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Director
Regulation & Pricing

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Phoenix, Arizona 85072-3999

February 29, 2008

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

RE: Arizona Public Service Company Transmission Cost Adjustor Charges
Docket No. E-01345A-07-0713

Dear Sir or Madame:

Pursuant to Decision No. 70179, Arizona Public Service Company is filing revised rate Schedule TCA-1. Enclosed please find both redline and non-redline versions of the revised rate Schedule TCA-1. Decision No. 70179 required the revised Schedule TCA-1 to be filed on or before March 13, 2008. This revision shall be considered effective March 1, 2008.

If you have any questions or concerns please contact David Rumolo at (602) 250-3933.

Sincerely,

Barbara Klemstine / SC

Barbara Klemstine

BK/tem

Attachments

CC: Ernest Johnson
Christopher Kempley
Barbara Keene
Janet Wagner

Arizona Corporation Commission
DOCKETED

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2008 FEB 29 P 4: 38
AZ CORP COMMISSION
DOCKET CONTROL

Redline

Version



**ADJUSTMENT SCHEDULE TCA-1
TRANSMISSION COST ADJUSTMENT**

APPLICATION

The Transmission Cost Adjustment ("TCA") charge shall apply to all Standard Offer retail electric schedules, with the exception of solar rates Solar-1, Solar-2, and SP-1. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

ANNUAL ADJUSTMENT

Standard Offer rate schedules covered by this charge include a transmission component of base rates that was established at \$0.00476 per kilowatt-hour. In accordance with A.C.C. Decision No. 67744, Decision No. 677744 also established the TCA. An annual adjustment to the base rate transmission amount will be made through a change in the TCA charge that is based upon the prior year's annual Transmission and Ancillary Service costs and retail energy sales. The calculation method is set forth in the filed Transmission Cost Adjustment Plan for Administration. This Adjustment will be applied to kilowatt-hour sales under applicable electric schedules. Decision No. 69663 modified the collection of transmission costs to tie to the costs found in the FERC approved Open Access Transmission Tariff.

RATE

The charge shall be calculated at the following rate:

TCA Charge

All kWh	\$0.000000		per kWh
Customer Class	July 1, 2007 Charge	March 1, 2008 Charge	TCA Charge
<u>Residential</u>			
Network transmission	\$0.00417/kWh	\$0.00516/kWh	\$0.00099/kWh
Scheduling	\$0.000069/kWh	\$0.000069/kWh	
Regulation	\$0.000267/kWh	\$0.000267/kWh	
Spinning Reserve	\$0.000618/kWh	\$0.000618/kWh	
Operating Reserve	\$0.000078/kWh	\$0.000078/kWh	
Total	\$0.00520 /kWh	\$0.00619 /kWh	
<u>General Service < 20 kW</u>			
Network transmission	\$0.00340/kWh	\$0.00435/kWh	\$0.00095/kWh
Scheduling	\$0.000056/kWh	\$0.000056/kWh	
Regulation	\$0.000217/kWh	\$0.000217/kWh	
Spinning Reserve	\$0.000502/kWh	\$0.000502/kWh	
Operating Reserve	\$0.000064/kWh	\$0.000064/kWh	
Total	\$0.00424 /kWh	\$0.00519 /kWh	
<u>General Service over 20kW, under 3,000 kW</u>			
Network transmission	\$1.271/kW	\$1.796/kW	\$0.525/kW
Scheduling	\$0.0208/kW	\$0.0208/kW	
Regulation	\$0.0813/kW	\$0.0813/kW	
Spinning Reserve	\$0.1879/kW	\$0.1879/kW	
Operating Reserve	\$0.0238/kW	\$0.0238/kW	
Total	\$1.5848 /kW	\$2.1098 /kW	
<u>General Service over 3,000 kW</u>			
Network transmission	\$1.421/kW	\$1.735/kW	\$0.314/kW
Scheduling	\$0.0236/kW	\$0.0236/kW	

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

A.C.C. No. ~~xxx~~56965615
Cancelling A.C.C. No. 5615 Adjustment Schedule TCA-1
Original Revision No. Adjustment Schedule TCA-1
Effective: ~~March 1, 2008~~ April 1, 2005 Revision No. 1
Effective: March 1, 2008



**ADJUSTMENT SCHEDULE TCA-1
TRANSMISSION COST ADJUSTMENT**

Regulation	\$0.0919/kW	\$0.0919/kW	
Spinning Reserve	\$0.2124/kW	\$0.2124/kW	
Operating Reserve	\$0.0269/kW	\$0.0269/kW	
Total	\$1.7758 /kW	\$2.0898908 /kW	

FILINGS

The Company shall file a request for a TCA charge if the 5% trigger is exceeded.

Non-Redline

Version



**ADJUSTMENT SCHEDULE TCA-1
TRANSMISSION COST ADJUSTMENT**

APPLICATION

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Regulation	\$0.000267/kWh	\$0.000267/kWh	
Spinning Reserve	\$0.000618/kWh	\$0.000618/kWh	
Operating Reserve	<u>\$0.000078/kWh</u>	<u>\$0.000078/kWh</u>	
Total	\$0.00520 /kWh	\$0.00619 /kWh	
General Service < 20 kW			
Network transmission	\$0.00340/kWh	\$0.00435/kWh	\$0.00095/kWh
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