

GALLAGHER & KENNEDY

P.A.

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AZ CORP COMMISSION
DOCKET CONTROL

March 20, 2008

HAND DELIVERED

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: *AEPCO FPPCA Filings; Docket Nos. E-01773A-04-0528 and E-04100A-04-0527*

Dear Sir or Madam:

On February 29, 2008, AEPCO submitted its (1) Tariff and Schedule Filing to Revise AEPCO's FPPCA Adjustor Rate (the "Standard Filing") and (2) Request for Review of FPPCA Efficacy and Implementation of Alternate Adjustor Rates (the "Efficacy Filing"), which are approximately two mills higher than the adjustor rates stated in the Standard Filing. The Standard Filing is scheduled to take effect on April 1, 2008, whereas the Efficacy Filing will take effect only upon approval by the Commission. Utilities Division Staff is currently in the process of reviewing both filings.

Under the revised January 25, 2007 Plan for Administration agreed to by AEPCO and Staff, AEPCO provides its distribution cooperative members with a form of notice reflecting the estimated effect of the revised adjustor rates and requests that its members provide notice to their retail members. Under these circumstances—where two sets of revised adjustor rates may take effect in rapid succession—AEPCO believes it is consistent with the Plan for Administration to delay this notice request to afford the Staff and Commission sufficient time to review and act upon the Efficacy Filing. Sending only one notice reflecting the final approved adjustor rates will not only reduce costs, but, as well, will avoid the customer confusion associated with sending two conflicting notices in a short period of time. It will also assure the accuracy of the one notice which is sent.



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Accordingly, AEPCO will delay its notice request to its distribution cooperative members until after the Commission has taken action on the Efficacy Filing and, if considered necessary, requests that the Staff affirmatively indicate its approval of this procedure under the Plan for Administration.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

A handwritten signature in black ink, appearing to read "Michael M. Grant", with a long horizontal flourish extending to the right.

By:

Michael M. Grant

MMG/plp
10421-46/1796680

cc: Jerry Anderson, Utilities Division (delivered)
Terri Ford, Utilities Division (delivered)

Original and 15 copies filed with Docket
Control this 20th day of March, 2008.