

ORIGINAL  
**APS**



0000102166

Leland R. Snook  
Director  
State Regulation & Pricing

Tel. 602-250-3730  
Fax 602-250-3003  
e-mail Leland.Snook@aps.com

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

September 1, 2009

Mr. Steve Olea  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Arizona 85007

RE: Docket No. E-01345A-06-0770, Decision No. 69670  
Quarterly Report on Transfers of Utility Property

Dear Mr. Olea:

Earlier today APS made the above referenced filing. The June 10, 2009 letter referenced in the Summary of Transactions was inadvertently omitted. Attached please find the complete filing.

If you or your staff have any questions, please contact Jeff Johnson at 602-250-2661.

Sincerely,

Leland R. Snook

LS/dst

Attachment

CC: Brian Bozzo  
Terri Ford  
Docket Control (Original plus 13 Copies)

Arizona Corporation Commission

DOCKETED

SEP - 1 2009

DOCKETED BY	
-------------	--

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

2009 SEP - 1 P 4: 39

RECEIVED



RECEIVED

Leland R. Snook  
Director  
State Regulation & Pricing

Tel. 602-250-3730  
Fax 602-250-3093  
e-mail Leland.Snook@aps.com

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

September 1, 2009

AZ CORP COMMISSION  
DOCKET CONTROL

Mr. Steve Olea  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Arizona 85007

RECEIVED

SEP 01 2009

RE: Docket No. E-01345A-06-0770, Decision No. 69670  
Quarterly Report on Transfers of Utility Property

AZ CORP COMM  
Director Utilities

Dear Mr. Olea:

In accordance with Decision No. 69670 (June 28, 2007),

“The Company shall file in Docket Control, quarterly reports summarizing each transfer, sale, mortgage, lease, or assignment entered into pursuant to this order and further shall state how each transaction complies with condition/limitation. This reporting requirement shall be met by continuing the reporting currently being submitted by APS in compliance with Decision No. 60481, as amended by Decision No. 61708, replacing and superseding that requirement, and increasing the frequency of the report to quarterly.”

Arizona Public Service Company (“APS”) submits its quarterly report summarizing transfers, sales, mortgages, leases or assignments entered into from April 1, 2009 through June 31, 2009.

If you or your staff have any questions, please contact Jeff Johnson at 602-250-2661.

Sincerely,

Leland R. Snook

LS/dst

Attachment

CC: Brian Bozzo  
Terri Ford  
Docket Control (Original plus 13 Copies)

ARIZONA PUBLIC SERVICE COMPANY  
CALCULATION OF NET GAINS ON UTILITY PROPERTY  
As of June 30, 2009

SALES TRANSACTION DATE	PROPERTY DESCRIPTION	SALES PRICE	OCID	BOOK LOSS ON SALE	TAX BASIS OF PROPERTIES	TAXES (1,2)	NET GAIN (3)	AMOUNT ALLOCATED TO CUSTOMERS (4)	INTEREST TO DATE (5)	CUSTOMER BALANCE
LEASE TRANSACTION DATE	PROPERTY DESCRIPTION	VALUE OF LEASE PAYMENT (6)	ORIGINAL COST	NET GAIN	REVENUE CREDIT (7)					
6/1/2009	Waddell Substation	\$61,525	\$84,501	(\$22,976)	\$84,501	(\$9,085)	(\$13,891)	(\$6,946)	(\$2)	(\$6,948)
	Account Balance as of March 31, 2009									\$124,670
	New additions									(\$6,946)
	Interest from March 31, 2009 to June 30, 2009									\$123
	Total Account Balance as of June 30, 2009									\$117,847

There were no lease transactions during this period

- (1) [(Sales Price less Tax Basis)\*Tax Rate]-(ADIT Net Book Basis-Tax Basis)\* Tax Rate
- (2) APS Composite Income Tax Rate: 2008 = 39.36%; 2009 = 39.54%
- (3) Jurisdictional allocation of Net Gain
- (4) Amount Allocated for Customers based on 50% of jurisdictional split.
- (5) Interest from Date of Transfer through June 30, 2009

**SUMMARY OF TRANSACTIONS**  
**Second Quarter 2009**

**Waddell Substation Land Sale** – APS was granted authorization to sell the land where the existing Waddell Substation was located in ACC Decision No. 69670. On June 10, 2009, APS filed a letter (attached) with the ACC in Docket E-01345A-06-0770, advising that the new area substation was operational, all APS equipment had been removed from the Old Waddell Substation site and the transaction had been completed. Funds from the transaction are included in this quarterly report.



RECEIVED

Leland R. Snook  
Director  
State Regulation & Pricing

Tel. 602-250-3730  
Fax 602-250-3003  
e-mail Leland.Snook@aps.com

2009 JUN 10 A 11:57 AM  
Main Station 9708  
PO Box 53999  
Phoenix, Arizona 85072-3999

June 10, 2009

CORP COMMISSION  
DOCKET CONTROL

Mr. Ernest Johnson  
Director, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, Arizona 85007

RECEIVED

JUN 10 2009

RE: Docket No. E-01345A-06-0770, Decision No. 69670  
Waddell Substation Land Sale

CORP COMMISSION  
Director Utilities

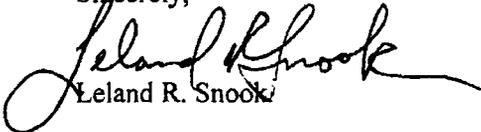
Dear Mr. Johnson:

ACC Decision No. 69670 gave Arizona Public Service Company ("APS") authorization to sell the land containing the Waddell Substation and decommissioning of the substation was to be coordinated with construction of a new area substation. APS submits this letter as notice that the new substation has been built, is operational and serving the electric needs of APS customers in the area. All APS equipment has been removed from the Old Waddell Substation and on June 1, 2009, the sale closed and the property was transferred to the buyer, Suburban Land Reserve, Inc.

At the time of APS's application, the ultimate width of the Cactus Road right-of-way, which reduces the value of this property, had not been determined. APS estimated the road right-of-way to be 65 feet in width, thereby bringing the total property size to 12,626 square feet. However, based on current development plans from the City of Surprise, the width of the road right-of-way is 68 feet, reducing the total size of the property to 12,305 square feet. At the agreed upon price of \$5.00 per square foot, the ultimate sale price was reduced from \$63,235 to \$61,525.

If you or your staff have any questions, please contact Jeff Johnson at 602-250-2661.

Sincerely,

  
Leland R. Snook

LS/dst

CC: Brian Bozzo  
Terri Ford  
Docket Control (Original plus 13 Copies)