

604



**THIS AMENDMENT:**

Passed as amended by \_\_\_\_\_

Failed \_\_\_\_\_

Not Offered \_\_\_\_\_

Withdrawn \_\_\_\_\_

**RECEIVED**

2003 MAR 27 A 11: 16

**UTILITIES DIVISION PROPOSED AMENDMENT**

AZ CORP COMMISSION  
DOCUMENT CONTROL

DATE PREPARED: March 27, 2003

COMPANY: Arizona Public Service Company      AGENDA ITEM NO. U-1

DOCKET NO. E-01345A-02-0707

Arizona Corporation Commission

**DOCKETED**

OPEN MEETING DATE: March 27, 2003

MAR 27 2003

DOCKETED BY	<i>[Signature]</i>
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Page 33, lines 24 to 28:

DELETE from "We believe that ..." to "...prior Commission approval".

INSERT "We believe that as a condition of our approval of the financing herein, and in order to protect APS' security interests in PWEC's generation assets, that PWEC shall agree not to sell, lease, assign, mortgage, or otherwise dispose of or encumber the whole or any part of its Saguaro, West Phoenix or Red Hawk units, nor shall it merge such assets or any part thereof without Commission approval.

Page 39, lines 13 to 16:

DELETE from "that neither PWCC..." to "...prior Commission approval".

INSERT "that PWEC shall agree not to sell, lease, assign, mortgage, or otherwise dispose of or encumber the whole or any part of its Saguaro, West Phoenix, or Red Hawk units, nor shall it merge such assets or any part thereof without Commission approval.

MAKE ALL CONFORMING CHANGES.

**RATIONALE:**

Although Staff agrees with the intent of the proposed order, Staff suggests amending it to focus upon the PWEC generation assets in which APS will have a security interest. Staff does not see a compelling need to extend these sorts of restrictions beyond PWEC at this time.