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AZ CORP COMMISSION
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Arizona Corporation Commission

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Attorney for Intervenor AZ-ICE

JAN 23 2007

BEFORE THE ARIZONA CORPORATION COMMISSION

JEFF HATCH-MILLER, Chairman
Mike Gleason, Commissioner
Kristin K. Mayes, Commissioner
William A. Mundell, Commissioner
Barry Wong, Commissioner

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E-01345A-05-0827
E-01345A-05-0826

Arizona Public Service,)	NO. E-01345A-05-0816
)	
Applicant.)	CLOSING BRIEF
)	
)	
)	(Honorable Lyn Farmer
)	Hearing Officer)

COMES NOW Arizona Interfaith Coalition on Energy ("AZ-ICE") by and through its attorney undersigned and as with its Direct Testimony recommends that APS be required to retain E-20 as a Permanent Rate, in an "unfrozen" status, allowing the movement to the E-20 rate for existing Houses of Worship presently on other rates and new Houses of Worship that may be constructed in the future. In addition, AZ-ICE requests that experimental rates E-22 through E-24 be retained in an "unfrozen status" and continue to be available to those Houses of Worship currently on those rates and such new Houses of Worship for whom those rates may be appropriate. While E-20 has been an appropriate rate for many Houses of Worship, other Houses of Worship due to their demand and usage characteristics have elected to receive service on rates E-22 through E-24.

Since these rates were authorized the participating Houses of Worship have benefited from fair, appropriate designed rates recognizing their unique characteristics while having diminimus effect on APS' returns.

In the alternative, AZ-ICE urges the Commission to retain E-20 in an "unfrozen status" and either E-23 or E-24 unrestricted for present and future Houses of Worship client users.

Because of the similarity in design and effect of E-20, E-21 and E-22 the discontinuation of E-21 and E-22 will not adversely affect House of Worship customers as long as E-20 remains "unfrozen" and open to new customers. E-23 or E-24 should be retained for larger Houses of Worship for which E-20 is not a good fit.

These Houses of Worship should not be forced as the company proposes onto E-32 or E-32TOU. Such an action does damage to the concepts for which AZ-ICE lobbied so diligently during the 1980s and 1990s and pursued rate cases which gave rise to the creation of these rates as experimental rates.

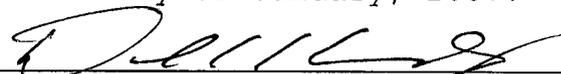
The Commission should not fail to recognize that by granting APS the relief sought concerning Rates E-20 through E-24 it will have allowed APS to out maneuver the Commission and remove those rates to whose creation APS vehemently objected. Under the APS proposal, Houses of Worship that elected the E-21, E-22 would be precluded from moving to E-20 and forced to E-32 and E-32TOU. The larger Houses of Worship who may have elected E-23 and E-24, now see themselves being forced to E-32 or E-32TOU.

The compelling issues are: that E-20 is a fair and

appropriately designed rate for small to medium sized Houses of Worship and recognizes their unique usage characteristics. E-23 and E-24 are appropriately designed rates for larger Houses of Worship and although not specifically designated take into consideration their unique usage characteristics. APS' proposal to shift such customers to E-32 and E-32TOU is neither fair nor appropriate and serves to defeat the creation of House of Worship rates established by this Commission in earlier years. This is measured against a modest impact on APS' revenues characterized in testimony as diminimus.

AZ-ICE would like to thank the Commission for its consideration of AZ-ICE's arguments and looks forward to a favorable and just resolution to the current rate hearings.

RESPECTFULLY SUBMITTED this 22nd day of January, 2007.


DAVID C. KENNEDY, Attorney for
Arizona Interfaith Coalition on
Energy (AZ-ICE)

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