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1 Timothy M. Hogan (004567)
2 ARIZONA CENTER FOR LAW
3 IN THE PUBLIC INTEREST
4 202 E. McDowell Rd., Suite 153
Phoenix, Arizona 85004
5 (602) 258-8850

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AZ CORP COMMISSION
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6 Attorneys for Western Resource Advocates

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8 KRISTIN K. MAYES, CHAIRMAN
9 GARY PIERCE
10 PAUL NEWMAN
11 SANDRA D. KENNEDY
BOB STUMP

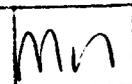
12 IN THE MATTER OF THE APPLICATION
13 OF ARIZONA PUBLIC SERVICE
14 COMPANY FOR A HEARING TO
15 DETERMINE THE FAIR VALUE OF THE
16 UTILITY PROPERTY OF THE COMPANY
17 FOR RATEMAKING PURPOSES, TO FIX A
18 JUST AND REASONABLE RATE OF
RETURN THEREON, TO APPROVE RATE
SCHEDULES DESIGNED TO DEVELOP
SUCH RETURN

Docket No. E-01345A-08-0172

**NOTICE OF FILING SUMMARY
OF TESTIMONY**

Arizona Corporation Commission
DOCKETED

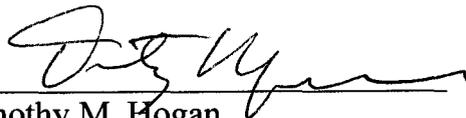
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22 Western Resource Advocates ("WRA"), through its undersigned counsel, hereby
23 provides notice that it has this day filed the written summary of the testimony of David
24 Berry in connection with the above-captioned matter.
25

1 DATED this 21st day of August, 2009.

2 ARIZONA CENTER FOR LAW IN
3 THE PUBLIC INTEREST

4 By 
5 Timothy M. Hogan
6 202 E. McDowell Rd., Suite 153
7 Phoenix, Arizona 85004
8 Attorneys for Western Resource Advocates

9 ORIGINAL and 13 COPIES of
10 the foregoing filed this 21st day
11 of August, 2009, with:

12 Docket Control
13 Arizona Corporation Commission
14 1200 W. Washington
15 Phoenix, AZ 85007

16 COPIES of the foregoing
17 electronically transmitted
18 this 21st day of August, 2009 to:

19 All Parties of Record

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**Summary of Testimony of David Berry
Western Resource Advocates
APS Rate Case Settlement
Docket No. E-01345A-08-0172**

1. I participated in the settlement negotiations on behalf of Western Resource Advocates.
2. I recommend that the Commission approve the settlement agreement.
3. The agreement provides that APS obtain about 10% of its energy needs from renewable resources by 2015 and is consistent with APS' resource plan. The goal set forth in the agreement is approximately double the Renewable Energy Standard (RES) requirement that 5% of retail sales be obtained from renewable resources by 2015.
4. The agreement specifies some (not all) of the new resources APS will seek to acquire:
 - A utility scale photovoltaic project.
 - In-state wind energy.
 - A solar energy program for on-site projects at grade K through 12 public schools in which up-front customer costs for solar energy are eliminated.
 - A distributed solar energy program for government structures that reduces or eliminates up-front customer costs.
5. The agreement also indicates that, following submission of the Biennial Transmission Assessment report required by Decision No. 70635, APS will commence planning and permitting for siting one or more new transmission lines or upgrades intended to facilitate delivery of renewable energy to APS and will construct these lines or upgrades after satisfactory permitting and authorizations are obtained.
6. The renewable energy goals in the settlement agreement are beneficial because: (a) APS' renewable energy plans through 2015 are reasonable, (b) the agreement commits APS to implement its resource plan with regard to renewable energy through 2015, and (c) the agreement identifies some specific projects that were characterized generically in the resource plan.
7. The settlement agreement includes new demand response programs: an optional super peak time of use rate for residential customers and optional critical peak pricing programs for residential and nonresidential customers.
8. The agreement requires that demand response programs be offered and marketed jointly with energy efficiency programs to increase the chance that participants also save energy. Additionally, the agreement requires APS to prepare a study on the impacts of demand response rates on the mix of power generation sources, air emissions, energy use, and the benefits of demand response rates.
9. Lastly, I address matters raised by Chairman Mayes on renewable energy and energy efficiency in her letter of June 9, 2009.