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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION DOCUMENT CONTROL

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CHAIRMAN-COMMISSIONER
JIM IRVIN
COMMISSIONER
WILLIAM A. MUNDELL
COMMISSIONER

E-013454-98-0473

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR APPROVAL OF ITS STRANDED COST REVOCERY.

DOCKET NO. E-01933A-98-0471

E-01345A-97-0773

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

DOCKET NO. E-01933A-97-0772

IN THE MATTER OF COMPETITION IN THE PROVISIONS OF ELECTRIC SERVICES THROUGHOUT THE STATE OF ARIZONA.

DOCKET NO. RE-00000C-94-0165

THE ARIZONA CONSUMERS COUCIL'S EXCEPTIONS TO ARIZONA PUBLIC SERVICE COMPANY'S PROPOSED CODE OF CONDUCT

Pursuant to the Hearing officer's proposed recommendation Opinion and Order dated February 4, 2000 the Arizona Consumers Council hereby files its exceptions on the above-captioned dockets regarding the proposed Code of Conduct. The Exceptions incorporate all issues not adequately addressed or accepted by the Hearing Officers although not specifically addressed in the foregoing Exceptions.

General: The Arizona Consumers Council takes exception to the Code of Conduct written exclusively by and for Arizona Public Service Company. The essence of the "Codes" when initially proposed through the Rules covering the relationship between incumbent utilities and their affiliates. These rules which all utilities were subject and which applied to all had the effect of producing a level playing field in those

relationships among the affected parties. Separate "Codes" may not adequately address the issues and problems which will crop up and may not be covered in the same manner as all other Codes of Conduct. Additionally, the present Code does not allow for outside parties to evaluate whether an individual is adhering to the spirit if not the letter of the Code.

**II. Applicability of Code of Conduct:** Although the statement is good, there is no specific ability to monitor employee compliance.

**IV, Use of Confidential Customer Information:** A. Although it may not be material to the Code, there should be a statement that entities receiving such confidential information will not under any circumstances unless authorized by the customer to release such information to any other party. This must be monitored.

**V. Use of Bill and Promotions within the Bill Envelope:** The bill envelope should remain for information provided by the UDC. If information on those seeking to supply competitive services are mentioned in a bill insert, it should be neutral information on how to obtain services from those who wish to supply it. The insert should be informational not promotional.

Consolidated bills should be that. It is a statement of charges should never be used for any other purpose. All information must be neutral.

**VII. Prohibition of Suggestion of Utility Advantage:**

B. Logo: APS's logo should never be used by its competitive affiliate(s) in any promotional material, written or otherwise.

C. A potential problem is with how the employee talks with the customer and the type of comments they s/he makes. There needs to be some sort of script and monitoring developed to ensure compliance.

E. APS personnel should give customers the list of energy service providers without being asked so that customers can make informed decisions promptly. Having to wait several days for service or the names of competitors places too much of a burden on customers.

**VII. Accounting of Costs:** Under C, there is no methodology to review material changes except after the Code has been in place for one year and each year thereafter. What determines material and non-material changes.

**XIII; Dissemination, Education and Compliance:** There is no method by the public to determine if APS, its agents and employees are adhering to the Code. Compliance while mandatory by employees exempts the company from disciplinary action even for failure to supervise. Placing APS or any entity in charge of compliance for their business

practices if fine, but not as part of the Rules if the Code of Conduct becomes part of the Rules. The conflict of interest exists and will hinder its fair application.

RESPECTFULLY SUBMITTED this 4<sup>th</sup> day of March, 2000.



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Albert Sterman  
Vice President  
Arizona Consumers Council

AN ORIGINAL AND TEN COPIES  
of the foregoing filed this 4<sup>th</sup> day of  
March, 2000 with:

Docket Control  
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Phoenix, AZ 85007