

Public Service Company
of New Mexico
Alvarado Square, MS 0806
Albuquerque, NM 87158
505 241-4939
Fax 505 241-2338

Charles V. Garcia
General Attorney



0000121385

ORIGINAL

AZ CORP COMMISSION

FEB 17 10 09 AM '99

DOCUMENT CO



Energy Services

~~EXCEPTION~~

February 15, 1999

VIA FEDERAL EXPRESS

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

Arizona Corporation Commission

DOCKETED

FEB 17 1999

DOCKETED BY

cfw

Dear Sir or Ma'am:

Enclosed herewith please find the original and 11 copies of the Exceptions to Hearing Examiner's Recommendation. Please file the attached response and return an endorsed copy to me in the enclosed self-addressed stamped envelope.

If you should have any questions, please do not hesitate to contact me at (505) 241-4842.
Thank you.

Very truly yours,

Dede Sifford

Dede Sifford, Staff Assistant
to Charles V. Garcia

/das

Enclosures: as indicated

EXCEPTION

RECEIVED
AZ CORP COMMISSION

BEFORE THE ARIZONA CORPORATION COMMISSION

FEB 17 10 09 AM '99

JIM IRVIN

COMMISSIONER-CHAIRMAN

Arizona Corporation Commission

DOCKETED

DOCUMENT CONTROL

TONY WEST

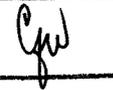
COMMISSIONER

FEB 17 1999

CARL J. KUNASEK

COMMISSIONER

DOCKETED BY



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

DOCKET NO. RE-00000C-94-0165

EXCEPTIONS TO HEARING
OFFICER'S RECOMMENDATION

Pursuant to the Acting Executive Secretary's memorandum dated February 5, 1999, enclosing the recommendation of Hearing Officer Jerry Rudibaugh on Electric Competition Rulemaking in the above-captioned matter, PHASER™ Advanced Metering Services, a division of Public Service Company of New Mexico ("PHASER™"), hereby files its exceptions to the proposed rules attached to said recommendation.

Issue No. 1

R14-2-1601.14 sets forth the definition of "Electric Service Provider" (ESP):

"Electric Service Provider" (ESP) means a company supplying, marketing, or brokering at retail any of the Competitive pursuant to a Certificate of Convenience and Necessity."

Proposed Resolution

The word "Services" should be inserted following the word "Competitive" to make it clear that an ESP is one who provides any of the Competitive Services as that term is defined in R14-2-1601.5.

"Electric Service Provider" (ESP) means a company supplying, marketing, or brokering at retail any of the Competitive Services pursuant to a Certificate of Convenience and Necessity.

1 **Issue No. 2**

2
3 R14-2-1601.15 sets forth the following definition:

4
5 “Electric Service Provider Service Acquisition Agreement” or “Service
6 Acquisition Agreement” means a contract between an Electric Service
7 Provider and a Utility Distribution Company to deliver power to retail end
8 users or between an Electric Service Provider and A Scheduling Coordinator
9 to schedule transmission service.

10
11 R14-2-1603(G) states: The Commission may deny certification to any applicant who:

- 12
13 3. Does not have an Electric Service Provider Service Acquisition
14 Agreement with a Utility Distribution Company and Scheduling
15 Coordinator, if the applicant is not its own Scheduling Coordinator;

16
17
18 **Proposed Resolution**

19
20 PHASER™ proposes a modification to R14-2-1601.15 in recognition of the fact that it is the
21 Electric Service Provider who is also a “Load Serving Entity,” as defined in R14-2-1601.21, for
22 whom it is critical to have a Service Acquisition Agreement in place in order to ensure proper
23 coordination with the Utility Distribution Company to meet competitive load service requirements.
24 Meter Service Providers and Meter Reading Service Providers, neither of whom will be providing
25 electric load to the consumer, have no need to have in place a Service Acquisition Agreement to
26 address the delivery or transmission of electric load to the consumer. PHASER™ proposes to modify
27 the definition in R14-2-1601.15 as follows:

28
29 “Electric Service Provider Service Acquisition Agreement” or “Service
30 Acquisition Agreement” means a contract between an Electric Service
31 Provider certificated as a Load-Serving Entity and a Utility Distribution
32 Company to deliver power to retail end users or between an Electric Service
33 Provider and A Scheduling Coordinator to schedule transmission service.

34
35
36 R14-2-1603(G) should be modified to provide;

37
38 The Commission may deny certification to any applicant who:

- 39
40 3. *If a Load Serving Entity* does not have an Electric Service Provider
41 Service Acquisition Agreement with a Utility Distribution Company and
42 Scheduling Coordinator, if the applicant is not its own Scheduling
43 Coordinator;

1 **Issue No. 3**

2
3 R14-2-1601.39 states:

4
5 “Unbundled Service” means electric service elements provided and/or priced
6 separately, including, but not limited to, such service elements as generation,
7 transmission, distribution, metering, meter reading, billing and collection and
8 ancillary services. Unbundled Service may be sold to consumer or to other
9 Electric Service Providers.

10
11 R14-2-1606.D states:

12
13 By March 19, 1999, each Affected Utility or Utility Distribution Company shall
14 file an Unbundled Service tariffs which shall include a Noncompetitive Services
15 tariff.

16
17 **PHASER™'s Comments**

18
19 The Commission’s proposed rules clearly allow an Energy Services Provider certificated as a
20 Meter Service Provider or Meter Reading Service Provide to provide metering, meter reading,
21 billing and collection and ancillary services directly to an end-use customer. Such services can
22 be provided without the end-use customer switching load providers (i.e., the Utility
23 Distribution Company would continue to provide the electric load to the consumer). As such,
24 Meter Services Providers and Meter Reading Service Providers could begin providing these
25 services prior to the time that the consumer actually makes a choice to switch its Load
26 Serving Entity. Inasmuch as R14-2-1606(D) requires Utility Distribution Companies to file
27 their Unbundled Service tariffs by March 19, 1999, the Commission should make it clear that
28 these tariffs must allow for the provision of metering, meter reading, billing and collection and
29 ancillary services directly to consumers.

30
31 Allowing consumers the ability to begin obtaining electric load consumption and load pattern
32 information sooner rather than later will facilitate the transition to competition in the Arizona
33 electric service marketplace. The Unbundled Service tariffs of the Utility Distribution
34 Companies must clearly provide for the alternatives available for the consumer to obtain this
35 information.

1 RESPECTFULLY SUBMITTED this 15th day of February, 1999.
2

3 PHASER™ Advanced Metering Services, a division of
4 PUBLIC SERVICE COMPANY OF NEW MEXICO
5

6
7
8
9 

10 H. Ward Camp
11 General Manager
12 400 Gold SW, Suite 1200
13 Albuquerque, NM 87158
14 505-241-4251
15 505-241-4310 (fax)
16 ward@phaser.com

ORIGINAL AND TEN COPIES
of the foregoing sent via overnight delivery
this 15th day of February, 1999, to:

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

COPY OF THE FOREGOING
sent via first class mail, postage prepaid
this 15th day of February, 1999 to:

Jim Irvin
Commissioner - Chairman
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Tony West
Commissioner
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Carl J. Kunasek
Commissioner
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Jerry Rudibaugh, Chief Hearing Officer
Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Ray Williamson, Acting Director
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Paul Bullis, Chief Counsel
Legal Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Barbara Kemstine
Manager Regulatory Affairs
Arizona Public Service Company
P.O. Box 53999, M.S. 9909
Phoenix, AZ 85072-3999

Greg Patterson
RUCO
2828 N. Central Avenue, Suite 1200
Phoenix, AZ 85004

Rick Gilliam
Land and Water Fund of the Rockies
2260 Baseline Road, Suite 200
Boulder, CO 80302

Charles R. Huggins
Arizona State AFL-CIO
110 North 5th Avenue
P.O. Box 13488
Phoenix, AZ 85002

David C. Kennedy
100 West Clarendon Avenue
Suite 200
Phoenix, AZ 85012-3525

Michael A. Curtis
Martinez & Curtis, P.C.
2712 North 7th Street
Phoenix, AZ 85006
Walter W. Meek, President
Arizona Utility Investors Association
2100 N. Central Avenue
Suite 210
Phoenix, AZ 85004

Barbara S. Bush
Coalition for Responsible Energy Education
315 West Riviera Drive
Tempe, AZ 85004

Columbus Electric Cooperative, Inc.
P.O. Box 631
Deming, NM 88031

Continental Divide Electric Cooperative
P.O. Box 1087
Grants, NM 87020

Dixie Escalante Rural Electric Association
CR Box 95
Beryl, UT 84714

Norman J. Furuta
Department of the Navy
900 Commodore Drive, Building 107
P.O. Box 272 (Attn. Code 90C)
San Bruno, CA 94006-0720

Thomas C. Horne
Michael S. Dulberg
40 North Central Avenue
Suite 2800
Phoenix, AZ 85004

Rick Lavis
Arizona Cotton Growers Association
4139 East Broadway Road
Phoenix, AZ 85040

Steve Brittle
Don't Waste Arizona, Inc.
6205 South 12th Street
Phoenix, AZ 85308

Karen Glennon
19307 N. 44th Avenue
Glendale, AZ 85308

A.B. Baardson
Nordic Power
4281 N. Summerset
Tucson, AZ 85715

Michael Rowley
c/o Calpine Power Services
50 West San Fernando, Suite 550
San Jose, CA 95113

Dan Neidlinger
3020 N. 17th Drive
Phoenix, AZ 85015

Jessica Youle
PAB300
Salt River Project
P.O. Box 53025
Phoenix, AZ 85072-2025

Clifford Cauthen
Graham County Electric Co-op
P.O. Box Drawer B
Pima, AZ 85543

Michelle Ahlmer
Arizona Retailers Association
137 E. University
Mesa, AZ 85201

Garkane Power Association, Inc.
P.O. Box 790
Richfield, UT 84701

Stephen Aheam
Arizona Dept. of Commerce
Energy Office
3800 North Central Avenue, 12th Floor
Phoenix, AZ 85012

Betty Pruitt
Arizona Community Action Assn.
202 E. McDowell Road Suite 255
Phoenix, AZ 85004-4535

Bradley Carroll
Tucson Electric Power Co
P.O. Box 711
Tucson, AZ 85702

Nancy Russell
Arizona Association of Industries
2025 N. 3rd Street, Suite 175
Phoenix, AZ 85004

Craig Marks
Citizens Utilities Company
2901 N. Central Avenue
Suite 1660
Phoenix, AZ 85012

Thomas Pickrell
Arizona School Board Association
2100 North Central Avenue
Phoenix, AZ 85004

Jack Schilling
Duncan Valley Electric Cooperative
P.O. Box 440
Duncan, AZ 85534

Barry Huddleston
Destec Energy
P.O. Box 4411
Houston, TX 77210-4411

Steve Montgomery
Johnson Controls
2032 West 4th Street
Tempe, AZ 85281

Terry Ross
Center for Energy and Economic
Development
7853 E. Arapahoe Court, Suite 2600
Englewood, CO 80112

Joe Eichelberger
Magma Cooper Company
P.O. Box 37
Superior, AZ 85273

Douglas Michell
San Diego Gas and Electric Co
P.O. Box 1831
San Diego, CA 92112

Sheryl Johnson
Texas-New Mexico Power Co.
4100 International Plaza
Fort Worth, TX 76109

Ellen Corkhill
AARP
5606 North 17th Street
Phoenix, AZ 85016

Phyllis Rowe
Arizona Consumers Council
6841 N. 15th Place
Phoenix, AZ 85014

Andrew Gregorich
BHP Copper
P.O. Box M
San Manuel, AZ 85631

Larry McGraw
USDA-RUS
6266 Weeping Willow
Rio Rancho, NM 87124

Jim Driscoll
Arizona Citizen Action
2430 S. Mill, Suite 237
Tempe, AZ 85282

William Baker
Electrical District No. 6
P.O. Box 16450
Phoenix, AZ 85011

John Jay List
General Counsel
National Rural Utilities
Cooperative Finance Corp
2201 Cooperative Way
Herndon, Virginia 21071

Wallace Tillman
Chief Counsel
National Rural Electric
Cooperative Association
4301 Wilson Boulevard
Arlington, Virginia 22203-1860

Ken Saline
Jeff Wroner
K.R. Saline & Associates
Consulting Engineers
160 N. Pasadena, Suite 101
Mesa, AZ 85201-6764

Louis A. Stahl
Striech Lang
2 North Central Avenue
Phoenix, AZ 85004

Robert Julian
PPG
1500 Merrell Lane
Belgrade, MT 59714

Department of Navy
Naval Facilities Engineering Command
Navy Rate Intervention
901 M Street SE
Building 212
Washington, DC 20374
Attn: Sam DeFraw

Robert S. Lynch
340 E. Palm Lane, Suite 140
Phoenix, AZ 85004-4529

Douglas A. Oglesby
Vantus Energy Corporation
353 Sacramento Street, Suite 1900
San Francisco, CA 94111

Michael K. Block, President
Goldwater Institute
Bank One Center
201 North Central
Concourse Level
Phoenix, AZ 85004

Carl Robert Aron
Executive Vice President and COO
Itron, Inc.
2818 N. Sullivan Road
Spokane, WA 99216

Doug Nelson
7000 North 16th Street, Suite 120-307
Phoenix, AZ 85020

William Sullivan
Martinez & Curtis, P.C.
2716 North 7th Street
Phoenix, AZ 85006
Attorneys for Mohave Electric Cooperative
and Navapache Electric Cooperative

Elizabeth S. Firkins
International Brotherhood of
Electrical Workers, L.U. #1116
750 South Tucson Boulevard
Tucson, AZ 85715-5698

Lawrence V. Robertson, Jr.
Munger Chadwick, PLC
333 North Wilmot, Suite 300
Tucson, AZ 85711-2634
Attorney for PGE Energy

Tom Broderick
6900 E. Camelback Road #800
Scottsdale, AZ 85251

Albert Sterman
Arizona Consumers Council
2849 East 8th Street
Tucson, AZ 85716

Michael Grant
Gallagher & Kennedy
2600 North Central Avenue
Phoenix, AZ 85004
Attorneys for AEPCO

Suzanne M. Dallimore
Antitrust Unit Chief
Arizona Attorney General
Department of Law Building
1275 West Washington Street
Phoenix, AZ 85007

Andrew W. Bettwy
Debra Jacobson
Southwest Gas Corporation
5241 Spring Mountain road
Las Vegas, Nevada 89102

Vincent Hunt
City of Tucson Dept. of Operations
4004 S. Park Avenue, Bldg. 2
Tucson, AZ 85714-0000

Steve Wheeler and Thomas M. Mumaw
Snell & Wilmer
One Arizona Center
400 East Van Buren Street
Phoenix, AZ 85004-0001
Attorney for APS

Myron L. Scott
1628 E. Southern Avenue, No. 9-328
Tempe, AZ 85282-2179
Attorneys for a Better Environment

Barbara R. Goldbert
Deputy City Attorney - City of Scottsdale
3939 Civic Center Blvd.
Scottsdale, AZ 85251

Carl W. Dabelstein
2211 E. Edna Avenue
Phoenix, AZ 85022

Larry K. Udall
Arizona Municipal Power Users Assn.
2712 N. 7th Street
Phoenix, AZ 85006-1090

Roderick G. McDougall
City Attorney
Attn: Jesse Sears, Asst. Chief Counsel
200 West Washington Street, Suite 1300
Phoenix, AZ 85003-1611

William J. Murphy
200 West Washington Street, Suite 1400
Phoenix, AZ 85003-1611

Russell E. Jones
33 N. Stone Avenue, Suite 2100
P.O. Box 2268
Tucson, AZ 85702
Attorneys for Trico Electric Cooperative,
Inc.

Christopher Hitchcock
P.O. Box 87
Bisbee, AZ 85603-0087
Attorneys for Sulphur Springs Valley
Electric Cooperative, Inc.

Peter Glaser
Doherty Ruble & Butler, PA
1401 New York Avenue NW, Suite 1100
Washington, DC 20005

C. Webb Crocket
Jay Shairo
Suite 2600
3003 North Central Avenue
Phoenix, AZ 85012

By: Dede Sifford