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BEFORE THE ARIZONA CORPORATION COMMISSION

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2 JEFF HATCH-MILLER  
Chairman  
3 WILLIAM A. MUNDELL  
Commissioner  
4 MARC SPITZER  
Commissioner  
5 MIKE GLEASON  
Commissioner  
6 KRISTIN K. MAYES  
Commissioner  
7

Arizona Corporation Commission

DOCKETED

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8 IN THE MATTER OF THE APPLICATION )  
9 OF THE ARIZONA ELECTRIC POWER )  
10 COOPERATIVE, INC. FOR AN ORDER )  
11 EXTENDING THE TIME TO FILE ITS )  
12 AMENDED EPS PLAN )

DOCKET NO. E-01773A-05-0723

DECISION NO. 68328

ORDER

13 Open Meeting  
14 December 6 and 7, 2005  
15 Phoenix, Arizona

16 BY THE COMMISSION:

FINDINGS OF FACT

17 1. On February 8, 2001, the Arizona Corporation Commission ("Commission) entered  
18 Decision No. 66364, which adopted the Environmental Portfolio Standard ("EPS" or "Portfolio")  
19 Rules, A.A.C. R14-2-1618. Five parties to the docket filed applications for rehearing and  
20 reconsideration of the decision.

21 2. On March 29, 2001, the Commission entered Decision No. 63486 ("Decision" or  
22 "Order"), which modified the EPS Rules and which included exemptions to the rules in response  
23 to some of the applications for rehearing and reconsideration.

24 3. The Commission exempted nonprofit, member-owned cooperatives from  
25 compliance with the EPS Rules for a period of 180 days. The Decision further allowed the  
26 cooperatives, at their own option, to commence collecting the Environmental Portfolio Surcharge.

27 4. The Commission ordered the cooperatives to file a plan for meeting the Portfolio  
28 requirements for Commission consideration on or before the end of the 180-day exemption period

1 expiration. The Order further stated that the timely filing of the plan or request for an extension  
2 would extend the exemption period until the Commission considers and acts upon the plan or  
3 request.

4 5. On August 10, 2004, the Commission entered Decision No. 67176, which approved  
5 the Arizona Electric Power Cooperative, Inc. ("AEPCO") EPS Plan as a limited plan pending  
6 Commission review and action on AEPCO's revised Plan that was required to be submitted by  
7 December 31, 2005.

8 6. On October 13, 2005, AEPCO filed a request asking the Commission to enter an  
9 order extending the due date for filing its amended EPS Plan until 120 days after the revised EPS  
10 Rules are adopted.

11 7. AEPCO further requested that the Commission continue its finding that the AEPCO  
12 EPS Plan approved in Decision No. 67176 is consistent with the current EPS Rules requirements  
13 and, as the Rules may be revised, until the Commission acts on the amended EPS Plan filing and  
14 any associated requests.

15 8. AEPCO's request mentioned that, due to the delay in the amendment of the  
16 Environmental Portfolio Standard Rules, AEPCO would not be able to incorporate changes to the  
17 rules in its revised EPS Plan.

18 9. Staff has reviewed AEPCO's application and agrees with AEPCO's premise that it  
19 is premature to submit a revised EPS Plan prior to adoption of the revised Environmental Portfolio  
20 Standard Rules.

21 10. Staff expressed concern that to merely extend the due date to 120 days after the  
22 revised EPS Rules are adopted could cause a problem, if for some reason the EPS Rules are not  
23 amended or are amended well into the future.

24 11. Staff has recommended that the Commission declare that the AEPCO EPS Plan  
25 approved in Decision No. 67176 is consistent with the requirements of the current EPS Rules and,  
26 as they may be revised, until the Commission acts on the amended EPS Plan filing and associated  
27 requests.

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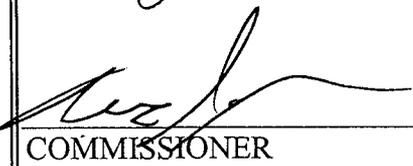
1 IT IS FURTHER ORDERED that the due date for AEPSCO's filing of its amended EPS  
2 Plan is extended to 120 days after the EPS Rules are amended or to December 31, 2006, whichever  
3 comes first.

4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

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6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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8 CHAIRMAN

  
COMMISSIONER

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11 COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

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13 IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive  
14 Director of the Arizona Corporation Commission, have  
15 hereunto, set my hand and caused the official seal of this  
16 Commission to be affixed at the Capitol, in the City of  
17 Phoenix, this 9th day of December, 2005.

18   
19 BRIAN C. McNEIL  
Executive Director

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21 DISSENT: \_\_\_\_\_

22 DISSENT: \_\_\_\_\_

23 EGJ:RTW:lhj/JMA  
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1 SERVICE LIST FOR: Arizona Electric Power Cooperative, Inc.  
2 DOCKET NO. E-01773A-05-0723

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