



The Power To Make It Happen



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Alan Propper  
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ARIZONA CORPORATION COMMISSION  
DOCUMENT CONTROL

August 9, 1999  
HAND-DELIVERED

Arizona Corporation Commission  
DOCKETED

AUG 09 1999

Jerry Rudibaugh  
Chief Hearing Officer  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, AZ 85007

DOCKETED BY *gcm*

**Re: APS Settlement Agreement – Hearing Officer Exhibit No. 1**  
**Docket Nos. E-01345A-98-0473, E-01345A-97-0773, RE-00000C-94-165**

Dear Mr. Rudibaugh:

Enclosed is a final version of an Informational Unbundled Standard Offer Bill which incorporates the format outlined in Hearing Officer Exhibit 1 in the referenced proceeding. I had agreed to file this document on Monday, August 9, 1999.

As you requested, a draft of this Informational Unbundled Standard Offer Bill was circulated to the parties for comments and to determine what consensus could be reached on its format. As of close of business on Friday, August 6, 1999, APS had received comments from PG&E Energy Services, Commonwealth Energy and RUCO.

RUCO was concerned that the “shopping credit” and generation and transmission charges shown on the bill do not explicitly show taxes and regulatory assessment charges that a direct access customer may be required to pay to competitive suppliers. APS agrees that customers should understand that the figures shown do not explicitly reflect taxes or a regulatory assessment. However, it is not clear to us that competitive providers will necessarily incur the same taxes and assessments as APS or that they will necessarily pass such costs on to end-users. APS will address this issue in the final form of the bill.

Jerry Rudibaugh  
August 9, 1999  
Page 2

Both PG&E Energy Services and Commonwealth disagreed with the underlying cost allocation methodologies. Commonwealth also proposed an alternative bill format based on its proposed cost allocation approach that would require a complete restructuring of every APS Standard Offer rate. Because the enclosed bill format assumes APS' cost allocation methodologies (as you instructed), APS was not able to reach consensus with either PG&E Energy Services or Commonwealth.

Finally, although APS is technically capable of producing its bills using the enclosed format, the Company continues to maintain that the format proposed in Attachment AP-1R to my testimony provides customers with sufficient information.

Sincerely,

Handwritten signature of Alan Propper in cursive script, with a large flourish at the end.

AP/KBV

Enclosures

**ARIZONA PUBLIC SERVICE COMPANY**

**Informational Unbundling for Standard Offer  
 Proposed Standard Offer Bill**

Typical Summer Bill on Rate E-12 at 7/1/99 Rate Levels  
 The following information is proposed to be shown on the customer's monthly bill:

*Page 1, Standard Offer Bill Calculation:*

Your total energy usage this month is: 991 kWh

Basic Service Charge	\$ 7.50
Charge for kWh used	101.80
Regulatory Assessment	0.20
Sales Tax	7.17
<b>TOTAL</b>	<b>\$ 116.67</b>

*Page 2, Informational Unbundling:*

Your total energy usage for this month is: 991 kWh  
 You Standard Offer Bill is (see page 1): \$ 116.67

**If you choose to receive competitive services from an Electric Service Provider, your APS bill on Rate DA-R1 for delivery service would include:**

Metering Service:	\$ 1.30
Meter Reading Service:	0.30
Billing Service:	0.30
Distribution Service:	49.30
System Benefits:	1.14
Competitive Transition Charge:	9.22
Regulatory Assessment:	0.12
Sales Tax:	4.04

**Total Charges for APS Delivery Service Only: \$ 65.72**

Transmission and Ancillary Services billed to your Electric Service Provider:

Typical Generation Demand Cost	\$ 31.59
Typical Generation Energy Cost:	14.27
<b>Total Generation:</b>	<b>\$ 45.86</b>

Shopping Credit to purchase competitively supplied Generation and Transmission Service:

\$ 50.95 or,  
 5.14 ¢/kWh

**ARIZONA PUBLIC SERVICE COMPANY**

**Informational Unbundling for Standard Offer  
 Proposed Standard Offer Bill**

Typical Summer Bill on Rate E-32 at Proposed 7/1/99 Rate Levels  
 The following information is proposed to be shown on the customer's monthly bill:

Page 1, Standard Offer Bill Calculation:

Your total energy usage for this month is: 36,500 kWh  
 Your peak demand for this month is: 100 kW

Basic Service Charge	\$ 12.50
Charge for kWh used	3,171.91
Charge for kW Demand	175.75
Regulatory Assessment	4.71
Sales Tax	220.25
<b>TOTAL</b>	<b>\$ 3,585.12</b>

Page 2, Informational Unbundling:

Your total energy usage for this month is: 36,500 kWh  
 Your peak demand for this month is: 100 kW  
 You Standard Offer Bill is (see page 1): **\$ 3,585.12**

**If you choose to receive competitive services from  
 an Electric Service Provider, your APS bill on Rate  
 DA-GS1 for delivery service would include:**

Metering Service:	\$ 4.00
Meter Reading Service:	0.30
Billing Service:	0.30
Distribution Service:	1,297.75
System Benefits:	41.98
Competitive Transition Charge:	243.00
Regulatory Assessment:	2.22
Sales Tax:	104.04

**Total Charges for APS Delivery Service Only:**

**\$ 1,693.59**

Transmission and Ancillary Services  
 billed to your Electric Service Provider:

**\$ 156.40**

Typical Generation Demand Cost:	\$ 1,209.53
Typical Generation Energy Cost:	525.60

Total Generation:

**\$ 1,735.13**

Shopping Credit to purchase competitively  
 supplied Generation and Transmission Service:

**\$ 1,891.53 or,  
 5.18 ¢/kWh**

ARIZONA PUBLIC SERVICE COMPANY

Informational Unbundling for Standard Offer  
 Proposed Standard Offer Bill

Typical Bill on Rate E-34 at Proposed 7/1/99 Rate Levels  
 The following information is proposed to be shown on the customer's monthly bill:

Page 1, Standard Offer Bill Calculation:

Your total energy usage for this month is: 2,920,000 kWh  
 Your peak demand for this month is: 5,000 kW

Basic Service Charge \$ 2,430.00  
 Charge for kWh used 96,009.60  
 Charge for kW Demand 55,800.00  
 Regulatory Assessment 216.09  
 Sales Tax 10,109.90  
**TOTAL \$ 164,565.59**

Page 2, Informational Unbundling:

Your total energy usage for this month is: 2,920,000 kWh  
 Your peak demand for this month is: 5,000 kW  
 You Standard Offer Bill is (see page 1): \$ 164,565.59

If you choose to receive competitive services from an Electric Service Provider, your APS bill on Rate DA-GS10 for delivery service would include:

Metering Service: \$ 55.00  
 Meter Reading Service: 0.30  
 Billing Service: 0.30  
 Distribution Service: 49,195.20  
 System Benefits: 3,358.00  
 Competitive Transition Charge: 14,100.00  
 Regulatory Assessment: 124.81  
 Sales Tax: 4,374.59

Total Charges for APS Delivery Service Only: \$ 71,208.20

Transmission and Ancillary Services billed to your Electric Service Provider: \$ 8,760.00  
 Typical Generation Demand Cost: \$ 42,549.39  
 Typical Generation Energy Cost: 42,048.00  
 Total Generation: \$ 84,597.39

Shopping Credit to purchase competitively supplied Generation and Transmission Service: \$ 93,357.39 or, 3.20 ¢/kWh