



0000119692

OPEN MEETING ITEM

410

MEMORANDUM

Arizona Corporation Commission

DOCKETED

RECEIVED

OCT 21 1999

OCT 21 P 1:28

TO: THE COMMISSION

FROM: Utilities Division

DATE: October 21, 1999

DOCKETED BY [Signature]

CORP COMMISSION DOCUMENT CONTROL

RE: IN THE MATTER OF ARIZONA PUBLIC SERVICE COMPANY'S APPLICATION FOR APPROVAL OF ITS PLAN FOR STRANDED COST RECOVERY AND FILING OF UNBUNDLED TARIFFS PURSUANT TO A.A.C. R14-2-1601 (DOCKET NOS. E-01345A-98-0473, E-01345A-97-0773, RE-00000C-94-0165)

On October 6, 1999, the Commission issued Decision No. 61973. Decision No. 61973 approved a Settlement Agreement in the above referenced matter, with certain modifications. Decision No. 61973 directed that the parties and Staff file a revised Section 7.1 of the Settlement Agreement, consistent with the Commission's discussions, for Commission approval.

Section 7.1 of the Settlement Agreement addressed the extent to which the Settlement Agreement would bind future Commissions. At the Commission's direction, Staff, APS and the parties have agreed upon an alternative version of Section 7.1 of the Settlement Agreement.

7.1 Approval of the Agreement by the Commission shall constitute a waiver of any existing Commission order, rule or regulation to the extent necessary to permit performance of the Agreement, as approved by the Commission. Any future Commission order, rule or regulation shall be construed and administered, insofar as possible, in a manner so as not to conflict with the specific provisions of this Agreement, as approved by the Commission. In the event any of the Parties deems a future Commission order, rule or regulation to be inconsistent with the specific provisions of this Agreement, a waiver of the new Commission order, rule or regulation shall be sought.

Nothing in this Agreement is intended to otherwise interfere with the Commission's ability to exercise its regulatory authority by the issuance of orders, rules or regulations. The requirements of this Agreement shall be performed in accordance with the Commission's Electric Competition Rules (including any specific waivers granted by the Commission's order approving this Agreement), except where a specific provision of this Agreement would excuse compliance.

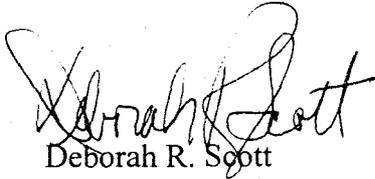
THE COMMISSION

October 21, 1999

Page 2

On October 5, 1999, APS filed the revised Section 7.1, indicating that all Parties and Staff are in agreement.

Staff recommends that the Commission approve the revised Section 7.1 as filed by APS.

A handwritten signature in cursive script, appearing to read "Deborah R. Scott".

Deborah R. Scott

Director

Utilities Division

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **CARL J. KUNASEK**  
Chairman

3 **JIM IRVIN**  
Commissioner

4 **WILLIAM A. MUNDELL**  
Commissioner

5  
6 IN THE MATTER OF MATTER OF THE )  
APPLICATION OF ARIZONA PUBLIC )  
7 SERVICE COMPANY FOR APPROVAL OF ITS )  
PLAN FOR STRANDED COST RECOVERY )  
8 )

DOCKET NO. E-01345A-98-0473

9 IN THE MATTER OF FILING OF ARIZONA )  
PUBLIC SERVICE COMPANY OF )  
10 UNBUNDLED TARIFFS PURSUANT TO A.A.C. )  
R14-2-1601 ET. SEQ. )  
11 )

DOCKET NO. E-010345A-97-0773

12 IN THE MATTER OF COMPETITION IN THE )  
PROVISION OF ELECTRIC SERVICES )  
13 THROUGHOUT THE STATE OF ARIZONA )  
14 )

DOCKET NO. RE-00000C-94-0165

DECISION NO. \_\_\_\_\_

**ORDER**

15 Open Meeting  
October 26 and 27, 1999  
16 Phoenix, Arizona

17 BY THE COMMISSION:

18 **FINDINGS OF FACT**

19 1. Arizona Public Service Company ("APS") is certificated to provide electric service  
20 as a public service corporation in the State of Arizona.

21 2. On October 6, 1999, the Commission issued Decision No. 61973, approving a  
22 Settlement Agreement in this matter, with certain modifications.

23 3. Decision No. 61973 directed that the Parties to the Settlement Agreement and Staff  
24 file a revised Section 7.1 to the Settlement Agreement, consistent with the Commission's discussion,  
25 for Commission approval.

26 4. On October 5, 1999, APS filed the revised Section 7.1, as agreed upon by the Parties  
27 and Staff, pursuant to the Commission's direction. The revised section 7.1 is as follows:  
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Nothing in this Agreement is intended to otherwise interfere with the Commission's ability to exercise its regulatory authority by the issuance of orders, rules or regulations. The requirements of this Agreement shall be performed in accordance with the Commission's Electric Competition Rules (including any specific waivers granted by the Commission's order approving this Agreement), except where a specific provision of this Agreement would excuse compliance.

5. Staff recommends that the Commission approve the revised Section 7.1.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over APS and over the subject matter of this filing.
2. The Commission, having reviewed the revised Section 7.1 of the Settlement Agreement, and Staff's Memorandum, concludes that it is in the public interest to approve the revised Section 7.1, as filed by APS.

ORDER

IT IS THEREFORE ORDERED that the revised Section 7.1 of the Settlement Agreement as filed by APS is hereby approved.

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IT IS FURTHER ORDERED that the shall include the revised Section 7.1 within the revised Settlement Agreement to be filed pursuant to Decision No. 61973.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
BRIAN C. McNEIL  
Executive Secretary

DISSENT

\_\_\_\_\_  
CCK:jes

<b>THIS AMENDMENT:</b>			
_____ Passed _____	Passed as amended by _____		
_____ Failed _____	Not Offered _____	Withdrawn _____	
<b>RECEIVED</b>			

1999 OCT 22 P 3: 58  
**UTILITIES DIVISION**

7 CORP COMMISSION  
TIME/DATE PREPARED: October 22, 1999 - 4:00 p.m.  
DOCUMENT CENTER

COMPANY Arizona Public Service Company

AGENDA ITEM NO. 28

DOCKET NO. E-01345A-98-0473, E-01345A-97-0773, RE-00000C-94-0165.

OPEN MEETING DATE: October 26 and 27, 1999

Page 1, line 26

**INSERT** after Parties "to the Settlement Agreement"

# UTILITIES MATTERS OPEN MEETING PROPOSED ORDER DISTRIBUTION LIST

COMPANY NAME APS  
 DOCKET NUMBER E-01345A-98-0773, E-01345A-97-0773, RE-0000000-  
 TYPE OF CASE STAFF 94-0165

- UTILITIES SUBMITTED - we get Orig. & 3 copies (The rest are E-mailed out)
- ORIGINAL - goes to Executive Secretary's Office
  - OPEN MEETING FILE - Docket's Original
  - PENDING FILES - 1 PER MATTER # - make copies as needed
  - RUCO

- HEARING SUBMITTED UTILITIES MATTERS - we get Orig & 14 copies
- Original Copy & 2 Copies - Goes to the Executive Secretary
  - OPEN MEETING FILE - Docket's Original
  - PENDING FILES - 1 PER MATTER # - make copies as needed
  - 3 COMMISSIONERS
  - DIRECTOR
  - HUBBARD
  - LEGAL - If it is a Utilities Matter - Not Securities
  - STAFF: Keene, Hubbard, Wallace, Williamson
  - OLEA
  - RUCO
  - DIRECTOR'S SECRETARY + EXTRAS

- |    |                              |    |       |
|----|------------------------------|----|-------|
| 1. | <u>See service List (98)</u> | 5. |       |
| 2. | _____                        | 6. | _____ |
| 3. | _____                        | 7. | _____ |
| 4. | _____                        | 8. | _____ |

RECEIVED  
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Deborah R. Scott

Director

Utilities Division