, as well  
4 as request this document in an alternative format, by contacting Yvonne McFarlin,  
5 ADA Coordinator, voice phone number (602)542-3931, email  
6 YMcFarlin@cc.state.az.us. Requests should be made as early as possible to allow  
7 time to arrange the accommodation. The Commission does not discriminate on the  
8 basis of disability in admission to its public meetings.

9 IT IS FURTHER ORDERED that APS shall cause the above notice to be published at least  
10 once in a newspaper of general circulation in all its service territories, with publication to be  
11 completed no later than September 15, 2004.<sup>2</sup>

12 IT IS FURTHER ORDERED that APS shall file certification of publication as soon as  
13 practicable after publication has been completed.

14 IT IS FURTHER ORDERED that notice shall be deemed complete upon publication of same,  
15 notwithstanding the failure of an individual customer to read or receive the notice.

16 IT IS FURTHER ORDERED that the Motion of the Town of Wickenburg to Withdraw as  
17 Intervenor is hereby granted.

18 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
19 Communications) continues to apply to this proceeding.

20 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
21 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

22 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
23 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

24 DATED this 20<sup>th</sup> day of August, 2004.

25   
26 LYN FARMER  
27 CHIEF ADMINISTRATIVE LAW JUDGE

28 Copies of the foregoing were mailed  
this 20<sup>th</sup> day of August, 2004 to:

<sup>2</sup> APS, Staff and the parties may modify this notice to include additional information about the Proposed Settlement Agreement.

1	Thomas L. Mumaw	Jay L. Shapiro
	Karilee S. Ramaley	Patrick J. Black
2	PINNACLE WEST	FENNEMORE CRAIG
	CAPITAL CORPORATION	3003 N. Central Avenue, Suite 2600
3	P.O. Box 53999, MS 8695	Phoenix, Arizona 85012
	Phoenix, Arizona 85072-3999	Attorneys for Panda Gila River, L.P.
4		
	Jeffrey B. Guldner	Robert W. Geake
5	Faraq Sanei	ARIZONA WATER COMPANY
	SNELL & WILMER	P.O. Box 29006
6	One Arizona Center	Phoenix, Arizona 85038-9006
	400 E. Van Buren Street	
7	Phoenix, Arizona 85004-2202	Andrew W. Bettwy
	Attorneys for Arizona Public Service Company	Bridget A. Branigan
8		SOUTHWEST GAS CORPORATION
	C. Webb Crockett	5241 Spring Mountain Road
9	FENNEMORE CRAIG	Las Vegas, Nevada 89150
	3003 N. Central Avenue, Suite 2600	
10	Phoenix, Arizona 85012	Timothy M. Hogan
	Attorneys for AECC and Phelps Dodge	ARIZONA CENTER FOR LAW
11	Major Allen G. Erickson	IN THE PUBLIC INTEREST
	AFCES A/ULT	202 E. McDowell Rd., Suite 153
12	139 Barnes Drive, Suite 1	Phoenix, Arizona 85004
	Tyndall AFB, Florida 32403-5319	Attorneys for Western Resource Advocates and
13	Attorney for FEA	Southwest Energy Efficiency Project
14	Michael L. Kurtz	Paul R. Michaud
	BOEHM, KURTZ & LOWRY	Michaud Law Firm
15	36 E. Seventh Street, Suite 2110	23 Crimson Heights Road,
	Cincinnati, Ohio 45202	Portland, CT 06480
16	Attorneys for Kroger Company	Attorneys for Dome Valley Energy Partners, LLC
17	Scott Wakefield	Marvin S. Cohen
	RUCO	SACKS TIERNEY, P.A.
18	1110 W. Washington St., Suite 220	4250 North Drinkwater Blvd., 4 <sup>th</sup> Floor
	Phoenix, Arizona 85007	Scottsdale, AZ 85251-3693
19		Attorneys for Constellation NewEnergy, Inc., Strategic
	Walter W. Meek	Energy, L.L.C.
20	AUIA	
	2100 N. Central Ave., Suite 210	Jeff Schlegel
21	Phoenix, Arizona 85067	SWEEP Arizona Representative
		1167 W. Samalayuca Drive
22	Nicholas J. Enoch	Tucson, AZ 85704
	LUBIN & ENOCH	
23	349 N. Fourth Avenue	Raymond S. Heyman
	Phoenix, Arizona 85003	Laura Schoeler
24	Attorneys for IBEW	ROSHKA, HEYMAN & DeWULF
		400 E. Van Buren, Suite 800
25	Bill Murphy	Phoenix, Arizona 85004
	MURPHY CONSULTING	Attorneys for UniSource Energy Services
26	2422 E. Palo Verde Drive	
	Phoenix, Arizona 85016	Deborah R. Scott
27	Consultant for Arizona Cogeneration Assn.	UNISOURCE ENERGY SERVICES
		One South Church Street, Suite 200
28		Tucson, Arizona 85702

1 J. William Moore  
 1144 E. Jefferson  
 2 Phoenix, Arizona 85034  
 Attorney for Kroger Co.

3  
 4 Cynthia Zwick  
 Arizona Community Action Association  
 2627 N. 3<sup>rd</sup> Street, Ste. Two  
 5 Phoenix, AZ 85004

6 S. David Childers  
 LOW & CHILDERS  
 7 2999 North 44<sup>th</sup> Street, Ste. 250  
 Phoenix, AZ 85018  
 8 Attorney for Arizona Competitive Power Alliance

9 James M. Van Nostrand  
 Katherine McDowell  
 10 George M. Galloway  
 STOEK RIVES  
 11 900 SW Fifth Avenue, Ste. 2600  
 Portland, OR 97204  
 12 Attorneys for Arizona Competitive Power Alliance

13 Greg Patterson, Executive Director  
 Arizona Competitive Power Alliance  
 14 916 West Adams, Ste. 3  
 Phoenix, AZ 85007

15 Michael A. Curtis  
 16 MARTINEZ & CURTIS, P.C.  
 2712 N. Seventh Street  
 17 Phoenix, AZ 85006-1090  
 Attorneys for Town of Wickenburg

18 Rebecca C. Salisbury  
 19 56<sup>th</sup> Fighter Wing JA  
 7383 N. Litchfield Road  
 20 Luke AFB, AZ 85309-1540  
 Attorney for Federal Executive Agencies

21 Jon Poston  
 22 AARP Electric Rate Project  
 6733 East Dale Lane  
 23 Cave Creek, AZ 85331

24 Coralette Hannon  
 AARP Department of State Affiars  
 25 6705 Reedy Creek Road  
 Charlotte, NC 28215

26  
 27  
 28

Lawrence V. Robertson  
 MUNGER CHADWICK  
 333 N. Wilmot, Ste. 300  
 Tucson, AZ 85711  
 Attorneys for Southwestern Power Group II, LLC,  
 Mesquite Power and Bowie Power Station

Jay I. Moyes  
 MOYES STOREY  
 3003 N. Central Avenue, #1250  
 Phoenix, AZ 85012  
 Attorneys for PPL Sundance, LLC and PPL Southwest  
 Generation Holdings, LLC

Jesse A. Dillon  
 PPL Services Corporation  
 Two N. Ninth Street  
 Allentown, PA 18101

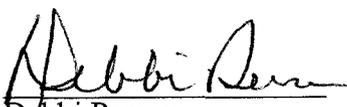
Sean Seitz  
 AriSEIA  
 5056 S. 40<sup>th</sup> Street, Suite C  
 Phoenix, Arizona 85040

Robert Annan  
 Annan Group  
 6605 E. Evening Glow Drive  
 Phoenix, AZ 85262

Christopher Kempley, Chief Counsel  
 Legal Division  
 ARIZONA CORPORATION COMMISSION  
 1200 West Washington Street  
 Phoenix, AZ 85007

Ernest G. Johnson, Director  
 Utilities Division  
 ARIZONA CORPORATION COMMISSION  
 1200 West Washington Street  
 Phoenix, AZ 85007

ARIZONA REPORTING SERVICE  
 2627 N. Third Street, Ste. Three  
 Phoenix, AZ 85004-1003

By:   
 Debbi Person  
 Secretary to Lyn Farmer