

**ORIGINAL**  
**OPEN MEETING AGENDA ITEM**



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AZ CORP COMMISSION  
DOCKET CONTROL

June 13, 2007

DOCKET CONTROL  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Arizona 85004

Re: Comments of Arizona-Interfaith Coalition on Energy (AZ-ICE) under  
Docket No. E-01345A-05-0816, **E-01345A-05-0826**  
**E-01345A-05-0827**

Dear Ladies and Gentlemen:

Arizona-Interfaith Coalition on Energy (AZ-ICE) has been involved in APS rate cases for twenty years. As you know, we represent some 2500 religious congregations in Arizona who primarily use electrical energy on off-peak periods, particularly Saturdays and Sundays. Because of this off-peak usage, we have been allowed to use special rates which represent sizable savings to our congregations, but in total have in previous hearings been acknowledged by APS to be de minimums.

We, along with others involved in this rate case, have proposed alternatives for those Houses of Worship who will now be prevented from using the currently available APS rates (such as E-20, 23, and 24).

These rates are to be superceded by the new proposed E-32 TOU.

This rate has found little objection by medium and larger customers (those with demands greater than 500 kW up to 2999 kW). We understand the reason for this is that these customers generally use more Energy in relation to their Demand, or they have higher load factors (LF).

But what of Houses of Worship – the vast majority of whom are between the size of 20 and 499 kW?

These congregations use the greatest amount of energy off-peak yet can easily get caught with a peak demand set on-peak by accidental start-ups and other short term spurts of energy use—which are of short duration – 15 minutes or less—that are random (not temperature related) and make little, if any, contribution to the peak times stated by APS.

DOCKET CONTROL  
Arizona Corporation Commission  
June 13, 2007  
Page 2

APS Peak times are claimed to be 3:00 to 6:00 PM Week Days (Peak-Days) when Houses of Worship and their classrooms are empty.

We have attempted to get APS to consider changing The APS E-32 TOU rate to something less punishing, but to no avail.

We agree with APS and Staff that this is too big of a task, and we would suggest instead that a New Experimental rate be created which would be available for all small to medium Customers who can benefit from a rate that has (1) higher energy charges and (2) lower demand charges.

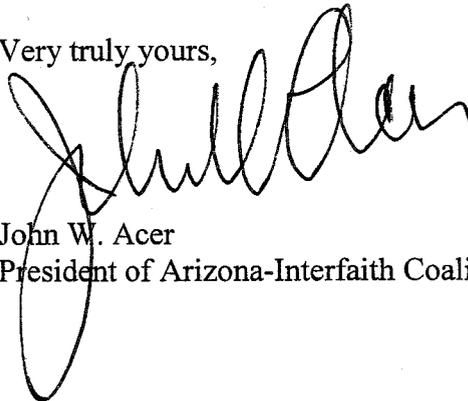
All this may simply be accomplished by changing SRP rate E-32 TOU to match the relationship that APS non-TOU rate E-32 has to APS E-32 TOU.

Such action should have the same relationship that SRP E-36 rate (non-TOU) has to SRP rate E-32 TOU.

Due to the fact that APS has only one rate design for 95% of all Commercial/Industrial Customers (E-32 & TOU), we and many others believe it is time to separate APS rates E-32 & E-32 TOU.

Thank you for your consideration of our Houses of Worship needs and concerns. Our congregation members hope that we can report to them that the Commission will continue to pass policies.

Very truly yours,



John W. Acer  
President of Arizona-Interfaith Coalition on Energy

JWA:jb