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BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK  
Chairman

Arizona Corporation Commission

DOCKETED

1999 JUL 16 P 2: 58

JIM IRVIN

Commissioner

WILLIAM A. MUNDELL

Commissioner

JUL 16 1999

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY

IN THE MATTER OF ~~MATTER OF THE~~  
APPLICATION OF ARIZONA PUBLIC  
SERVICE COMPANY FOR APPROVAL OF ITS  
PLAN FOR STRANDED COST RECOVERY

DOCKET NO. E-01345A-98-0473

IN THE MATTER OF FILING OF ARIZONA  
PUBLIC SERVICE COMPANY OF  
UNBUNDLED TARIFFS PURSUANT TO A.A.C.  
R14-2-1601 ET. SEQ.

DOCKET NO. E-010345A-97-0773

IN THE MATTER OF COMPETITION IN THE  
PROVISION OF ELECTRIC SERVICES  
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. RE-00000C-94-0165

**OUTLINE OF SURREBUTTAL TESTIMONY  
OF COMMISSION STAFF WITNESSES RAY T. WILLIAMSON AND LEE SMITH**

Pursuant to the order of the Hearing Examiner in the proceeding in the Prehearing Conference held in the above-captioned case on July 12, 1999, Commission Staff submits the outline of the surrebuttal testimony which shall be orally proffered by its Witnesses Ray T. Williamson and Lee Smith.

Mr. Williamson will respond to the testimony of Arizona Public Service Company Witness Alan Propper. He will respond to Mr. Propper's assertion that the details of the settlement "... are not conducive to basic conceptual changes and general after-the-fact tweaking and tinkering of the type Mr. Williamson recommends to the Arizona Corporation Commission (ACC)."

Ms. Smith will respond to the testimony of APS witnesses Jack Davis, Alan Propper, and Don Robinson regarding a number of issues. Those issues include what Mr. Davis describes as the lack of certainty regarding stranded cost collection, clarification of post-divestiture Standard offer purchasing, and Mr. Davis' claim that stranded costs would be greater, not smaller, if truncated.

1 Also Ms. Smith will address Mr. Davis' comments on her testimony on the shopping credit and the  
2 retail market generation price. She will respond to Mr. Propper's claim that her reference to  
3 mandated rate reductions in other states is invalid. Finally, she will respond to Mr. Robinson  
4 regarding the rationale for embedded metering and billing credits.

5 RESPECTFULLY SUBMITTED this 16<sup>th</sup> day of July 1999.

6  
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1 Original and ten copies of the  
2 foregoing filed this 16<sup>th</sup> day  
of July 1999 with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington Street  
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7 A copy of the foregoing was  
8 mailed this 16<sup>th</sup> day  
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