

ORIGINAL



0000107045

RECEIVED



PINNACLE WEST
CAPITAL CORPORATION

2010 FEB -1 P 4: 39
LAW DEPARTMENT

Thomas L. Mumaw
Senior Attorney
(602) 250-2052
Direct Line

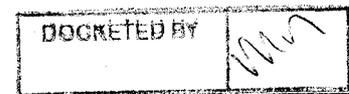
AZ CORP COMMISSION
DOCKET CONTROL

February 1, 2010

Arizona Corporation Commission
DOCKETED

FEB - 1 2010

Commissioner Kristin K. Mayes, Chairman
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007



Re: *Arizona Public Service Company's Rate Case; Docket No. E-01345A-08-0172
Pool Pump Replacement Program*

Dear Chairman Mayes:

During the Arizona Corporation Commission's ("Commission") Open Meeting on January 13, 2010, which considered Arizona Public Service Company's ("APS" or "Company") Energy Efficiency Implementation Plan, the Commission approved APS's proposed pool pump replacement program. In the discussion of that program, you asked both the number of anticipated pool pump replacements budgeted for 2010 as well as an estimate of the total number of potential pump replacements in the APS service area.

Company spokesperson Mr. Tom Hines indicated at that time that roughly 2000 replacements had been budgeted for 2010 based on information from the program vendor, who is managing a similar program in Nevada for NV Energy. It should be understood that very few variable-speed pumps are currently being sold in Arizona, and APS anticipates that this program, once off the ground, will significantly expand in future years. Moreover, APS would not hesitate to come back to the Commission later this year for additional program funding, if needed.

Mr. Hines did not have the latter piece of information but committed to seeing what APS could find and reporting that information to the Commission. Unfortunately, there is no direct source of information on the anticipated number of potential pool pump replacements in the APS service area, but the Company has estimated them to be somewhere between 26,000 and 34,000 per year. That estimate was based on a 2008 study of residential pool saturation that indicated some 206,000 pools in the APS service area. The pool pump replacement program in Nevada found an average life of just over 6 years for pumps replaced. Information from pump manufacturers indicated an average life for single-speed pool pumps of 8 years. Using then an

APS • APS Energy Services • SunCor • El Dorado

Law Department, 400 North Fifth Street, Mail Station 8695, Phoenix, AZ 85004-3992
Phone: (602) 250-2052 • Facsimile (602) 250-3393
E-mail: Thomas.Mumaw@pinnaclewest.com

Kristin K. Mayes, Chairman

February 1, 2010

Page -2 -

average replacement interval of 6 to 8 years, APS calculated the range of replacements identified above ($206,000 \div 6 = 34,334$; $206,000 \div 8 = 25,750$).

I hope this has been responsive to your inquiry.

Very truly yours,



Thomas L. Mumaw

Attorney for Arizona Public Service Company

TLM/na

cc: Commissioner Gary Pierce
Commissioner Paul Newman
Commissioner Sandra D. Kennedy
Commissioner Bob Stump
Steve Olea
Ernest Johnson
Janice Alward
Terri Ford
Lyn Farmer
Parties of Record
Docket Control

Copies of the foregoing emailed/mailed
this 1st day of February, 2010 to:

Ernest G. Johnson
Executive Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Maureen Scott
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Janet Wagner
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Terri Ford
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Barbara Keene
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Daniel Pozefsky
Chief Counsel
RUCO
1110 West Washington
Suite 220
Phoenix, AZ 85007

William A. Rigby
RUCO
1110 West Washington
Suite 220
Phoenix, AZ 85007

Tina Gamble
RUCO
1110 West Washington
Suite 220
Phoenix, AZ 85007

C. Webb Crocket
Fennemore Craig
3003 North Central
Suite 2600
Phoenix, AZ 85012

Kevin Higgins
Energy Strategies, LLC
215 South State Street
Suite 200
Salt Lake City, UT 84111

Michael L. Kurtz
Boehm, Kurt & Lowry
36 East Seventh Street
Suite 2110
Cincinnati, OH 45202

Kurt J. Boehm
Boehm, Kurt & Lowry
36 East Seventh Street
Suite 2110
Cincinnati, OH 45202

Dennis George
Corporate Energy Manager (G09)
The Kroger Company
1014 Vine Street
Cincinnati, OH 45202

Stephen J. Baron
J. Kennedy & Associates
570 Colonial Park Drive
Suite 305
Roswell, GA 30075

Theodore Roberts
Law Department
Sempra Energy
101 Ash Street
H Q 13D
San Diego, CA 92101

Lawrence V. Robertson, Jr.
2247 E. Frontage Road
Tubac, AZ 85646

Michael A. Curtis
501 East Thomas Road
Phoenix, AZ 85012

William P. Sullivan
501 East Thomas Road
Phoenix, AZ 85012

Larry K. Udall
501 East Thomas Road
Phoenix, AZ 85012

Michael Grant
Gallagher & Kennedy, P.A.
2575 East Camelback Road
Phoenix, AZ 85016

Gary Yaquinto
Arizona Investment Council
2100 North Central
Suite 210
Phoenix, AZ 85004

David Berry
Western Resource Advocates
P.O. Box 1064
Scottsdale, AZ 85252

Tim Hogan
Arizona Center for Law in the Public
Interest
202 East McDowell Road
Suite 153
Phoenix, AZ 85004

Jeff Schlegel
SWEEP Arizona Representatives
1167 W. Samalayuca Drive
Tucson, AZ 85704

Jay I. Moyes
Moyes, Sellers & Sims
1850 North Central Avenue
Suite 1100
Phoenix, AZ 85004

Jeffrey J. Woner
K.R. Saline & Associates, PLC
160 N. Pasadena
Suite 101
Mesa, AZ 85201

Scott Canty
General Counsel
The Hopi Tribe
P.O. Box 123
Kykotsmovi, AZ 86039

Cynthia Zwick
1940 E. Luke Avenue
Phoenix, AZ 85016

Nicholas J. Enoch
349 North 4th Avenue
Phoenix, AZ 85003

Karen S. White
Air Force Utility Litigation & Negotiation
Team
AFLOA/JACL-ULT
139 Barnes Drive
Tyndall AFB, FL 32403

Douglas V. Fant
Law Offices of Douglas V. Fant
3655 W. Anthem Drive
Suite A-109 PMB 411
Anthem, AZ 85086

Barbara Wyllie-Pecora
27458 N. 129th Drive
Peoria, AZ 85383

Carlo Dal Monte
Catalyst Paper Corporation
65 Front Street
Suite 201
Nanaimo, BC 0

Steve Morrison
SCA Tissue North America
14005 West Old Hwy 66
Bellemont, AZ 86015