

Office of the City Attorney
P.O. Box 27210
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AN ORIGINAL AND TEN COPIES
of the foregoing City of Tucson's
Notice of intent to Purchase Electrical
Power Competitively filed
this 30th day of September, 1998, to:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

i:\dd\elecnotice.doc

Copy of the foregoing mailed
this 30th day of September, 1998, to:

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Phoenix, Arizona 85007



CITY OF TUCSON

The Sunshine City

DEPARTMENT OF OPERATIONS
P.O. BOX 27210
TUCSON, ARIZONA 85726-7210

September 14, 1998

Mr. Steven Glaser
Vice President, Energy Services
Tucson Electric Power Company
PO Box 711
Tucson, AZ 85702

Dear Steve,

The Arizona Corporation Commission requires retail competition in the electric utility industry to be phased-in beginning on January 1, 1999, with full competition in effect by January 1, 2001. During the phase-in period, a limited number of retail loads will be allowed to competitively select their energy suppliers (A.A.C. R14-2-1604).

The City of Tucson hereby requests that its electric loads within Tucson Electric Power's service area be among those that are given customer choice starting no later than January 1, 1999. Specifically, the City of Tucson wishes to combine its own loads into a single purchase block as a self-aggregator and asks to be listed as one customer selected for competitive power supply under the first come-first served requirement indicated by the Commission's rules.

In this request, the City would like all of its individual accounts to be included, with no exclusion of those accounts under 40 kilowatts. Though the rule requires that aggregation be permitted for loads over 40 kilowatts, it does not specifically exclude smaller loads, particularly when they are part of the total load of a large customer. However, if Tucson Electric Power elects to implement the phase-in of competition by excluding all loads under 40 kilowatts (or 16,500 kWh in any month within the last 12 consecutive months), the City of Tucson requests that all of its individual accounts greater than 40 kilowatts (or 16,500 kWh) be included as a self-aggregated load in its request for competitive power supply starting no later than January 1, 1999.

I would be pleased to discuss any details of the City's proposal and to work with you in successfully implementing the Commission's policy on retail electric competition. If Tucson Electric Power develops a formal application process or has any questions, the City stands ready to provide additional information. Please contact me if the City can be of any assistance in implementing the phase-in.

Sincerely,


Ronald L. Meyerson, Director
Department of Operations

cc: Luis G. Gutierrez, City Manager

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OFFICE OF CITY ATTORNEY

SEP 25 1998

CIVIL DIVISION
TUCSON, ARIZONA



CITY OF TUCSON

The Sunshine City

DEPARTMENT OF OPERATIONS
P.O. BOX 27210
TUCSON, ARIZONA 85726-7210

September 14, 1998

Mr. Marvin Athey
General Manager
Trico Electric Co-op, Inc.
5100 West Ina Road
Tucson, AZ 85743-9746

Dear Mr. Athey,

The Arizona Corporation Commission requires retail competition in the electric utility industry to be phased-in beginning on January 1, 1999, with full competition in effect by January 1, 2001. During the phase-in period, a limited number of retail loads will be allowed to competitively select their energy suppliers (A.A.C. R14-2-1604).

The City of Tucson hereby requests that its electric loads within Trico Electric Co-op's service area be among those that are given customer choice starting no later than January 1, 1999. Specifically, the City of Tucson wishes to combine its own loads into a single purchase block as a self-aggregator and asks to be listed as one customer selected for competitive power supply under the first come-first served requirement indicated by the Commission's rules.

In this request, the City would like all of its individual accounts to be included, with no exclusion of those accounts under 40 kilowatts. Though the rule requires that aggregation be permitted for loads over 40 kilowatts, it does not specifically exclude smaller loads, particularly when they are part of the total load of a large customer. However, if Trico Electric Co-op elects to implement the phase-in of competition by excluding all loads under 40 kilowatts (or 16,500 kWh in any month within the last 12 consecutive months), the City of Tucson requests that all of its individual accounts greater than 40 kilowatts (or 16,500 kWh) be included as a self-aggregated load in its request for competitive power supply starting no later than January 1, 1999.

I would be pleased to discuss any details of the City's proposal and to work with you in successfully implementing the Commission's policy on retail electric competition. If Trico Electric Co-op develops a formal application process or has any questions, the City stands ready to provide additional information. Please contact me if the City can be of any assistance in implementing the phase-in.

Sincerely,

Ronald L. Meyerson, Director
Department of Operations

cc: Luis G. Gutierrez, City Manager