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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

- KRISTIN K. MAYES, Chairman
- GARY PIERCE
- PAUL NEWMAN
- SANDRA D. KENNEDY
- BOB STUMP

2009 JUL -9 P 3: 16

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JUL - 9 2009

DOCKETED BY	
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IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR A HEARING TO DETERMINE THE FAIR VALUE OF THE UTILITY PROPERTY OF THE COMPANY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RATE OF RETURN THEREON, AND TO APPROVE RATE SCHEDULES DESIGNED TO DEVELOP SUCH RETURN.

DOCKET NO. E-01345A-08-0172

PROCEDURAL ORDER REQUIRING PUBLIC NOTICE OF PUBLIC COMMENT MEETINGS IN PRESCOTT AND FLAGSTAFF, ARIZONA

BY THE COMMISSION:

On March 24, 2008, Arizona Public Service Company ("APS") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase.

By Procedural Order issued July 29, 2008, the hearing on the permanent rate application was scheduled to commence on April 2, 2009.

On January 23, 2009, APS filed a Notice of Settlement Discussions.

On May 4, 2009, a Term Sheet containing the major provisions of the Settlement Agreement was filed along with a Request for Procedural Order ("Request"). The Request proposed a procedural schedule for filing testimony and a hearing date on the contemplated Settlement Agreement.

On May 11, 2009, a Procedural Order was issued establishing procedural dates and setting the matter for hearing to commence on August 19, 2009. The Procedural Order also directed the settling parties to file a joint proposed form of notice.

On June 12, 2009, the Proposed Settlement Agreement and the Joint Form of Proposed Notice were docketed.

On June 17, 2009, a procedural order was issued setting a public comment session in Phoenix beginning at 5:30 p.m. on August 12, 2009, and directing APS to publish notice of the August 19,

1 2009 hearing and the August 12, 2009 public comment session. The June 17, 2009, Procedural Order
2 also indicated that additional public comment meetings may be scheduled.

3 The Commission has determined that additional local public comment meetings should be
4 held in several locations within the APS service area. As set forth in more detail below, the public
5 comment meetings will be held in Prescott and Flagstaff, Arizona, and APS should be required to
6 publish notice of such meetings. The Prescott and Flagstaff public comment sessions will be
7 conducted in conjunction with public comment scheduled in the pending UNS Gas rate application
8 (Docket No. G-04204-08-0571).

9 IT IS THEREFORE ORDERED that **public comment meetings are hereby scheduled for**
10 **the following dates:**

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12 **Flagstaff, AZ**
13 ***Monday, August 3, 2009*** ***County Board of Supervisors Conference Room***
14 ***6:00 p.m.*** ***Administrative Center***
15 ***219 E. Cherry***
16 ***Flagstaff, AZ 86001***

17 **Prescott, AZ** ***Prescott City Hall Council Chambers***
18 ***Thursday, August 6, 2009*** ***201 S. Cortez***
19 ***6:00 p.m.*** ***Prescott, AZ 86301***

20 IT IS FURTHER ORDERED that APS¹ shall provide public notice of the above public
21 comment meetings in this matter, in the following form and style, with the heading no less than 24
22 point bold type and the body no less than 10 point regular type:

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27 ¹ The public comment meetings in Flagstaff and Prescott will also include public comments on the UNS Gas rate
28 proceeding (Docket No. G-04204-08-0571). APS and UNS Gas are authorized to combine their public notices into one
notice that includes the required information about each matter, so that the public is aware that the public comment
meeting will take comment on both matters.

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NOTICE OF PUBLIC COMMENT MEETING
ARIZONA PUBLIC SERVICE COMPANY'S APPLICATION
FOR A PERMANENT BASE RATE INCREASE
(DOCKET NO. E-01345A-08-0172)

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On March 24, 2008, Arizona Public Service Company ("APS" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for a permanent base rate increase. On June 2, 2008, the Company filed an amended application. On June 12, 2009, the Joint Parties filed a Settlement Agreement. In the Settlement Agreement, the Joint Parties requested that the Commission approve a net increase in base rates of approximately \$207.5 million (7.87 percent on average). This net increase reflects the reclassification as base rates of certain fuel and purchased power costs that are already being collected through a power supply adjustment mechanism. The total base rate increase is \$344.7 million (13.07 percent on average). This base rate includes the interim rate increase of \$65.2 million that became effective January 1, 2009.

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Copies of the Joint Parties Settlement Agreement and APS' application and amended application are available at the Company's office at 400 N. 5th Street, Phoenix, AZ (602-250-2767) and the Commission's offices at 1200 West Washington, Phoenix, AZ, for public inspection during regular business hours and on the internet via the Commission website (www.azcc.gov) using the eDocket function.

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The Commission will hold a PUBLIC COMMENT MEETING on this matter ON [INSERT DATE, TIME, AND LOCATION].

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Written public comments may also be submitted via email (visit http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf for instructions), or by mailing a letter referencing Docket No. E-01345A-08-0172 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

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The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with disability may request a reasonable accommodation such as a sign language interpreter, as well as request this documentation in an alternative format, by contacting the ADA Coordinator, Guadalupe Ortiz, voice phone number 602-542-3931, Email: gnortiz@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

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IT IS FURTHER ORDERED that APS shall cause the above notices to be published at least twice in a newspaper of local circulation in the area of each public comment meeting, with publications to be completed no later than August 8, 2009.

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IT IS FURTHER ORDERED that APS shall file certification of publication as soon as practicable after the publications have been completed, but not later than August 17, 2009.

1 IT IS FURTHER ORDERED that notice shall be deemed complete upon publication of same,
2 notwithstanding the failure of a customer to read the notice.

3 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
4 Communications) continues to apply to this proceeding and shall remain in effect until the
5 Commission's Decision in this matter is final and non-appealable.

6 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
7 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

8 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
9 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*
10 *hac vice*.

11 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
12 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
13 Rules of Arizona Supreme Court). Representation before the Commission includes the obligation to
14 appear at all hearings and procedural conferences, as well as all Open Meetings for which the matter
15 is scheduled for discussion, unless counsel has previously been granted permission to withdraw by
16 the Administrative Law Judge or the Commission.

17 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
18 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
19 hearing.

20 DATED this 9th day of July, 2009.

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LYN FARMER
CHIEF ADMINISTRATIVE LAW JUDGE

24 Copies of the foregoing mailed/delivered
25 This 9th day of July, 2009 to:

26 Thomas Mumaw
ARIZONA PUBLIC SERVICE COMPANY
27 P.O. Box 53999
Phoenix, AZ 85072-3999

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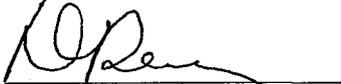
Carlo Dal Monte
 CATALYST PAPER COMPANY
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 Nanaimo, BC V9R 5H9

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 1200 West Washington Street
 Phoenix, Arizona 85007-2927

Ernest Johnson, Director, Utilities Division
ARIZONA CORPORATION COMMISSION
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ARIZONA REPORTING SERVICE, INC.
2200 N. Central Ave., Suite 502
Phoenix, AZ 85004-1481

By: 
Debbi Person
Assistant to Lyn Farmer

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