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November 19, 2002

Arizona Corporation Commission
DOCKETED

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Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

DOCKETED BY

RE: ARIZONA PUBLIC SERVICE COMPANY'S REBUTTAL TESTIMONY AND ASSOCIATED
WORKPAPERS IN THE MATTER OF THE GENERIC PROCEEDING CONCERNING ELECTRIC
RESTRUCTURING ISSUES.
DOCKET NO. E-00000A-02-0051, E-01345A-01-0822, E-00000A-01-0630 and E-01933A-02-0069

Dear Sir or Madam:

On Monday, November 18, 2002, APS filed Rebuttal Testimony for Mr. Thomas Glock and found that the attached page was inadvertently omitted from this filing. Please include the attachment with his Rebuttal Testimony filed yesterday.

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: Docket Control (Original, plus 21 copies)
Service List

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1 2008. I agree in concept. However, neither of these projects have a Certificate
2 of Environmental Compatibility. Nor can APS perform the technical analyses
3 necessary to determine path ratings or the allocation of transmission rights
4 among project participants. In fact, studies are just now being finalized on the
5 Palo Verde-to-Rudd (Southwest Valley) 500 kV transmission line, due to be
6 placed in service in 2003. Given these uncertainties, the most appropriate RMR
7 figures to use in Track B are those based on current data and those that will be
8 determined in the forthcoming RMR studies. This data will, of course, be
9 updated when future projects are closer to being placed into service.

10 IV. REBUTTAL TO WELLTON-MOHAWK

11
12 **Q. MR. KENDALL, ON BEHALF OF WELLTON-MOHAWK, RECOMMENDS THAT ALL LOAD INSIDE A LOAD POCKET SHOULD BE MADE CONTESTABLE. DO YOU AGREE?**

13
14 **A.** No. Mr. Kendall's recommendation is directly contrary to what I interpret as the
15 contestability standards established in the Track A order, primarily because most
16 of APS' load is in the Valley and Yuma metropolitan areas. Making all that load
17 contestable would ignore APS' existing coal and nuclear units that today serve
18 these areas over existing transmission capacity and which are included in the
19 Company's rates. Further, transmission constraints are by no means a situation
20 unique either to APS or Arizona—it is one present in virtually all major
21 metropolitan areas.

22 **Q. DOES WELLTON-MOHAWK CRITICIZE APS' LOAD SERVING CAPABILITIES IN YUMA?**

23
24 **A.** Yes, but their criticism is dramatically overstated. Specifically, Wellton-
25 Mohawk suggests that APS is acting in an environmentally unsound way in
26 meeting its load serving obligations in Yuma. That is incorrect. Most Yuma load