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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

2006 MAR -8 A 9:44

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

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF
ARIZONA PUBLIC SERVICE COMPANY FOR
DETERMINATION OF PRUDENCE AND
APPROVAL OF RATEMAKING TREATMENT
RELATED TO NATURAL GAS
INFRASTRUCTURE.

DOCKET NO. E-01345A-05-0895

PROCEDURAL ORDER

BY THE COMMISSION:

On December 16, 2005, Arizona Public Service Company ("APS") filed with the Arizona Corporation Commission ("Commission") an application seeking a determination of prudence and approval of the ratemaking treatment for costs incurred or to be incurred under the Phoenix Project Expansion Agreement between APS and Transwestern Pipeline Company for natural gas transportation.

On March 2, 2006, Staff filed its Staff Report and Recommended Opinion and Order in this docket. The Staff Report was filed in redacted form.

On March 7, 2006, Staff filed a Notice of Errata and Motion to Substitute, stating that Appendix B to the Staff Report had several redactions except that one line on the second page entitled "Sensitivity Analysis for APS' Comparison of Transwestern and El Paso Costs - Varying El Paso Rates" contained confidential information that was inadvertently not redacted. Staff attached the properly redacted version of the schedule to its Motion, and requested that it be substituted for the original, incorrect version. The page to be substituted is attached hereto as Exhibit A.

IT IS THEREFORE ORDERED that Docket Control and all parties who received the unredacted portion of the Staff Report filed on March 2, 2006, shall replace the unredacted page described herein with the redacted page attached hereto as Exhibit A.

IT IS FURTHER ORDERED that all parties who have not executed a Protective Agreement

1 in the docket shall return the replaced un-redacted exhibits to the filing party.

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

4 DATED this 9th day of March, 2006

5
6 
7 LYN FARMER
8 CHIEF ADMINISTRATIVE LAW JUDGE

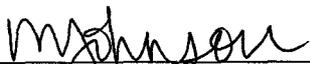
9 Copy of the foregoing mailed/delivered
10 this 9th day of March, 2006, to:

11 Thomas L. Mumaw
12 Karilee Ramaley
13 Pinnacle West Capital Corporation
14 P.O. Box 53999
15 Phoenix, AZ 85072

16 Norman D. James
17 Jay L. Shapiro
18 Patrick L. Black
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20 3003 North Central Avenue, Ste. 2600
21 Phoenix, AZ 85012

22 Christopher Kempsey, Chief Counsel
23 Legal Division
24 ARIZONA CORPORATION COMMISSION
25 1200 West Washington Street
26 Phoenix, AZ 85007

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

29 By: 
30 Molly Johnson
31 Secretary to Lyn Farmer

Sensitivity Analysis for APS' Comparison of Transwestern and El Paso Costs - Varying El Paso Rates
 E-01345A-05-0895

NOTE: CONTAINS CONFIDENTIAL INFORMATION

CD Level [REDACTED] dth/day
 CD Utilization [REDACTED] %

	El Paso	Transwestern		Annual El Paso Cost	Annual Transwestern Cost
Reservation Charge	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
Usage Charge	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
Fuel Charge	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
Commodity	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
Commodity Differential	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
(Permian vs. San Juan	[REDACTED]	[REDACTED]	\$/dth	[REDACTED]	[REDACTED]
Total Cost	[REDACTED]	[REDACTED]		[REDACTED]	[REDACTED]

Percentage Variation in El Paso Rates [REDACTED]

Variance in El Paso Costs from Default Level Contained in Current El Paso Rate Proceeding

Variance	El Paso Cost	Transwestern Cost	Dollar Difference	Percentage Difference
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]