



0000089119

SP

Susan Casady  
Supervisor  
Regulatory Affairs

Tel. 602-250-2709  
Fax 602-250-3003  
e-mail Susan.Casady@aps.com

Mail Station 9708  
PO Box 53999  
Phoenix, Arizona 85072-3999

**ORIGINAL**

October 2, 2008

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

RE: Arizona Public Service Company's Preference Power Rider Schedule  
Docket No. E-01345A-08-0365

Dear Sir or Madam:

Pursuant to Decision No. 70521 (September 30, 2008), Arizona Public Service Company ("APS") was ordered to file a Preference Power Rider, Schedule PPR, within 15 days of the final order. Enclosed please find the Preference Power Rider, Schedule PPR as ordered.

If you have any questions or concerns please contact Greg DeLizio at (602) 250-2704.

Sincerely,

Susan Casady

SC/dst

Attachments

CC: Brian Bozzo  
Ernest Johnson  
Janice Alward

Arizona Corporation Commission  
**DOCKETED**

OCT -2 2008

DOCKETED BY

RECEIVED  
2008 OCT -2 P 14:33  
AZ CORP COMMISSION  
DOCKET CONTROL



## RATE SCHEDULE PPR PREFERENCE POWER RIDER

### APPLICATION

This Rate Schedule PPR Preference Power Rider ("Schedule PPR") is applicable to all Standard Offer customers ("Customer") who receive a Firm Electric Service allocation of preference power ("Preference Power") from the Western Area Power Administration ("WAPA"), an agency of the U.S. Department of Energy. All provisions of Customer's current applicable rate schedule will apply in addition to this Schedule PPR. Schedule PPR may be used in conjunction with all non-residential rate schedules that have unbundled charges.

Schedule PPR is applicable to new Preference Power allocations received from WAPA after January 1, 2007. Customer must enter into an "Electrical Supply Agreement" for "Customers with Preference Power" ("Agreement") with the Company prior to receiving service under Schedule PPR.

### DETERMINATION OF GENERATION NET POWER

The Company will provide delivery and transmission services for Customer's Total Power, and will provide generation services for the Customer's Net Power, according to the following definitions:

1. Total Power equals Customer's demand ("Total Demand") and energy ("Total Energy") for the billing period, as metered by the Company.
2. Preference Power equals the demand ("Preference Demand") and energy ("Preference Energy") from Customer's Firm Electric Service allocation for the billing period, as scheduled by the Company. Preference Power will be reduced for electrical losses as specified in the Agreement.
3. Net Power equals Total Power less Preference Power. Net Demand equals Total Demand less Preference Demand. Net Energy equals Total Energy less Preference Energy for the billing period. If Total Power is less than Preference Power for a billing period, then Net Power shall equal zero for the billing period.

### RATES

Service under this rate schedule shall be billed according to Customer's current applicable rate schedule, except as follows:

1. The eligibility for placement on a rate schedule will be determined by Total Demand.
2. The unbundled generation kWh charges in Customer's current applicable rate schedule will be applied to the Net Energy used.
3. The determination of billing kW for generation services shall be based on Net Demand computed in accordance with the provisions of Customer's current applicable rate schedule. The determination of billing kW for transmission and delivery services shall be based on Total Demand computed in accordance with the provisions of Customer's current applicable rate schedule.
4. The kWh charges under Adjustment Schedule PSA-1 and Adjustment Schedule EIS will be applied to the Net Energy determination.
5. All other kWh and kW charges in Customer's current applicable rate schedule and any other applicable adjustment schedules will be applied to the Total Energy or Total Demand, as applicable.