

ORIGINAL

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

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**COMMISSIONERS**

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

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AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

OCT 19 2009

DOCKETED BY	<i>[Signature]</i>
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**IN THE MATTER OF THE SALE AND  
TRANSITION BY ARIZONA PUBLIC  
SERVICE TO ELECTRICAL DISTRICT  
NO. 3 OF CERTAIN ELECTRICAL  
FACILITIES IN PINAL COUNTY  
PURSUANT TO A.R.S. § 40-285(A) AND  
FOR DELETION FROM ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY CERTAIN AREAS OF PINAL  
COUNTY.**

**DOCKET NO. E-01345A-08-0426**

**STAFF'S RESPONSE TO SECOND  
MOTION OF ELECTRICAL DISTRICT NO.  
3 OF PINAL COUNTY FOR ADMISSION  
OF LATE-FILED EXHIBITS AND  
REQUEST FOR RESUMPTION OF  
COMMISSION CONSIDERATION**

The Utilities Division of Arizona Corporation Commission ("Staff") has reviewed the Second Motion of Electrical District No. 3 of Pinal County for Admission of Late-Filed Exhibits, and Request for Resumption of Commission Consideration that was filed by the Electrical District No. 3 ("ED3"). At the June 23, 2009 Open Meeting, Commission raised a number of concerns that ultimately caused the Commission to defer its vote. Since the Open Meeting, it appears that ED3 has taken steps to address those concerns. In particular, ED3 has revised its low income and medical assistance rider so that it applies to both the transferring customers and any future customers residing at an address served by APS as of the date of a final Commission order approving the application. In addition, ED3 has set discount levels of 16% for low income customers and 25% for customers that are eligible for a medical assistance discount. The discounts appear to be equal to or greater than those currently offered by APS.

ED3 also passed a resolution on July 22, 2009, Resolution 2009-06, which appears to establish a commitment by ED3 to help customers conserve energy and to adopt or create rules similar to the Renewable Energy Standard and Tariff rules and the energy efficiency rules currently under development at the Commission.

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1 Finally, ED3 and APS have entered into or are in the process of entering into an Energy  
2 Efficiency Services Sharing Agreement. This agreement will give ED3 the ability to make all of  
3 APS' current energy efficiency programs available to all ED3 customers, and will also give ED3 the  
4 ability to ultimately develop its own programs.

5 Staff believes that these additional steps taken by ED3 address some of the larger concerns  
6 that the Commission raised during the June 23, 2009 Open Meeting. Staff continues to recommend  
7 approval of this application as set forth in the Recommended Opinion and Order.

8 RESPECTFULLY SUBMITTED this 19<sup>th</sup> day of October, 2009.

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15 Original and thirteen (13) copies  
16 of the foregoing were filed this  
17 19<sup>th</sup> day of October, 2009 with:

17 Docket Control  
18 Arizona Corporation Commission  
19 1200 West Washington Street  
20 Phoenix, Arizona 85007

20 Copies of the foregoing mailed this  
21 19<sup>th</sup> day of October, 2009 to:

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