



0000071337

28

1 JENNINGS, STROUSS AND SALMON, P.L.C.

2 A Professional Limited Liability Company  
3 Two North Central Avenue  
4 Phoenix, Arizona 85004  
Telephone: (602) 262-5946  
Facsimile: (602) 253-0061

RECEIVED  
AZ CORP COMMISSION

JAN 23 4 10 PM '97

DOCUMENT CONTROL

5 Attorneys for Salt River Project Agricultural Improvement and Power District

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8  
9 **CARL J. KUNASEK**  
10 **CHAIRMAN**  
11 **JAMES M. IRVIN**  
12 **COMMISSIONER**  
13 **RENZ D. JENNINGS**  
14 **COMMISSIONER**

Arizona Corporation Commission  
**DOCKETED**

JAN 23 1997

DOCKETED BY

14 IN THE MATTER OF COMPETITION IN  
15 THE PROVISION OF ELECTRIC SERVICES  
16 THROUGHOUT THE STATE OF ARIZONA

Docket No. U-0000-94-165

Response to Motions for Rehearing

19 Salt River Project Agricultural Improvement and Power District ("SRP") unequivocally  
20 supports competition in the provision of electric service. In this response SRP addresses an  
21 argument made in several of the applications for rehearing, which seeks to block SRP's entry into  
22 the competitive marketplace. This "procedural argument" is that the amendments to the Rules  
23 recognizing SRP's ability to participate in the competitive marketplace by an intergovernmental  
24 agreement with the Commission, were not properly published, and that investor owned utilities  
25 did not have proper notice.

26 But, none of the parties can dispute that the methodology for integrating private and  
27 public power, and especially the participation of SRP in the competitive markets, was an ongoing  
28 topic of discussion during the rulemaking proceedings. An intergovernmental agreement is  
29

1 authorized by statute; it does not need a specific rule. Participation by SRP in competitive  
2 markets was clearly within the scope of the notice as published by the Commission.

3 Assuming the Commission believes litigation is inevitable, and believes it desirable to  
4 avoid litigation, this response also addresses a procedure for moving forward productively to  
5 resolve disputes and address open issues. This approach will avoid unnecessary and unproductive  
6 litigation. The approach will preserve the work that has been done thus far, yet will create a  
7 forum for further work and resolution of open issues. The approach will also preserve, at a  
8 minimum, the schedules set forth in the rules, so that the competitive process is not delayed.  
9 Attached is a proposed order to accomplish these goals.

10 **I. The Amendments to the Reciprocity Section of the Rules Were not a Substantial**  
11 **Change Which Would Require Republication of the Rules.**

12 Several applications for rehearing raise the issue of whether the changes to the Reciprocity  
13 section of the rules (R14-2-1611) require a republication of the rules. Since SRP proposed the  
14 amendments, it is appropriate that SRP respond on this issue.

15 The argument is that the Commission vote is invalid because the rules, as published, did  
16 not give adequate notice of the subject matter of the amendments.<sup>1</sup> Yet, no party can argue that it

17  
18 <sup>1</sup>The changes between the published and final rules are set forth below:

19 **In-State Reciprocity**

20 A. The service territories of Arizona electric utilities which are not Affected Utilities shall not be open to  
21 competition under the provisions of this Article, nor shall Arizona electric utilities which are not Affected Utilities  
22 be able to compete for sales in the service territories of the Affected Utilities.

23 B. An Arizona electric utility, subject to the jurisdiction of the Commission, which is not an Affected Utility  
24 may voluntarily participate under the provisions of this Article if it makes its service territory available for  
25 competing sellers, if it agrees to all of the requirements of this Article, and if it obtains an appropriate Certificate  
26 of Convenience and Necessity.

27 ~~C. The Commission shall pursue, on its own or in cooperation with the Joint Legislative Study Committee on  
28 Electric Industry Competition established by House Bill 2504 (1996), legislation to address the role of electric  
29 utilities of Arizona political subdivisions or municipal corporations in a competitive market. The Commission shall  
30 further make available, as appropriate, Staff assistance to the Legislature if the Legislature requests such assistance  
31 for the purpose of determining the proper role of electric utilities of Arizona political subdivisions or municipal  
32 corporations in a competitive market.~~

33 D. An Arizona electric utility, not subject to the jurisdiction of the Commission, may submit a statement to  
34 the Commission that it voluntarily opens its service territory for competing sellers in a manner similar to the  
35 provisions of this Article. Such statement shall be accompanied by the electric utility's nondiscriminatory  
36 Standard Offer Tariff, electric supply tariffs, Unbundled Services rates, Stranded Cost charges, System Benefits  
37 charges, Distribution Services charges and any other applicable tariffs and policies for services the electric utility  
38 offers, for which these Rules otherwise require compliance by Affected Utilities or Electric Service Providers. Such  
39 filing shall serve as authorization for such electric utility to utilize the Commission's Rules of Practice and

1 was not fully aware of the scope of the issues on reciprocity, that these issues were not fully  
2 debated during the hearings and proceedings, or that the party was in any way surprised by the  
3 nature or scope of the amendments. Nor can any party convincingly argue that greater notice  
4 through republication would have given any party an opportunity to respond which was otherwise  
5 denied to it.

6 The arguments are simply a delaying tactic. The arguments have no support in the law.

7 The arguments involve the application of A.R.S. § 41-1025. This section references  
8 changes to rules occurring after a proposed rule is published. The statute reflects an obvious  
9 intent that fair notice be given of proposed new rules:

10  
11 A. An agency may not adopt a rule that is substantially different from the proposed  
12 rule contained in the notice of proposed rule adoption filed with the secretary of state. . . .

13 B. In determining whether an adopted rule is substantially different from the published  
14 proposed rule upon which it is required to be based, all of the following must be  
15 considered:

16 1. The extent to which all persons affected by the adopted rule should have  
17 understood that the published proposed rule would affect their interests.

18 2. The extent to which the subject matter of the adopted rule or the issues  
19 determined by that rule are different from the subject matter or issues involved in  
20 the published proposed rule.

21 3. The extent to which the effects of the adopted rule differ from the effects  
22 of the published proposed rule had it been adopted instead.

23 Procedure and other applicable Rules concerning any complaint that an Affected Utility or Electric Service  
24 Provider is violating any provision of this Article or is otherwise discriminating against the filing electric utility or  
25 failing to provide just and reasonable rates in tariffs filed under this Article.

26 E. If such electric utility is an Arizona Political subdivision or municipal corporation, then the existing  
27 service territory of such electric utility shall be deemed open to competition if the political subdivision or  
28 municipality has entered into an intergovernmental agreement with the Commission that establishes  
29 nondiscriminatory terms and conditions for Distribution Services and other Unbundled Services, provides a  
procedure for complaints arising therefrom, and provides for reciprocity with Affected Utilities. The Commission  
shall conduct a hearing to consider any such intergovernmental agreement.

1 This statute is a part of the 1981 version of the Uniform State Administrative Procedure  
2 Act. In publishing this section of the Uniform Act, the National Conference of Commissioners on  
3 Uniform State Laws made this comment:

4  
5 Subsection (a) draws upon Minnesota Act, Section 15.052(4), for the “**substantially**  
6 **different**” language. Subsection (b) does not eliminate all ambiguity as to the meaning of  
7 “substantially different”; but it does create a more specific functional test relating the  
8 acceptability of any changes in the proposed rule as compared to the adopted rule to **the**  
9 **extent to which affected parties have received fair notice by the proposed rule**  
10 **publication**. See Auerbach, “Administrative Rulemaking in Minnesota,” 63 Minn. L.  
11 Rev. 151 at 197-203 (1979). See also Alaska Act, Section 44.62.200(b) stating that an  
12 adopted rule may vary in content from the previously published advance notice of rule  
13 making “if the subject matter of the regulation remains the same and the original notice  
14 was written so as to assure that members of the public are reasonably notified of the  
15 proposed subject of agency action in order for them to determine whether their interest  
16 could be affected by agency action on that subject.”

17 *Uniform Laws Annotated*, vol. 15, page 42 (*Model State Administrative Procedure Act, 1981 Act*  
18 (U.L.A.) § 3-107, (*emphasis added*).

19 In a general sense no complaining party can even begin to argue that it was not  
20 “reasonably notified of the proposed subject of agency action in order for them to determine  
21 whether their interest could be affected by agency action on that subject.” The published rules  
22 contemplated a procedure for SRP to participate in a competitive marketplace. SRP formally  
23 suggested the concept of an intergovernmental agreement in its written comments filed on  
24 November 8, 1996 and December 23, 1996. This topic was discussed at the public hearing in  
25 Phoenix on December 2, 1996 and the open meeting on December 23, 1996. Staff’s response,  
26 both orally and in writing, was that the concept of an intergovernmental agreement had “merit  
27 (Staff Response filed on November 27, 1996, pages 2 and 22).”

28 The specific prongs of the test set forth in the statute follow the same general fair notice  
29 approach:

30 **Factor One** *The extent to which all persons affected by the adopted rule should have*  
31 *understood that the published proposed rule would affect their interests.* The application of this  
32 factor is beyond dispute. The complaining parties were vigorous participants on the issues  
33 surrounding in-state reciprocity.

1           **Factor Two** *The extent to which the subject matter of the adopted rule or the issues*  
2 *determined by that rule are different from the subject matter or issues involved in the published*  
3 *proposed rule.* Here again, the application of this factor is clear. At all times the rules  
4 contemplated procedures to permit in-state reciprocity.

5           **Factor Three** *The extent to which the effects of the adopted rule differ from the effects of*  
6 *the published proposed rule had it been adopted instead.* The amended rule contemplates an  
7 intergovernmental agreement to establish an opportunity for competition in all service areas in the  
8 State no matter whether operated by investor owner or publicly owned utilities. The published  
9 rules contemplated the same result, but through the mechanism of legislative action (See the  
10 original subsection C in footnote 1). The result would be no different, the mechanism is the only  
11 change. An intergovernmental agreement is already authorized by statute (A.R.S. §§ 11-951 *et*  
12 *seq.*). An intergovernmental agreement could have been reached with or without a rule.

13           In its response Tucson Electric Power (“TEP”) argues that it had a veto power over the  
14 entrance into the market by SRP, prior to the amendments. While there was an amendment  
15 proposed at one point during the proceedings which required “consent in writing” by the investor-  
16 owned utilities, such a provision was neither adopted by the Commission nor was it in the  
17 published proposed rule (See Footnote 1). Since this particular amendment was merely one of  
18 many proposals discussed to resolve the in-state reciprocity issue, TEP cannot argue that its  
19 rejection in favor of the intergovernmental agreement proposal constitutes a “substantial change”  
20 from the *published* rules.

21           The three factors are intended to be considered as a whole, with the underlying objective  
22 that publication should give fair notice and fair opportunity to protect one’s interests. It cannot  
23 be disputed that this is the case here. The changes in the reciprocity sections of the rules did not  
24 require republication.

25 **II. Possible Procedure for Avoiding Litigation and Continuing the Deregulation**  
26 **Process.**

27           SRP recommends that the Commission vigorously continue the process of restructuring  
28 the provision of energy in the State of Arizona. But the fact that at least fourteen separate  
29 applications for rehearing have been filed indicates that the Commission may spend the next

1 several years defending litigation. If the Commission believes that litigation is inevitable, SRP  
2 believes an alternate approach would be to continue efforts with the various participants to  
3 workout their differences, within the overall parameter of quickly bringing competition to  
4 Arizona.

5 Such a procedure would:

- 6 1. Avoid litigation.
- 7 2. Provide a procedure to facilitate agreements and compromises among the utilities,  
8 other interested parties, and customers.
- 9 3. Permit the resolution of additional issues left open in the rules.
- 10 4. Pursue an aggressive schedule for bringing a competitive marketplace to Arizona.
- 11 5. Preserve the work and compromises which have been accomplished in the current  
12 rules.

13 This procedure involves issuing an order to accomplish these objectives. A sample order is  
14 attached and the terms of the order are explained below.

15 *Avoid litigation.*

16 Under A.R.S. § 40-254 (A) a lawsuit must be filed within thirty days of the denial of an  
17 application for rehearing, or most issues raised in the application are waived. The Commission  
18 may modify an order at any time, but the modification does not stop the litigation; the litigation  
19 proceeds as though the modified order is issued in the first place.<sup>2</sup> Therefore, to avoid litigation  
20 while preserving the order, the Commission would have to grant the applications for rehearing,  
21 not necessarily because the Commission agrees with any of the points raised, but rather to give it  
22 an opportunity to more fully resolve and explore the outstanding issues during the rehearing  
23 process.

---

24  
25  
26  
27 <sup>2</sup> A.R.S. § 40-254 (B) provides:

28 If the commission rescinds the order complained of, the action shall be dismissed, and if the commission  
29 alters, modifies or amends the order, the altered, modified or amended order shall replace the original  
order complained of, and judgment shall be given thereon as though made by the commission in the first  
instance.

1           Once the Commission grants an application for rehearing, the Commission must “hear the  
2 matter” and “determine it” within twenty days after “final submission” A.R.S. § 40-253 (A). As  
3 long as the Commission is proceeding along this statutory route, all issues raised in the  
4 applications for rehearing may be raised following the Commission’s final decision on rehearing.  
5 *State ex rel. Church v. Arizona Corporation Commission*, 94 Ariz. 107, 382 P. 2d 222 (1963).  
6 The Commission should specify in its order that the term “final submission” will mean the close of  
7 the rehearing and final briefing as per a schedule to be determined by the Commission.

8           For this reason the proposed order recites that it grants the applications for rehearing. But  
9 at the same time the proposed order indicates the Commission’s commitment to pursue an  
10 aggressive schedule and the general methodology set forth in the rules. The Commission is  
11 granting the applications for the purpose of accelerating the transition to competition by working  
12 toward a positive resolution of the issues.

13 *Provide a procedure to reach agreements on the issues.*

14           The various points of view expressed during the rulemaking process and the arguments set  
15 forth in the applications for rehearing indicate that the parties perceive various open issues. It  
16 also appears that many of the issues could be resolved through cooperation of the interested  
17 parties. Therefore the proposed order provides the opportunity for each party to indicate each  
18 area of the rules which it believes is subject to dispute, set forth the nature of the dispute, and set  
19 forth a suggested resolution of the issue. The order further contemplates specific negotiations  
20 among those parties interested in particular issues, along with Commission staff, to see if  
21 agreements and compromises can be reached on the issues identified by a party.

22 *Provide a procedure to consider open issues.*

23           Open issues obviously include the treatment of stranded investment and reliability of the  
24 electric system. The parties may identify additional issues. The order provides that the parties  
25 submit to the Commission a list and description of each issue perceived by the party to be  
26 unresolved. The Commission may then consider each suggested issue, and develop a method of  
27 resolution for each issue.

1 *Pursue an aggressive schedule to bring competition to Arizona.*

2         With few exceptions, every state in the Union is studying the issue of bringing competition  
3 to the electric utility industry. Different states are at different stages, but Arizona must not be left  
4 behind. Arizona is more sensitive to this timing issue than other states given the fact that its  
5 neighbor, California, is the leader in implementing competition. Therefore, for the welfare of the  
6 citizens of the State of Arizona, the Commission has to pursue an aggressive schedule as  
7 demonstrated by the rules, and filings have to be made on the dates specified in the existing rules.

8 *Preserve the existing rules as a template for further development.*

9         A considerable amount of effort and thought has gone into the existing rules. The  
10 Commission has indicated its belief that the rules provide a framework and should be used as a  
11 platform for further development. Therefore the order reflects the intent of the Commission to use  
12 the existing rules as a template for further development and resolution of outstanding issues.

13         SRP supports the rules as they have been developed thus far. SRP wants the process to  
14 move forward productively. The suggestion made in this response is not necessarily advocated by  
15 SRP, but is being presented as a suggestion of a mechanism to expedite the process of

16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27 ...  
28 ...  
29 ...

1 An original and ten copies of the  
2 foregoing filed this 23<sup>rd</sup> day of  
3 January, 1997 with:

4 Docket Control  
5 Arizona Corporation Commission  
6 1200 W. Washington  
7 Phoenix, Arizona 85007

8 Copies of the foregoing hand-delivered  
9 this 23<sup>rd</sup> day of January, 1997 to:

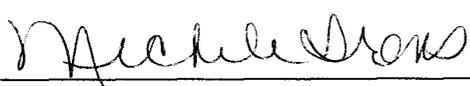
10 Jerry Rudibaugh, Chief Hearing Officer  
11 Hearing Division  
12 Arizona Corporation Commission  
13 1200 W. Washington  
14 Phoenix, Arizona 85007

15 Chief Counsel  
16 Legal Division  
17 Arizona Corporation Commission  
18 1200 W. Washington  
19 Phoenix, Arizona 85007

20 Carl Dabelstein, Director  
21 Utilities Division  
22 Arizona Corporation Commission  
23 1200 W. Washington  
24 Phoenix, Arizona 85007

25 Copies of the foregoing mailed this  
26 23<sup>rd</sup> day of January, 1997 to:

27 See Attached List

28  
29   
\_\_\_\_\_

1 cooperation among all interested parties, to reach a final resolution of outstanding issues and  
2 bring a competitive marketplace to Arizona.

3 RESPECTFULLY SUBMITTED this 23rd day of January, 1997.

4 JENNINGS, STROUSS AND SALMON, P.L.C.

5  
6   
7 By \_\_\_\_\_

8 Kenneth C. Sundlof, Jr. (004430)  
9 One Renaissance Square  
10 Two North Central Avenue  
11 Phoenix, Arizona 85004-2393  
12 Attorneys for Salt River Project Agricultural  
13 Improvement and Power District

14 and

15 Jessica Youle (009367)  
16 Jane D. Alfano (005816)  
17 Salt River Project Agricultural Improvement and  
18 Power District  
19 P.O. Box 52025, PAB300  
20 Phoenix, AZ 85072-2025  
21  
22  
23  
24  
25  
26  
27  
28  
29

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**CARL J. KUNASEK**  
**CHAIRMAN**  
**JAMES M. IRVIN**  
**COMMISSIONER**  
**RENZ D. JENNINGS**  
**COMMISSIONER**

IN THE MATTER OF COMPETITION IN } Decision No. \_\_\_\_\_  
THE PROVISION OF ELECTRIC SERVICES } Docket No. U-0000-94-165  
THROUGHOUT THE STATE OF ARIZONA } Findings of Fact, Conclusions of Law and  
Order

Having considered the arguments raised in the various applications for rehearing and responses, the Commission issues the following findings of fact, conclusion of law and order:

**Findings of Fact**

1. On December 23, 1996, in Decision No. 59943, the Commission approved administrative rules in this docket (the "Rules"). The Rules were approved following many months of workshops and hearings on the various issues surrounding restructuring of the electric industry.

2. Following approval of the order, fourteen parties filed timely applications for rehearing with the Commission under the provisions of A.R.S. § 40-253.

3. Under A.R.S. § 40-254 the parties must file a lawsuit within 30 days of denial of an application for rehearing, or many issues raised in the applications may be waived. For that

1 reason the Commission believes that extensive litigation will be likely if the Commission denies  
2 the applications for rehearing.

3 4. Also under A.R.S. § 40-253 (A), if an application for rehearing is granted, the  
4 Commission "shall promptly hear the matter and determine it within twenty days after final  
5 submission."

6 5. The Commission supports the work which has been done thus far and supports the  
7 Rules in their present form. But, the Commission wants to insure that the industry and customers  
8 work together to resolve outstanding issues and to effectively bring competition to Arizona. This  
9 goal is not furthered by the delays inherent in extensive litigation.

10 6. In order to move forward productively, the Commission must grant the  
11 applications for rehearing. If the Commission takes any other action at this time, it is likely that  
12 many of the parties will bring litigation to avoid the risk of waiving their various arguments.

13 7. In granting the motions for rehearing, the Commission reaffirms its intention to  
14 implement competition in Arizona on an aggressive schedule. Each party is put on notice that the  
15 timelines in the Rules will not be extended in future orders and that the parties should begin  
16 preparation for meeting the requirements as set forth in the Rules.

17 8. The Commission will continue its concerted effort to bring competition to Arizona  
18 and to resolve outstanding issues and disputes. In this regard the Commission believes that the  
19 following steps are appropriate, in addition to the workshops currently scheduled:

20 a. Within thirty days of this order each party shall file with the Commission a list of  
21 outstanding issues as perceived by the party. Each issue should be separately identified, and for  
22 each issue the party shall specify whether the issue is best addressed by rule change, addressed by  
23 new legislation or can be addressed only by judicial action. For each issue the party shall specify  
24 in detail a fair manner of resolving the issue, be it through rule change or legislative change. **In**  
25 **making suggestions to the Commission the parties shall attempt in the spirit of compromise**  
26 **to suggest wording which will be acceptable to other parties and to the Commission. The**  
27 **parties shall meet with each other if appropriate to attempt to present joint solutions. The**  
28 **Commission will give the greatest consideration to those suggestions which represent a**  
29 **compromise of positions or which have broad-based support.**

1           b.       Following receipt of the comments the Commission staff will present a report to  
2 the Commission identifying outstanding issues, suggested compromise solutions and  
3 recommending further proceedings designed to resolve outstanding issues.

4           c.       The Commission shall then issue orders designed to facilitate agreement and  
5 cooperation among the parties and to further develop and consider solutions to the issues which  
6 have been raised. **Each party should remember that it is the goal of the Commission to**  
7 **quickly develop in Arizona a vigorous competitive market for the provision of electric**  
8 **energy to the citizens of the State.**

9           9.       Following the submission of solutions and compromises, the Commission will issue  
10 orders and establish a hearing schedule to determine the various issues. "Final submission", as  
11 that term is used in A.R.S. § 40-253 (A), will occur at the close of all hearings and scheduled  
12 briefing. The Commission suggests that any lawsuits will be premature at this time, because all  
13 issues raised in the applications for rehearing, to the extent they are not resolved, may be raised  
14 following a final decision on the applications for rehearing. *State ex rel. Church v. Arizona*  
15 *Corporation Commission*, 94 Ariz. 107, 382 P.2d 222 (1963).

#### 16           **Conclusions of Law**

17           1.       Although the Commission supports the work which has been accomplished to date  
18 on the rules, it realizes that the interest of Arizona demands further effort to refine the rules and  
19 reduce areas of dispute. For this reason grounds exist to grant the applications for rehearing.

#### 20           **Order**

21           1.       Each Application for Rehearing timely filed in this docket is granted.

22           2.       Within thirty days of this order each party shall file with the Commission a list of  
23 outstanding issues as perceived by the party. Each issue should be separately identified, and for  
24 each issue the party shall specify whether the issue is best addressed by rule change, addressed by  
25 new legislation or can be addressed only by judicial action. For each issue the party shall  
26 specifically detail a suggested fair manner of resolving the issue, be it through rule change or  
27 legislative change. **In making suggestions to the Commission the parties shall attempt in the**  
28 **spirit of compromise to suggest wording which will be acceptable to other parties and to the**  
29 **Commission. The parties shall meet with each other if appropriate to attempt to present**

1 **joint solutions. The Commission will give the greatest consideration to those suggestions**  
2 **which represent a compromise of positions or which have broad-based support.**

3 3. This order does not affect the working groups which are presently in progress. If  
4 appropriate, issues addressed by the working groups may be integrated into a final order on the  
5 rehearing.

6 4. Following submission of the issue statements, the Commission will issue further  
7 orders including a hearing and briefing schedule. "Final submission", as that term is defined in  
8 A.R.S. § 40-254, will be at the close of all proceedings, hearings and briefing.

9  
10 APPROVED BY ORDER OF THE ARIZONA CORPORATION COMMISSION  
11  
12  
13

14 \_\_\_\_\_  
15 Carl J. Kunasek  
Chairperson

14 \_\_\_\_\_  
15 James M. Irvin  
Commissioner

14 \_\_\_\_\_  
15 Renz D. Jennings  
Commissioner

16  
17  
18 IN WITNESS WHEREOF, I, James Mathews, Executive Secretary of the Arizona  
19 Corporation Commission, set my hand and cause the official seal of this Commission to be  
20 affixed, this \_\_\_\_\_ day of \_\_\_\_\_, 1997.  
21  
22

23 \_\_\_\_\_  
24 James Mathews  
25 Executive Secretary  
26  
27  
28  
29

Barbara Klemstine  
Arizona Public Service Co.  
Law Department, Station 9909  
P.O. Box 53999  
Phoenix, AZ 85072-3999

Thomas L. Mumaw, Esq.  
Steven M. Wheeler, Esq.  
Snell & Wilmer  
One Arizona Center  
400 East Van Buren  
Phoenix, AZ 85004-0001

C. Webb Crockett, Esq.  
Fennemore Craig  
Two North Central Avenue, Suite 2300  
Phoenix, AZ 85004-2390

Michael A. Curtis  
Martinez & Curtis, P.C.  
2712 North 7th Street  
Phoenix, AZ 85006

Walter W. Meek, President  
Arizona Utility Investors Association  
3030 North Central Avenue, Suite 506  
Phoenix, AZ 85012

Rick Gilliam  
Land and Water Fund of the Rockies  
2260 Baseline Road  
Boulder, CO 80302

Charles R. Huggins  
Arizona State AFL-CIO  
110 North 5th Avenue  
P.O. Box 13488  
Phoenix, AZ 85002

David C. Kennedy  
Law Offices of David C. Kennedy  
100 West Clarendon Avenue, Suite 200  
Phoenix, AZ 85012-3525

Norman J. Furuta  
Department of the Navy  
900 Commodore Drive, Building 107  
P.O. Box 272 (Attn: Code 90C)  
San Bruno, CA 94066-0720

Thomas C. Horne  
Michael S. Dulberg  
Horne, Kaplan & Bistrow, P.C.  
40 North Central Avenue, Suite 2800  
Phoenix, AZ 85004

Barbara S. Bush  
Coalition for Responsible Energy Education  
315 West Riviera Drive  
Tempe, AZ 85252

Sam Defraw (Attn: Code 16R)  
Rate Intervention Division  
Naval Facilities Engineering Command  
200 Stovall Street, Room 10S12  
Alexandria, VA 22332-2300

Rick Lavis  
Arizona Cotton Growers Association  
4139 East Broadway Road  
Phoenix, AZ 85040

Steve Brittle  
Don't Waste Arizona, Inc.  
6205 South 12th Street  
Phoenix, AZ 85040

Ajo Improvement Company  
P.O. Drawer 9  
Ajo, AZ 85321

Columbus Electric Cooperative, Inc  
P.O. Bix 631  
Deming, NM 88031]

Continental Divide Electric Cooperative  
P.O. Box 1087  
Grants, NM 87020

Dixie Escalante Rural Electric Association  
CR Box 95  
Beryl, UT 84714

Garkane Power Association, Inc.  
P.O. Box 790  
Richfield, UT 84701

Mohave Electric Cooperative, Inc.  
P.O. Box 1045  
Bullhead City, AZ 86430

Morenci Water and Electric Company  
P.O. Box 68  
Morenci, AZ 85540

Louis A. Stahl, Esq.  
Lisa D. Duran, Esq.  
Streich Lang  
Renaissance One  
Two North Central Avenue  
Phoenix, AZ 85004-2391

Beth Ann Burns  
Citizens Utilities Co.  
2901 N. Central, Suite 1660  
Phoenix, AZ 85012

Bradley S. Carroll  
Tucson Electric Power Co.  
P.O. Box 711  
Tucson, AZ 85702

Terry Ross  
Vice President  
Center for Energy and Economic  
Development  
7853 East Arapahoe Court, Suite 2600  
Englewood, CO 80112

Peter Glaser  
Doherty, Rumble & Butler, P.A.  
1401 New York Avenue, N.W., Suite 1100  
Washington, DC 20005

Richard S. Shapiro  
Senior Director  
Enron Capital & Trade Resources  
1400 Smith Street, Suite 1405  
Houston, TX 77002

Albert Sterman, Vice President  
Arizona Consumer Council  
2849 E. 8th Street  
Tucson, AZ 85716

Calpine Power Services Company  
50 West San Fernando  
San Jose, CA 95113

Jack Haenichen  
Arizona Department of Commerce  
3800 North Central Avenue, Ste. 1500  
Phoenix, AZ 85012

K.R. Saline & Associates  
P. O. Box 30279  
Mesa, AZ 85275

Robert S. Lynch  
2001 North Third Street, Suite 204  
Phoenix, AZ 85004-1472

Dan Neidlinger  
Neidlinger & Associates, Ltd.  
3020 N. 17th Drive  
Phoenix, AZ 85015

Russell E. Jones  
O'Connor Cavanagh Molloy Jones  
One E. Camelback Road, Suite 1100  
Phoenix, Arizona 85012-1656

John Jay List, General Counsel  
National Rural Utilities Cooperative  
Finance Corporation  
2201 Cooperative Way  
Herndon, VA 21071

Sue Arnold, Financial Analyst  
Program Support and Regulatory Analysis  
Utilities Service  
United States Department of Agricultural  
1400 Independence Avenue, S.W.  
Mail Stop 1522  
Washington, DC 20250-1522

Wallace F. Tillman, Chief Counsel  
Susan N. Kelly, Regulatory Counsel  
National Rural Electric Cooperative  
Association  
4301 Wilson Blvd.  
Arlington, VA 22203-1860

David X. Kolk, Ph.D.  
Power Resource Managers, L.L.C.  
2940 Inland Empire Blvd., Suite 123  
Ontario, CA 91764

Debra S. Jacobson, Manager  
State Regulatory Affairs  
Southwest Gas Corporation  
P.O. Box 98510  
5241 Spring Mountain Road  
Las Vegas, NV 89193-8510

Ellen Corkhill  
American Association of Retired Persons  
5606 N. 17th Street  
Phoenix, AZ 85016

William D. Baker, Assistant Secretary  
Electric District No. 6  
Pinal County, Arizona  
P. O. Box 16450  
Phoenix, AZ 85011

Sheryl A. Taylor  
Ryley, Carlock & Applewhite  
101 North First Avenue, Suite 2700  
Phoenix, AZ 85003-1973

Douglas C. Nelson, P.C.  
7000 North 16th Street, #120-307  
Phoenix, AZ 85020

Nancy Russell  
Public Interest Coalition on Energy  
2025 North Third Street, Suite 175  
Phoenix, AZ 85004

Barry N. P. Huddleston  
Regional Manager, REgulatory Affairs  
Destec Energy, Inc.  
2500 City West Blvd., Suite 150  
Houston, TX 77042

Karen Glennon  
19037 North 44th Avenue  
Glendale, AZ 85308

James P. Beene, Chief Counsel  
Residential Utility Consumer Office  
1501 West Washington, Suite 227  
Phoenix, AZ 85007

Vicki G. Sandler  
Arizona Public Service Company  
Law Department Sta. 9829  
P. O. Box 53999  
Phoenix, AZ 85072-3999

Richard L. Sallquist  
Sallquist & Drummond, PC  
2525 E. Arizona Biltmore Circle  
Suite 117  
Phoenix, AZ 85016-2129

Raul J. Roshka, Jr.  
Raymond S. Heymon  
Roshka Heyman & DeWulf  
Two Arizona Center  
400 North Fifth Street, Suite 1000  
Phoenix, AZ 85004

Myron Scott  
Lewis & Clark College  
Natural Resources Law Institute  
10015 SW Terwillinger Blvd.  
Portland, OR 97219

Bruce Driver  
Eric Blank  
Land & Water Fund of Rockies  
Law Fund Enery Project  
2260 Baseline, Suite 200  
Boulder, CO 80302

Steven Glaser  
David Lamoreaux  
Tucson Electric Power Company  
220 West Sixth Street  
Tucson, AZ 85701

Greg Patterson, Director  
Residential Utility Consumer Office  
1501 West Washington, Suite 227  
Phoenix, AZ 85007

Thomas R. Sheets  
Andrew W. Bettwy  
Office of Regulatory Affairs  
Southwest Gas Corporation  
5241 West Spring Mountain Road  
Las Vegas, NV 89102

Michael M. Grant  
Johnston Maynard Grant & Parker  
3200 North Central Avenue, Suite 2300  
Phoenix, AZ 85012

Bruce E. Meyerson  
Meyer Hendricks  
2929 North Central Avenue  
Phoenix, AZ 85012

Lex J. Smith  
Brown & Bain, PA  
2901 North Central Avenue  
Phoenix, AZ 85001-0400

Arizona Electric Power Cooperative, Inc.  
P. O. Box 670  
Benson, AZ 85602

Trico Electric Cooperative, Inc.  
P. O. Box 35970  
Tucson, AZ 85740

Duncan Valley Electric Cooperative, Inc.  
P. O. Box 440  
Duncan, AZ 85534

Graham County Electric Cooperative, Inc.  
P. O. Box Drawer B  
Pima, AZ 85543

Navopache Electric Cooperative, Inc.  
P. O. Box 308  
Lakeside, AZ 85929

Sulphur Springs Valley Electric Coop.  
P. O. Box 820  
Wilcox, AZ 85644