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A subsidiary of Pinnacle West Capital Corporation

Linda A. Thompson
Compliance Director

Tel. 602-250-2366
Fax 602-250-2873
Linda.Thompson@aps.com

Mail Station 8995
PO Box 53999
Phoenix, Arizona 85072-3999

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September 11, 2006

Arizona Corporation Commission
DOCKETED

SEP 11 2006

Mr. Ernest Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

DOCKETED BY *NR*

RE: Bill Estimation Settlement Compliance Filing
Docket Nos. E-01345A-04-0657 and E-01345A-03-0775

Dear Mr. Johnson:

Pursuant to Decision No. 68112, Section IV, ¶ 40, attached is Arizona Public Service Company's ("APS") Internal Review of its Compliance Program relating to all Commission-approved tariffs.

This report is being provided on a confidential basis to the Utilities Division pursuant to the above Decision and the Protective Agreement in the above dockets. A copy of this cover letter is being filed in Docket Control as notification of this filing.

If you or your staff has any questions, please feel free to call me.

Sincerely

Linda Thompson
Compliance Director

Confidential Attachment

Cc: Docket Control (Original, plus 15 copies w/o attachment)
Brian Bozzo, Compliance and Enforcement (w/o attachment)

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DOCUMENT CONTROL

2006 SEP 11 P 4: 49

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