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BEFORE THE ARIZONA CORPORATION COMMISSION

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RENZ D. JENNINGS
Chairman
MARCIA WEEKS
Commissioner
CARL J. KUNASEK
Commissioner

Arizona Corporation Commission
DOCKETED

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SEP 4 1996

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IN THE MATTER OF COMPETITION)
IN THE PROVISION OF ELECTRIC) DOCKET NO. U-0000-94-165
SERVICES THROUGHOUT THE STATE)
OF ARIZONA)

REQUEST FOR EXTENSION OF TIME

Arizona Public Service Company ("APS" or "Company")
hereby requests an additional two (2) weeks, or until September
26, 1996, to submit comments on the draft regulations on retail
electric competition ("Draft Rules") issued by Utilities Division
Staff ("Staff") of the Arizona Corporation Commission
("Commission") on August 28, 1996. APS has contacted counsel for
the following parties, all of which either support the Company's
request or will be filing their own requests for even further
extensions of time:

1. Residential Utility Consumers Office
2. Tucson Electric Power Company
3. Citizens Utilities Company
4. Arizona Electric Power Cooperative

Moreover, it is the Company's understanding that other parties

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1 have already sought extensions equal to or greater than that
2 suggested herein.

3 The Draft Rules represent the most significant change in
4 the electric utility industry in Arizona since statehood over 80
5 years ago. Under Staff's schedule, parties with billions of
6 dollars at stake and the responsibility for serving or
7 representing over a million electric customers have just nine (9)
8 business days to study the proposed regulations and formulate a
9 response. Under the circumstances, an additional two (2) weeks is
10 hardly an unreasonable request.

11 APS understands that under the state's formal rulemaking
12 procedures, it will have another opportunity for comment. This is
13 an inadequate response to the instant request for several reasons.

14 First, Staff agreed as part of the recent Rate Reduction
15 Agreement ("Agreement") with APS to address in "good faith" over
16 30 industry restructuring issues in a "collaborative process."
17 Perhaps if such a process had been followed, the Draft Rules would
18 have come closer to satisfying Staff's commitment under the
19 Agreement. Clearly it is not too late to at least allow APS and
20 others a realistic amount of time to present informal comments.

21 Second, the formal rulemaking process is relatively
22 inflexible and is not an effective substitute for the very type of
23 informal procedure being followed by Staff in issuing the Draft
24 Rules. Once a set of proposed rules have been publicly noticed
25 under the Administrative Procedure Act, the Commissioners have
26 little ability to substantively change them (i.e., they

1 essentially have to either adopt them as drafted or reject them
2 entirely), regardless of how persuasive it finds the parties'
3 comments to be.

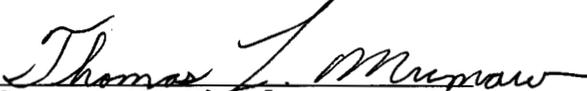
4 Finally, APS does not believe the Commission has the
5 fundamental legal ability to proceed with rulemaking on this
6 subject. Staff and the Commission ought to have an opportunity to
7 consider these legal arguments before involving the state in
8 potential litigation that can only serve to delay an orderly
9 transition to a more competitive electric industry - a goal that
10 APS believes is shared by most participants in this Docket,
11 including Staff.

12 Because the time for comments set in the Staff's letter
13 of August 28th is fast approaching, APS asks that the Commission
14 or the Presiding Officer rule summarily on this motion. If
15 argument is required, that can be accomplished telephonically.

16 RESPECTFULLY SUBMITTED THIS 4th day of September, 1996.

17
18 SNELL & WILMER L.L.P.

19
20 By


21 Steven M. Wheeler
22 Thomas L. Mumaw

23 and

24 Herbert I. Zinn
25 Senior Attorney
26 Arizona Public Service Company

Attorneys for Arizona Public
Service Company

CERTIFICATE OF SERVICE

The original and ten (10) copies of the foregoing document were filed with the Arizona Corporation Commission on this 4th day of September, 1996, and service was completed by mailing, hand-delivering or faxing a copy of the foregoing document this 4th day of September, 1996 to all parties of record herein.



Barbara A. Klemstine

Snell & Wilmer L.L.P.

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