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ARIZONA CORP COMMISSION
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8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9 COMMISSIONERS

10 GARY PIERCE, Chairman
11 BOB STUMP
12 SANDRA D. KENNEDY
13 PAUL NEWMAN
14 BRENDA BURNS

13 IN THE MATTER OF THE APPLICATION
14 OF ARIZONA PUBLIC SERVICE FOR A
15 HEARING TO DETERMINE THE FAIR
16 VALUE OF THE UTILITY PROPERTY OF
17 THE COMPANY FOR RATEMAKING
18 PURPOSES, TO FIX A JUST AND
19 REASONABLE RATE OF RETURN
20 THEREON, TO APPROVE RATE
21 SCHEDULES DESIGNED TO DEVELOP
22 SUCH RETURN,

DOCKET NO. E-01345A-11-0224

**NOTICE OF FILING TESTIMONY
IN SUPPORT OF PROPOSED
SETTLEMENT AGREEMENT**

19 Pursuant to the Procedural Order issued by the Arizona Corporation Commission
20 on December 23, 2011, Arizona Public Service Company hereby files the Direct
21 Settlement Testimony of the following witness in support of the Proposed Settlement:

- 22 1. Jeffrey B. Guldner;
- 23 2. Leland R. Snook; and
- 24 3. Charles A. Miessner.

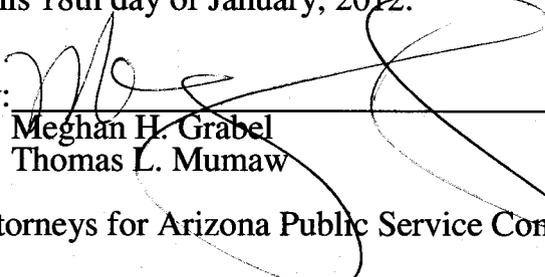
Arizona Corporation Commission
DOCKETED

JAN 18 2012

DOCKETED BY

28

1 RESPECTFULLY SUBMITTED this 18th day of January, 2012.

2
3 By: 

Meghan H. Grabel
Thomas L. Mumaw

4
5 Attorneys for Arizona Public Service Company

6 ORIGINAL and thirteen (13) copies
7 of the foregoing filed this 18th day of
8 January, 2012, with:

9 Docket Control
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10 1200 West Washington Street
Phoenix, Arizona 85007

11
12 COPY of the foregoing mailed/delivered this
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DIRECT SETTLEMENT TESTIMONY OF JEFFREY B. GULDNER

On Behalf of Arizona Public Service Company

Docket No. E-01345A-11-0224

January 18, 2012

Table of Contents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

I. INTRODUCTION..... 1
II. SUMMARY 2
III. SETTLEMENT TERMS..... 9
IV. CONCLUSION 31

1 **DIRECT SETTLEMENT TESTIMONY OF JEFFREY B. GULDNER**
2 **ON BEHALF OF ARIZONA PUBLIC SERVICE COMPANY**
 (Docket No. E-01345A-11-0224)

3 I. INTRODUCTION

4 **Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.**

5 A. My name is Jeffrey B. Guldner. My business address is 400 N. 5th Street,
6 Phoenix, Arizona, 85004. I am Vice President of Rates and Regulation for
7 Arizona Public Service Company (“APS” or “Company”). In that role, I am
8 responsible for rate, regulatory and regulatory compliance matters before the
9 Arizona Corporation Commission (“Commission”) and the Federal Energy
10 Regulatory Commission (“FERC”).

11 **Q. DID YOU SUBMIT DIRECT TESTIMONY IN THIS PROCEEDING**
12 **THAT PROVIDES YOUR EDUCATIONAL AND PROFESSIONAL**
 BACKGROUND?

13 A. Yes, in the Direct Testimony filed on June 1, 2011.

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

15 A. My Direct Settlement Testimony supports the Settlement Agreement
16 (“Agreement” or “Settlement”) that was filed with the Commission on January 6,
17 2012 and recommends that the Commission approve it. I discuss the settlement
18 process, give an overview of the Agreement’s key provisions, and explain why
19 the Company believes the Agreement achieves a reasonable balance of the
20 interests of all stakeholders in APS’s rate case, results in just and reasonable
21 rates, and is in the public interest. Details about some of the specific terms of the
22 Agreement are also presented in the Direct Testimony of Leland Snook (Lost
23 Fixed Cost Recovery Mechanism (“LFCR”) and Environmental Improvement
24 Surcharge (“EIS”)) and Charles Miessner (Experimental Rate Schedule AG-1,
25 other new rate offerings, and general rate design).

26
27
28

1 II. SUMMARY

2 Q. PLEASE SUMMARIZE YOUR TESTIMONY.

3 A. APS strongly supports the Settlement, which reflects thoughtful solutions that
4 balance the many disparate interests at play in this rate case while preserving the
5 Commission's critical role in setting energy policy. The Settlement will allow
6 APS to continue to provide high quality service to customers, support the level of
7 energy efficiency ("EE")¹ and distributed generation ("DG") authorized by the
8 Commission, and contribute positively to the Arizona economy. Moreover, the
9 fact that 22 of the 24 still active parties to these proceedings² champion the
10 Settlement signals that Arizona's regulatory environment continues to be one that
11 is collaborative, efficient, and focused on producing constructive outcomes for
12 the State. Specifically, advocates for all of APS's customer classes support the
13 Settlement (residential, commercial, industrial, and low income alike), as do the
14 majority of other stakeholders, including the American Association of Retired
15 Persons ("AARP"), merchant generators and competitive suppliers, individual
16 large customers, Air Force and Marine Corps military bases, realtors, individual
17 landowners, investors and labor unions. That the Settlement has such broad-
18 reaching support strongly suggests that it is in the public interest.

19 Substantively, the Settlement proposes a total base rate increase of zero dollars,
20 the components of which I later describe. The agreed-upon zero dollar base rate
21 increase is significantly less than what APS originally sought, the same as what
22 the Residential Utility Consumer Office ("RUCO") originally proposed, and only
23 slightly more than what Staff initially recommended. It reflects a compromise
24

25 ¹ Demand Side Management ("DSM") consists of both EE and demand response programs. For the
26 purposes of my testimony, I will use the terms DSM and EE interchangeably.

27 ² This number includes the Signatories and the parties who did not sign and have indicated an intent to
28 file testimony regarding the Settlement on January 18. Absent from this group are Tucson Electric
Power, the Arizona Schools Board Association, the Association of School Business Officials, Western
Resource Advocates, Interwest Energy Alliance, the Town of Gilbert, and the Town of Wickenburg.

1 that, when balanced with all other provisions of the Agreement, was minimally
2 adequate for APS to maintain its financial strength, support above-average levels
3 of reliability and customer service, and make continued investments necessary for
4 Arizona's energy future.

5
6 The average customer bill will go down, not up, on the rate effective date of this
7 Settlement, and that impact will continue throughout 2012. The average
8 residential customer's monthly bill, for example, will immediately decrease by
9 about 1.0%. This customer benefit is caused by (1) APS receiving substantially
10 less rate relief than it had originally requested; (2) a decline in fuel costs; and (3)
11 the Company's agreement to delay the reset of the Power Supply Adjustor
12 ("PSA") rate until February 2013, thus continuing the current PSA credit now
13 applied to customer bills. I described the estimated bill impact of this Settlement
14 in a letter filed in this Docket on January 9, 2012 and attached to this testimony
15 as Attachment A.

16 In addition to proposing rate levels, the Agreement precludes APS from filing its
17 next general rate case prior to May 31, 2015. New rates from any such filing
18 could not take effect prior to July 1, 2016. This four-year stay out is intended to
19 give continued structure and predictability to APS general rate cases. Other
20 customer benefits include a buy-through rate for industrial and large commercial
21 customers (discussed in detail in APS Witness Miessner's testimony),
22 shareholder-funded bill assistance for additional low-income customers,
23 additional rate options for residential and general service customers, and a
24 process for simplifying the customer bill format.

25
26 From a policy perspective, the Settlement allows the Commission to retain its
27 flexibility to set energy policy as it deems appropriate in the future. Unlike the
28

1 2009 APS Rate Case Settlement Agreement (Decision No. 71448 (December 30,
2 2009)), this Settlement was specifically designed to provide a rate structure that
3 will allow APS to adapt to policy changes that may occur during the Settlement
4 period (from the Settlement's rate effective date until July 1, 2016), without
5 either constraining the Commission or producing economically untenable results
6 for the Company.
7

8 For example, addressing highly divergent stakeholder positions, the Settlement
9 resolves APS's original proposal for a comprehensive revenue per customer
10 decoupling mechanism by proposing a LFCR mechanism with residential opt-out
11 rates. The LFCR mechanism will enable APS to continue to offer a variety of
12 DSM programs to help customers save money at the level or pace the
13 Commission deems best for Arizona. The LFCR mechanism achieves this result
14 by limiting lost fixed cost recovery only to revenues that are measurably lost
15 because of DSM or DG, at whatever level the Commission authorizes in any
16 year. The LFCR does not recover fixed costs lost because of other potential
17 factors that could reduce energy sales, such as weather or general economic
18 conditions. Nothing in the Settlement binds the Commission to any specific DSM
19 or DG policy or standard. Rather, it both supports current EE and DG regulatory
20 requirements and flexibly adapts to future changes in EE and DG policy.
21

22 While the LFCR is necessary to enable customers to have greater control over
23 their energy use, the Settlement addresses more conceptual customer concerns
24 about this type of mechanism by providing residential customers a choice to "opt
25 out" of paying the LFCR and instead pay a slightly higher basic service charge
26 ("BSC"). In addition, the Settlement addresses fixed cost recovery for large
27 commercial customers through rate design rather than through the LFCR. APS
28

1 Witness Snook's Direct Settlement Testimony addresses the mechanics of the
2 LFCR in greater detail.
3

4 The Settlement also enhances the Commission's flexibility with respect to the
5 Renewable Energy Surcharge ("RES") and the Demand Side Management
6 Adjustment Clause ("DSMAC"). As to the RES, it removes the requirement that
7 RES charges and caps must be administered according to certain proportions;
8 moves 15 months of utility-owned renewable resources from the RES to base
9 rates; and, except with respect to the renewable energy-related capital
10 investments made in compliance with Decision No. 71448, prevents the
11 Company from continuing to recover capital carrying costs for APS-owned
12 renewable energy projects through the RES adjustor. As to the DSMAC, among
13 other things, it modifies the existing EE performance incentive; requires APS and
14 stakeholders to develop and propose a new performance incentive structure for
15 future DSM filings for the Commission's consideration; and, excluding DSM-
16 related capital investments already authorized by the Commission, it prevents
17 carrying costs for such investments to be recovered through the DSMAC. These
18 provisions all give the Commission greater flexibility to manage the rate and
19 customer bill impacts associated with the RES and DSMAC.

20 Certain financial terms are essential to sustain the four-year rate moratorium.
21 Among them is constructive rate treatment for APS's requested purchase of the
22 Southern California Edison ("SCE") share of Four Corners Units 4 and 5 were
23 the acquisition to close and for the subsequent retirement of Units 1-3 – the "Four
24 Corners Transaction," which is the subject of Docket No. E-01345A-10-0474 (the
25 "Four Corners Docket"). While the Settlement would allow the Company to seek
26 an adjustment rider related to the Four Corners Transaction, that rider cannot be
27 implemented unless the Commission authorizes the Company to pursue the
28

1 transaction and the transaction thereafter closes. The Settlement does not
2 presuppose either the outcome of the Four Corners Docket or a prudency-finding
3 related to the Four Corners Transaction.
4

5 Other material provisions include eliminating the 90/10 sharing provision now in
6 the PSA, coupled with the adoption of other prudent fuel and power procurement
7 and use incentive devices; cost deferrals related to changes in APS's composite
8 property tax rate; changes to the Transmission Cost Adjustment mechanism
9 ("TCA") process; and modifications to the Company's EIS. I will discuss each of
10 these provisions in greater detail.

11 In sum, the Settlement resolves the issues raised in the Company's Rate
12 Application in a manner that produces customer benefits that would not result
13 from litigation. This is true both because the litigation process is adversarial and
14 because several of the Settlement's provisions are either unlikely to have been
15 adopted or could not be mandated outside of a settlement.
16

17 While no Signatory, including APS, received all that it sought or would have
18 sought in litigation, the Signatories agree that the Settlement is in the public
19 interest. The Settlement preserves the Commission's flexibility with respect to
20 energy policy; shields customers from a base rate increase in challenging
21 economic times; supports APS financially during a four-year stay out period,
22 allowing the Company to continue to provide high quality reliability and
23 customer service; and resolves a complex and challenging rate case efficiently
24 and to the satisfaction of the overwhelming majority of the parties. For all of
25 these reasons, APS respectfully asks that the Commission promptly approve the
26 Settlement and allow rates to take effect on July 1, 2012.
27
28

1 III. THE SETTLEMENT PROCESS

2 Q. **PLEASE PROVIDE A BRIEF OVERVIEW OF THE SETTLEMENT**
3 **PROCESS.**

4 A. This Settlement was the result of over four weeks of formal and informal
5 negotiations among virtually all of the parties to this rate case. Settlement
6 discussions began after the submission of Direct Testimony by Staff and other
7 intervening parties, but before the submission of APS's rebuttal case. From the
8 Company's perspective, the collaborative settlement process provided an
9 opportunity to develop more creative solutions for the issues presented in the rate
10 case than would have been possible through litigation.

11 Formal settlement discussions between all participants occurred regularly
12 throughout the process, from the end of November 2011 until the Agreement was
13 ultimately filed on January 6, 2012. A Term Sheet was filed on December 9,
14 2011 after the parties believed a settlement framework had been established, and
15 that Term Sheet was generally discussed at an Open Meeting on December 16,
16 2011. From that date until January 6, 2012, the parties finalized the outstanding
17 details and transformed the settlement framework into a definitive written
18 agreement.

19 Q. **HOW WAS THE SETTLEMENT PROCESS CONDUCTED?**

20 A. The settlement process consisted of several weeks of arm's-length negotiations
21 between more than 25 parties representing diverse interests. All parties to the
22 Docket—not just those that actively participated in the settlement—were notified
23 of settlement meetings, were invited to attend those meetings either in person or
24 telephonically through a dial-in number, and were given the opportunity to fully
25 participate in discussions regarding any issue raised in this case.

26 Meeting participants were provided with copies of all documents that were
27 presented during the discussions. Hard copies of such documents were given to
28

1 the parties in attendance and electronic copies of documents were made available
2 to all participating parties using a pre-established rate case Internet site. To
3 permit and encourage openness and transparency, the parties agreed that the
4 content of settlement discussions would be confidential, as they are generally in
5 civil litigation under both state and federal Rules of Civil Procedure.
6 Commission Staff led the negotiations, efficiently driving the discussions to a
7 resolution that serves the public interest.

8 **Q. WHAT STANDARD SHOULD THE COMMISSION USE IN**
9 **EVALUATING THE SETTLEMENT?**

10 A. The same general public policy supporting settlement of contested matters in civil
11 litigation also applies to utility rate cases. However, a rate case settlement is not
12 a resolution solely between private litigants. Rather, it must result in just and
13 reasonable rates and the Commission must conclude that the settlement is in the
14 public interest.

15 **Q. DO YOU BELIEVE THAT THE SETTLEMENT IS IN THE PUBLIC**
16 **INTEREST?**

17 A. Absolutely. The Settlement contains many benefits for customers, described in
18 Section 1.5 of the Settlement and reiterated below. A core interest for APS was
19 that the Settlement needed to provide the Company with the minimum financial
20 support required to sustain the four-year stay out and continue to provide high
21 quality service for its customers. The Settlement's rate-related provisions are
22 intended to permit the Company to retain its ability to attract capital, maintain
23 reliability, and sustain growth—benefits that are important for the future of
24 Arizona.

25 The interests of all rate case stakeholders were given equal and thoughtful
26 consideration throughout negotiations. That is as true for the parties, like AARP
27 and the ACPA, who ultimately signed the Settlement as it is for the energy
28

1 efficiency and environmental advocates who did not. Because the settlement
2 process allows issues to be vetted outside a formal adversarial process,
3 conflicting viewpoints were resolved efficiently, expediently, and creatively
4 compared to how they might have been addressed in litigation. Even when it
5 became apparent that a party may not sign the Settlement, the other parties
6 continued to listen to that party's position and reflect certain of its suggestions
7 within the agreement. In this way, the Settlement reflects input from all APS rate
8 case stakeholders, not just Signatories.
9

10 In the end, the Settlement is a carefully crafted and cooperatively achieved
11 balance of many important interests, not just those of APS. That balance, though,
12 is a delicate one. Many aspects of the Settlement reflect the limits to which the
13 Company was able or willing to agree. In many cases, APS's agreement to a
14 provision depended upon the presence of certain other moderating provisions. I
15 believe the same is true for the other Signatories. Taken as a whole, I strongly
16 believe that the Settlement presented to the Commission is in the public interest
17 and should be approved.

18 **IV. SETTLEMENT TERMS**

19 **Q. DOES THE AGREEMENT REFLECT ANY UNDERLYING THEMES?**

20 **A.** Yes. A core theme of settlement negotiations was how to moderate the customer
21 bill impact of this rate case, balancing customer interests in a difficult economy
22 with the Company's financial needs. Towards that goal, as Section 1.5 describes,
23 the Settlement shields all APS customers from a base rate increase and actually
24 lowers customer bills in 2012; requires APS to agree to a four-year rate case stay
25 out, during which time any additional customer bill impacts resulting from the
26 Settlement will be more moderate and predictable; allows customers to benefit
27 from EE programming and DG by proposing a narrow fixed cost recovery
28

1 mechanism that would support EE and DG at Commission-authorized levels;
2 allows residential customers to subscribe to an opt-out rate if they do not want to
3 participate in the LFCR; provides shareholder-funded bill assistance to additional
4 low income customers; and provides commercial and industrial customers an
5 innovative alternative generation buy-through rate option, Experimental Rate
6 Schedule AG-1, as well as a new interruptible rate option.
7

8 Another important consideration was to ensure that nothing in the Settlement
9 impaired the Commission's flexibility with respect to energy policy. The
10 Settlement intentionally does not establish independent EE or DG policies or
11 standards for APS. Instead, the Settlement enhances the Commission's flexibility
12 with respect to the rate and customer bill impacts associated with the RES and
13 DSMAC, as described in detail later.

14 A critical consideration for APS was to balance the zero dollar rate increase, the
15 10% authorized ROE (a full 100 basis points below the Company's current 11%
16 authorized ROE), and the four-year stay out with related provisions that allow
17 APS the financial wherewithal to be able to continue to provide superior service
18 without another base rate increase before mid-2016. These other provisions
19 include eliminating the 90/10 sharing provision in the PSA, implementing the
20 LFCR, modifying the existing EIS, permitting the deferral of costs related to
21 changes in the Company's composite property tax rate, changing the process
22 related to the recovery of TCA revenues, and enabling APS to seek an adjustment
23 rider to recover costs associated with the Four Corners transaction, if the
24 Commission authorizes APS to pursue the acquisition and if the purchase closes.
25 Even APS's ability to offer the buy-through alternative generation rate was
26 balanced in part by provisions that will allow the Company to mitigate cost
27
28

1 recovery issues that could result if APS-owned capacity and energy is displaced
2 by the AG-1 rate schedule.
3

4 APS believes that the Settlement in whole provides an ongoing structure of
5 regulatory support that will maintain the Company financially and continue the
6 way towards a sustainable energy future for Arizona.

7 **Q. YOU REFERRED TO SEVERAL OF THE SETTLEMENT'S**
8 **PROVISIONS IN YOUR PREVIOUS ANSWER. PLEASE PROVIDE A**
9 **BRIEF DESCRIPTION OF EACH.**

10 A. Certainly. I will discuss each of the provisions as they appear chronologically in
11 the Settlement (bypassing the Recitals in Section I). Section II sets forth a "Rate
12 Case Stability Provision," which precludes APS from filing another general rate
13 case before May 31, 2015, and requires that any such filing be based on a test
14 year end date no earlier than December 31, 2014. Under this provision,
15 customers would not see another APS base rate increase before July 1, 2016—
16 four years from the anticipated rate effective date in this case.

17 Section III describes the Settlement's agreed-upon rates. Importantly, APS base
18 rates shall not increase above what they are today until at least mid-2016. Put
19 another way, if the Settlement is approved, APS customers will not have had a
20 base rate increase for at least six and a half years by the time the Company is next
21 eligible for rate relief, a period measured from the January 2010 rate effective
22 date of APS's last rate case until the end of this Settlement stay-out period. The
23 zero dollar revenue requirement is comprised of a non-fuel base rate increase of
24 \$116.3 million, a base fuel rate decrease of \$153.1 million, and a transfer of
25 approximately \$36.8 million of renewable energy projects from the RES to base
26 rates. Recognizing the challenges posed by an unadjusted historical test year to
27 APS's financial condition, the non-fuel increase includes consideration of post-
28

1 test year plant through March 31, 2012 ("Post Test Year Plant") – 15 months
2 after the Test Year.
3

4 Section IV describes the customer bill impact that results from the Agreement.
5 As stated previously, if the Commission approves the Settlement so that rates
6 take effect on July 1, 2012 as requested, APS customers on average will see a
7 small bill **decrease** during the remainder of 2012. Further detail relating to the
8 estimated bill impact of this Settlement is provided in Attachment A to this
9 testimony.

10 **Q. PLEASE DESCRIBE THE SETTLEMENT'S COST OF CAPITAL, DEPRECIATION/AMORTIZATION, AND DECOMMISSIONING**
11 **PROVISIONS.**

12 A. For ratemaking purposes, the Signatories agreed to a capital structure of 46.06%
13 debt and 53.94% of common equity, and adopted an embedded cost of debt of
14 6.38% and an authorized ROE of 10.0%. The 10% authorized ROE is a full 100
15 basis points below APS's existing 11% ROE, is the same ROE that RUCO
16 proposed in its Direct Testimony, and is only 10 basis points above what Staff
17 had originally proposed.

18 Consistent with Staff's initial proposals, the Agreement adopts the depreciation
19 and amortization rates contained in the Direct Testimony of APS Witness Dr.
20 Ronald White, but not the Company's proposed change to the depreciation rate
21 for electronic, electro-mechanical, or AMI meters. The Signatories also agreed to
22 a fair value rate of return of 6.09%, including a return on the Company's fair
23 value rate base increment of 1.0%.

24
25 The Settlement adopts the annual decommissioning amounts that are contained in
26 the Direct Testimony workpapers of APS Witness Jason LaBenz and attached to
27 the Settlement as Attachment B. As Attachment B to the Settlement shows, APS
28

1 expects that Palo Verde Unit 2 will be fully funded by 2016. The Nuclear
2 Decommissioning Trust Fund collects the costs required to decommission Palo
3 Verde Unit 2 from customers through the SBC component of APS's base rates.
4 To provide a benefit to customers prior to the Company's next general rate case,
5 the Settlement requires APS to request a reduction of the SBC to reflect the full
6 funding of Palo Verde 2 to be effective January 1, 2016. That early reduction in
7 the SBC could not occur absent this Agreement.

8 **Q. PLEASE DESCRIBE THE SETTLEMENT'S FUEL AND PURCHASED**
9 **POWER PROVISIONS, INCLUDING THOSE REGARDING THE 90/10**
10 **SHARING PROVISION IN THE PSA.**

11 A. With respect to fuel costs, the Settlement lowers the base cost of fuel and
12 purchased power from \$0.037571 per kWh to \$0.032071 per kWh. This change
13 occurs on the effective date of new rates, as provided in the PSA Plan of
14 Administration. APS also agreed to withdraw its request to recover the cost of
15 chemicals required for environmental compliance at APS's power plants and
16 from raising the request again before its next general rate case.

17 To make APS's fuel adjustor consistent with the fuel adjustment clauses of all
18 other Arizona electric utilities, the Settlement also eliminates the existing 90/10
19 sharing provision in the PSA. Although unnecessary from the Company's
20 perspective, two provisions are tied to the elimination of the PSA, each intended
21 to benefit customers and provide APS with continued incentive to prudently
22 procure fuel and purchased power. The first such provision modifies the interest
23 rates that apply to the PSA by requiring an asymmetrical interest charge to the
24 annual PSA balance. Under Section 7.3, if the PSA has collected more money
25 from customers than was spent by the end of the February to January PSA year,
26 that over-collection will accrue interest at a rate equal to APS's authorized ROE
27 or APS's then-existing short term borrowing rate, whichever is greater. If the
28

1 PSA has collected less money than needed to pay for PSA costs at the end of the
2 PSA year, that under-collection will accrue interest at a rate equal to APS's
3 authorized ROE or APS's then-existing short term borrowing rate, whichever is
4 less. In either case, the total PSA year-end balance will be refunded to customers
5 over the following 12 months.
6

7 So as to prevent any over-collection from occurring in the first place, the
8 Settlement authorizes APS to request to reduce the PSA rate through the PSA's
9 "Transition Component," and would permit such a request to become effective on
10 the first billing cycle of the month following the request. On the other hand, any
11 APS request to increase the PSA by way of the Transition Component would
12 continue to require explicit Commission approval.

13 The second condition related to eliminating the 90/10 sharing provision is a
14 requirement that APS be subject to periodic fuel and power procurement and use
15 audits. The first such audit shall be for calendar year 2014 (the earliest test year
16 permitted by the Settlement for APS's next general rate case). Commission Staff
17 shall select the consultant to perform these audits, which shall be funded by APS
18 in an amount not to exceed \$100,000 each.

19 **Q. PLEASE DESCRIBE THE RENEWABLE ENERGY-RELATED**
20 **PROVISIONS.**

21 A. Unlike the 2009 Settlement, the only renewable energy issues addressed in the
22 Settlement now before the Commission relate to ratemaking, not energy policy.
23 Most of these provisions relate to the mode of cost recovery associated with
24 certain APS-owned renewable energy projects that the Company now collects
25 through the RES. The first such provision, Section 8.1, directs that the portion of
26 those APS-owned renewable projects that have been closed to plant in service as
27 of March 31, 2012 shall be rate based and that the recovery of the associated
28

1 costs shall be accomplished through base rates rather than through the RES. This
2 provision is consistent with the treatment of other Post Test Year Plant in this
3 case. On the effective date of the new rates contained in the Settlement, the RES
4 adjustor rate established for 2012 will be adjusted to reflect the removal of those
5 projects.
6

7 In the proceeding underlying the Company's 2012 RES Implementation Plan
8 (Docket No. E-01345A-11-0264), the Commission understood that APS had
9 proposed in this rate case to transfer some of its renewable energy projects from
10 the RES to base rates. The Commission also knew that no party's Direct
11 Testimony in this case had entirely disputed that proposal. Seeking to reduce the
12 adjustor rate approved for the 2012 RES Implementation Plan, the Commission
13 moved \$14 million worth of renewable-energy related purchased power
14 agreement ("PPA") costs from the RES to the PSA as a temporary proxy for what
15 the Commission expected to be the permanent removal of certain utility-owned
16 projects from the RES to base rates in this rate case. Section 8.3 of the
17 Settlement returns the renewable PPA costs that were moved from RES to the
18 PSA back to the RES at the same time as the utility-owned projects identified in
19 Section 8.1 are moved from the RES to base rates. On net, these provisions will
20 have the effect of reducing the RES adjustor rate.

21 In addition, the Settlement recognizes that Decision No. 71448 authorized the
22 Company to recover the capital carrying costs (a term defined in a footnote to
23 Settlement Section 8.1) associated with any APS-owned renewable investments
24 made to comply with that Decision through the RES. The Settlement does not
25 change that prior Commission order. APS renewable investments made to
26 comply with Decision No. 71448 will continue to receive that ratemaking
27 treatment, unless and until the Commission authorizes the Company to recover
28

1 the associated costs through another adjustor or in base rates. However, once
2 APS has fully complied with the renewable energy provisions of Decision No.
3 71448, APS will no longer be allowed to recover the capital carrying costs
4 associated with renewable energy capital investments through the RES, at least
5 until the conclusion of the Company's next general rate case.
6

7 Finally, Decision No. 67744 (April 7, 2005) established a requirement that any
8 changes to RES charges and caps must be allocated between customer classes
9 according to certain set proportions. The Settlement removes that requirement,
10 for the express purpose of "provid[ing] the Commission with greater flexibility in
11 setting RES adjustor rates and related caps."

12 **Q. PLEASE DESCRIBE THE PROVISIONS OF SECTION IX, RELATING**
13 **TO ENERGY EFFICIENCY.**

14 A. Certainly. Sections 9.1 through 9.13 relate to the proposed LFCR mechanism. I
15 will generally discuss those provisions from a policy perspective, but will leave
16 details regarding the mechanics to the Direct Settlement Testimony of APS
17 Witness Snook. As a matter of policy, the Settlement supports EE as a low cost
18 resource and recognizes that, under APS's current rate structure, the Company
19 will lose revenue as a result of effective EE programs. The Settlement does not
20 adopt full revenue per customer decoupling, as APS had originally proposed.
21 Rather, sensitive to the Commission's role in setting EE and DG policy, the
22 Settlement proposes that the Commission adopt a LFCR mechanism that limits
23 lost fixed cost recovery to revenues that are measurably lost because of EE or
24 DG; it does not include the impact of other potential factors that may reduce
25 energy sales, such as weather or general economic conditions. The amount of lost
26 fixed costs recovered by the mechanism is limited to the amount of EE and DG
27 that the Commission authorizes in any year so that APS is financially equipped to
28 support these programs at whatever level or pace the Commission sets. In many

1 ways, the LFCR is a “middle ground” that addresses only the cost recovery issues
2 associated with EE and DG without constraining the Commission’s policy-setting
3 flexibility or further impacting APS’s customers, some of whom are still
4 uncomfortable with the scope of a revenue per customer decoupling rate model.
5

6 The Settlement also provides residential customers a rate schedule choice to “opt
7 out” of the LFCR if they would prefer not to have that charge on their bill. Large
8 General Service customers taking service under rate schedules E-32L, E-32 L
9 TOU, E-34, E-35, and E-36XL are excluded from the LFCR. To more fully
10 address lost fixed cost recovery with respect to these large customers, the
11 Settlement modifies their rate schedules to pick up a greater portion of fixed costs
12 through the distribution demand component, with a corresponding adjustment to
13 the energy charge. APS Witness Miessner describes these rate schedule changes
14 in greater detail in his Direct Settlement Testimony. Although the exclusion of
15 large customers from fixed cost recovery devices is not uncommon in the United
16 States (particularly when tied to rate design changes that improve fixed cost
17 recovery), the ability of residential customers to “opt out” of the LFCR
18 mechanism appears to be unique.

19 To further mitigate the customer bill impact associated with the LFCR, the LFCR
20 is subject to an annual year-over-year one percent rate cap. This means that the
21 LFCR charge will never cause an increase in customer bills greater than one
22 percent from one year to the next. The one percent cap provided in the
23 Settlement is much smaller than the three percent cap that APS had proposed for
24 revenue per customer decoupling. APS was able to agree to the lower cap for the
25 LFCR partly because the LFCR excludes the effects of weather and the economy
26 and recovers fewer dollars than would a full revenue per customer decoupling
27 model, making a smaller cap possible at least in the early years of the LFCR’s
28

1 implementation. The Signatories agreed, however, that the cap level set in the
2 Settlement should be reassessed in the Company's next rate case.

3 **Q. YOU INDICATED THAT THE LFCR LIMITS LOST FIXED COST**
4 **RECOVERY TO REVENUES THAT ARE MEASURABLY LOST**
5 **BECAUSE OF EE OR DG. HOW ARE LOST ENERGY SALES**
6 **VERIFIED?**

7 A. Sections 9.4 and 9.5 address this question. For DG, the Company will use
8 statistical verification, output profile, or meter data for DG systems installed in
9 APS's service territory to track the displaced energy sales until December 31,
10 2014. After that time, the Company will only be permitted to use meter data to
11 calculate DG system savings.

12 For EE, the lost energy sales and unrecovered costs will be demonstrated by the
13 Measurement, Evaluation, and Reporting ("MER") conducted for EE programs
14 by an outside consultant in support of APS's annual DSM Implementation Plan
15 filing. The Company's programs and the associated energy savings will be
16 independently reviewed every five years by an evaluator selected by Staff and
17 paid for by APS. See Section 9.14(e). The first such review will occur in APS's
18 next general rate case, or within five years of a Commission order in this case,
19 whichever is sooner. In addition, to help facilitate the MER process and LFCR
20 analysis, Section 9.15 requires APS to compile and make available to all parties
21 to this case a technical reference manual that documents program and measure
22 savings assumptions and incremental costs. The first version of this reference
23 manual will be distributed no later than December 31, 2013, and would be
24 updated annually as part of the DSM Implementation Plan process.

25 **Q. HOW WILL APS EDUCATE CUSTOMERS ABOUT THE LFCR?**

26 A. APS understands the importance of customer outreach regarding the LFCR to
27 help customers understand what to expect from the adjuster and why it is
28 necessary. Over the past year, APS has reached out to several customer groups to

1 help explain the need for a fixed cost recovery mechanism and attempt to allay
2 customer concerns. In addition, the Company has published a website,
3 www.azenergyfuture.com, which explains APS's rate request and the Settlement
4 (including both revenue per customer decoupling and the LFCR proposal) in
5 easy-to-understand terms. Pursuant to Section 9.9, APS will seek stakeholder
6 input regarding the development of an additional customer outreach program to
7 continue to inform and educate customers regarding the LFCR and the voluntary
8 Opt-Out rate option. APS will thereafter implement that program.

9 **Q. DOES THE SETTLEMENT ALLOW THE COMMISSION TO REVIEW**
10 **THE LFCR?**

11 A. Yes. The Settlement provides two means by which the Commission will be able
12 to monitor the progress of the LFCR. No later than January 15 each year, APS
13 must file an application with the Commission to adjust the LFCR charge. See
14 Section 9.6. That filing will include reports identifying, among other things, how
15 the LFCR was calculated, whether the recoverable fixed cost revenues exceed the
16 one percent cap and, if so, by how much. So that the Commission may compare
17 the LFCR to a revenue per customer decoupling model, the reports contained in
18 the LFCR filing will also include a comparison of the revenues that would have
19 been recovered had the Company's full decoupling proposal been adopted. The
20 annual LFCR adjustment will not be effective until the Commission approves it.

21 In addition, Section 9.11 expressly authorizes the Commission to review the
22 LFCR at any time, and requires that such a review be undertaken in APS's next
23 general rate case. At that time, through the annual LFCR filing, the Commission
24 will have the benefit of being able to compare what revenue the LFCR collected
25 over the four-year period to what a revenue per customer decoupling model
26 would have collected, of having data to know whether the one percent cap is
27
28

1 appropriate, and of understanding whether any other issues exist with the LFCR
2 that require correction.

3
4 The Settlement also contemplates that the Commission might choose to suspend,
5 terminate, or materially modify the LFCR prior to APS's next general rate case.
6 If the Commission did so and also provided APS with alternative relief that
7 adequately addressed the lost fixed cost revenue erosion resulting from that
8 decision, APS would remain bound by the Settlement's four year rate
9 moratorium. If, however, the Commission chose to terminate, suspend, or
10 materially modify the LFCR and did not provide APS with an alternative means
11 of recovering at least the amount of lost fixed costs that the proposed LFCR
12 would recover, APS would need to be granted relief from either the relevant EE
13 and DG requirements or the financial impacts of EE and DG until the cost
14 recovery issue is addressed. *See* Section 9.13. If the Commission chose not to
15 provide APS with alternative relief that adequately addresses fixed cost revenue
16 erosion, APS would no longer be bound by the Settlement's four year rate
17 moratorium. *See* Section 9.11.

18 These latter provisions are critical to address the issues specifically called out in
19 Section 9.1: that "under APS's current volumetric rate design, the Company
20 recovers a significant portion of its fixed costs of service through kilowatt-hour
21 ("kWh") sales" and that "Commission rules related to EE and DG require APS to
22 sell fewer kWh, which, in turn, prevents the Company from being able to recover
23 a portion of the fixed costs of service embedded in its energy rates." By law,
24 APS must have an opportunity to recover those lost fixed costs. If the
25 Commission chooses not to do it through the LFCR as the Signatories propose,
26 the problem must be otherwise addressed.

1 **Q. PLEASE DESCRIBE THE SETTLEMENT'S OTHER ENERGY**
2 **EFFICIENCY PROVISIONS.**

3 A. Like its renewable energy provisions, the Settlement addresses certain ratemaking
4 issues associated with the Company's DSM Adjustment Clause (the "DSMAC")
5 and the annual DSM Implementation Plan filing. The first is to prevent APS
6 from continuing to recover capital carrying costs (as defined in Section 8.1)
7 associated with the Company's DSM-related capital investments through the
8 DSMAC, except to the extent such investments have already been authorized by
9 the Commission. Under Section 9.14(a), this change will begin with APS's 2013
10 DSM Implementation Plan filing.

11 The Settlement also modifies APS's performance incentive for DSM
12 programming. As the table set forth in Section 9.14(b) illustrates, from the
13 effective date of this Settlement to the Commission's adoption of any new
14 performance incentive structure recommended in Section 9.14(d), APS will no
15 longer receive a performance incentive above 8% of EE Net Benefits. And that
16 8% maximum incentive will apply only if APS achieves 105% or more of the
17 Commission's EE standard.

18 Section 9.14(d) requires APS to work with Staff and other stakeholders to devise
19 and file an entirely new performance incentive structure by the end of 2012. This
20 new performance incentive structure will be designed to "optimize[] the
21 connection between energy efficiency, rates and utility business incentives" and
22 "create a clear connection between the level of performance incentive and
23 achievement of cost-effective energy savings." Section 9.14(d) also holds this
24 rate case open for the single purpose of allowing the Commission to consider and
25 approve including the new performance incentive structure as part of the
26 DSMAC prior to APS's next general rate case. Section 9.14(d) does not require
27 the Commission to adopt a new performance incentive structure, and allows the
28

1 Commission to determine the plan year to which any new performance incentive
2 structure adopted should apply. Signatories to the Settlement, however, will
3 recommend that the Commission apply any new performance incentive structure
4 that the Commission might adopt to the first plan year after its adoption. That
5 recommendation will permit the Company to design a DSM Implementation Plan
6 knowing what the new incentive structure requires.
7

8 The Settlement also requires APS to use the inputs and methods that Staff uses to
9 calculate the present value of benefits and costs for DSM as part of the Societal
10 Costs tests. However, it also provides that Staff will regularly re-evaluate their
11 inputs and methods, considering comments from other stakeholders including
12 APS.

13 Finally, Decision No. 71448 raised the issue of whether the \$10 million of DSM
14 costs that are currently collected through base rates should be transferred to the
15 DSMAC so that all DSM costs would be recovered through a single source. That
16 Decision did not resolve the issue, but instead required that it be addressed in this
17 case. Section 9.16 addresses this question and retains the \$10 million of DSM
18 costs in base rates.

19 **Q. WHAT OTHER FINANCIAL PROVISIONS SUPPORT THE FOUR**
20 **YEAR RATE CASE STAY OUT?**

21 A. As I mentioned previously, the base rate increase contained in the Settlement was
22 not itself sufficient to maintain APS's financial health between July 1, 2011 and
23 the next permitted adjustment of base rates in mid-2016 or later. In an effort to
24 balance the goal of keeping base rates as low as possible in a difficult economic
25 climate with the Company's need to improve financial performance, the
26 Settlement includes mechanisms in addition to the LFCR and others addressed
27 above to sustain APS's financial condition during the stay out. These include a
28

1 rate adjustment rider related to the Four Corners transaction (if it closes),
2 modifications to the EIS, and a cost deferral related to potential changes in the
3 Company's property tax rate. Each of these provisions is material to APS's
4 financial condition and needed to allow the Company to agree to a four-year rate
5 moratorium. I will discuss each of these in turn.

6 **1. Rate Rider Adjustment for the Four Corners Transaction.**

7 Section 10 of the Settlement holds this rate case open for the purpose of allowing
8 APS to seek an adjustment rider related to its proposed Four Corners transaction,
9 if the Commission authorizes APS to pursue the transaction and if the transaction
10 closes. As discussed in the Four Corners docket, the opportunity for APS to
11 pursue the Four Corners transaction resulted from a combination of California
12 environmental regulations that prompted SCE to withdraw as a participant in the
13 Four Corners plant and from federal environmental regulations that would require
14 significant costs for APS to continue to operate its own Four Corners Units. APS
15 has shown in the Four Corners docket that the Four Corners transaction is a far
16 less expensive option for customers over the long term compared to any
17 reasonable alternative.

18
19 Even so, the non-fuel related revenue requirement associated with the Four
20 Corners transaction is significant – roughly \$70 million dollars per year. APS
21 would not be able to absorb costs of that magnitude from the anticipated October
22 2012 closing date until the Four Corners transaction (if it closes) is reflected in
23 rates in a rate case that concludes mid-2016. Although APS has requested a cost
24 deferral related to the Four Corners transaction in the Four Corners docket,
25 parties to the Four Corners docket have disputed whether almost half of the
26 revenue requirement associated with the Four Corners transaction should be
27 included in any cost deferral granted. The Settlement would allow APS to seek
28

1 timely rate relief associated with the transaction to help mitigate the impact of a
2 partial deferral, thus facilitating the closing of the transaction. The Settlement
3 would also lower the balance of the cost deferral that APS hopes will be granted
4 in the Four Corners docket, which would be significantly higher were it carried
5 over to the Company's next rate case.
6

7 Specifically, the Settlement allows APS to seek an adjustment rider to reflect the
8 Four Corners transaction in rates, should the Commission allow the Company to
9 pursue the transaction and should the transaction close. Any such application
10 would need to be filed by no later than December 31, 2013, and would address
11 only (1) whether to reflect in rates the rate base and expense effects associated
12 with the acquisition of SCE's share of Four Corners Units 4 and 5, the rate base
13 and expense effects associated with the retirement of Units 1-3, and any cost
14 deferral authorized in the Four Corners proceeding (all of which would require a
15 prudence finding), and (2) whether to allow APS to amend the PSA Plan of
16 Administration to include in the PSA the post-acquisition O&M expense
17 associated with Four Corners Units 1-3 as a cost of producing off-system sales
18 until closure of Units 1-3, provided that those costs do not exceed off-system
19 sales revenue in any given year. Boiled to its essence, the second issue will allow
20 APS to continue to operate Units 1-3 if doing so would lower PSA costs to
21 customers. The Settlement prevents the Four Corners rider, if implemented, from
22 taking effect any earlier than July 1, 2013. If approved, the rider will apply on an
23 equal percentage basis on base rates across all customer classes.

24 From a procedural standpoint, the schedules required by Section 10.3, modeled
25 after those filed in water company Arsenic Cost Recovery Adjustor proceedings,
26 require APS to update certain of its financial statements so that the Commission
27 may ensure that the additional revenue generated by the rate rider does not result
28

1 in a return on fair value rate base (including the additional Four Corners plant) in
2 excess of that authorized in this Settlement. The Settlement prevents Signatories
3 from raising any issues in the Four Corners rate adjustment proceeding other than
4 those identified above. It also requires Signatories to process the rate adjustment
5 request within a reasonable time.

6 **Q. DOES THE SETTLEMENT PROVISION THAT ALLOWS FOR AN**
7 **ADJUSTMENT RIDER FOR THE FOUR CORNERS TRANSACTION**
8 **MEAN THAT APS NO LONGER REQUIRES AN ACCOUNTING**
9 **DEFERRAL ORDER IN THE FOUR CORNERS DOCKET?**

10 A. No, it does not. The Settlement does not permit any Four Corners adjustment
11 rider from taking effect until at least July 1, 2013. A deferral order that permits
12 APS to defer all or part of the Four Corners revenue requirement until then is
13 necessary if APS is to have any opportunity to earn the 10% authorized ROE
14 provided in this Settlement. The deferral authorization thus remains critical to
15 consummation of the Four Corners Transaction.

16 **2. Modifications to the EIS.**

17 **Q. EARLIER, YOU MENTIONED THAT THE PROPOSED**
18 **MODIFICATIONS TO THE EIS WERE MATERIAL TO THE**
19 **COMPANY. PLEASE EXPLAIN THOSE MODIFICATIONS.**

20 A. Section 11 modifies APS's existing EIS, a surcharge that collects customer
21 dollars to offset the cost associated with government-mandated environmental
22 controls. The electric utility industry as a whole is currently in a major build
23 cycle to support environmental compliance, among other things. A recent EEI
24 study noted that environmental spend alone could cost the industry up to \$200
25 billion by 2015. As discussed in the Direct Testimony of Mark Schiavoni, APS's
26 fossil fleet faces several environmental-related regulatory pressures from dozens
27 of federal, state, and local regulators. The rules that these regulators promulgate
28 place increasing environmental-related cost pressures on APS. One need only
look to the hundreds of millions of dollars of capital investment that APS expects

1 to be required to make to install Selective Catalytic Reduction equipment at Four
2 Corners Units 4 and 5 in the next few years to appreciate the magnitude of the
3 issue.
4

5 The changes to the EIS take a small step towards helping APS defray the impact
6 of these environment-related cost pressures. As amended, APS will no longer
7 receive customer dollars through the EIS to pay for government-mandated
8 environmental controls. But, when APS invests capital to fund any
9 environmental controls, the EIS will recover the associated capital carrying costs
10 (as defined in the footnote to Section 8.1), subject to a cap equal to the charge
11 that is now in place for the EIS. APS will remain responsible for demonstrating
12 that the environmental controls were government-mandated and represented a
13 reasonable and prudent means of meeting the associated environmental
14 requirements.

15 Importantly, the EIS is currently collecting roughly \$5 million from customers
16 annually. On the rate effective date of this Settlement, the existing EIS will be
17 reset to zero. APS Witness Snook describes the mechanics of the EIS in his
18 Direct Settlement Testimony.

19 **3. Cost Deferral Related to Changes in the Company's Property**
20 **Tax Rate.**

21 **Q. PLEASE DESCRIBE THE SETTLEMENT TERM THAT PROVIDES**
22 **THE COMPANY WITH A COST DEFERRAL RELATED TO CHANGES**
23 **IN ITS PROPERTY TAX RATE.**

24 **A.** An important financial component needed to sustain the four-year rate case stay
25 out is the authority provided APS in Section 12 to defer certain portions of the
26 Company's Arizona-related property tax expense each year above or below the
27 test year level caused solely by changes to the applicable Arizona composite
28 property tax rate. The Settlement does not permit APS to defer changes in

1 property tax expense attributable to changes in the assessed value of APS
2 property.
3

4 For most companies, the assessed value of property rises and falls with its market
5 value. As values fall (as has been the case for several years), the state and local
6 taxing entities raise rates in an attempt to maintain revenues. An increase in the
7 tax rate to account for any lower assessed value would not necessarily change
8 that non-utility taxpayer's tax payment. For APS, however, the assessed value of
9 APS property is based on its book value – a value that in total is usually steady or
10 rising. Thus, when a taxing entity increases or decreases its tax rate, APS's tax
11 payment necessarily rises or falls accordingly.

12 APS is concerned that its property tax rate and related property tax expense could
13 increase significantly during the course of the Settlement stay-out period, much
14 like it has over the past few years. To maintain APS's financial condition from
15 the rate effective date of this Settlement through the end of its next rate case, the
16 Settlement allows APS to defer 25% of changes in tax expense above the test
17 year level related to property tax rate increases in 2012 (prorated with an assumed
18 July 1 rate effective date), 50% of such changes in 2013, and 75% of such
19 changes in 2014 and all subsequent years. The Settlement does not allow APS to
20 apply interest to the deferred balance. Beginning on the rate effective date of the
21 Company's next rate case, any positive balance in the final property tax rate
22 deferral will be recovered from customers over ten years; any negative balance
23 will be refunded to customers over a shorter three year period.

24 **Q. PLEASE DESCRIBE THE SETTLEMENT TERMS RELATING TO THE**
25 **TCA.**

26 **A.** The Settlement addresses APS's transmission costs in two ways. First, Section
27 13.1 rejects APS's proposal that the level of transmission costs now in base rates
28

1 be moved to the TCA. Rather, those costs will remain in base rates until further
2 order of the Commission.
3

4 Second, Sections 13.2 and 13.3 modify the TCA implementation process,
5 consistent with the Commission's suggestion in Decision No. 72430 (June 27,
6 2011). By federal law, the FERC has exclusive jurisdiction over APS's
7 transmission rates to both retail and wholesale customers. Retail customers
8 benefit through this Commission's active participation in FERC formula rate
9 proceedings – something that the Commission has been diligent about since the
10 FERC formula rate was implemented. It makes little sense for the Commission to
11 be required to reflect in a separate order a decision already made by and under the
12 exclusive jurisdiction of another agency. The Settlement changes that process
13 and permits the annual TCA adjustment to become effective June 1 of each year
14 without the need for affirmative Commission approval, unless Staff requests
15 review or otherwise ordered by the Commission.

16 **Q. PLEASE BRIEFLY DESCRIBE THE SETTLEMENT PROVISIONS**
17 **RELATING TO LOW INCOME CUSTOMERS.**

18 A. The Settlement contains two provisions relating to low income programs. The
19 second (Section 14.2) is a matter of rate design, which is addressed by APS
20 Witness Miessner in his Direct Settlement Testimony. The first, Section 14.1,
21 extends from a commitment that APS made in Decision No. 71448. In that case,
22 APS agreed to augment the bill assistance program approved in Decision No.
23 69663 by funding, at its own expense, \$5 million to assist customers whose
24 incomes exceed 150% of the Federal Poverty Income Guidelines but are less than
25 or equal to 200% of those Guidelines. For a variety of reasons, little of that \$5
26 million has been used today, notwithstanding the unfortunate state of the
27 economy. So that additional low income customers may benefit from that \$5
28 million contribution, the Settlement allows any funds remaining of that \$5 million

1 funding commitment to be used to assist additional customers – those whose
2 incomes fall below 150% of the Federal Poverty Income Guidelines.

3
4 **Q. DOES THE SETTLEMENT CONTAIN ANY PROVISIONS RELATING
TO SERVICE SCHEDULE 3, CUSTOMER LINE EXTENSIONS?**

5 A. Yes. During 2011, APS and stakeholders in the Company's line extension policy
6 worked together to resolve a significant dispute relating to changes that had been
7 made to Service Schedule 3 in the Company's last two rate cases. A settlement
8 of that dispute, reflected in Version 12 of Service Schedule 3, was approved by
9 this Commission in Decision No. 72684. Version 12 cannot be implemented
10 outside of a rate case. Section 15.1 of the Settlement requires Version 12 to
11 become effective on the rate effective date of this rate case.

12 **Q. PLEASE ADDRESS THE SETTLEMENT PROVISION RELATING TO
BILL PRESENTATION.**

13 A. Prior to filing the rate application underlying this Settlement, APS held a series of
14 technical conferences with rate case stakeholders to discuss its anticipated filing
15 and identify issues that the parties might seek to raise during the rate proceeding.
16 The format of the Company's customer bill arose as one such issue, engendering
17 a good deal of discussion and healthy debate about what type of information the
18 bill should show, what items should be consolidated or differentiated, and
19 whether there were any legal limits to how APS could change its bill format. In
20 the end, the Signatories agreed that the issue should be resolved outside the
21 context of this rate case.

22
23 The Settlement thus requires APS to initiate stakeholder meetings to address
24 issues related to the APS bill presentation, with a goal of making the bill easier
25 for customers to understand. APS will initiate those meetings within 90 days
26 following approval of the Settlement, and must ultimately file an application with
27 the Commission for whatever authorization is needed to modify its bill format.
28

1 That filing must also explain how the APS bill presentation proposal reflects the
2 input of participants received during the stakeholder meetings.

3
4 **Q. THE AGREEMENT CONTAINS SEVERAL PROVISIONS RELATING**
5 **TO EXPERIMENTAL RATE SCHEDULE AG-1 AND OTHER RATE**
6 **MATTERS. PLEASE BRIEFLY DESCRIBE THOSE REGARDING RATE**
7 **SCHEDULE AG-1.**

8 A. Experimental Rate Schedule AG-1 is a buy-through rate for commercial and
9 industrial customers, detailed in Attachment J to the Settlement. The program
10 spans a limited four year duration, with participation capped at 200 MW. APS
11 Witness Miessner describes the mechanics of Experimental Rate Schedule AG-1
12 in detail in his Direct Settlement Testimony.

13
14 **Q. WHY DID APS PROPOSE EXPERIMENTAL RATE SCHEDULE AG-1?**

15 A. Because the Company thought that such a rate might make sense for some of our
16 large customers, and it wanted to test the concept by offering a limited program
17 that would allow APS to gather information regarding whether a rate of this type
18 is operationally possible or economically feasible. APS currently has no way to
19 know whether a buy-through rate will benefit the customer receiving the rate, or
20 whether or how the displaced capacity resulting from such a rate may affect other
21 APS customers. APS believes that this limited program will provide useful
22 information regarding third-party participation in the generation and provision of
23 electricity in Arizona. This rate schedule does not nor is it intended to address
24 the subject of retail competition, nor does it circumvent in any way the
25 Commission's role in evaluating that issue as a matter of policy.

26
27 **Q. DOES THE SETTLEMENT CONTAIN ANY OTHER RATE SCHEDULE**
28 **MATTER PROVISIONS?**

A. Section XVII of the Agreement contains provisions for other rate schedule
matters, which are detailed in Attachment K to the Settlement. Mr. Miessner
elaborates on the rate design elements of the Settlement in his Direct Settlement
Testimony.

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V. CONCLUSION

Q. **DO YOU HAVE ANY CONCLUDING REMARKS?**

A. APS appreciates the dedication and commitment of all of the parties for their work in diligently and efficiently resolving a complex rate case that addresses a wide range of important ratemaking issues. The Settlement before the Commission is appealing from many perspectives, as I discussed in detail above. The widespread support for the Settlement by the many varied parties who spent weeks in detailed discussions over its terms is probably the best evidence that the Settlement is in the public interest. I believe that this Settlement, on balance, results in just and reasonable rates for our customers and should be approved.

Q. **DOES THIS CONCLUDE YOUR DIRECT SETTLEMENT TESTIMONY?**

A. Yes.



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AZ CORP COMMISSION
DOCKET CONTROL

JEFF GULDNER
Vice President
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January 9, 2012

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

RE: Arizona Public Service Company 2011 Rate Case Settlement Agreement
E-01345A-11-0224

To whom it may concern:

The Signatories to the Arizona Public Service Company ("APS") Rate Case Settlement Agreement ("Settlement") filed in the above-captioned docket agreed that APS should file this letter to inform the Commission and the public about the customer bill impacts potentially associated with the Settlement, both on the rate effective date and afterwards. As described in greater detail below, several factors associated with the Settlement may impact customer bills, and several factors that are independent of the Settlement may also impact bills:

- First and most immediately, the Settlement results in a modest rate reduction across customer classes, generally around one percent, on the assumed rate effective date (July 1, 2012) and for the remainder of 2012.
- Second, the Settlement will defer resetting the existing Power Supply Adjustor ("PSA") to reflect the new base fuel rates established in the Settlement until early 2013. This will allow customers to continue to receive a credit for the PSA for the rest of this year, and the PSA bill will be reset as it normally is in February 2013.
- Third, the Settlement would allow APS to seek an adjustment rider related to its potential acquisition of Southern California Edison's ("SCE") interest in Four Corners Power Plant Units 4 and 5 and retirement of Units 1-3 (the "proposed Four Corners transaction"), if the Commission authorizes APS to pursue the acquisition and if the transaction closes. The "Four Corners" adjustment is itself composed of two parts, each dependent upon several contingencies. The first part is the impact of the Four Corners transaction on the 2013 PSA reset should the transaction close prior to December 31, 2012. The second part, which is subject to yet further contingencies, would largely center on the non-fuel costs associated with the Four Corners transaction and would take effect no earlier than July 1, 2013.

The potential customer bill impact associated with each of these changes is explained below and illustrated in detail in the attachment.

1. Bill Impact on the Rate Effective Date.

If the Commission approves the Settlement so that rates take effect on July 1, 2012 as requested, APS customers will see on average a slight bill *decrease* during the remainder of 2012. The average residential customer's monthly bill, for example, will go down by about 1.0%. This customer benefit is caused by (1) APS receiving less rate relief than it had originally requested; (2) a decline in fuel costs; and (3) the Company's agreement to delay the reset of the PSA rate until February 2013, thus continuing the current PSA credit as described below.

2. Bill Impact Resulting from Existing Adjustment Mechanisms.

Of the existing Commission-approved adjustors that affect customer bills between rate cases, only the PSA has a bill impact that is directly affected by the Settlement. There are two components to the PSA: a forward component that will reflect anticipated 2013 fuel costs and a historical component that will collect any under-collected 2012 fuel costs (or refund any over-collection). Although both the forward and historical components may be affected by changes in fuel costs, weather or economic conditions between now and February 2013, APS estimates that average residential customer bills will increase by 2.5% above what they had been just before Settlement rates took effect when the PSA rate is reset in February of 2013.¹ Importantly, although the PSA Plan of Administration would allow the PSA rate to be reset at the same time when new rates take effect, an annual reset occurs each February regardless of whether a rate case has been filed.

3. Bill Impact Resulting from Potential Four Corners Acquisition.

Finally, the Settlement contains a provision that would allow APS to seek an adjustment rider related to its proposed Four Corners transaction, if the Commission authorizes APS to pursue the transaction and if the transaction closes. Under the terms of the Settlement, such a rider, if implemented, may not become effective any earlier than July 1, 2013. Any bill impact associated with this adjustment is contingent on subsequent Commission actions and other future events that may or may not occur. The bill impact reflecting the Four Corners rider presented in the attached assumes, for example, that the Commission and other regulators (including the California Public Utilities Commission and the Federal Energy Regulatory Commission) allow the transaction to proceed, that all other conditions to closing are satisfied, and that the transaction is consummated in the fourth quarter of 2012. It further assumes that the Commission will grant the Company's request that it be allowed to operate Four Corners Units 1-3 through 2013 and recover the associated Operations and Maintenance expense through the PSA only and for so long as off-system sales from that additional capacity benefit customers more than the continued cost of operating those Units. None of these issues is specifically resolved in this Agreement.

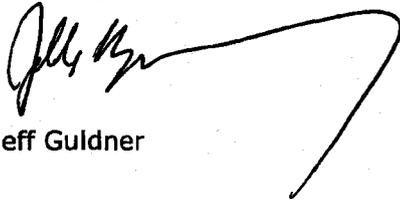
Completing the Four Corners transaction as described above could result in average residential customer bills increasing by slightly more than 3% after July 2013. Importantly, however, the rate treatment of Four Corners was not part of the bill impact analysis related to the Company's original rate case application. The

¹ Again, this analysis assumes that the Commission authorizes APS to pursue the proposed Four Corners transaction, the transaction closes prior to December 31, 2012, and also that Four Corners Units 1-3 continue to operate through the balance of 2013, which results in lower PSA costs.

opportunity for APS to pursue the Four Corners transaction resulted from a combination of California environmental regulations that prompted SCE to withdraw as a participant in the Four Corners plant and from federal environmental regulations that would require significant costs for APS to continue to operate its own Four Corners units. In the separate Four Corners docket, APS has shown that the Four Corners transaction is a far less expensive option for customers over the long term than any other alternative. The Settlement proposal would facilitate the timely closing of the transaction. It would also lower the balance of the cost deferral that APS has requested in the Four Corners docket, which would be significantly higher were it carried over to the Company's next rate case, causing a higher customer bill impact.

I hope this letter provides additional information regarding the potential customer bill impacts associated with this Settlement, and look forward to discussing this in more detail at the hearing. If you have any questions, or would like additional clarification or information, please let me know by way of a letter in this rate case docket, to which APS will promptly respond.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Guldner", with a long, sweeping horizontal line extending to the right.

Jeff Guldner

JBG/dk

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this 9th day of January, 2012 to:

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ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

	Application	Rates on	
		6/30/2012	Settlement 7/1/2012
	Annual Average Monthly Bill (1,2)	Annual Average Monthly Bill (2)	Annual Average Monthly Bill (3)
Residential (Rate E-12)			
Average kWh per Month	691	691	691
Base Rates	\$ 89.31	\$ 86.40	\$ 86.44
PSA- Forward Component	(0.01)	(3.19)	(3.19)
PSA - Historical Component	(0.32)	0.30	0.30
4 Corners	-	-	-
TCA	1.48	2.91	2.91
EIS	-	0.11	-
RES	1.99	3.84	2.78
DSMAC	1.88	1.88	1.88
Total	\$ 94.33	\$ 92.25	\$ 91.12
Bill Impact	\$ 4.33		\$ (1.13)
Percent Bill Impact	4.81%		-1.22%

	Annual Average Monthly Bill (1,2)	Annual Average Monthly Bill	
		(2)	(3)
Residential (Average - All Rates)			
Average kWh per Month	1,100	1,100	1,100
Base Rates	\$ 128.80	\$ 123.90	\$ 123.83
PSA- Forward Component	(0.02)	(5.08)	(5.08)
PSA - Historical Component	(0.51)	0.49	0.49
4 Corners	-	-	-
TCA	2.36	4.63	4.63
EIS	-	0.18	-
RES	1.99	3.84	2.78
DSMAC	2.99	2.99	2.99
Total	\$ 135.61	\$ 130.95	\$ 129.64
Bill Impact	\$ 8.36		\$ (1.31)
Percent Bill Impact	6.57%		-1.00%

	Annual Average Monthly Bill (1,2)	Annual Average Monthly Bill	
		(2)	(3)
Commercial (Rate E-32, 0-20 kW)			
Average kWh per Month	1,430	1,430	1,430
Base Rates	\$ 206.85	\$ 202.30	\$ 206.23
PSA- Forward Component	(0.02)	(6.60)	(6.60)
PSA - Historical Component	(0.66)	0.63	0.63
4 Corners	-	-	-
TCA	2.29	3.53	3.53
EIS	-	0.23	-
RES	7.12	13.71	9.96
DSMAC	3.89	3.89	3.89
Total	\$ 219.47	\$ 217.69	\$ 217.64
Bill Impact	\$ 4.37		\$ (0.05)
Percent Bill Impact	2.03%		-0.02%

ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

	Application	Rates on	Settlement
	Annual Average Monthly Bill (1,2)	6/30/2012 Annual Average Monthly Bill (2)	7/1/2012 Annual Average Monthly Bill (3)
Commercial (Rate E-32, > 20 kW)			
Average kWh per Month	62,238	62,238	62,238
Base Rates	\$ 6,142.98	\$ 5,977.26	\$ 5,986.64
PSA- Forward Component	(0.88)	(287.36)	(287.36)
PSA - Historical Component	(28.69)	27.33	27.33
4 Corners	-	-	-
TCA	144.81	163.78	163.78
EIS	-	9.96	-
RES	73.92	142.44	103.44
DSMAC	189.52	189.52	189.52
Total	\$ 6,521.66	\$ 6,222.93	\$ 6,183.35
Bill Impact	\$ 401.72		\$ (39.58)
Percent Bill Impact	6.56%		-0.64%

	Annual Average Monthly Bill (1,2)	Annual Average Monthly Bill (2)	Annual Average Monthly Bill (3)
	Industrial (Rate E34/35)		
Average kWh per Month	3,581,412	3,581,412	3,581,412
Base Rates	\$ 257,184.98	\$ 249,125.86	\$ 244,035.16
PSA- Forward Component	(50.14)	(16,535.38)	(16,535.38)
PSA - Historical Component	(1,651.03)	1,572.24	1,572.24
4 Corners	-	-	-
TCA	1,710.44	4,061.46	4,061.46
EIS	-	573.03	-
RES	221.77	427.33	310.33
DSMAC	6,395.98	6,395.98	6,395.98
Total	\$ 263,812.00	\$ 245,620.52	\$ 239,839.79
Bill Impact	\$ 25,818.72		\$ (5,780.73)
Percent Bill Impact	10.85%		-2.35%

Notes:

- (1) From CAM-14 In Application
- (2) Bill includes impact of proposed revised General Rate Case charges, and PSA and RES surcharges reset with implementation of new rates
Bill excludes regulatory assessment charge, taxes and fees. Adjustor levels in effect as of March 1, 2011
- (3) 7/1/2012 - Includes settlement rates, transfer from RES to base rates, and EIS set to zero. PSA based on 2/1/2012 rate

ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

NOTE: PSA RESET OCCURS EACH FEBRUARY REGARDLESS OF WHETHER A RATE CASE HAS BEEN FILED

	Rates on 7/1/2012	Potential Impact of PSA Reset in 2013	
	Annual Average Monthly Bill (4,5)	Annual Average Monthly Bill (4,6)	
Residential (Rate E-12)			
Average kWh per Month	691	691	
Base Rates	\$ 86.44	\$ 86.44	
PSA- Forward Component	(3.19)	(2.12)	
PSA - Historical Component	0.30	2.10	
4 Corners	-	-	
TCA	2.91	2.91	
EIS	-	-	
RES	2.78	2.78	
DSMAC	1.88	1.88	
Total	\$ 91.12	\$ 93.99	
Bill Impact		\$ 2.87	Equates to a 1.9% bill impact compared to 6/30/2012 rates
Percent Bill Impact		3.15%	

	Annual Average Monthly Bill (4,5)	Annual Average Monthly Bill (4,6)	
Residential (Average - All Rates)			
Average kWh per Month	1,100	1,100	
Base Rates	\$ 123.83	\$ 123.83	
PSA- Forward Component	(5.08)	(3.37)	
PSA - Historical Component	0.49	3.34	
4 Corners	-	-	
TCA	4.63	4.63	
EIS	-	-	
RES	2.78	2.78	
DSMAC	2.99	2.99	
Total	\$ 129.64	\$ 134.20	
Bill Impact		\$ 4.56	Equates to a 2.5% bill impact compared to 6/30/2012 rates
Percent Bill Impact		3.52%	

	Annual Average Monthly Bill (4,5)	Annual Average Monthly Bill (4,6)	
Commercial (Rate E-32, 0-20 kW)			
Average kWh per Month	1,430	1,430	
Base Rates	\$ 206.23	\$ 206.23	
PSA- Forward Component	(6.60)	(4.38)	
PSA - Historical Component	0.63	4.34	
4 Corners	-	-	
TCA	3.53	3.53	
EIS	-	-	
RES	9.96	9.96	
DSMAC	3.89	3.89	
Total	\$ 217.64	\$ 223.57	
Bill Impact		\$ 5.93	
Percent Bill Impact		2.72%	

ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

NOTE: PSA RESET OCCURS EACH FEBRUARY REGARDLESS OF WHETHER A RATE CASE HAS BEEN FILED

	Rates on 7/1/2012	Potential Impact of PSA Reset in 2013
	Annual Average Monthly Bill (4,5)	Annual Average Monthly Bill (4,6)
Commercial (Rate E-32, > 20 kW)		
Average kWh per Month	62,238	62,238
Base Rates	\$ 5,986.64	\$ 5,986.64
PSA- Forward Component	(287.36)	(190.39)
PSA - Historical Component	27.33	188.77
4 Corners	-	-
TCA	163.78	163.78
EIS	-	-
RES	103.44	103.44
DSMAC	189.52	189.52
Total	\$ 6,183.35	\$ 6,441.76
Bill Impact		\$ 258.41
Percent Bill Impact		4.18%

	Annual Average Monthly Bill (4,5)	Annual Average Monthly Bill (4,6)
Industrial (Rate E34/35)		
Average kWh per Month	3,581,412	3,581,412
Base Rates	\$ 244,035.16	\$ 244,035.16
PSA- Forward Component	(16,535.38)	(10,955.54)
PSA - Historical Component	1,572.24	10,862.43
4 Corners	-	-
TCA	4,061.46	4,061.46
EIS	-	-
RES	310.33	310.33
DSMAC	6,395.98	6,395.98
Total	\$ 239,839.79	\$ 254,709.82
Bill Impact		\$ 14,870.03
Percent Bill Impact		6.20%

Notes:

- (4) Bill excludes regulatory assessment charge, taxes and fees
- (5) 7/1/2012 - Includes settlement rates, transfer from RES to base rates, and EIS set to zero. PSA based on 2/1/2012 rate
- (6) 2/1/2013 - APS would have reset the PSA adjustor regardless of the current rate case. Projected PSA reset, under-collection in 2012 due to base fuel rate change in 7/1/12, FC 1-3 Off-system sales margin, and FC 4-5 base fuel rate change due to acquisition

ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

	Bill Impact of PSA Reset in 2013	Potential Impact of ACC Approval of FC
	Annual Average Monthly Bill (7,8)	Annual Average Monthly Bill (7,9)
Residential (Rate E-12)		
Average kWh per Month	691	691
Base Rates	\$ 86.44	\$ 86.44
PSA- Forward Component	(2.12)	(1.31)
PSA - Historical Component	2.10	2.10
4 Corners	-	2.08
TCA	2.91	2.91
EIS	-	-
RES	2.78	2.78
DSMAC	1.88	1.88
Total	\$ 93.99	\$ 96.88
Bill Impact		\$ 2.89
Percent Bill Impact		3.07%

	Annual Average Monthly Bill (7,8)	Annual Average Monthly Bill (7,9)
Residential (Average - All Rates)		
Average kWh per Month	1,100	1,100
Base Rates	\$ 123.83	\$ 123.83
PSA- Forward Component	(3.37)	(2.09)
PSA - Historical Component	3.34	3.34
4 Corners	-	2.97
TCA	4.63	4.63
EIS	-	-
RES	2.78	2.78
DSMAC	2.99	2.99
Total	\$ 134.20	\$ 138.45
Bill Impact		\$ 4.25
Percent Bill Impact		3.17%

	Annual Average Monthly Bill (7,8)	Annual Average Monthly Bill (7,9)
Commercial (Rate E-32, 0-20 kW)		
Average kWh per Month	1,430	1,430
Base Rates	\$ 206.23	\$ 206.23
PSA- Forward Component	(4.38)	(2.71)
PSA - Historical Component	4.34	4.34
4 Corners	-	4.95
TCA	3.53	3.53
EIS	-	-
RES	9.96	9.96
DSMAC	3.89	3.89
Total	\$ 223.57	\$ 230.19
Bill Impact		\$ 6.62
Percent Bill Impact		2.96%

ARIZONA PUBLIC SERVICE COMPANY
Estimated Annual Bill Impacts of Proposed and Settlement Rates
Includes PSA and RES Impacts

	Bill Impact of PSA Reset in 2013 Annual Average Monthly Bill (7,8)	Potential Impact of ACC Approval of FC Annual Average Monthly Bill (7,9)
Commercial (Rate E-32, > 20 kW)		
Average kWh per Month	62,238	62,238
Base Rates	\$ 5,986.64	\$ 5,986.64
PSA- Forward Component	(190.39)	(117.94)
PSA - Historical Component	188.77	188.77
4 Corners	-	143.68
TCA	163.78	163.78
EIS	-	-
RES	103.44	103.44
DSMAC	189.52	189.52
Total	\$ 6,441.76	\$ 6,657.89
Bill Impact		\$ 216.13
Percent Bill Impact		3.36%

	Annual Average Monthly Bill (7,8)	Annual Average Monthly Bill (7,9)
Industrial (Rate E34/35)		
Average kWh per Month	3,581,412	3,581,412
Base Rates	\$ 244,035.16	\$ 244,035.16
PSA- Forward Component	(10,955.54)	(6,786.78)
PSA - Historical Component	10,862.43	10,862.43
4 Corners	-	5,856.85
TCA	4,061.46	4,061.46
EIS	-	-
RES	310.33	310.33
DSMAC	6,395.98	6,395.98
Total	\$ 254,709.82	\$ 264,735.43
Bill Impact		\$ 10,025.61
Percent Bill Impact		3.94%

Notes:

- (7) Bill excludes regulatory assessment charge, taxes and fees. Adjustor levels in effect as of March 1, 2011
- (8) 2/1/2013 - APS would have reset the PSA adjustor regardless of the current rate case. Projected PSA reset, under-collection in 2012 due to base fuel rate change in 7/1/12, FC 1-3 Off-system sales margin, and FC 4-5 base fuel rate change due to acquisition
- (9) 7/1/2013 - FC 1-3 O&M base fuel rate transfer to PSA, and FC 4-5 non-fuel rate increase

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DIRECT SETTLEMENT TESTIMONY OF LELAND R. SNOOK

On Behalf of Arizona Public Service Company

Docket No. E-01345A-11-0224

January 18, 2012

Table of Contents

1
2 I. INTRODUCTION..... 1
3 II. SUMMARY 1
4 III. OVERVIEW OF THE LFCR MECHANISM 3
5 IV. THE OPT-OUT RATE OPTION FOR RESIDENTIAL CUSTOMERS..... 4
6 V. THE EXCLUSION OF LARGE CUSTOMER CLASSES FROM THE
7 LFCR MECHANISM..... 6
8 VI. WHY THE LFCR IS THE APPROPRIATE MECHANISM TO
9 IMPLEMENT IN THIS SETTLEMENT..... 7
10 VII. MODIFICATIONS TO THE EIS 7
11 VIII. CHANGES TO THE RENEWABLE ENERGY ADJUSTMENT CLAUSE
12 (“REAC”) 8
13 IX. CONCLUSION 9
14
15
16
17
18
19
20
21
22
23
24
25
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27
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1 minimal modifications to the Commission Staff proposal discussed in Staff
2 Witness Howard Solganick's Direct Testimony. This approach provides a clear
3 and direct link between EE and DG sales reductions to the amount of uncollected
4 fixed costs to be recovered by the Company. Importantly, this link allows APS to
5 be given the opportunity to recover its lost fixed costs attributable to EE or DG at
6 any level and pace that the Commission authorizes as a matter of policy. The
7 LFCR adjustment will also be subject to a 1% cap. This cap is significantly
8 below the 3% cap proposed by APS in its Direct Testimony, as APS Witness Jeff
9 Guldner discusses in his Direct Settlement Testimony.

10 The implementation of the LFCR provided in the Settlement Agreement is
11 coupled with the provision of an Opt-Out rate option for residential customers.
12 This rate provides customers an option to have a slightly higher Basic Service
13 Charge ("BSC") rather than participating in the LFCR mechanism. This Opt-Out
14 rate provides customers with the opportunity to avoid an LFCR charge, while still
15 allowing the customer to participate in and benefit from DSM and DG programs.
16 Notably, the Opt-Out rate would be difficult, if not impossible, to implement
17 under a full revenue per customer decoupling model, which I will discuss in
18 greater detail later in my testimony.

19 The Settlement also proposes a cooperative solution to address lost fixed cost
20 recovery relating to large customer classes. Rather than being included in the
21 LFCR, the Settlement Agreement modifies the rates for these customers to allow
22 for greater recovery of fixed costs through higher demand charges, and a
23 corresponding downward adjustment to energy charges. These rate modifications
24 provide the Company with adequate fixed cost recovery from these customers,
25 while allowing them to be exempt from the LFCR.
26

1 Finally, the Settlement Agreement modifies APS's existing EIS. Instead of using
2 a set amount of funds advanced by customers to pay for new government
3 mandated environmental controls, APS will now pay for the new facilities as it
4 does other traditional plant and collect a portion of the capital carrying costs
5 through the EIS. The EIS rate will thus be initially reset to zero, and will be
6 capped so that it cannot increase to more than the present EIS rate.

7 **III. OVERVIEW OF THE LFCR MECHANISM**

8 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF THE SETTLEMENT
9 PROPOSED LFCR MECHANISM.**

10 A. First and foremost, the LFCR mechanism is very different from the full revenue
11 per customer decoupling mechanism (which APS had called the Efficiency and
12 Infrastructure Account ("EIA")). The LFCR mechanism is a narrowly tailored
13 mechanism that addresses only sales reductions associated with Commission-
14 approved DSM and DG programs. The direct correlation between DSM and DG
15 sales reductions and the associated cost recovery in the LFCR is distinct from full
16 revenue per customer decoupling (the EIA proposed by APS) which takes into
17 account all fluctuations in sales, regardless of the cause. For example, full
18 revenue per customer decoupling would include fluctuations in sales due to
19 extreme weather or the economic cycle. Due to the more targeted scope of the
20 LFCR mechanism and the direct link to DSM and DG sales, the LFCR inherently
21 allows the Commission the flexibility to set the pace or level of EE and DG that
22 they so choose.

23 **Q. WILL YOU PLEASE PROVIDE THE SPECIFIC MECHANICS OF THE
24 LFCR MECHANISM?**

25 A. The LFCR will be calculated annually and will be applied to customers' bills
26 upon Commission approval in March of each year, with the first adjustment
27 occurring March 2013. Importantly, this mechanism has a 1% year over year cap
28 – significantly lower than that proposed by APS in its direct filing – meaning a

1 customer's bill will not go up in any given year by more than 1% due to the
2 LFCR mechanism. Annually, on or before January 15, APS will submit a
3 compliance report to the Commission detailing the amount of the LFCR
4 adjustment and the customer bill impact, with the initial filing to occur in 2013.
5 The calculation is derived by multiplying a portion of distribution and
6 transmission costs (these costs excluding the amount collected in the BSC and
7 50% of those same costs collected through a demand based (or kW) charge) times
8 the sales reductions associated with Commission-approved DSM and DG
9 programs. The 50% credit for demand charges associated with these distribution
10 and transmission costs is based on the fact that EE programs tend, on average, to
11 reduce demand by half the reduction in energy usage. Also, the sales associated
12 with customers who are exempt from the LFCR or are on the Opt-Out rate option
13 will be excluded from the derivation of the annual adjustment. The result of this
14 calculation is the amount of money that APS will be allowed to recover from
15 customers to make up the revenue from lost sales in the prior year in order to
16 recover its fixed costs. The adjustment will be applied to customers' bills on an
17 equal percentage surcharge in March of each year and will remain in effect for
18 one year. Please see the LFCR Plan of Administration and related compliance
19 reports attached to the proposed Settlement Agreement as Attachment F.

20 **IV. THE OPT-OUT RATE OPTION FOR RESIDENTIAL CUSTOMERS**

21 **Q. THE SETTLEMENT AGREEMENT HAS A PROVISION FOR AN OPT-
22 OUT RATE FOR RESIDENTIAL CUSTOMERS, PLEASE EXPLAIN
THIS PROVISION.**

23 **A.** The Opt-Out rate option is a companion rate to the LFCR. The rate allows
24 residential customers the option to be excluded from the LFCR mechanism by
25 adding instead a modest increase to their existing BSC.² This provision gives
26 customers the flexibility to choose whether or not they will be subject to the

27 _____
28 ² The Opt-Out rate does not preclude customers from participating in and benefitting from DSM and DG programs.

1 LFCR mechanism. The Opt-Out adjustment to each customer's bill depends
2 upon the level of that customer's kWh usage; the BSC slightly increases as
3 energy usage increases. For the typical residential customer, the Opt-Out rate
4 will result in about a 1% one-time increase to their bill. This increased BSC was
5 determined by taking the average of the forecast LFCR adjustment from the
6 assumed July 1, 2012 rate effective date of Settlement Agreement until the end of
7 APS's rate case stay out period in 2016.

8 **Q. COULD THE EIA ALSO HAVE AN OPT-OUT RATE OPTION?**

9 A. That is doubtful. The LFCR mechanism, as stated above, is a very narrow
10 mechanism, tailored to authorized Commission kWh savings from DSM and DG.
11 The nature of the device makes the adjustments narrow and relatively predictable,
12 rendering the calculation of an appropriate Opt-Out rate easier compared to what
13 it would be under the broader revenue per customer decoupling model. The Opt-
14 Out rate would not likely be feasible under a full revenue per customer
15 decoupling mechanism, because there would be considerably more factors
16 affecting lost sales beyond just DSM and DG, such as weather, which can greatly
17 affect a full revenue per customer adjustment in either direction. Given the lack
18 of predictability and multiple variables in full revenue per customer decoupling,
19 any fixed Opt-Out rate could be significantly non-compensatory for the Company
20 or larger than necessary for the Opt-Out customers. Therefore, the Opt-Out rate
21 option is a somewhat unique feature made possible by the narrowly-tailored
22 LFCR mechanism proposed in the Settlement Agreement.

23 For more information regarding the applicable Opt-Out rate option for each
24 residential rate schedule by customer usage levels, please see the proposed
25 Settlement Agreement at Attachment E. Also see APS Witness Charles
26 Miessner's Direct Settlement Testimony for discussion of the detailed Opt-Out
27 rate design.
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Q. WHY NOT PROVIDE AN OPT-OUT RATE FOR SMALLER COMMERCIAL CUSTOMERS?

A. Unlike residential customers, smaller general service customers have extremely heterogeneous characteristics, ranging from retail stores to smaller schools to traffic lights to billboards. It would be extremely problematic to design an opt-out rate that would be fair for such a diverse group of customers.

V. THE EXCLUSION OF LARGE CUSTOMER CLASSES FROM THE LFCR MECHANISM

Q. PLEASE EXPLAIN WHY CERTAIN LARGE CUSTOMER CLASSES ARE EXEMPT FROM THE LFCR MECHANISM.

A. The recovery of fixed costs for large customers, specifically rate schedules E-32 L, E-32 L TOU, E-34 and E-35, were alternatively addressed through rate design rather than including these customer groups in the LFCR mechanism. This Test Year revenue neutral modified rate design changes the price structure to recover a greater portion of fixed costs through demand charges. This modification allows the Company to ensure that a greater portion of fixed costs are recovered through rate design rather than the LFCR mechanism. Importantly, any DSM and DG energy reductions from customers that are excluded from the LFCR mechanism will also be excluded from the calculation of the LFCR to ensure that those costs are not borne by other customers. For more information regarding the specific rate design changes for large commercial customers, please see APS Witness Miessner's Direct Settlement Testimony.

Q. DID APS PRESENT A PROPOSAL IN ITS DIRECT TESTIMONY ON HOW RATE DESIGN COULD BE MODIFIED TO ACCOMMODATE THE EXCLUSION OF LARGE CUSTOMER CLASSES?

A. Yes. In my Direct Testimony, I discussed how large customer classes could be excluded from the decoupling mechanism. The rate design proposal in the Settlement Agreement is conceptually consistent with that proposed in my Direct Testimony, in that it creates a price structure that recovers a greater portion of fixed costs through demand charges than do the current rates for these customers.

1 VI. WHY THE LFCR IS THE APPROPRIATE MECHANISM TO IMPLEMENT
2 IN THIS SETTLEMENT

3 Q. **APS SUPPORTED A FULL REVENUE PER CUSTOMER DECOUPLING**
4 **MECHANISM IN ITS DIRECT FILING AND IS NOW SUPPORTING**
5 **THE LFCR MECHANISM. WHY DOES APS SUPPORT THE LFCR**
6 **NOW?**

7 A. APS fully supports the LFCR mechanism proposed in the Settlement Agreement
8 and believes it is a reasonable mechanism to implement to address the immediate
9 concerns related to sales reductions associated with EE and DG. The LFCR
10 mechanism represents a tailored solution to address the unrecovered fixed costs
11 associated with EE and DG – the exact issue at hand. While APS believes full
12 revenue per customer decoupling is a holistic approach to ensure proper recovery
13 of fixed costs due to changes in sales, the LFCR represents a compromise
14 amongst a broad group of Settling Parties. The LFCR mechanism allows the
15 Commission to determine the appropriate level and pace of DSM and DG and
16 uniquely provides additional flexibility to residential customers through a
17 companion Opt-Out rate option. APS Witness Guldner provides greater detail
18 regarding the policy underlying the LFCR in his Direct Settlement Testimony.

17 VII. MODIFICATIONS TO THE EIS

18 Q. **PLEASE DESCRIBE THE MODIFICATIONS TO THE EIS AS**
19 **CONTEMPLATED BY THE SETTLEMENT AGREEMENT.**

20 A. In my Direct Testimony, I proposed an Environmental and Reliability Account.
21 APS withdrew this request during Settlement discussions in lieu of making a
22 slight modification to the existing EIS. The change is as follows: APS will no
23 longer receive customer dollars through the EIS to pay for government-mandated
24 environmental controls and will instead recover the capital carrying costs for
25 these projects through the EIS once they are completed and in service. This
26 adjustment will be subject to the current kWh rate cap in place. This means that
27 the current EIS charge of \$0.00016/kWh will be reset to zero and will not exceed
28 \$0.00016/kWh, at least until the end of APS's next general rate case. The

1 adjustment will become effective each April 1st, unless Staff requests
2 Commission review or is otherwise ordered by the Commission. Please see the
3 Settlement Agreement at Attachment H for the EIS Plan of Administration, and
4 the Direct Settlement Testimony of APS Witness Guldner for the policy reasons
5 behind the EIS modification.

6 **VIII. CHANGES TO THE RENEWABLE ENERGY ADJUSTMENT CHARGE**
7 **("REAC")**

8 **Q. DOES THE SETTLEMENT AGREEMENT ADDRESS THE ISSUE OF**
9 **WHETHER APS CUSTOMERS WHO RECEIVE BENEFITS FROM THE**
10 **COMPANY'S RENEWABLE ENERGY PROGRAMS PAY THEIR**
11 **PROPORTIONATE SHARE OF THE REAC?**

12 **A.** No. This issue was raised in late December through a proposed amendment by
13 Commissioner Burns during the open meeting when APS's 2012 Renewable
14 Energy Standard ("RES") Implementation Plan was being discussed, and an
15 amendment to this effect was later adopted for Tucson Electric Power Company
16 ("TEP"). However, Chairman Pierce suggested that, for APS, the matter be
17 addressed in the Company's pending general rate case.

18 **Q. WHAT IS THE COMPANY'S POSITION ON SUCH A REQUIREMENT?**

19 **A.** Essentially, the questions of whether or not APS customers who benefit from the
20 Company's renewable energy programs should pay their share of the REAC is a
21 policy matter for the Commission to decide. If the Company is ordered to
22 implement a policy like that adopted for TEP, there would need to be some time
23 allowed to accommodate the necessary programming to APS's customer
24 metering and billing systems. And, like TEP, since such a charge credits the
25 collections under the REAC, it would be earnings and potentially revenue neutral
26 to the Company and would not require any change to base rates.

27 **Q. WOULD THE ADOPTION OF SUCH AN AMENDMENT AFFECT THE**
28 **SETTLEMENT AGREEMENT?**

A. No. In the Company's view, because the proposal is intended to be a revenue
neutral policy decision that was simply deferred until APS's rate case was

1 decided, it can be incorporated in a final rate decision on this case without
2 affecting the Settlement Agreement.

3 **IX. CONCLUSION**

4 **Q. DO YOU HAVE ANY CONCLUDING REMARKS?**

5 A. Yes. The Settlement Agreement presents a LFCR mechanism that allows the
6 Commission the flexibility to directly control the desired level and pace of DSM
7 and DG. This mechanism departs from the full revenue per customer decoupling
8 APS proposed in its Direct Testimony and represents a Settlement compromise to
9 provide specific cost recovery for sales reductions associated with DSM and DG.
10 Further, the implementation of this rate also allows for the creation of the
11 residential Opt-Out rate option – a rate that gives residential customers control
12 over whether or not they are subject to the LFCR mechanism. This Settlement
13 Agreement also produced rate design treatment for the large commercial and
14 industrial customers that was amenable to all parties involved. Overall, the
15 LFCR represents a mechanism well-suited to address the immediate concern at
16 hand.

17 Further, the Settlement offers a modification to the EIS that will allow the
18 Company to slightly reduce rates and recover the future carrying costs associated
19 with government-mandated environmental projects. This modified EIS is capped
20 at no higher than the rate currently in effect.

21 **Q. DOES THIS CONCLUDE YOUR DIRECT SETTLEMENT TESTIMONY?**

22 A. Yes.
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DIRECT SETTLEMENT TESTIMONY OF CHARLES A. MIESSNER

On Behalf of Arizona Public Service Company

Docket No. E-01345A-11-0224

January 18, 2012

Table of Contents

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

I. INTRODUCTION..... 1

II. PURPOSE OF TESTIMONY 1

III. SUMMARY OF TESTIMONY 1

IV. PROPOSED CHANGE IN RATES AND ALLOCATION TO CLASSES..... 2

V. SETTLEMENT RATE PROVISIONS..... 4

VI. NEW RATE PROGRAMS 10

VII. LOW INCOME PROGRAM..... 12

VIII. LOST FIXED COST RECOVERY MECHANISM..... 14

IX. CONCLUSION 16

All Rate Schedules (Clean Version)..... Attachment CAM-S1

All Rate Schedules (Redline Version)..... Attachment CAM-S2

All Service Schedules (Clean Version) Attachment CAM-S3

All Service Schedules (Redline Version)..... Attachment CAM-S4

Schedule H-2 Proposed Revenue Change by Class Attachment CAM-S5

1 **DIRECT SETTLEMENT TESTIMONY OF CHARLES A. MIESSNER**
2 **ON BEHALF OF ARIZONA PUBLIC SERVICE COMPANY**
 (Docket No. E-01345A-11- 0224)

3 I. INTRODUCTION

4 Q. **PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

5 A. Charles A. Miessner, 400 North Fifth Street, Phoenix, Arizona 85004.

6 Q. **BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

7 A. I am Pricing Manager for Arizona Public Service Company (“APS” or
8 “Company”).

9 Q. **DID YOU PROVIDE DIRECT TESTIMONY IN THIS PROCEEDING?**

10 A. Yes.

11 II. PURPOSE OF TESTIMONY

12 Q. **WHAT IS THE PURPOSE OF YOUR DIRECT SETTLEMENT**
13 **TESTIMONY IN THIS PROCEEDING?**

14 A. The purpose of my Direct Settlement Testimony (“Testimony”) is to support the
15 rate provisions in the Settlement Agreement (“Settlement”) and provide the
16 resulting rate schedules, which are attached at Attachment CAM-S1 and CAM-S2
17 for the clean and redline version, and service schedules, which are attached at
18 Attachment CAM-S3 and CAM-S4 for the clean and redline version. I also
19 support the revised Schedule H-2, which summarizes the proposed revenue
20 changes for each retail rate class, attached as Attachment CAM-S5.

21 III. SUMMARY OF TESTIMONY

22 Q. **HOW WERE THE RATE PROVISIONS IN THE SETTLEMENT**
23 **AGREEMENT DETERMINED?**

24 A. The Settlement generally adopts the rate recommendations proposed by Staff in
25 their direct testimony, which are revised to reflect the total proposed revenue
26 requirements and other specific proposals agreed to by the parties to the
27 Settlement (“Settling Parties”).
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Q. PLEASE SUMMARIZE YOUR TESTIMONY.

In my Testimony, I support the zero base rate increase provided in the Settlement and describe the revenue spread and impact for specific rate classes. I also summarize the rate provisions adopted in the Settlement. The Company agrees with these provisions and believes that they are fair and appropriate. Further, I summarize the new customer rate options that are included in the Settlement: 1) the two new demand response rate programs – the residential peak time rebate program and the interruptible rate for extra-large general service customers, which will provide additional options for customers to save on their bills; and 2) the new experimental alternative generation rate, Rate Schedule AG-1, which will test a new generation service arrangement for a limited number of general service customers. Next I summarize the proposal for low income programs which consolidates the low income rates into the standard residential rates and eliminates the low income exemption for certain adjustor rates, but increases the discount levels to hold customers harmless (on average) from these changes. Finally, I provide the Lost Fixed Cost Recovery Adjustor rate schedule (“LFCR”) and explain the opt-out rate option for residential customers.

IV. PROPOSED CHANGE IN RATES AND ALLOCATION TO CLASSES

Q. WHAT DOES THE SETTLEMENT PROPOSE FOR AN OVERALL CHANGE IN RETAIL BASE RATES?

A. The Settlement proposes no change in revenue recovered through retail base rates, in other words a 0.00% change in overall retail base rates. Furthermore, when the various adjustors to base rates are considered, the overall bill impact when new base rates are implemented will also be zero or slightly negative for retail customers overall, and for each revenue class (e.g. residential, general service, outdoor lighting) as well.

1 **Q. HOW IS THIS AMOUNT DERIVED?**

2 A. The requested change in rates of \$0.00 is the net of a general non-fuel increase of
3 \$116,280,000, an additional non-fuel increase of \$36,807,000 from transferring
4 revenue requirements for the Renewable Energy Standard ("RES") to base rates,
5 and a decrease in fuel costs recovered through base rates of \$153,087,000.

6 **Q. WHAT ARE THE IMPACTS ON THE VARIOUS CUSTOMER CLASSES?**

7 Even though there is no change in base rates overall for retail customers, the base
8 revenue change is slightly positive for some customer classes, and slightly
9 negative for others. For example, residential customers receive a small base rate
10 decrease of 0.05%, while general service customers receive a small base rate
11 increase of 0.06%. In addition, there are small deviations of rate impacts for the
12 specific rate classes within these customer classes as well. The details of the base
13 rate changes for total retail customers, customer revenue classes and specific rate
14 classes are provided in Schedule H-2 as Attachment CAM-S5.

15
16 Again, as stated above, when the adjustor rates are considered along with the base
17 rates, the total bill impact is zero or slightly negative for all customer classes
18 when the new base rates are implemented in this proceeding.

19 **Q. WHY DO THE BASE RATE CHANGES VARY SLIGHTLY AMONG**
20 **CUSTOMER CLASSES?**

21 A. The slight class variations in base rate changes are primarily due to three factors –
22 the proposal to hold low income customers harmless for eliminating their
23 exemption to the PSA and DSMAC adjustor rates, the proposal to consolidate the
24 low income rates with their non-low-income counterparts, and the proposal to
25 equalize the impact of transferring the recovery of fuel from base rates to the PSA
26 adjustor rate within the general service class.

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Q. PLEASE DESCRIBE THE PROPOSED ADJUSTMENT FOR THE PSA IMPACTS FOR GENERAL SERVICE CUSTOMERS.

A. The Settlement provides that the amount of fuel recovered in base rates be reduced by roughly \$153 million or about \$0.005 per kWh, consistent with the PSA Plan of Administration. The PSA rates, which recover the difference between the fuel cost in base rates and actual fuel costs, will therefore be readjusted over time. This adjustment will have a higher impact on customers that use a lot of energy, such as high load factor general service customers, compared with other customers. The Settlement proposes to equalize this impact over the various general service rate classes by adjusting the targeted change in base revenues for each class to offset the PSA impact.

Q. HOW IS THIS ADJUSTMENT APPLIED?

A. The PSA impact adjustment is derived by computing the average impact per kWh on the PSA from this fuel cost transfer for the general service class. Next, the PSA impact per kWh is calculated for each specific general service rate class. The adjustment for each class is the difference between the class specific kWh amount and the average amount for all general service classes. So, rate classes that have a higher than average PSA impact receive a negative base rate adjustment and vice-versa. The details of this adjustment are provided in Attachment A to the Settlement.

Q. WILL THIS ADJUSTMENT AFFECT ANY OTHER CUSTOMER CLASSES?

A. No. This adjustment is strictly within the general service rate class and has no impact on residential customers or other customer classes.

V. SETTLEMENT RATE PROVISIONS

Q. WHAT ARE THE RATE PROPOSALS FROM THE SETTLEMENT?

A. The Settlement generally accepts the rate proposals contained in Staff's direct testimony as adapted for the Settlement's proposed zero increase in base revenue.

1 It also accepts certain proposals by the Company in its Application as well as
2 proposals or revisions from various parties that resulted from settlement
3 discussions. The Settlement rate provisions are summarized in Attachment K to
4 the Settlement.

5 **Q. PLEASE SUMMARIZE THESE RATE PROVISIONS.**

6 **A.** The rate provisions include the following proposals:

- 7
- 8 • Settlement base rates shall reflect an overall retail revenue increase of
9 \$0.00 which is a 0.0 percent increase over Test Year revenues from base
10 rates.
 - 11 • This includes a general non-fuel increase of \$116,280,000, an additional
12 non-fuel increase of \$36,807,000 from transferring revenue requirements
13 for the Renewable Energy Standard (“RES”) to base rates, and a decrease
14 in fuel costs recovered through base rates of \$153,087,000.
 - 15 • The base rate impact for participating low-income customers will reflect a
16 \$1,535,000 reduction in base rates to compensate for the expected impact
17 of removing their exemption to the Power Supply Adjustor (“PSA”) and
18 Demand Side Management Adjustor Clause (“DSMAC”). This was a
19 proposal by Staff which was adopted by the Settlement.
 - 20 • This reduction in base rate revenue attributed to participating low income
21 customers will be recovered from all other rate classes, allocated
22 proportional to each class’ present revenue. Street Lighting and Dusk to
23 Dawn Lighting rate classes are excluded from this allocation, consistent
24 with prior Commission Decisions.
 - 25 • The base rate impact for general service rate classes shall reflect a re-
26 allocation of fuel costs within the general service revenue class, designed
27 to better equalize the combined fuel impact on base rates and the PSA
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adjustor rate within the general service revenue class. This adjustment will not impact any other revenue class.

- All rates will be revised to reflect the proposed revenue change for each rate class, as summarized in Schedule H-2 for the Settlement.
- The current unbundled transmission charge shall remain in base rates and not be transferred to the TCA adjustor rate.
- The System Benefit Charge will be set at \$0.002970 per kWh to reflect the cost of service, which includes the transfer of \$36,807,000 in revenue requirements associated with Renewable Energy projects.
- APS shall prepare and file a rate plan as proposed by Staff to provide information on such issues as tiered conservation rates, time-of-use and other demand response rates, plans for cancelling rates, ideas for new rate offerings, and other relevant rate design issues.
- Basic service charges for residential and general service rates shall be retained at their current rate levels.
- Unbundled delivery charges for all residential rates shall be set at the average residential class cost of service level.
- Residential time of use rates shall maintain their current ratio of on-peak to off-peak prices.
- Rate Schedule ET-EV for off-peak charging of electric vehicles will be revised consistent with the revised time-of-use Rate Schedule ET-2.
- Rate Schedule PTR-RES, which is a new optional peak-time rebate program will be offered as proposed by APS.
- The low-income rates will be consolidated with the corresponding non-low-income rate schedules. The low-income discounts will be increased to hold customers harmless (on-average) from this provision.

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- The low-income exemption from the PSA and the DSMAC will be cancelled. The low-income discounts are increased to hold customers harmless (on-average) from this provision.
- The current low income discount tier structure will be retained; the discount levels will be increased as provided above.
- Contract minimum charges (or minimum bill provisions) shall be eliminated for general service Rate Schedules E-32 XS, E-32 S, E-32 M, E-32 TOU XS, E-32 TOU S and E-32 TOU M.
- Minimum bill provisions for general service Rate Schedules E-32 L and E-32 TOU L will be revised to be more consistent with the corresponding provisions in extra-large general service Rate Schedules E-34 and E-35, including a “ratchet” provision for the determination of monthly billing kW.
- The bundled demand and energy charges for Rate Schedules E-32 L, E-34, and E-35 are revised from the levels provided in APS’s Application in this matter to better reflect cost of service.
- Rate Rider Schedule E-54 for seasonal use shall continue to be available for customers served under “parent” Rate Schedules E-32 L and E-32 TOU L, but cancelled for other rates.
- Rate Schedule E-30 for non-metered usage shall be revised to reflect the language clarification proposed by APS.
- The new optional Rate Schedule IRR, interruptible service for extra-large general service customers, shall be approved as proposed by APS.
- The new optional Experimental Rate Schedule AG-1, which offers a generation buy-through provision for a limited number of large and extra-large general service customers, shall be approved as developed by a

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collaborative group of interested parties, with concurrence by the Settling Parties.

- Rate Rider Schedule SC-S (E-56R) for renewable partial requirement service shall be revised as proposed by APS.
- The new optional Rate Rider Schedule E-36 M for medium size station use customers shall be offered as proposed by APS, except that it will be subject to the PSA adjustor rate.
- Rate Schedules E-221 and E-221 8-T for water pumping service shall be revised as proposed by APS.
- E-20 (house of worship) shall be unfrozen for one year from the effective date of new rates in this matter, as proposed by Staff.
- Area lighting rates shall be revised to reflect the new provisions as proposed by APS.
- GPS riders (green power) shall be revised to eliminate the exemption to adjustor rates.
- The following rates and rate options will be canceled because they are no longer necessary or appropriate given other proposed rate design charges, or because they have very low (or no) participation. Cancellations include: E-40 (wind machine), Solar -2 (off grid), Solar -3, Share the lights area lighting rates E-114, E-116, E-145, E-129, E-53 (sports field lighting), and E-221 TOW option (time-of-week pricing option for water pumping).
- Service Schedule 1 shall be revised as proposed by APS.
- The proposed optional Service Schedule 9 for economic development is withdrawn. Instead, APS may propose special contracts to the Commission for this purpose.
- The plans of administration for the PSA, DSMAC, Transmission Cost Adjustor (“TCA”) and Environmental Improvement Surcharge (“EIS”),

1 which were all attached to the Settlement, will be revised to reflect the
2 terms of the Settlement.

- 3 • A new Lost Fixed Cost Recovery ("LFCR") plan of administration will be
4 developed to reflect the terms of the Settlement Agreement.
- 5 • The RES plan of administration is not being revised in the Settlement.
6 However, the Adjustor Schedule REAC-1, which recovers costs associated
7 with the RES program, is revised to reflect the Settlement.

8 **Q. DOES THE COMPANY SUPPORT THE SETTLEMENT RATE**
9 **PROVISIONS?**

10 A. Yes. The Company believes that these rate provisions are fair, protect low
11 income customers, provide stability for existing rate programs, provide certain
12 revisions that will make the rates easier to understand and administer, cancels
13 certain rates and rate options that are outdated and undersubscribed, and offer
14 several new optional rate programs that provide opportunities for customers to
15 save on their bill.

16 **Q. WHAT OTHER RATE INFORMATION IS ATTACHED TO THE**
17 **SETTLEMENT?**

18 A. In addition to the rate provisions and charges outlined in Attachment K to the
19 Settlement, the Settlement included Attachment J, the Experimental Rate Rider
20 Schedule AG-1 for the proposed experimental alternative generation program.

21 **Q. DO YOU HAVE ANY REVISIONS OR CLARIFICATIONS TO THE**
22 **CHARGES IN SETTLEMENT ATTACHMENT K?**

23 A. Yes, a couple. The charges for Rate Schedule E-36 L, station use power, are
24 revised to reflect the Settlement provision that unbundled transmission charges
25 remain in base rates, rather than being transferred to the transmission adjustor
26 rate as proposed by the Company in the Application. In addition, the attached
27 outdoor lighting rate schedules include some additional lighting fixtures that were
28 added to the rate schedule after the Application, but were inadvertently omitted in

1 Attachment K, and a trip charge for certain maintenance arrangements for Rate
2 Schedule E-59 as provided for in the Settlement.

3
4 **VI. NEW RATE PROGRAMS**

5 **Q. WHAT ARE THE NEW RATE PROGRAMS PROPOSED IN THE SETTLEMENT?**

6 A. The new rate offerings include an optional peak-time rebate program for
7 residential customers, an optional interruptible rate for extra-large general service
8 customers, a station-use rate for medium and large general service customers, and
9 an optional alternative generation rate for large and extra-large general service
10 customers. In addition, the existing rate schedule for house of worship
11 customers, which is currently closed to new customers, will be re-opened for one
12 year for new subscription.

13 **Q. PLEASE DESCRIBE THE PEAK-TIME REBATE PROGRAM.**

14 A. The peak-time rebate program is an optional demand response rate for residential
15 customers to incent them to reduce usage during the Company's most critical
16 summer hours, when load is either very expensive or difficult to serve. The
17 Company can designate up to 18 critical days during the summer months and
18 notifies the customer, day ahead, when a critical day will occur. If the customer
19 reduces load during those hours they will receive a rebate based on the generation
20 costs during those critical hours. As a result, the customer receives a more
21 refined price signal that better reflects the cost or service for specific time
22 periods.

23 The program is an experimental program available for two years for residential
24 customers served under "parent" rate schedules E-12 and ET-2. The Company
25 can cap program participation if necessary, but any such cap will not be less than
26 1,000 customers. The Company will evaluate the benefits and effectiveness of
27 the program to determine if it should be continued in the future.
28

1 **Q. WHAT IS THE PROPOSED INTERRUPTIBLE RATE PROGRAM?**

2 A. The interruptible program is an optional demand response program for extra-large
3 general service customers. Decision No. 71448 (December 30, 2009) required
4 APS to propose such a program. Like the peak-time rebate program, this
5 program incents customers to reduce usage during critical hours. Under the
6 program the customer agrees to reduce load to a specified level when called upon
7 by the Company. The customer has several program options concerning the
8 number of hours of required interruption per event day, the number of event days
9 per year, the lead time for the notification, and the years subscribed to the
10 program. The customer is compensated for the interrupted load based on the
11 program options they choose.

12 **Q. PLEASE DESCRIBE EXPERIMENTAL RATE RIDER SCHEDULE AG-1.**

13 A. Experimental Rate Rider Schedule AG-1 is an optional, experimental program
14 designed to provide an alternative generation arrangement for participating
15 general service customers. It is available for a maximum of 200 MW of peak
16 load and will be available for four years from the effective date of the rate
17 schedule. Under the program, the customer will select a wholesale generation
18 service provider to sell power to the Company on the customer's behalf. The
19 Company will take title to the power and provide it to the customer, who in turn
20 pays for the power pursuant to the terms and conditions of the power contract, the
21 terms of Rate Rider Schedule AG-1, and other program provisions. These
22 generation charges will be in lieu of the standard generation charges in the
23 customer's rate schedule. The Company will continue to provide transmission
24 and delivery service according to the customer's underlying retail rate schedule.

25 **Q. WHO CAN PARTICIPATE?**

26 A. The program is available to large and extra-large general service customers that
27 have single site loads or aggregated loads of 10 MW or more, served under Rate
28

1 Schedules E-32 L, E-32 TOU L, E-34 or E-35. As stated above, the program is
2 limited to 200 MW of peak load, 100 MW of which will be initially reserved for
3 E-32 L customers.

4 **Q. HOW WILL CUSTOMERS BE SELECTED?**

5 A. The Company will establish an initial enrollment period during which eligible
6 customers can apply for the program. If the MW from the applications are
7 greater than the program maximum amount, customers will be selected for
8 enrollment through a lottery process to be developed by APS in conjunction with
9 interested customers and potential generation suppliers.

10 **Q. WHAT IS THE PURPOSE OF THE EXPERIMENT?**

11 A. Through this experiment the Company seeks to assess the operational feasibility
12 of the program, the potential benefits to participating customers and any potential
13 adverse cost impacts to the Company or other customers from this type of
14 generation service offering. For example, the Company will evaluate: the
15 operational requirements and costs for scheduling, settling, and billing this
16 service; the customer interest in the program and their benefits and risks; and the
17 cost and margin impacts to the Company and the effectiveness of mitigating any
18 adverse financial consequences to APS or other customers. As a result of this
19 assessment, the Company will recommend, no later than its next rate case,
20 whether to seek to continue, expand, amend, or discontinue the program.

21 **VII. LOW INCOME PROGRAM**

22 **Q. WHAT DOES THE SETTLEMENT PROPOSE FOR LOW INCOME**
23 **PROGRAMS?**

24 The Settlement proposes to consolidate the low income rates into the standard
25 residential rates, eliminate the low income exemption to certain adjustor rates,
26 and increase the discount levels to hold low income customers harmless on
27 average from these changes. In addition, the Settlement provides that the current
28

1 discount structure, with the discount amounts tiered to usage levels, be retained to
2 minimize any impacts on specific low income customers.

3 **Q. DESCRIBE THE PROPOSED CONSOLIDATION OF LOW INCOME**
4 **RATES.**

5 In addition to the low income discount programs, participating customers also
6 currently benefit from a separate (and substantially lower) rate schedule. The
7 Settlement proposes to consolidate these low income rate schedules into the
8 standard residential rate schedules, but increase the discount levels to hold low
9 income customers harmless, on average, for this adjustment.

10 **Q. WILL THIS PROPOSAL HAVE AN ADVERSE REVENUE IMPACT ON**
11 **OTHER CUSTOMER CLASSES?**

12 A. No. The low income customers will be billed under a standard rate, which is
13 higher than their current low income rate, but will receive a higher discount to
14 compensate them for this change. Because the additional revenue from the
15 higher rate equals the additional discount amounts there is no revenue impact on
16 other customer classes.

17 **Q. WHAT ABOUT THE ADJUSTOR EXEMPTIONS?**

18 A. Currently, customers participating in the low-income discount programs are
19 exempt from the PSA and DSMAC adjustment charges for fuel costs and energy
20 efficiency programs respectively. The Settlement proposes to eliminate these
21 exemptions but increase the discount amount to hold these customers harmless
22 from this change as well. This is consistent with the Company's original
23 proposal, which sought to replace the various ad hoc exemptions for low income
24 customers with a uniform discount structure. This proposal reduces the base rate
25 revenue from low income customers by approximately \$1.5 million and thus
26 increases the revenue requirements for other customers by the same amount. The
27 overall revenue impact is zero; it is merely a reallocation of base revenue from
28 low income customers to other customer classes.

1 **Q. IS THIS FAIR TO OTHER CUSTOMER CLASSES?**

2 A. Yes. The Company believes that this is a fair proposal because other classes will
3 benefit by a like amount when low income customers begin to pay PSA and
4 DSMAC related costs.

5 **VIII. LOST FIXED COST RECOVERY MECHANISM**

6 **Q. PLEASE DESCRIBE ADJUSTOR SCHEDULE LFCR.**

7 A. Adjustor Schedule LFCR implements the charges for the Lost Fixed Cost
8 Recovery Mechanism as described in the Direct Settlement Testimonies of APS
9 Witnesses Jeff Guldner and Leland Snook. The adjustment will be a percentage
10 charge applied to customers monthly billed amounts, before taxes and fees. The
11 initial charge will be set on or about March 1, 2013 upon Commission approval.

12 **Q. WHICH CUSTOMER CLASSES ARE SUBJECT TO THE LFCR RATE?**

13 A. Adjustor Schedule LFCR will apply to all retail customers except those served
14 under large and extra-large general service Rate Schedules E-32 L, E-32 TOU L,
15 E-34, E-35, E-36 XL, and unmetered service such as Rate Schedule E-30 and the
16 unmetered outdoor lighting rates.

17 **Q. WHY ARE THE LARGE AND EXTRA-LARGE GENERAL SERVICE
18 RATES EXEMPTED FROM THIS CHARGE?**

19 A. These classes are exempted from the LFCR mechanism because their rates were
20 redesigned to minimize the potential for lost fixed cost recovery from energy
21 efficiency or distributed generation.

22 **Q. PLEASE EXPLAIN.**

23 A. Lost fixed costs from energy efficiency and distributed generation occur chiefly
24 when fixed generation, transmission, and delivery costs are recovered through a
25 volumetric kWh charge. As monthly billed kWh are reduced because of these
26 programs the revenue stream to recover the fixed cost is lower, but not the fixed
27 costs themselves. As indicated by APS Witness Snook, energy efficiency and
28 distributed renewable generation affect customer demand about half as much as

1 they affect energy consumption. Although not eliminated, the potential for
2 unrecovered fixed costs is substantially reduced when these costs are recovered
3 through a demand (kW) charge and even more so when these demand charges
4 include a "ratchet provision," which ensures a peak level of demand revenue even
5 if monthly metered demand varies from month to month.
6

7 The Company redesigned the large and extra-large general service rates to
8 minimize the potential for lost fixed cost recovery by increasing the demand
9 charges to ensure that they recovered the appropriate cost of service for fixed
10 costs and by including a ratchet provision in each of these exempted rates.

11 **Q. CAN RESIDENTIAL CUSTOMERS OPT OUT OF THE LFCR?**

12 A. Yes. The residential rate schedules include an optional basic service charge (or
13 monthly charge) to opt out of the LFCR. These voluntary opt-out charges will be
14 available with the first reset of the LFCR charges, which is anticipated to occur
15 around March 1, 2013. The opt-out charges are provided in Attachment E to the
16 Settlement.

17 **Q. HOW WERE THE OPT-OUT RATE OPTIONS DETERMINED?**

18 A. The opt-out rate options are set to recover, on average, the anticipated fixed
19 transmission and delivery costs that will be unrecovered due to the incremental
20 growth in energy efficiency and distributed generation during the four-year rate
21 case stay out period proposed in the Settlement.

22 **Q. IS THIS THE SAME CONCEPT AS RECOVERING ALL FIXED COSTS
23 THROUGH FIXED CHARGES?**

24 A. No. A rate design, such as "straight fixed variable," seeks to recover all fixed
25 costs from basic service charges (monthly charge) or demand charges (kW),
26 rather than volumetric energy charges (kWh). The proposed residential opt out
27 rates only recover a small portion of fixed costs through an incremental increase
28 to the basic service charge. This increased amount does not recover all fixed

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costs, just the average incremental unrecovered fixed costs across all residential customers between rate cases.

IX. CONCLUSION

Q. PLEASE PROVIDE CONCLUDING REMARKS FOR YOUR DIRECT TESTIMONY.

A. The Company supports the rate provisions in the Settlement and requests the Commission to authorize these proposals.

Q. DOES THAT CONCLUDE YOUR DIRECT SETTLEMENT TESTIMONY?

A. Yes, it does.

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFICATION OF SERVICES

RESIDENTIAL

	E-12	Standard Rate
FROZEN*	ET-1	Time-of-Use – Time Advantage Rate
	ET-2	Time-of-Use – Time Advantage 7PM-NOON
FROZEN*	ECT-1R	Time-of-Use with Demand Charge – Combined Advantage Rate
	ECT-2	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
	ET-SP	Time-of-Use – Time Advantage Super Peak 7PM-NOON
	ET-EV	Time-of-Use – Electric Vehicle Charging
	Low Income	
CANCEL	E-12 Low Income	Standard Rate
CANCEL	ET-1 Low Income	Time-of-Use – Time Advantage Rate
CANCEL	ET-2 Low Income	Time-of-Use – Time Advantage 7PM-NOON
CANCEL	ECT-1R Low Income	Time-of-Use with Demand Charge – Combined Advantage Rate
CANCEL	ECT-2 Low Income	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
	Riders	
	E-3	Energy Support Program
	E-4	Medical Care Equipment Support Programs
	CPP-RES	Critical Peak Pricing - Residential
NEW	PTR-RES	Peak Time Rebate - Residential

GENERAL SERVICE

	E-30	Extra Small Unmetered
	E-32 XS	Extra Small General Service (0kW – 20 kW)
	E-32 S	Small General Service (21kW – 100 kW)
	E-32 M	Medium General Service (101kW – 400 kW)
	E-32 L	Large General Service (401kW +)
	E-32TOU XS	Time-of-Use – Extra Small General Service (0kW – 20 kW)
	E-32TOU S	Time-of-Use – Small General Service (21kW – 100 kW)
	E-32TOU M	Time-of-Use – Medium General Service (101kW – 400 kW)
	E-32TOU L	Time-of-Use – Large General Service (401kW +)
	E-34	Extra Large General Service
	E-35	Extra Large General Service Time-Of-Use
	Riders	
CANCEL	E-53	Athletic Stadiums & Sports Fields
	E-54	Seasonal Service
NEW	IRR	Interruptible Rider – Extra Large General Service
UNCHANGED	PPR	Preference Power
NEW	AG-1	Alternative Generation Rate

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFIED

	E-20	Time-of-Use for Religious Houses of Worship
NEW	E-36 M	Station Use Service M
	E-36 XL	Station Use Service XL
CANCEL	E-40	Agricultural Wind Machine Service
	E-47	Dusk to Dawn Lighting Service
	E-56	Partial Requirements Service
	E-58	Street Lighting Service
	E-59	Government Owned Street Lighting Systems
	E-67	Municipal Lighting Service - City of Phoenix
CANCEL	E-114	Share the Light - Lower Miami & Claypool - FROZEN
CANCEL	E-116	Share the Light - Central Heights & Country Club Manor - FROZEN
CANCEL	E-145	Share the Light - Ajo Heights - FROZEN
	E-221	Water Pumping Service
	E-221-8T	Water Pumping Service Time-of-Use
CANCEL	E-249	Share the Light - Camp Verde - FROZEN
	GS-SCHOOLS M	Time-of-Use - Elementary and Secondary Schools (0kW - 400 kW)
	GS-SCHOOLS L	Time-of-Use - Elementary and Secondary Schools (401kW +)
	<u>Riders</u>	
UNCHANGED	EPR-2	Purchase Rates for Qualified Facilities 100 kW or Less for Partial Requirements
UNCHANGED	EPR-6	Net Metering Pilot Program
	GPS-1	Green Power Block Schedule
	GPS-2	Green Power Percent Schedule
	GPS-3	Green Power Block Schedule for Special Events
	E-56 R	Partial Requirements Standard Contract
CANCEL	SOLAR-2	Individual Solar Electric Service
CANCEL	SOLAR-3	Solar Power Pilot Program
UNCHANGED	CMPW-01	Community Power - Flagstaff SANDVIG 04
UNCHANGED	RSSP	Rural Schools Solar Program

ADJUSTMENTS

	DSMAC-1	Demand Side Management Adjustment Charge
	REAC-1	Renewable Energy Standard
UNCHANGED	SDR	Self Directed Renewable Resources
	PSA-1	Power Supply Adjustment
UNCHANGED	RCDAC-1	Returning Customer Direct Access Charge
	TCA-1	Transmission Cost Adjustment
	EIS	Environmental Improvement Surcharge
NEW	LFCR	Lost Fixed Cost Recovery Mechanism

Notes:

- (1) Redline and final rate schedules have been provided for all rates.
- (2) Schedules marked FROZEN* were frozen to new customers at times noted on the individual schedule per Arizona Corporation Decision 71448.
- (3) Unless otherwise noted, elements of rate schedule have been changed.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE

1. Residence - Single

Residential service to a single residence covers electric service to a private residence or individually metered apartment unit, only.

Outbuildings on the same premises may be connected to the residential service meter, but only if such outbuildings form a part of the general living establishment.

2. Residence - Multiple

Residential service to two or more residences on the same premises or a residence or residences subdivided into two or more individual housekeeping apartments shall not be supplied through one meter on a Residential Service Rate Schedule.

Individual meters will be installed by the Company for each individual dwelling or housekeeping unit. If, for any reason, a separate meter is not installed for each individual dwelling or housekeeping unit, then the appropriate General Service Rate Schedule will be used for billing for the service supplied through the single meter.

3. Professional Offices or Commercial Activities in Dwellings

The supply of service under a Residential Rate Schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the energy used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters.

Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electric equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises shall be classified as non-residential and the appropriate General Service Rate Schedule shall be applied. Customer may at his option provide separate circuits so that the residential uses can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

4. Farm and Rural Residences

The Residential Service Rate Schedules are available for electric service through one meter to a farm residence, and the usual farm uses outside the dwelling unit, but not if the use extends to operations such as canning plants, packing plants, stone quarries, ice cream manufacturing plants, stores, restaurants, tea rooms, tourist and trailer camps, gasoline stations, automobile service stations, repair shops, blacksmith shops or any other commercial or non-farming operation.

In no case shall the use extend to the processing, preparing or distributing of products not raised on the same farm and in no cases shall the use extend to a hatchery, dairy, butchery, greenhouse, or any other specialized operation unless such operation is conducted solely by the farmer and is incidental to the usual farm residence uses.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE (cont)

Customer may at his option elect to take the entire service under the appropriate General Service Rate Schedule, or may provide separate circuits so that the residential uses, together with the usual farm uses outside the dwelling unit, can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

The Residential Service Rate Schedules are not available for any use outside the dwelling unit on a farm which is not operated by an individual owner or lessee, occupying the farm residence.

B. GENERAL SERVICE

This covers service to any establishment for any purpose not prohibited by the rate schedule or Agreement for Service.

The General Service Rate Schedules are available only when all electric service required on the premises is taken through one meter at one point of delivery, except that:

- (a) General Service Rate Schedules are available for more than one point of delivery on any one premise, provided that in such event, service supplied at each point of delivery will be separately metered and separately billed.
- (b) The General Service Rate Schedules will be available for service to that portion of the Customer's premises which cannot be served at the Residential Service Rate Schedule or a Classified Service Rate Schedule. Service to such portion of the premises shall be considered as service to a separate customer, and all electric service taken therein at the General Service Rate Schedule must be through one meter at one point of delivery.

C. CLASSIFIED SERVICE

Classified service covers service for which specific rate schedules are available, due to the nature and load characteristics of the particular business. For such service, the General Service Rate Schedule may be used, except as specifically prohibited in that schedule, while Classified Rate Schedules are available only to those businesses complying with the specific requirements of the particular schedule.

Service supplied under a Classified Rate Schedule shall be used only for the purposes specified in such rate schedule. In the event the Company questions whether the service is being used in compliance with said rate schedule, the customer shall have the burden of establishing such compliance to the satisfaction of the Company. In the absence of such compliance, the Company may substitute an appropriate General Service Rate Schedule.

A customer conducting mixed operations, a part of which may be served at a Classified Rate Schedule may, at his option, elect to take the entire service under the General Service Rate Schedule or may provide separate circuits so that the classified service can be metered and billed separately at the available classified schedule, and the other uses metered and billed under the available General Service Rate Schedule.



CLASSIFICATION OF SERVICES

C. CLASSIFIED SERVICE (cont)

The Classified Services for which specific rate schedules are available, excluding special street light service, are listed below.

<u>Schedule No.</u>	<u>Classification</u>
E-20***	Time of Use for Religious Houses of Worship
E-36 XL	Station Use Service, Extra large
E-36 M	Station Use service, Medium
E-47**	Dusk to Dawn Lighting Service
E-56	Partial Requirements Service for On-Site Generation Facilities over 100 kW
E-58**	Street Lighting Service
E-59	Government Owned Street Lighting Systems
E-221	Water Pumping Service
E-221-8T	Water Pumping Service Time of Use
E-56 R	Partial Requirement Standard Contract – Solar for Solar/Photovoltaic Generation Equipment over 100 kW
EPR-2	Purchase Rates for Qualified Facilities under 100 kW for Partial Requirements
EPR-6	Net Metering
PPR	Preference Power Rider

* Frozen Rate.

** Partially Frozen Rate.

*** Frozen Rate as of July 1, 2013.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.285 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.305 per day
401 to 800 kWh	\$0.325 per day
801 to 2000 kWh	\$0.377 per day
2001 kWh and greater	\$0.502 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.09687 per kWh for the first 400 kWh, plus \$0.13817 per kWh for the next 400 kWh, plus \$0.16167 per kWh for the next 2200 kWh, plus \$0.17257 per kWh for all additional kWh	\$0.09417 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.063 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.083 per day
401 to 800 kWh	\$0.103 per day
801 to 2000 kWh	\$0.155 per day
2001 kWh and greater	\$0.280 per day

Revenue Cycle Service Charges:

Metering \$ 0.090 per day

Meter Reading \$ 0.062 per day

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02700 per kWh

Generation Charges:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.06170 per kWh for the first 400 kWh, plus \$0.10300 per kWh for the next 400 kWh, plus \$0.12650 per kWh for the next 2200 kWh, plus \$0.13740 per kWh for all additional kWh	\$0.05900 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1983

A.C.C. No. xxxx
Canceling A.C.C. No. 5719
Rate Schedule E-12
Revision No. 24
Effective: xxxx



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services, and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.17892 per kWh during On-Peak hours, plus \$ 0.05770 per kWh during Off-Peak hours	\$0.14533 per kWh during On-Peak hours, plus \$0.05561 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02700	per kWh
Generation Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.14375 per kWh during On-Peak hours, plus \$0.02253 per kWh during Off-Peak hours	\$0.11016 per kWh during On-Peak hours, plus \$0.02044 per kWh during Off-Peak hours



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 1982

A.C.C. No. XXXX
Canceling A.C.C. No. 5720
Rate Schedule ET-1
Revision No. 30
Effective: XXXX



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

CONTRACT PERIOD

Any applicable contract period will be set forth in APS's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.24477 per kWh during On-Peak hours, plus \$ 0.06118 per kWh during Off-Peak hours	\$0.19847 per kWh during On-Peak hours, plus \$0.06116 per kWh during Off-Peak hours



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering \$ 0.186 per day

Meter Reading \$ 0.062 per day

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02700 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.20960 per kWh during On-Peak hours, plus \$0.02601 per kWh during Off-Peak hours	\$0.16330 per kWh during On-Peak hours, plus \$0.02599 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT-1R prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

RATES (cont)

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.550 per On-Peak kW	\$9.400 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.07330 per kWh during On-Peak hours, plus \$0.04083 per kWh during Off-Peak hours	\$0.05587 per kWh during On-Peak hours, plus \$0.03967 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 0.00520	per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$3.900 per On-Peak kW, plus \$0.01540 per kWh	\$2.300 per On-Peak kW, plus \$0.01700 per kWh



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

RATES (cont)

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.650 per On-Peak kW, plus \$0.04973 per kWh during On-Peak hours, plus \$0.01726 per kWh during Off-Peak hours	\$7.100 per On-Peak kW, plus \$0.03070 per kWh during On-Peak hours, plus \$0.01450 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.500 per On-Peak kW	\$9.300 per On-Peak kW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. XXXX
Canceling A.C.C. No. 5723
Rate Schedule ECT-2
Revision No. 4
Effective: XXXX



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08867 per kWh during On-Peak hours, plus \$0.04417 per kWh during Off-Peak hours	\$0.05747 per kWh during On-Peak hours, plus \$0.04107 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering \$ 0.186 per day
Meter Reading \$ 0.062 per day
Billing \$ 0.070 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$4.500 per On-Peak kW, plus \$0.01400 per kWh	\$2.400 per On-Peak kW, plus \$0.01590 per kWh



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.000 per On-Peak kW, plus \$0.06650 per kWh during On-Peak hours, plus \$0.02200 per kWh during Off-Peak hours	\$6.900 per On-Peak kW, plus \$0.03340 per kWh during On-Peak hours, plus \$0.01700 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours. The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an

TIME PERIODS

off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. XXXX
Canceling A.C.C. No. 5723
Rate Schedule ECT-2
Revision No. 4
Effective: XXXX



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. XXXX
Canceling A.C.C. No. 5723
Rate Schedule ECT-2
Revision No. 4
Effective: XXXX



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. A customer may not simultaneously participate in Schedule ET-SP and another demand response rate or program,

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

RATES (cont)

Energy Charge:

June – August Billing Cycles (Super Peak Summer)
\$0.46517 per kWh during Super-Peak hours, plus \$0.24477 per kWh during On-Peak hours, plus \$0.05517 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.24477 per kWh during On-Peak hours, plus \$0.05517 per kWh during Off-Peak hours	\$0.19847 per kWh during On-Peak hours, plus \$0.05517 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02700	per kWh



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

RATES (cont)

Generation Charge:

June – August Billing Cycles (Super Peak Summer)
\$0.43000 per kWh during Super-Peak hours, plus \$0.20960 per kWh during On-Peak hours, plus \$0.02000 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.20960 per kWh during On-Peak hours, plus \$0.02000 per kWh during Off-Peak hours	\$0.16330 per kWh during On-Peak hours, plus \$0.02000 per kWh during Off-Peak hours

TIME PERIODS

The Super-Peak time period is 3 p.m. to 6 p.m. and the On-Peak time period is 12 noon to 3 p.m. and 6 p.m. to 7 p.m., during the Super Peak Summer months Monday through Friday excluding the holidays listed below. The On-Peak time period during Summer and Winter months for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the Super-Peak or On-Peak time periods shall be Off-Peak hours for all seasons.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5724
Rate Schedule ET-SP
Revision No. 1
Effective: XXXX



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE SUPER PEAK 7PM-NOON**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI meter, in place at time of service. Availability of this rate is subject to the availability and installation of required metering equipment and completion of necessary enhancements to the Company's billing system.

Schedule ET-EV shall be available until December 31, 2014. The Company may extend the availability beyond that time, at their discretion, with prior notification to the ACC.

This rate schedule is only applicable to customers who own a qualified electric vehicle as determined by the Company. Service under this schedule is also subject to an annual certification for proof of EV ownership. Neighborhood Electric Vehicles as described in A.R.S. §28-101(36) do not qualify for this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2000 kWh +	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

RATES (cont')

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.24784 per kWh during On-Peak hours, plus \$0.06460 per kWh during Off-Peak hours, plus \$0.04195 per kWh during Super Off-Peak hours	\$0.20165 per kWh during On-Peak hours, plus \$0.06460 per kWh during Off-Peak hours, plus \$0.04195 per kWh during Super Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.02700	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.21267 per kWh during On-Peak hours, plus \$0.02943 per kWh during Off-Peak hours, plus \$0.00678 per kWh during Super Off-Peak hours	\$0.16648 per kWh during On-Peak hours, plus \$0.02943 per kWh during Off-Peak hours, plus \$0.00678 per kWh during Super Off-Peak hours



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m., Monday through Friday, excluding the qualifying holidays listed below.

The Off-Peak time period for this rate schedule is 7 p.m. to 11 p.m. and 5 a.m. to 12 noon, Monday through Friday (non holidays), all day on weekends, and qualifying holidays.

The Super Off-Peak time period for this rate schedule is 11 p.m. to 5 a.m., Monday through Friday, excluding qualifying holidays.

Qualifying holidays include: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as the qualifying holiday. When any holiday listed above falls on a Sunday, the following Monday will be recognized as the qualifying holiday. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

ADJUSTMENTS (cont)

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

Attachment CAM-S1
Page 38 of 182

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE RIDER SCHEDULE E-3
RESIDENTIAL SERVICE
ENERGY SUPPORT PROGRAM**

AVAILABILITY

This rate rider schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Rider Schedule E-4 Medical Support Care Program concurrently.

APPLICATION

This rate rider schedule is applicable to all Standard Offer and Direct Access customers served under a residential rate schedule, where the customer has qualified for this rate pursuant to Arizona Corporation Commission Decision Nos. 55931 and 56680. All provisions of the customer's applicable retail rate schedule will apply except as modified herein.

RATES

The total bill as calculated according to the applicable retail rate schedule before taxes, regulatory assessment and franchise fees.

<u>A.</u>	<u>For Bills with Usage of:</u>	<u>Will be Discounted by:</u>
	0 - 400 kWh	65%
	401 - 800 kWh	45%
	801 - 1200 kWh	26%
	1201-kWh and above	\$31.75



**RATE RIDER SCHEDULE E-4
RESIDENTIAL SERVICE
MEDICAL CARE EQUIPMENT SUPPORT PROGRAM**

AVAILABILITY

This rate rider schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Rider Schedule E-3 Energy Support Program concurrently.

APPLICATION

This rate rider schedule is applicable to all Standard Offer and Direct Access customers served under a residential rate schedule, where the customer has qualified for this rate pursuant to Arizona Corporation Commission Decision No. 59222. All provisions of the customer's applicable retail rate schedule will apply except as modified herein.

RATES

The total bill as calculated according to the applicable retail rate schedule before taxes, regulatory assessment and franchise fees.

A.	<u>For Bills with Usage of:</u>	<u>Will be Discounted by:</u>
	0 - 800 kWh	65%
	801 - 1400 kWh	45%
	1401 - 2000 kWh	26%
	2001 - kWh and above	\$60.00



**RATE RIDER SCHEDULE CPP-RES
CRITICAL PEAK PRICING – RESIDENTIAL**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rate Schedule CPP-RES is available to residential retail Standard Offer customers. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. All provisions of the customer's otherwise applicable rate schedule will apply in addition to the charges in Schedule CPP-RES. Schedule CPP-RES is available for a period of two years from the initial availability.

A customer may not simultaneously participate in Schedule CPP-RES and another demand response rate or program, including Schedule ET-SP. A customer may participate in Schedule CPP-RES and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a CPP Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent CPP Event.

RATES

A. **Critical Peak Price** \$ 0.250000 per kWh
Critical Peak Price applies to kWh usage during a CPP Event.

B. **Energy Discount**
All residential customers \$ (0.012143) per kWh

Energy Discount applies to Customer's total monthly kWh in the months of June through September.

CONDITIONS

- A. **CPP Events**: CPP Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A CPP Event can be triggered by severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. **Number and Duration of CPP Events**: The Company will invoke a minimum of 6 and a maximum of 18 CPP Events per calendar year, for 5 hours per event and 90 hours per year.
- C. **CPP Event Notification/Communication**: Customers shall be notified of a CPP Event in advance by 4:00 PM the day prior through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.
- D. **CPP Event Cancellation**: Once a CPP event alert has been initiated, there are no conditions that would warrant the critical event to be cancelled.



**RATE RIDER SCHEDULE PTR-RES
RESIDENTIAL SERVICE
PEAK TIME REBATE EXPERIMENT PROGRAM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rider Rate Schedule PTR-RES is available to residential retail Standard Offer customers served under Rate Schedule E-12 and Rate Schedule ET-2. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. All provisions of Rate Schedule E-12 and Rate Schedule ET-2 will apply in addition to the rates and provisions in Schedule PTR-RES. Schedule PTR-RES is a pilot program and is available for a period of two years from its effective date. The Company may limit participation in this program at its discretion, not less than 1,000 customers. A customer may not simultaneously participate in Schedule PTR-RES and another demand response rate or program, including Rate Schedule ET-SP.

DESCRIPTION

Under this program, the Company incents customers to reduce their electrical usage during critical hours when load is difficult or expensive to serve. During these critical times, the Company may declare an event (PTR Event) where the customer receives a rebate for the amount of energy that they reduced. Such rebates will be credited on their monthly electric bill.

RATES

The Credit Rate shall apply to the Energy Reduction (kWh) during a PTR Event, as determined by the Company.

Credit Rate \$0.250000 per kWh

DETERMINATION OF LOAD REDUCTION

- A. The Energy Reduction reduction during a PTR Event will be determined using a customer baseline load (CBL) method, which estimates how much electricity a customer would have used had they not reduced their usage in response to a PTR event. The Energy Reduction is determined by subtracting the actual metered load from the CBL for all hours during a PTR event.
- B. The CBL shall be the customer's usage (kWh) from 2 p.m. to 7 p.m., averaged over the three highest days of the preceding ten non-holiday, non-event, weekdays prior to the event. The highest days shall be determined by the highest total consumption from 2 p.m. to 7 p.m.

CONDITIONS

- A. PTR Events: PTR Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A PTR Event can be called based on severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. Number and Duration of PTR Events: The Company will invoke a minimum of 6 and a maximum of 18 PTR Events and 90 event hours, based on five hours per event, per calendar year.
- C. PTR Event Notification/Communication: The Company shall notify customers of a PTR Event by 4:00 PM the prior day through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. XXXX
Adjustment Schedule PTR-RES
Original
Effective: XXXX



**RATE RIDER SCHEDULE PTR-RES
RESIDENTIAL SERVICE
PEAK TIME REBATE EXPERIMENT PROGRAM**

D. PTR Event Cancellation: Once a PTR event alert has been initiated, there are no conditions that shall warrant the event to be cancelled.

NET METERING

A customer may participate in Schedule PTR-RES and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a PTR Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent PTR Event.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required where demand and energy requirements are constant, subject to the limitations set forth in the Special Provisions of this schedule. Billing quantities must be subject to accurate determination without the use of metering equipment, and service must be supplied at a single point of delivery.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 volts). The cost of service extension shall include transformation equipment, if required.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.311 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.14455 per kWh	\$0.12984 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.243 per day

Revenue Cycle Service Charges:
Billing: \$ 0.068 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00424 per kWh

Delivery Charge: \$ 0.05032 per kWh



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

RATES (cont)

Unbundled Components (cont)

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.08702 per kWh	\$0.07231 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1986

A.C.C. No. XXXX
Canceling A.C.C. No. 5731
Rate Schedule E-30
Revision No. 17
Effective: XXXX



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

SPECIAL PROVISIONS

1. Electric services being served on the Company's Rate Schedule E-30 prior to April 1, 2005 will continue to be served under this rate schedule; however, services eligible for this rate schedule after that date must meet the demand and energy requirements set forth in the following Special Provisions.
2. This rate schedule is applicable only to loads where monthly demand (kW) and energy (kWh) requirements remain constant. Monthly demand and energy requirements may not exceed 1.44 kW (12 amperes) or 1,095 kWh at 120 volts, or 2.9 kW (12 amperes) or 2,117 kWh at 240 volts. Determination of fixed monthly energy usage will be derived from the manufacturer's nameplate rating of the equipment and based on an average 730 hour month.
3. Prior written approval by an authorized Company representative is required before service is implemented under this rate schedule.
4. Prior written approval by an authorized Company representative is required for any change in loads. An unauthorized load change will automatically disqualify that customer from service under this rate schedule.
5. The Company shall have the right to inspect the customer's load facilities at any time to ensure compliance with all provisions of this rate schedule.
6. Service must be supplied at one site through one point of delivery as specified by an individual customer contract.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Company's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company initially will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.13537 per kWh for the first 5,000 kWh, plus \$0.07427 per kWh for all additional kWh, or	For Secondary Service: \$0.11769 per kWh for the first 5,000 kWh, plus \$0.05658 per kWh for all additional kWh, or
For Primary Service: \$0.13209 per kWh for the first 5,000 kWh, plus \$0.07100 per kWh for all additional kWh	For Primary Service: \$0.11438 per kWh for the first 5,000 kWh, plus \$0.05329 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 0.00424	per kWh



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.04175 per kWh for the first 5,000 kWh, plus \$0.01310 per kWh for all additional kWh, or	For Secondary Service: \$0.04168 per kWh for the first 5,000 kWh, plus \$0.01303 per kWh for all additional kWh, or
For Primary Service: \$0.03847 per kWh for the first 5,000 kWh, plus \$0.00983 per kWh for all additional kWh	For Primary Service: \$0.03837 per kWh for the first 5,000 kWh, plus \$0.00974 per kWh for all additional kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08641 per kWh for the first 5,000 kWh, plus \$0.05396 per kWh for all additional kWh	\$0.06880 per kWh for the first 5,000 kWh, plus \$0.03634 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
- 7 The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

CONTRACT PERIOD

For customers with monthly maximum demands up to 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day



**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 9.828	per kW for the first 100 kW, plus
	\$ 5.214	per kW for all additional kW, or
Primary Service:	\$ 9.116	per kW for the first 100 kW, plus
	\$ 4.502	per kW for all additional kW, or

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.10337 per kWh for the first 200 kWh per kW, plus \$0.06257 per kWh for all additional kWh	\$0.08718 per kWh for the first 200 kWh per kW, plus \$0.04638 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 8.243	per kW for the first 100 kW, plus
	\$ 3.629	per kW for all additional kW, plus
	\$ 0.00423	per kWh, or



**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
- 7 The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than or equal to 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day



**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 10.235	per kW for the first 100 kW, plus
	\$ 5.385	per kW for all additional kW, or
Primary Service:	\$ 9.488	per kW for the first 100 kW, plus
	\$ 4.695	per kW for all additional kW, or
Transmission Service:	\$ 7.368	per kW for the first 100 kW, plus
	\$ 2.519	per kW for all additional kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.09884 per kWh for the first 200 kWh per kW, plus \$0.06091 per kWh for all additional kWh	\$0.08378 per kWh for the first 200 kWh per kW, plus \$0.04586 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge:	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.585	per kW



**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 8.650	per kW for the first 100 kW, plus
	\$ 3.800	per kW for all additional kW, plus
	\$ 0.00649	per kWh, or
Primary Service:	\$ 7.903	per kW for the first 100 kW, plus
	\$ 3.110	per kW for all additional kW, plus
	\$ 0.00649	per kWh, or
Transmission Service:	\$ 5.783	per kW for the first 100 kW, plus
	\$ 0.934	per kW for all additional kW, plus
	\$ 0.00649	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.08938 per kWh for the first 200 kWh per kW, plus \$0.05145 per kWh for all additional kWh	\$0.07432 per kWh for the first 200 kWh per kW, plus \$0.03640 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.



**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than or equal to 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.068	per day, or
For service through Instrument-Rated Meters:	\$ 1.627	per day, or
For service at Primary Voltage:	\$ 3.419	per day, or
For service at Transmission Voltage:	\$ 22.915	per day



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 21.149	per kW for the first 100 kW, plus
	\$ 14.267	per kW for all additional kW, or
Primary Service:	\$ 19.091	per kW for the first 100 kW, plus
	\$ 13.209	per kW for all additional kW, or
Transmission Service:	\$ 14.284	per kW for the first 100 kW, plus
	\$ 9.105	per kW for all additional kW.

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.05517 per kWh	\$0.03804 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge:	\$ 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.345	per day, or
Instrument-Rated Meters:	\$ 0.904	per day, or
Primary:	\$ 2.696	per day, or
Transmission:	\$ 22.192	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.058	per day
Billing:	\$ 0.064	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.585	per kW



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 15.068	per kW for the first 100 kW, plus
	\$ 8.186	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Primary Service:	\$ 13.010	per kW for the first 100 kW, plus
	\$ 7.128	per kW for all additional kW, plus
	\$ 0.00011	per kWh, or
Transmission Service:	\$ 8.203	per kW for the first 100 kW, plus
	\$ 3.024	per kW for all additional kW, plus
	\$ 0.00011	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$4.496 per kW, plus \$0.05209 per kWh	\$4.496 per kW, plus \$0.03496 per kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined herein.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5735
Rate Schedule E-32 L
Revision No. 1
Effective: XXXX



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

For the purpose of placement on this rate, the Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

The Monthly Maximum Demand shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

ADJUSTMENTS (cont)

6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company will initially place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32TOU S or E-32TOU XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5736
Rate Schedule E-32TOU XS
Revision No. 1
Effective: XXXX



**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

RATES (cont)

Bundled Standard Offer Service

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p><u>For Secondary Service:</u> \$ 0.17033 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.08564 per kWh for all additional On-Peak kWh, plus \$ 0.12686 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.04755 per kWh for all additional Off-Peak kWh, or</p>	<p><u>For Secondary Service:</u> \$ 0.15310 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06837 per kWh for all additional On-Peak kWh, plus \$ 0.10959 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.03496 per kWh for all additional Off-Peak kWh, or</p>
<p><u>For Primary Service:</u> \$ 0.16698 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.08150 per kWh for all additional On-Peak kWh, plus \$ 0.12350 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.04420 per kWh for all additional Off-Peak kWh</p>	<p><u>For Primary Service:</u> \$ 0.14974 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06423 per kWh for all additional On-Peak kWh, plus \$ 0.10624 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.03160 per kWh for all additional Off-Peak kWh</p>

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
Instrument-Rated Meters: \$ 1.055 per day, or
Primary: \$ 3.146 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.068 per day

Billing: \$ 0.075 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00424 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
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Rate Schedule E-32TOU XS
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**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p><u>For Secondary Service:</u> \$ 0.05065 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.01316 per kWh for all additional On-Peak kWh, plus \$ 0.04174 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00962 per kWh for all additional Off-Peak kWh, or</p>	<p><u>For Secondary Service:</u> \$ 0.05057 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.01304 per kWh for all additional On-Peak kWh, plus \$ 0.04164 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00954 per kWh for all additional Off-Peak kWh, or</p>
<p><u>For Primary Service:</u> \$ 0.04730 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.00902 per kWh for all additional On-Peak kWh, plus \$ 0.03838 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00627 per kWh for all additional Off-Peak kWh</p>	<p><u>For Primary Service:</u> \$ 0.04721 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.00890 per kWh for all additional On-Peak kWh, plus \$ 0.03829 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.00618 per kWh for all additional Off-Peak kWh</p>

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p>\$ 0.11247 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.06527 per kWh for all additional On-Peak kWh, plus \$ 0.07791 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.03072 per kWh for all additional Off-Peak kWh</p>	<p>\$ 0.09532 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.04812 per kWh for all additional On-Peak kWh, plus \$ 0.06074 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.01821 per kWh for all additional Off-Peak kWh</p>

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
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Rate Schedule E-32TOU XS
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**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
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Rate Schedule E-32TOU XS
Revision No. 1
Effective: XXXX



**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands less than 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Customers will be billed on Schedule E-32 S or E-32 XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE**

RATES (cont)

Bundled Standard Offer Service

Demand Charge:

Secondary Service: \$ 14.303 per kW for the first 100 On-Peak kW, plus
 \$ 9.713 per kW for all additional On-Peak kW, plus
 \$ 5.484 per kW for the first 100 Off-Peak kW, plus
 \$ 3.054 per kW for all additional Off-Peak kW

Primary Service: \$ 13.845 per kW for the first 100 On-Peak kW, plus
 \$ 9.645 per kW for all additional On-Peak kW, plus
 \$ 4.909 per kW for the first 100 Off-Peak kW, plus
 \$ 2.975 per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.07367 per kWh during On-Peak hours, plus \$ 0.05873 per kWh during Off-Peak hours	\$ 0.05665 per kWh during On-Peak hours, plus \$ 0.04170 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
 Instrument-Rated Meters: \$ 1.055 per day, or
 Primary: \$ 3.146 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.068 per day
 Billing: \$ 0.075 per day
 System Benefits Charge: \$ 0.00297 per kWh
 Transmission Charge: \$ 1.585 per kW



**RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 5.775	per kW for the first 100 On-Peak kW, plus
	\$ 1.185	per kW for all additional On-Peak kW, plus
	\$ 2.842	per kW for the first 100 Off-Peak kW, plus
	\$ 0.412	per kW for all additional Off-Peak kW, plus

Primary Service:	\$ 5.317	per kW for the first 100 On-Peak kW, plus
	\$ 1.117	per kW for all additional On-Peak kW, plus
	\$ 2.267	per kW for the first 100 Off-Peak kW, plus
	\$ 0.333	per kW for all additional Off-Peak kW, plus

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 6.943 per On-Peak kW, plus \$ 2.642 per Off-Peak kW, plus \$ 0.07070 per kWh during On-Peak hours, plus \$ 0.05576 per kWh during Off-Peak hours	\$ 6.943 per On-Peak kW, plus \$ 2.642 per Off-Peak kW, plus \$ 0.05368 per kWh during On-Peak hours, plus \$ 0.03873 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Rate Schedule E-32TOU S
Revision No. 1
Effective: XXXX



**RATE SCHEDULE E-32TOU S
SMALL GENERAL SERVICE (21 kW - 100 kW)
TIME OF USE**

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5738
Rate Schedule E-32TOU M
Revision No. 1
Effective: XXXX



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service: \$ 15.166 per kW for the first 100 On-Peak kW, plus
 \$ 10.013 per kW for all additional On-Peak kW, plus
 \$ 5.897 per kW for the first 100 Off-Peak kW, plus
 \$ 3.168 per kW for all additional Off-Peak kW

Primary Service: \$ 14.651 per kW for the first 100 On-Peak kW, plus
 \$ 9.936 per kW for all additional On-Peak kW, plus
 \$ 5.251 per kW for the first 100 Off-Peak kW, plus
 \$ 3.079 per kW for all additional Off-Peak kW

Transmission Service: \$ 13.730 per kW for the first 100 On-Peak kW, plus
 \$ 9.619 per kW for all additional On-Peak kW, plus
 \$ 4.522 per kW for the first 100 Off-Peak kW, plus
 \$ 2.959 per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.06566 per kWh during On-Peak hours, plus \$ 0.05432 per kWh during Off-Peak hours	\$ 0.05275 per kWh during On-Peak hours, plus \$ 0.04142 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
Instrument-Rated Meters: \$ 1.055 per day, or
Primary: \$ 3.146 per day, or
Transmission: \$ 25.894 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 8.318	per kW for the first 100 On-Peak kW, plus
	\$ 3.165	per kW for all additional On-Peak kW, plus
	\$ 3.894	per kW for the first 100 Off-Peak kW, plus
	\$ 1.165	per kW for all additional Off-Peak kW, plus
	\$ 0.00910	per kWh
Primary Service:	\$ 7.803	per kW for the first 100 On-Peak kW, plus
	\$ 3.088	per kW for all additional On-Peak kW, plus
	\$ 3.248	per kW for the first 100 Off-Peak kW, plus
	\$ 1.076	per kW for all additional Off-Peak kW, plus
	\$ 0.00910	per kWh
Transmission Service:	\$ 6.882	per kW for the first 100 On-Peak kW, plus
	\$ 2.771	per kW for all additional On-Peak kW, plus
	\$ 2.519	per kW for the first 100 Off-Peak kW, plus
	\$ 0.956	per kW for all additional Off-Peak kW, plus
	\$ 0.00910	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 5.263 per On-Peak kW, plus \$ 2.003 per Off-Peak kW, plus \$ 0.05359 per kWh during On-Peak hours, plus \$ 0.04225 per kWh during Off-Peak hours	\$ 5.263 per On-Peak kW, plus \$ 2.003 per Off-Peak kW, plus \$ 0.04068 per kWh during On-Peak hours, plus \$ 0.02935 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5738
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**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours:	11:00 am – 9:00 pm Monday through Friday
Off-Peak hours:	All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 6 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
- 7 The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
- 8 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This rate schedule is applicable to all Standard Offer and Direct Access electric service required when such service is supplied at one point of delivery and measured through one meter. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

RATES (cont)

Bundled Standard Offer Service (cont)

For service at Primary Voltage: \$ 3.415 per day, or
For service at Transmission Voltage: \$ 26.163 per day

Demand Charge:

Secondary Service: \$ 14.915 per kW for the first 100 On-Peak kW, plus
\$ 9.784 per kW for all additional On-Peak kW, plus
\$ 5.814 per kW for the first 100 Off-Peak kW, plus
\$ 3.097 per kW for all additional Off-Peak kW

Primary Service: \$ 14.402 per kW for the first 100 On-Peak kW, plus
\$ 9.708 per kW for all additional On-Peak kW, plus
\$ 5.170 per kW for the first 100 Off-Peak kW, plus
\$ 3.008 per kW for all additional Off-Peak kW

Transmission Service: \$ 13.486 per kW for the first 100 On-Peak kW, plus
\$ 8.601 per kW for all additional On-Peak kW, plus
\$ 4.444 per kW for the first 100 Off-Peak kW, plus
\$ 2.888 per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.06555 per kWh during On-Peak hours, plus \$ 0.05359 per kWh during Off-Peak hours	\$ 0.05193 per kWh during On-Peak hours, plus \$ 0.03997 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
Instrument-Rated Meters: \$ 1.055 per day, or
Primary: \$ 3.146 per day, or
Transmission: \$ 25.894 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 7.776	per kW for the first 100 On-Peak kW, plus
	\$ 2.645	per kW for all additional On-Peak kW, plus
	\$ 3.701	per kW for the first 100 Off-Peak kW, plus
	\$ 0.984	per kW for all additional Off-Peak kW, plus
	\$ 0.00607	per kWh
Primary Service:	\$ 7.263	per kW for the first 100 On-Peak kW, plus
	\$ 2.569	per kW for all additional On-Peak kW, plus
	\$ 3.057	per kW for the first 100 Off-Peak kW, plus
	\$ 0.895	per kW for all additional Off-Peak kW, plus
	\$ 0.00607	per kWh
Transmission Service:	\$ 6.347	per kW for the first 100 On-Peak kW, plus
	\$ 1.462	per kW for all additional On-Peak kW, plus
	\$ 2.331	per kW for the first 100 Off-Peak kW, plus
	\$ 0.775	per kW for all additional Off-Peak kW, plus
	\$ 0.00607	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 5.554 per On-Peak kW, plus \$ 2.113 per Off-Peak kW, plus \$ 0.05651 per kWh during On-Peak hours, plus \$ 0.04455 per kWh during Off-Peak hours	\$ 5.554 per On-Peak kW, plus \$ 2.113 per Off-Peak kW, plus \$ 0.04289 per kWh during On-Peak hours, plus \$ 0.03093 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation; transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
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Effective: XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

For billing purposes, the On-Peak kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period of maximum use during the On-Peak period during the billing period, as determined from readings of the Company's meter.
2. 80% of the highest On-Peak kW measured during the six summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

Off-peak kW will be based on the average kW supplied during the 15-minute period of maximum use during the Off-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

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**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.135	per day, or
For service through Instrument-Rated Meters:	\$ 1.776	per day, or
For service at Primary Voltage:	\$ 3.828	per day, or
For service at Transmission Voltage:	\$ 26.161	per day

Demand Charge:

Secondary Service:	\$ 19.930	per kW, or
Primary Service:	\$ 18.649	per kW, or
Transmission Service:	\$ 12.278	per kW

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$13.392 per kW.

Energy Charge:	\$ 0.03665	per kWh
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RATE SCHEDULE E-34 EXTRA LARGE GENERAL SERVICE

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service:

Customer Accounts Charge:	\$ 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.395	per day, or
Instrument-Rated Meters:	\$ 1.036	per day, or
Primary:	\$ 3.088	per day, or
Transmission:	\$ 25.421	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.066	per day
Billing:	\$ 0.073	per day
System Benefits Charge:	\$ 0.00297	per kWh
Transmission Charge:	\$ 1.776	per kW
Delivery Charge:		
Secondary Service:	\$ 8.027	per kW
Primary Service:	\$ 6.746	per kW
Transmission Service:	\$ 0.375	per kW

The Delivery Charge for military base customers taking primary service and served from a dedicated distribution feeder(s) Company substation shall be reduced to \$1.489 per kW.

Generation Charge:	\$ 10.127	per kW, plus
	\$ 0.03368	per kWh

Direct Access

The bill for Direct Access customers will consist of the applicable Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.



RATE SCHEDULE E-34 EXTRA LARGE GENERAL SERVICE

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined below.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor or other detrimental conditions shall be required to remedy problems or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. XXXX
Canceling A.C.C. No. 5763
Rate Schedule E-34
Revision No. 21
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**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.183	per day, or
For service through Instrument-Rated Meters:	\$ 1.795	per day, or
For service at Primary Voltage:	\$ 3.881	per day, or
For service at Transmission Voltage:	\$ 26.574	per day

Demand Charge:

Secondary Service:	\$ 16.768	per On-Peak kW, plus
	\$ 3.064	per Off-Peak kW, or
Primary Service:	\$ 15.792	per On-Peak kW, plus
	\$ 2.966	per Off-Peak kW, or
Transmission Service:	\$ 10.755	per On-Peak kW, plus
	\$ 2.462	per Off-Peak kW

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$ 12.108 per On-Peak kW and \$ 2.597 per Off-Peak kW.



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

DIRECT ACCESS

The bill for Direct Access customers will consist of the applicable Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for the minimum kW specified in the agreement for service or individual customer contract.

DETERMINATION OF KW

For billing purposes, the On-Peak kW used in this rate schedule shall be the greater of the following:

1. The average On-Peak kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the On-Peak hours of the month, as determined from readings of the Company's meter.
2. 80% of the highest On-Peak kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.

The Off-Peak kW used in this rate schedule shall be the average kW supplied during the 15-minute period (or other period as specified by individual customer contract) of maximum use during the Off-Peak hours of the month as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

TIME PERIODS (Cont)

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-53
GENERAL SERVICE
ATHLETIC STADIUMS AND SPORTS FIELDS**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE E-54
GENERAL SERVICE
SEASONAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer or Direct Access electric service billed under general service rate schedules (except as limited below) where the customer's requirements are distinctly of a recurring seasonal nature, and where the customer enters into an agreement for service with the Company for a sufficient period of time and guarantees payments of a sufficient amount (in no event less than the **MINIMUM 12-MONTH CHARGE** in any 12 consecutive months) to justify the Company's expenses for installing service facilities and leaving them in place from season to season.

The application of this rate schedule is subject to the following limitations:

1. This schedule is applicable only to electric service otherwise eligible for Rate Schedule E-32 L and Rate Schedule E-32TOU L.
2. Customers whose highest measured monthly kW for the calendar year occurs in the billing months of June, July or August are not eligible for this rate schedule.

RATES

Customers being served under this rate schedule will be billed in accordance with Rate Schedule E-32 L and Rate Schedule E-32TOU L with the following exception:

The minimum bill shall be the minimum specified in the otherwise applicable rate schedule, but not more than an amount sufficient to make the total charges for the 12 months ending with the current month equal to twelve times the minimum specified in the rate schedule as calculated on the highest kW established during the 12 months ending with the current month, or the minimum kW specified in an agreement for service, whichever is greater, but in no event less than the **MINIMUM 12-MONTH CHARGE**.

MINIMUM 12-MONTH CHARGE: \$ 603.49



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

AVAILABILITY

This rate schedule is available in territory served by the Company and at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers located in Metro Phoenix and City of Yuma service areas where the Peak Solutions Program is available are not eligible for this rate until January 1, 2015.

APPLICATION

This rate schedule is applicable to retail Standard Offer customers served on Schedules E-34 and E-35. All provisions of the customer's applicable retail rate schedule shall continue to apply in addition to the provisions of Schedule IRR.

Customer cannot participate in Schedule IRR in conjunction with other demand response programs and rates such as Peak Event Pricing (CPP-GS), Peak Solutions, Power Partners, and other demand response programs and rates that may be offered from time to time.

Participation under this schedule is subject to: the availability of required metering and communication equipment compatible with the customer's applicable retail rate schedule and electrical service configuration; completion of the necessary enhancements to the Company's billing system; and availability of the necessary load data to establish the Baseline Load.

DEFINITIONS

Program Year – The calendar year in which the customer is subject to, and compensated for, an Event.

Event - A request by APS for customers to interrupt their load due to high loads, system emergencies, and high wholesale capacity or energy prices, as determined by the Company.

Firm Service Level -The level of demand (kW) to which the customer agrees to reduce their load for each hour of an Event, as specified in the Interruptible Contract.

Baseline Load – The hourly load (kW) during an Event that would have occurred without the interruption.

Actual Interrupted Demand – The average kW that the customer reduces during all event hours in the Program Year.

Required Interrupted Demand – The average kW that the customer is obligated to reduce during all event hours in the program year.

Shortfall Demand – The average kW that the customer fails to reduce to the Firm Service Level during all event hours in the Program Year.

Actual Interrupted Energy – The energy (kWh) that the customer reduces during all event hours in the Program Year.



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

LOAD INTERRUPTION

Events can be called by APS due to high loads, system emergencies, and high wholesale capacity or energy prices. When APS notifies the customer of an Event, the customer shall reduce their load to the Firm Service Level for each hour of the Event. The customer is responsible for reducing load and shall not use back-up generation to achieve the required load reduction.

CUSTOMER ENROLLMENT AND CONFIRMATION

Customer enrollment shall occur during the open enrollment period, which is October 1 through December 31 prior to the next Program Year. For the first year of the program, enrollment may occur up to April 1 of the Program Year, if necessary, due to timing of initial approval of the Schedule IRR by the Arizona Corporation Commission.

During enrollment, customer shall choose program options, set the Firm Service Level, demonstrate the ability to curtail load by at least 500 kW, and execute an Interruptible Contract.

Each year during the open enrollment period the customer may reset their Firm Service Level, change program options, or discontinue participation in the schedule.

Customer may reset the Firm Service Level by April 1 of the Program Year, if necessary, due to a significant change in their expected load or business situation.

INTERRUPTIBLE HOURS AND OPTIONS

Events shall occur June through September, all days of the week including Holidays, from 12 noon to 8 p.m.

Customer shall choose the maximum number of Events and hours per Event per Program Year from the following choices:

Option	Max Hours per Event	Max Number of Events	Max Interruptible Hours
1	4	20	80
2	8	10	80

APS shall not call more than one interruption event per day. APS shall call at least 2 events per year.

EVENT NOTIFICATION

APS shall notify customer of an Event by email, cell phone, land line, text message or pager. Customer shall choose either a 30-minute or 2-hour notice. Customer is responsible for receiving notification and shall acknowledge receipt of notification to APS within 15 minutes.

BILLING DETERMINANTS

Baseline Load shall be calculated using hourly metered load (kW) data for the highest three load days out of the previous ten non-Event days and metered load data for the hours just prior to the interruption, as calculated by APS. The highest three load days shall be determined from the average kW for the Event hours. The Baseline Load shall not be less than the actual metered load or the Firm Service Level for any Event hour.



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

BILLING DETERMINANTS (Cont)

Required Interrupted Demand shall be derived by subtracting the Firm Service Level (kW) from the Baseline Load (kW) for each Event hour and then averaged over all event hours for the Program Year.

Actual Interrupted Demand shall be derived by subtracting the metered load (kW) from the Baseline Load (kW) for each Event hour and then averaged over all Event hours for the Program Year. Load reductions below the Firm Service Level shall not be included in this calculation.

Shortfall Demand shall be derived by subtracting the Actual Interrupted Demand from the Required Interrupted Demand. This amount shall not be less than zero.

Actual Interrupted Energy shall be equal to the Actual Interrupted Demand multiplied by the total event hours during the Program Year.

All billing determinants shall be rounded to the nearest whole unit.

CREDITS

The customer shall receive a capacity and energy credit for reducing hourly usage during all event hours. The capacity credit shall be derived by multiplying the Actual Interrupted Demand by the applicable capacity credit rate. The energy credit shall be derived by multiplying the Actual Interrupted Energy by the applicable energy credit rate.

The credits shall be issued once a year in November billing cycles through a direct payment or a bill credit, at APS's option.

The credit rates shall be revised from time to time, as approved by the Arizona Corporation Commission, but shall not change during the Program Year.

All customers participating in a five-year agreement will be subject to the revised credit rates for the Program Year, regardless of the number of years remaining on their contract.

1 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$7.975	\$0.09969	\$7.178	\$0.08972
2	\$5.995	\$0.07493	\$5.395	\$0.06745

5 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$9.882	\$0.12353	\$8.894	\$0.11117
2	\$7.428	\$0.09285	\$6.685	\$0.08356



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

PENALTIES

For any Event Year, if the Average Shortfall Demand is greater than 5% and less than or equal to 10% of the Required Interrupted Demand, the customer will receive 50% of their capacity credit. If the Average Shortfall Demand exceeds 10% of the Required Interrupted Demand, the customer will not receive a capacity credit. In either case, the customer will continue to receive 100% of their energy credit. The penalty shall not apply to the first Event of the customer's first Program Year on Schedule IRR.

If the customer terminates participation prior to the contract term in a five-year agreement, they shall pay the Company a penalty equal to the relevant Capacity Credit rate times the Required Interrupted Demand from the most recent Event Year (with a minimum of 500 kW) times the number of years remaining on the agreement. The total penalty shall be assessed at the time of termination.

In addition, if a customer terminates participation prior to the contract term in a one-year or a five-year agreement, they shall not be allowed to participate in the rate for the two subsequent years.

ESTIMATION OF MISSING DATA

If at least 50% of the hourly metered load data is available for an Event, any missing hourly kW values shall be estimated by the average of the available hourly data for that Event. If less than 50% is available, the missing hourly kW values will be estimated at the Firm Service Level.

METERING

Customer shall be served with interval metering equipment necessary to record and communicate hourly (or partial hour) load data. APS shall provide and install the metering and communication equipment at no additional cost to the customer and shall pay any ongoing cell phone or other communication costs, if applicable.

TERMS AND CONDITIONS

Service under this rate schedule is subject to APS's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a service agreement.



RATE RIDER SCHEDULE PPR PREFERENCE POWER RIDER

APPLICATION

This Rate Schedule PPR Preference Power Rider ("Schedule PPR") is applicable to all Standard Offer customers ("Customer") who receive a Firm Electric Service allocation of preference power ("Preference Power") from the Western Area Power Administration ("WAPA"), an agency of the U.S. Department of Energy. All provisions of Customer's current applicable rate schedule will apply in addition to this Schedule PPR. Schedule PPR may be used in conjunction with all non-residential rate schedules that have unbundled charges.

Schedule PPR is applicable to new Preference Power allocations received from WAPA after January 1, 2007. Customer must enter into an "Electrical Supply Agreement" for "Customers with Preference Power" ("Agreement") with the Company prior to receiving service under Schedule PPR.

DETERMINATION OF GENERATION NET POWER

The Company will provide delivery and transmission services for Customer's Total Power, and will provide generation services for the Customer's Net Power, according to the following definitions:

1. Total Power equals Customer's demand ("Total Demand") and energy ("Total Energy") for the billing period, as metered by the Company.
2. Preference Power equals the demand ("Preference Demand") and energy ("Preference Energy") from Customer's Firm Electric Service allocation for the billing period, as scheduled by the Company. Preference Power will be reduced for electrical losses as specified in the Agreement.
3. Net Power equals Total Power less Preference Power. Net Demand equals Total Demand less Preference Demand. Net Energy equals Total Energy less Preference Energy for the billing period. If Total Power is less than Preference Power for a billing period, then Net Power shall equal zero for the billing period.

RATES

Service under this rate schedule shall be billed according to Customer's current applicable rate schedule, except as follows:

1. The eligibility for placement on a rate schedule will be determined by Total Demand.
2. The unbundled generation kWh charges in Customer's current applicable rate schedule will be applied to the Net Energy used.
3. The determination of billing kW for generation services shall be based on Net Demand computed in accordance with the provisions of Customer's current applicable rate schedule. The determination of billing kW for transmission and delivery services shall be based on Total Demand computed in accordance with the provisions of Customer's current applicable rate schedule.
4. The kWh charges under Adjustment Schedule PSA-1 and Adjustment Schedule EIS will be applied to the Net Energy determination.
5. All other kWh and kW charges in Customer's current applicable rate schedule and any other applicable adjustment schedules will be applied to the Total Energy or Total Demand, as applicable.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

AVAILABILITY

This experimental rate rider schedule is available in all territories served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate rider schedule is available for Standard Offer customers who have an Aggregated Peak Load of 10 MW or more and are served under Rate Schedules E-34, E-35, E32-L, or E-32 TOU L. An aggregated group may also include metered accounts that are served under Rate Schedules E-32 M or E-32 TOU M, if the accounts are located on the same premises and served under the same name as an otherwise eligible Customer.

Customers must have interval metering, Advanced Metering Infrastructure, or an alternative in place at all times of service under this schedule. If the Customer does not have such metering, the Company will install the metering equipment at no additional charge. However, the customer will be responsible for providing and paying for any communication requirements associated with the meter, such as a phone line.

All provisions of the customer's applicable rate schedule will apply in addition to this Schedule AG-1, except as modified herein. This rate rider schedule shall be available for four years from the effective date of Schedule AG-1, unless extended by the Commission. Total program participation shall be limited to 200 MW of customer load, 100 MW of which shall be initially reserved for Customers served under Rate Schedule E-32 L.

DEFINITIONS

Aggregated Peak Load: The sum of the maximum metered kW for each of the Customer's aggregated metered accounts over the previous 12 months, as determined by the Company and measured at the Customer's meter(s) at the time of application for service under this rate rider schedule.

Standard Generation Service: Power provided by the Company to a retail customer in conjunction with transmission and delivery services, at terms and prices according to a retail rate schedule other than Schedule AG-1.

Customer: A metered account or set of aggregated metered accounts that meet the eligibility requirements for service and enrollment as an aggregated load for service, under this rate rider schedule.

Generation Service Provider: A third party entity that provides wholesale power to the Company on behalf of a Customer. This entity must be legally capable of selling and delivering wholesale power to the Company.

Generation Service: Wholesale power delivered to APS by a Generation Service Provider.

Imbalance Energy: For each Generation Service Provider, Imbalance Energy will be calculated by the Company as the difference between the hourly delivered energy from the Generation Service Provider and the actual hourly metered load for each Customer for all Customers that have selected the Generation Service Provider under this rate rider schedule.

Imbalance Service: Calculating and managing the hourly deviations in energy supply for imbalance energy.

Total Load Requirements: The Customer's hourly load including losses from the point of delivery to the Company's transmission system to the Customer's sites for the duration of the contract.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

CUSTOMER ENROLLMENT

The Company shall establish an initial enrollment period during which Customers can apply for service under this rate rider schedule. If the applications for service are greater than the program maximum amount, then Customers shall be selected for enrollment through a lottery process as detailed in the program guidelines, which may be revised from time-to-time during the term of this rate rider schedule.

AGGREGATION

Eligible customers may be aggregated if they have the same corporate name, ownership, and identity. In addition, (1) an eligible franchisor customer may be aggregated with eligible franchisees or associated corporate accounts, and (2) eligible affiliate customers may be aggregated if they are under the same corporate ownership, even if they are operating under multiple trade names.

DESCRIPTION OF SERVICES AND OBLIGATIONS

The Customer shall apply for service under this rate rider schedule.

The Company shall conduct the enrollment process in accordance with the provisions of this rate rider schedule.

The Customer shall select a Generation Service Provider to provide Generation Service in accordance with the timeline specified in the program guidelines

The Company shall enter into a contract with the Generation Service Provider to receive delivery and title to the power on the Customer's behalf.

The Generation Service Provider shall provide to the Company on behalf of the Customer firm power sufficient to meet the Customer's Total Load Requirements for each of the specified metered accounts, and will attest in its contract with the Company that this condition is met. For the purposes of this rate schedule, "firm power" refers to generation resources identified in Western System Power Pool Schedule C or a reasonable equivalent as determined by the Company.

The Company shall provide transmission, delivery and network services to the Customer according to normal retail electric service.

The Company will settle with the Generation Service Provider for Imbalance Service and other relevant costs on a monthly basis according to the program guidelines.

The Generation Service Provider shall bill the Company the monthly billed amounts for each customer for Generation Service and Imbalance Service according to the program guidelines.

The Company shall bill the customer for the Generation Service Provider's charged amounts and remit the amounts to the Generation Service provider.

The customer will be responsible for paying for the cost of the power provided by the Generation Service Provider, as specified in the contract and this rate rider schedule.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

DELIVERY OF POWER TO THE COMPANY'S SYSTEM

Power provided by the Generation Service Provider must be firm power as defined above and delivered to the Company at the Palo Verde network delivery point, or other point of delivery as agreed to by the Company. The Generation Service Provider is responsible for the cost of transmission service to deliver the power to the Company's delivery point.

SCHEDULING

The Company shall serve as the scheduling coordinator. The Generation Service Provider shall provide monthly schedules of hourly loads along with day-ahead hourly load deviations from the monthly schedule to the Company according to the program guidelines. Line losses, in the amount of 7%, from the point of delivery to the Customer's sites shall be either scheduled or financially settled.

IMBALANCE SERVICE

The Company will provide Imbalance Service according to the terms and provisions in the Company's Open Access Transmission Tariff, Schedule 4. Imbalance Energy will be based on the Generation Service Provider's portfolio of Customer loads.

POWER SUPPLY ADJUSTER AND HEDGE COST TRUE-UP

The customer will be subject to the power supply adjustment – historical component for the first twelve months of service under this rate rider schedule. The customer will also pay for the hedge cost associated with the customer's Standard Generation Service at the time the customer takes service under this rate rider schedule. For the purpose of this rate rider schedule, the Company will determine the applicable pro rata hedge cost based on the market price for hedge costs at the time the customer takes service under this rate rider schedule.

DEFAULT OF THE THIRD PARTY GENERATION PROVIDER

In the event that the Generation Service Provider is unable to meet its contractual obligations, the customer must notify the Company and select another Generation Service Provider within 60 days. Prior to execution of any new power contract, the Company shall provide the required power to the customer, which will be charged at the Dow Jones Electricity Palo Verde Hourly Index price for the power delivery date plus \$10 per MWh. In addition, all other provisions of this rate rider schedule will continue to apply.

If the Customer is unable to select another Generation Service Provider within sixty days, the customer will automatically return to Standard Generation Service, and be subject to the conditions below.

RETURN TO COMPANY'S STANDARD GENERATION SERVICE

Customer may return to the Company's Standard Generation Service under their applicable retail rate schedule without charge if: (1) they provide one year notice (or longer) to the Company; or (2) if this rate rider schedule is discontinued at the end of the 4 year experimental period; or (3) if the Commission terminates the program prior to the initial four year experimental period. Absent one of these three conditions, the Company will provide the customer with generation service at the market index rate provided in the Company's Open Access Transmission Tariff until the Company is reasonably able to integrate the customer back into their generation planning and provide power at the applicable retail rate schedule. This transition will be at the Company's determination but no longer than 1 year. The returning customer must remain with the Company's Standard Generation Service for at least 1 year.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

RATES

All provisions, charges and adjustments in the customer's applicable retail rate schedule will continue to apply except as follows:

1. The generation charges will not apply;
2. Adjustment Schedule PSA-1 will not apply, except that the Historical Component will apply for the first twelve months of service under this rate rider schedule;
3. Adjustment Schedule EIS will not apply; and
4. The applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder shall be applied to the customer's bill.

Schedule AG-1 charges determined and billed by the Company include:

1. A monthly management fee of \$0.00060 per kWh applied to the customer's metered kWh;
2. A monthly reserve capacity charge applied to 15% of the customer's billed kW (on-peak for Rate Schedules E-35 and E-32 TOU L) at the Company's applicable cost-based rate filed at the Federal Energy Regulatory Commission and revised from time to time, which is currently \$6.985 per kW month;
3. An initial charge or credit for fuel hedging costs, as described herein;
4. Returning Customer charge, where applicable, as described herein;
5. Generation Service Provider Default charge, where applicable, as described herein.

Schedule AG-1 Generation Service and Imbalance Service charges billed by the Company include:

1. Generation Service charges shall be charged at a rate within the minimum and maximum limits as follows:
 - a. When the contract provides for pricing that reflects a specific index price, the minimum price will be the specified index minus 35% and the maximum price will be the specified index plus 35%. The determination that a contract is consistent with this provision will be based on the specified index price applicable on the date the contract is executed.
 - b. When the contract provides for a fixed price supply for the term of the contract, the minimum price will be the generation rate of the Customer's applicable retail rate schedule minus 35%, and the maximum price shall be the generation rate of the Customers applicable retail schedule plus 35%. If the Customer has more than one otherwise applicable retail rate schedule, the highest applicable retail rate schedule will be used for purposes of the consistency determination. The determination that a contract is consistent with this provision will be based on the Customer's otherwise applicable retail rate schedule in effect on the date the contract is executed.
 - c. Losses from the delivery point to the Customer's meters and any charges assessed by the Company on the Customer, including charges for transmission and distribution, Capacity Reservation Charge, the Management Fee, Imbalance Service charges, PSA balance and hedging costs, and Returning Customer Charges, shall not be included in the Generation Service charge for purposes of determining whether the contract is consistent with the minimum and maximum price provisions of this rate rider schedule.
2. Imbalance Service charges shall be charged at a rate greater than \$0.00 per kWh and less than or equal to the rate that the Company charges the Generation Service Provider for Imbalance Service as specified herein.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

CONTRACT TERM AND REQUIREMENTS

The term of the contract with the Generation Service Provider shall be for not less than one year and shall not exceed four years.

The Generation Service Provider and Customer will enter into a contract or contracts with the Company, stating the pertinent details of the transaction with the Generation Service Provider, including but not limited to the scheduling of power, location of delivery and other terms related to the Company's management of the generation resource.

CREDIT REQUIREMENTS

A Generation Service Provider or its parent company must have at least an investment grade credit rating or demonstrate creditworthiness in the form of either a 3rd-party guarantee from an investment grade rated company, surety bond, letter of credit, or cash in accordance with the Company's standard credit support rules



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for non-taxable religious houses of worship whose main purpose is worship and who have an established and continuing membership. Only the meter that measures service to the building in which the sanctuary or principal place of worship is located is eligible for this schedule. Customers must apply to the Company in order to determine eligibility for service under this schedule, and the Company may request a copy of the Internal Revenue Service letter in which the customer's non-taxable status as a religious organization is determined. In addition, customers agree to provide the Company a copy of any Internal Revenue Service letter which changes or supersedes that tax status determination.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule E-20 prior to July 1, 2013.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedules E-34 or E-35 is applicable. Direct Access customers are not eligible for this rate schedule.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge: \$ 1.065 per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$2.391 per On-Peak kW	\$2.156 per On-Peak kW

In the event the Off-Peak kW is greater than twice the highest On-Peak kW established during the current month, the difference between such Off-Peak kW and twice the On-Peak kW shall be billed at 50% of the current month's On-Peak kW charge, in addition to the Demand Charge as stated above.



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.14457 per kWh during On-Peak hours, plus \$ 0.07014 per kWh during Off-Peak hours	\$ 0.12719 per kWh during On-Peak hours, plus \$ 0.06294 per kWh during Off-Peak hours

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a power supply capacity requirement of less than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual customer contract. Special metering may be required such as bi-directional metering. This rate schedule may be used in conjunction with other applicable rate schedules; however, service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

OPTIONS

- A. Customer may net the kWh output of their generator provided to APS through a purchase power contract or other arrangement against the electricity provided by APS to the Customer for station use. Under this option, the charges in this Schedule will not apply.
- B. Company supplies the station use power needs to the customer at the rates and provisions in this rate rider schedule.

RATES

Customers shall be placed on a small or medium pricing tier annually, based on the maximum metered monthly demand, averaged over the summer months May through October, or if such load data is not available, other relevant data determined by the Company. If such average demand is greater than 3 MW the customer will be placed on Rate Schedule E-36 XL.

Small:

Customers placed on the small pricing tier shall be billed according to the rates and provisions in Rate Schedule E-32 XS, except for the unbundled basic service and revenue cycle service charges which are specified below.

Medium:

Customers placed on the medium pricing tier shall be billed according to the rates and provisions in Rate Schedule E-32 L, except for the unbundled basic service and revenue cycle service charges which are specified below.



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

Unbundled Basic Service Charge:		
For E-32 M and E-32 L		
Self-Contained Meters:	\$ 1.344	per day, or
Instrument-Rated Meters:	\$ 1.322	per day, or
Primary Voltage Meters:	\$ 6.830	per day
Revenue Cycle Service Charges:		
E-32 XS		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary Voltage Meters:	\$ 3.146	per day
Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
E-32 L		
Metering:		
Self-Contained Meters:	\$ 0.345	per day, or
Instrument-Rated Meters:	\$ 0.904	per day, or
Primary Voltage Meters:	\$ 2.696	per day, or
Transmission	\$ 22.192	per day
Meter Reading:	\$ 0.058	per day
Billing:	\$ 0.064	per day

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: Original

A.C.C. No. xxxx
Canceling A.C.C. No. xxxx
Rate Schedule E-36 M
Original
Effective: xxxx



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

ADJUSTMENTS (cont')

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a Power Supply capacity requirement of greater than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual customer contract. This rate schedule may be used in conjunction with other applicable Company rate schedules; however, any service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this rate schedule shall be three phase, 60 Hertz, at one standard voltage available within the vicinity of the customer's site.

RATES

The bill shall be the sum of the amounts included under A, B, and C below, including any applicable adjustments:

A. Basic Service

Basic Service Charge: \$ 6,912 per month

B. Metering Service

The monthly metering charge shall be 1.29% of the total metering cost specified in the Electric Supply Agreement between the Company and the customer. This percentage will be reduced to 0.35% when the customer provides all necessary metering equipment and is responsible for its replacement. The customer shall also be responsible for all applicable costs associated with communications facilities used to compile metered usage information.

C. Power Supply Service

The charge for Power Supply Service shall be the sum of 1 and 2 below:

1. T & D Capacity Rate: \$ 5.190 per kW of Contract Power Supply Capacity for service provided at secondary distribution voltage levels (less than 12.5 kV), or
- \$ 5.008 per kW of Contract Power Supply Capacity for service provided at primary distribution voltage levels (12.5 kV to below 69 kV), or
- \$ 1.620 per kW of Contract Power Supply Capacity for service provided at transmission voltage levels (69 kV or higher).



**RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE**

RATES (cont)

C. Power Supply Service (cont)

2. Power Supply/Energy/Ancillary Service Charge: Hourly Pricing Proxy plus \$ 0.00057 for each kWh used

CONTRACT PERIOD

Any applicable contract periods will be set forth in an Electric Supply Agreement between the customer and the Company.

CONNECTION COSTS

The customer will pay all applicable connection costs and system improvement costs not otherwise covered in this schedule as a non-refundable contribution in aid of construction, including any associated tax liability.

POWER SUPPLY CAPACITY

Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of the customer's generation unit(s) plus any necessary auxiliary load (including generation auxiliary load and/or any other load requirements at the plant site that would otherwise be provided by the customer when the generation unit(s) are running).

If more than one generation unit is present at a single site, the Electric Supply Agreement may, at the Company's option, allow the customer to start one unit at a time. In this instance, Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of one and only one customer generation unit at any given time plus any necessary auxiliary load (including any or all generation auxiliary load and/or any other load requirements at the entire plant site that would otherwise be provided by the customer when any or all generation unit(s) are running).

If, during any one billing period, the highest 15 minute measured kW supplied by the Company (by voltage level) exceeds the amount of Power Supply Capacity specified in the Electric Supply Agreement, the Power Supply Capacity reservation (by voltage level) shall be permanently increased to equal the higher measured kW. If the Company incurs additional connection costs to provide this added capacity, the customer is responsible for payment of these costs as specified herein.

DETERMINATION OF HOURLY PRICING PROXY

Hourly pricing proxy shall be calculated using the published day ahead Dow Jones Electricity Price Index. APS will calculate a weighted average using the day ahead hub pricing and volumes at Palo Verde, Four Corners, and Mead, for firm on-peak and off-peak prices as expressed on a per kWh basis, at the time Station Use power is supplied to the customer.



**RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE**

METERING

The Company will normally install a supply meter at the point of delivery to the customer and a generator meter(s) at the point(s) of output from each of the customer's generators. However, the customer can elect to supply this metering as long as it conforms to Company specifications. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
5. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE**

Attachment CAM-S1
Page 116 of 182

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

THIS RATE IS CANCELED EFFECTIVE XXXXX PER A.C.C. DECISION NO. XXXXX.



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to outdoor lighting which operates only from dusk to dawn and where service can be supplied from the existing secondary facilities of the Company. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The customer's bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide outdoor lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Company Owned	Customer Owned
A. Acorn	9,500 HPS	100	41	\$27.06	\$9.22
	16,000	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000	150	69	17.96	9.82
	30,000	250	99	21.31	12.60
	50,000	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
33,000 LPS	180	90	36.22	17.02	
C. Cobra/Roadway	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000	150	69	12.87	8.82
	30,000	250	99	15.52	11.46
	50,000	400	153	21.06	16.37
	14,000 MH	175	72	14.97	10.20
	21,000 MH	250	101	17.49	12.69
	36,000 MH	400	159	23.03	17.63
	8,000 FL	100	38	17.20	5.04



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont)

				RATES		
				Company Owned	Customer Owned	
		Lumen	Watts	kWh		
D. Decorative Transit		9,500 HPS	100	41	\$37.09	\$11.11
		16,000 HPS	150	69	36.88	6.31
		30,000 HPS	250	99	42.46	16.02
E. Flood		30,000 HPS	250	99	20.61	12.81
		50,000 HPS	400	153	25.56	17.77
		21,000 MH	250	101	22.00	13.53
		36,000 MH	400	159	26.82	18.35
F. Post Top	Colonial Gray	8,000 FL	100	38	18.54	5.23
		9,500 HPS	100	41	10.60	6.65
	Colonial Black	9,500 HPS	100	41	12.21	6.88
	Decorative Transit	9,500 HPS	100	41	32.47	10.24
G. FROZEN		4,000 INC	295	103	\$9.78	\$5.47
		7,000 MV	175	73	12.67	7.27
		10,000 MV	400	150	24.92	14.12
		Brackets over 8 ft. and up to 16 ft. in length			1.72	--

- NOTES:**
1. Company Owned fixtures are those fixtures that the Company installs, owns, operates, and maintains.
 2. Customer Owned fixtures are those fixtures where the customer installs and maintains the lighting fixtures, and the Company approves the installation, operates the fixtures, and replaces Company standard lamps only.
 3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
 4. HPS = High Pressure Sodium
 5. MH = Metal Halide
 6. LPS = Low Pressure Sodium
 7. FL = Fluorescent
 8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on April 21, 1983.
 9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on June 1, 1987 in accordance with A.R.S. §49-1104(A).



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

II. POLES

			RATES		
			Height	Company Owned	
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17	
			22 ft.	13.70	
			25 ft.	14.82	
			30 ft.	17.03	
			32 ft.	17.89	
	Round Steel	2 Simplex Adapters	12 ft.	12.98	
			22 ft.	14.91	
			25 ft.	15.55	
			30 ft.	18.07	
			32 ft.	19.28	
	Square Steel	5"	13 ft.	13.95	
			15 ft.	12.47	
			23 ft.	14.79	
			25 ft.	16.26	
28 ft.			18.05		
		32 ft.	17.95		
	Concrete		12 ft.	41.58	
	Fiberglass		12 ft.	35.21	
	Decorative Transit	4"	16 ft.	34.33	
	Decorative Transit	6"	30 ft.	66.28	
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71	
			22 ft.	13.24	
			25 ft.	14.35	
			30 ft.	16.58	
			32 ft.	17.41	
	Round Steel	2 Simplex Adapters	12 ft.	12.51	
			22 ft.	13.97	
			25 ft.	15.08	
			30 ft.	17.61	
			32 ft.	18.81	
			3 Bolt Arm	32 ft.	21.62
	Square Steel	5"	13 ft.	13.50	
			15 ft.	13.80	
			23 ft.	14.32	
25 ft.			15.80		
28 ft.			17.56		
			32 ft.	18.23	



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

II. POLES (cont)

		Height	RATES Company Owned
C. Direct Bury	Round Steel	19 ft.	\$18.42
		30 ft.	14.38
		38 ft.	17.55
		Self 40 ft.	21.62
		Stepped 49 ft.	64.99
	Square Steel	4" 34 ft.	15.87
		5" 20 ft.	15.07
		30 ft.	15.71
		38 ft.	17.05
		Decorative Transit 41 ft. 6	20.47
	Decorative Transit 47 ft.	25.50	
	Steel Distribution Pole (for lighting) 35 ft.	23.54	
D. Post Top	Decorative Transit Anchor Base 16 ft.	35.07	
	Gray Steel/Fiberglass 23 ft.	12.16	
	Black Steel 23 ft.	13.41	
E. FROZEN	Wood Poles	30 ft.	8.95
		35 ft.	8.95
		40 ft.	12.73

- NOTES:
1. All distribution lines required to serve dusk to dawn facilities are owned by the Company.
 2. Monthly rates for all new Company owned poles include up to 100 feet of overhead secondary wire, or up to 100 feet of underground secondary line if customer provides earthwork and conduit (excluding the overhead to underground transition). Any additional wire required (over and above the first 100 feet provided) to install fixtures is subject to the additional monthly wire charges specified in Section IV.1 below.
 3. When adding lighting fixtures to an existing Company owned pole, any and all additional distribution wire required is subject to the additional monthly wire charges specified in Section IV.1 below.
 4. Any and all distribution wire required to serve lighting facilities placed on a customer owned pole, whether new or existing, is subject to the additional monthly wire charges specified in Section IV.1 below.

III. ANCHOR BASE

		Height	RATES Company Owned
A. Flush		4 ft.	\$9.91
		6 ft.	11.82
B. Pedestal		8 ft.	13.54
	For 32' Round Steel Pole only	4 ft. 6"	9.39

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. xxxx
Canceling A.C.C. No. 5745
Rate Schedule E-47
Revision No. 51
Effective: xxxx



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

IV. RATES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

	RATES
	Company Owned
1. Each 100 feet of overhead secondary wire, or each 100 feet of underground secondary wire if customer provides earthwork and conduit.	\$3.50
2. Additional maintenance charge for HPS lamp and luminaire that is not accessible by bucket truck.	2.80
3. Additional maintenance charge for MH lamp and luminaire that is not accessible by bucket truck.	6.04

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a dusk to dawn lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the customer or its designee(s) on their dusk to dawn equipment. The trip charge will also apply when customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

SPECIAL PROVISIONS

1. The 4,000 and 7,000 lumen lamps use an open glass diffuser. All units are controlled by a photoelectric switch.
2. The customer is not authorized to make connections to the lighting circuits or to make attachments.
3. Should a customer request relocation of a dusk-to-dawn lighting installation, the costs of such relocation shall be paid by the customer.
4. The Company cannot guarantee that all dusk to dawn facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the dusk to dawn facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
5. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
6. The customer may cancel a lighting service agreement by payment of the bill including the applicable tax adjustment, multiplied by the number of remaining months of the initial agreement, or the calculated installation and removal costs for the extension, whichever is lower.
7. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.
8. Lighting Equipment and services with an initial Company cost exceeding \$25,000 shall require a financial liability agreement between the Company and the customer.

NON-STANDARD FACILITIES – CUSTOMER OWNED

When the customer requests any non-standard dusk-to-dawn lighting facilities (non-standard being defined as any equipment not listed in the Company's Transmission and Distribution Construction Standards book), the customer will own, operate and maintain all components to the system excluding the distribution facilities installed by the Company to serve the lighting system. Monthly bills rendered for non-standard facilities will be computed at the following rates, plus any adjustments incorporated in this schedule. KWh will be determined by the Company, based on the rated wattage of the lighting equipment and an estimated average hourly usage per month.

A.	Service Charge	3.35	per installed lamp per month
B.	Energy Charge	0.06345	per kWh per month

If, at the Company's discretion, the customer chooses to have the Company maintain the entire non-standard facility, the Company may require the customer to enter into a separate maintenance agreement which may be subject to additional charges mutually agreed upon by the Company and the customer.

CONTRACT PERIOD

All Dusk-to-Dawn lighting installations will require a written agreement for service for a minimum of three (3) years, or longer at Company's option.



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

Attachment CAM-S1
Page 124 of 182

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. xxxx
Canceling A.C.C. No. 5745
Rate Schedule E-47
Revision No. 51
Effective: xxxx



**RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

AVAILABILITY

This rider rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rider rate schedule is applicable to retail Customers who obtain any part of their electric requirements from on-site generation equipment with a continuous nameplate rating of 100 kW or greater for other than emergency purposes, requiring Supplemental and Back-up or Maintenance Power and energy from the Company. Direct access customers are not eligible for service under this rate schedule. All provisions of the Customer's applicable retail rate schedule will apply except those specifically modified herein. Total measured demand at the Customer's meter will be used to determine the applicable retail rate schedule.

DEFINITIONS

1. Back-up Contract Demand - The specified demand, in kilowatts, of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.
2. Back-up Power - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.
3. Billing Period - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.
4. Excess Power - Excess Power is power supplied by the Company to the Customer in excess of the Total Contract Demand. The kW of Excess Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Excess Power during the Billing Period. For each fifteen minute period, Excess Power shall equal the Measured Demand minus the Total Contract Demand but shall not be less than zero.
5. Maintenance Power - Electric power and energy made available by the Company to a Customer during the scheduled maintenance periods established in accordance with the provisions of this schedule to replace Back-up Power. Maintenance Power shall not exceed the Back-up Contract Demand.
6. Measured Demand - The fifteen (15) minute Demands (Power) in kilowatts as shown by or computed from the readings of the Power (Demand) meter located at the Company's point of delivery for on-peak and off-peak periods during the Billing Period.



**RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

DEFINITIONS (cont)

7. Measured Energy - The electric energy in kilowatt-hours as shown by or computed from the readings of the kilowatt-hour meter located at the Company's point of delivery.
8. Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer
9. Supplemental Power - The kW of Supplemental Contract Demand supplied by the Company to the Customer. The kW of Supplemental Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Supplemental Power during the Billing Period. For each fifteen minute period, Supplemental Power shall equal the Measured Demand but shall not be less than zero nor greater than the Supplemental Contract Demand.
10. Total Contract Demand - The sum of the Supplemental Contract Demand and the Back-up Contract Demand.

DETERMINATION OF SUPPLEMENTAL AND BACKUP CONTRACT DEMAND

The Supplemental Contract and Backup Demand shall be initially established by agreement between the Customer and the Company, and shall be reset annually based on the average daily maximum Measured Demand over the six months, May through October of the most recent year.

MONTHLY RATES

The bill shall be the sum of the amounts computed below, including any applicable adjustments:

- A. Basic Service: The Basic Service and Revenue Cycle Service Charges included in the customer's applicable General Service rate schedule will apply each month.
- B. Supplemental Power and Associated Energy: Supplemental Power and Associated Energy will be provided in accordance with the rate levels contained in the customer's applicable General Service rate schedule, excluding the monthly Basic Service and Revenue Cycle Service Charges, and also excluding delivery charges associated with Back-up Contract Demand.
- C. Delivery Charges: The unbundled delivery charge contained in the customer's applicable General Service rate schedule multiplied by the amount of Back-up Contract Demand.
- D. Back-up Power Charges:

Rate Schedule E-34 Customer - On-Peak:	\$ 0.590	per kW Day
Rate Schedule E-32 Customer - On-Peak:	\$ 0.120	per kW Day
During Scheduled Maintenance:	One Half (1/2) On-Peak Charge	
Off Peak:	No Charge	

On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 21, 2007

A.C.C. No. XXXX
Canceling A.C.C. No 5746
Schedule E-56
Revision No. 2
Effective: XXXX



**RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

Back-up Power Charges (cont):

Off-Peak Periods:

All other hours

The Power Charge for Back-up Power is billed on a per day basis and is based on the fifteen (15) minute period of the Customer's greatest use of Back-up Power during on-peak hours each on-peak day. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.

E. Excess Power Charges:

Secondary Service:	\$ 54.802	per kW
Primary Service:	\$ 52.019	per kW
Transmission Service:	\$ 38.187	per kW

F. Back-up, Maintenance and Excess Energy: All Back-up, Maintenance, and Excess Energy shall be billed in accordance with the customer's applicable General Service rate schedule.

MAINTENANCE REQUIREMENTS

Maintenance energy shall be defined as energy supplied to Customer to replace energy normally supplied by the Customer's generator(s) during an authorized Scheduled Maintenance period.

Maintenance periods shall not exceed 30 days per generation unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months, as defined in the Customer's applicable general service rate schedule. Customer shall provide Company with its planned maintenance schedule 90 days in advance of any planned maintenance in order for the Company to coordinate customer's scheduled maintenance with that of the Company. Upon review, Company shall either approve customer's planned maintenance schedule or notify customer of alternate acceptable periods. Customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter) if required. All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK-UP CONTRACT DEMAND

The Customer shall contract for Total Contract Demand. This shall be the sum of the Supplemental Contract Demand and the Back-up Contract Demand. The Customer may elect to increase Total Contract Demand by increasing Supplemental Contract Demand and/or Back-up Contract Demand prospectively at any time, provided there are facilities of adequate capacity, by providing notice to the Company. Any increase in Total Contract Demand shall establish a new Total Contract Demand which shall be in effect for the term of the contract, unless superseded by subsequent increases in Total Contract Demand.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 21, 2007

A.C.C. No. XXXX
Canceling A.C.C. No 5746
Schedule E-56
Revision No. 2
Effective: XXXX



**RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE**

TERMINATION PROVISION

Should Customer cease to operate his generation unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, Company reserves the option to terminate the Agreement for service under this rate schedule with Customer.

CONTRACT PERIOD

As provided in the Electric Supply Agreement between Company and Customer.

UNUSUAL UTILITY OPERATING CONDITIONS

If the Company is in need of additional power requirements due to equipment failure or other unusual conditions, the Customer may provide excess generation to Company at Company's request. The Company will pay the Customer for any energy purchased at the per kWh monthly firm purchase rate which is negotiated on a case-by-case basis.

TERMS AND CONDITIONS

Customer must enter into an Agreement for Interconnection and an Electric Supply Agreement which shall establish all details related to interconnection and other required service standards. Qualifying Cogeneration and Small Power Production Facilities (QFs) meeting Public Utility Regulatory Policy Act of 1978 criteria shall be permitted to sell excess power and energy subject to the provisions and rates specified in a Purchase Supply Agreement between Company and Customer. Customers who install facilities that do not meet QF standards will not have the right to sell power and energy to Company under this rate schedule. However, should Customer desire to do so, Customer may seek to enter into a new Service Agreement which would set forth the applicable purchase rates, terms and conditions for interconnection and for the sale of excess power to the Company.



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which Company does a general retail electric business and where Company has installed a multiple or series street lighting system of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to service for continuous lighting, from dusk to dawn, of public streets, alleys, thoroughfares, public parks and playgrounds by use of Company's facilities where such service for the entire area is contracted for from the Company by the city, town, other governmental agencies, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide street lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Investment by Company	Investment by Others
A. Acorn	9,500 HPS	100	41	\$ 27.06	\$9.22
	16,000 HPS	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000 HPS	150	69	17.96	9.82
	30,000 HPS	250	99	21.31	12.60
	50,000 HPS	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
C. Cobra/Roadway	33,000 LPS	180	90	36.22	17.02
	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000 HPS	150	69	12.87	8.82
	30,000 HPS	250	99	15.52	11.46
	50,000 HPS	400	153	21.06	16.37



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont):

				RATES		
				Investment by Company	Investment By Others	
	Lumen	Watts	kWh			
C. Cobra/Roadway (cont.)	14,000 MH	175	72	\$14.97	\$10.20	
	21,000 MH	250	101	17.49	12.69	
	36,000 MH	400	159	23.03	17.63	
	8,000 FL	100	38	17.20	5.04	
D. Decorative Transit	9,500 HPS	100	41	37.09	11.11	
	16,000	150	69	36.88	12.41	
	30,000	250	99	42.46	16.02	
E. Flood	30,000	250	99	20.61	12.81	
	50,000	400	153	25.56	17.77	
	21,000 MH	250	101	22.00	13.53	
	36,000 MH	400	159	26.82	18.35	
F. Post Top	Colonial Gray	8,000 FL	100	38	18.54	5.23
		9,500 HPS	100	41	10.60	6.65
	Colonial Black	9,500 HPS	100	41	12.21	6.88
	Decorative	9,500 HPS	100	41	32.47	10.24
G. FROZEN	4,000 INC	295	103	\$9.78	\$5.47	
	7,000 MV	175	73	12.67	7.27	
	11,000 MV	250	96	15.87	9.68	
	20,000 MV	400	150	24.92	14.12	

NOTES:

- Investment by Company. These rates are applicable where the Company provides the initial investment to purchase and install all facilities necessary for street lighting service. The Company will own, operate, and maintain the street lighting system.
- Investment by Others. These rates are applicable in those instances where the requesting entity or individual purchases and installs the street lighting facilities at their own expense and in accordance with Company specifications. These rates will also apply in the instance where the customer provides a non-refundable advance to the Company to cover the Company's cost of purchasing and installing the street lighting system. The Company retains ownership of the street lighting system and provides operation and maintenance for all facilities.
- Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
- HPS = High Pressure Sodium
- MH = Metal Halide
- LPS = Low Pressure Sodium
- FL = Fluorescent
- INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on November 1, 1986.
- MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on November 1, 1986 in accordance with A.R.S. §49-1104(A).

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 1, 1986

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Canceling A.C.C. No. 5747
Rate Schedule E-58
Revision No. 49
Effective: xxxx



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II. POLES

			RATES			
			Height	Investment by Company	Investment By Others	
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17	\$1.68	
			22 ft.	13.70	1.88	
			25 ft.	14.82	2.05	
			30 ft.	17.03	2.34	
			32 ft.	17.89	2.37	
		2 Simplex Adapters	12 ft.	12.98	1.79	
			22 ft.	14.91	2.06	
			25 ft.	15.55	2.14	
			30 ft.	18.07	2.49	
			32 ft.	19.28	2.66	
	Square Steel	5"	13 ft.	13.95	1.92	
			15 ft.	12.47	1.72	
			23 ft.	14.79	2.03	
			25 ft.	16.26	2.23	
			28 ft.	18.05	2.48	
32 ft.			17.95	2.47		
Concrete		12 ft.	41.58	5.73		
Fiberglass		12 ft.	35.21	4.85		
Decorative Transit Pedestrian		4"	16 ft.	34.33	4.73	
Decorative Transit		6"	30 ft.	66.28	9.13	
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71	1.61	
			22 ft.	13.24	1.82	
			25 ft.	14.35	1.98	
			30 ft.	16.58	2.29	
			32 ft.	17.41	2.40	
		2 Simplex Adapters	12 ft.	12.51	1.72	
			22 ft.	13.97	1.92	
			25 ft.	15.08	2.07	
			30 ft.	17.61	2.42	
			32 ft.	18.81	2.59	
			3 Bolt Arm	32 ft.	21.62	2.97
	Square Steel	5"	13 ft.	13.50	1.86	
			15 ft.	13.80	1.89	
			23 ft.	14.32	1.98	
			25 ft.	15.80	2.19	
28 ft.			17.56	2.42		
32 ft.			18.23	2.50		



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II POLES (cont)

		RATES			
		Height	Investment by Company	Investment By Others	
C. Direct Bury	Round Steel	19 ft.	\$18.42	\$2.54	
		30 ft.	14.38	2.66	
		38 ft.	17.55	2.73	
		Self Support	40 ft.	21.62	3.42
		Stepped	49 ft.	64.99	8.96
	Square Steel	4"	34 ft.	15.87	2.75
		5"	20 ft.	15.07	2.49
			30 ft.	15.71	2.59
			38 ft.	17.05	2.96
		Decorative Transit	41 ft 6	20.47	3.01
	Decorative Transit	47 ft.	25.50	3.75	
	Steel Distribution Pole (for lighting only)	35 ft.	23.54	3.10	
D. Post Top	Decorative Transit Anchor Base	16 ft.	35.07	4.82	
	Gray Steel/Fiberglass	23 ft.	12.16	2.00	
	Black Steel	23 ft.	13.41	2.21	
E. Existing distribution pole suitable for streetlight use			1.48	--	
F. FROZEN	Wood Poles	30 ft.	\$8.95	\$1.55	
		35 ft.	8.95	1.48	

NOTE: The monthly rate for all new poles includes up to 300 feet of overhead secondary wire, or up to 300 feet of underground secondary wire if the customer provides earthwork and conduit (excluding the underground to overhead transition).

III. ANCHOR BASE

		RATES		
		Height	Investment by Company	Investment By Others
A. Flush		4 ft.	\$9.91	\$1.36
		6 ft.	11.82	2.05
B. Pedestal		8 ft.	13.54	2.36
	For 32' Round Steel Pole only	4 ft. 6"	9.39	1.63

IV. CHARGES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

		RATES
		Company Owned
Underground Circuit Charges:		
a.	Per foot of cable, installed under paving	\$0.15716
b.	Per foot of cable, not installed under paving	0.05589



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a street lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when Customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the Customer or its designee(s) on their street light equipment. The trip charge will also apply when Customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Street lighting facilities installed under this rate schedule are of the type currently being furnished by Company as standard at the time service is initially requested. Standard facilities are those listed in the Company's Transmission and Distribution Construction Standards book.
2. The Company cannot guarantee that streetlighting facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the streetlighting facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
3. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 1, 1986

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Canceling A.C.C. No. 5747
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Effective: xxxx



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

SPECIAL PROVISIONS (cont)

4. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.

NON-STANDARD FACILITIES

Non-standard facilities (non-standard being defined as any facility not listed in the Company's Transmission and Distribution Construction Standards book) do not qualify for this rate schedule. At the Company's discretion, such facilities may be served under another of the Company's rate schedules.

EXTENSION OF STREET LIGHTING SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in the Company's Service Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the applicant's request, the Company will provide such earthwork and the applicant will be required to pay a non-refundable contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS**

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which the Company does a general retail electric business and where the customer has installed or purchased a multiple or series street lighting system and the Company has distribution facilities of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for continuous lighting, from dusk to dawn, of public streets, alleys, thoroughfares, public parks and playgrounds by use of the customer's facilities where such service for the whole area is contracted for from the Company pursuant to the terms set forth herein by the city, town, other governmental entities, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

The customer will own, operate, and maintain the street lighting system including lamps and glass replacements but excluding distribution facilities installed by the Company to serve the lighting system.

RATES

The bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Service Charge:	\$2.79	per installed lamp
Energy Charge:	\$ 0.06088	per kWh

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a street lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the customer or its designee(s) on their street light equipment. The trip charge will also apply when customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.



**RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS**

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Billed energy is based upon the summation of the contracted energy rating of installed facilities specified in the streetlighting contract.
2. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
3. Presently installed units which do not conform to the types specified in Rate Schedule E-58 will be billed in accordance with the type which is most nearly like such units.

EXTENSION OF COMPANY DISTRIBUTION SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in of the Company's Service Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork and the applicant will be required to pay a non-refundable contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

CONTRACT PERIOD

The contract period for service under this rate schedule shall be a fixed period of not less than 1 year and not more than 20 years, as agreed to by the customer and as specified in the streetlighting contract.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE
CITY OF PHOENIX**

AVAILABILITY

This rate schedule is available within the City of Phoenix at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service furnished for the lighting of alleys, buildings, and other public places owned or maintained by the City. Streetlighting service is not eligible for this schedule. Service to traffic signals is limited to those installations being served as of January 31, 1985, under the Agreement of April 4, 1930, as modified, between Central Arizona Light and Power Company and the City of Phoenix, and no new or reconnected traffic signal installations may be served after that time. Service must be supplied at one site through one point of delivery and measured through one meter. Direct Access service is not available under this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage (as may be selected by customer, subject to availability at the customer's site).

RATES

The bill shall be computed at the following rate plus any adjustments incorporated in this schedule:

Energy Charge: \$ 0.05193 per kWh

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.



**RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE
CITY OF PHOENIX**

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-114
CLASSIFIED SERVICE – SHARE THE LIGHT
LOWER MIAMI AND CLAYPOOL STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.



**RATE SCHEDULE E-116
CLASSIFIED SERVICE – SHARE THE LIGHT
CENTRAL HEIGHTS AND COUNTRY CLUB MANOR
STREET LIGHTING**

Attachment CAM-S1
Page 140 of 182

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.



**RATE SCHEDULE E-145
CLASSIFIED SERVICE - SHARE THE LIGHT
AJO HEIGHTS STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.588	per day
Demand Charge:	\$ 2.357	per kW
Energy Charge:	\$ 0.11228	per kWh for the first 240 kWh, plus
	\$ 0.07633	per kWh for the next 275 kWh per kW, plus
	\$ 0.06270	per kWh for all additional kWh

MINIMUM

The bill for service under this rate schedule will not be less than \$0.558 per day plus \$2.357 for each kW of the highest kW established during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rate, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.964	per day
Demand Charge:	\$ 5.608	per On-Peak kW, plus
	\$ 3.351	per Off-Peak kW
Energy Charge:	\$ 0.09205	per kWh during On-Peak hours, plus
	\$ 0.04952	per kWh during Off-Peak hours

MINIMUM

The bill for service under this rate schedule will not be less than \$0.964 per day plus \$3.351 for each kW of the highest kW established during on or off peak hours during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1986

A.C.C. No. XXXXX
Canceling A.C.C. No. 5751
Rate Schedule E-221-8T
Revision No. 19
Effective: XXXXX



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

TIME PERIODS

For the purpose of this rate schedule, the On-Peak time period is between 11 a.m. and 9 p.m., weekdays only. All hours not included in the specified On-Peak period are designated as Off-Peak hours. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1986

A.C.C. No. XXXXX
Canceling A.C.C. No. 5751
Rate Schedule E-221-8T
Revision No. 19
Effective: XXXXX



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE**

ADJUSTMENTS (cont)

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-249
CLASSIFIED SERVICE - SHARE THE LIGHT
CAMP VERDE STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for private and public elementary and secondary schools (K-12) whose average monthly maximum demand is less than or equal to 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule GS-SCHOOLS M or GS-SCHOOLS L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. Availability of this rate is subject to the availability of required metering equipment and completion of necessary enhancements to the Company's billing system.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ \$0.672	per day, or
For service through Instrument-Rated Meters:	\$ \$1.324	per day, or
For service at Primary Voltage:	\$ \$3.415	per day, or
For service at Transmission Voltage:	\$ \$26.163	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. xxxx
Canceling A.C.C. No. 5778
Rate Schedule GS-SCHOOLS M
Revision No. 1
Effective: xxxx



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

RATES (cont)

Demand Charge:		
Secondary Service:	\$ 9.612	per kW for the first 100 kW, plus
	\$ 5.113	per kW for all additional kW, or
Primary Service:	\$ 8.919	per kW for the first 100 kW, plus
	\$ 4.419	per kW for all additional kW, or
Transmission Service:	\$ 6.953	per kW for the first 100 kW, plus
	\$ 2.454	per kW for all additional kW

Energy Charge:

June – August Billing Cycles (Summer Peak)
\$ 0.17343 per kWh during On-Peak hours, plus \$ 0.12847 per kWh during Shoulder-Peak hours, plus \$ 0.06487 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer Shoulder)	November – April Billing Cycles (Winter)
\$ 0.14977 per kWh during On-Peak hours, plus \$ 0.11095 per kWh during Shoulder-Peak hours, plus \$ 0.05602 per kWh during Off-Peak hours	\$ 0.11607 per kWh during On-Peak hours, plus \$ 0.08599 per kWh during Shoulder-Peak hours, plus \$ 0.04342 per kWh during Off-Peak hours

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of ± 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. xxxx
Canceling A.C.C. No. 5778
Rate Schedule GS-SCHOOLS M
Revision No. 1
Effective: xxxx



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

DETERMINATION OF KW (cont)

For the purpose of placement on this rate, the Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

Summer Peak (June - August)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Summer Shoulder (May, September and October)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Winter (November - April)

On-Peak hours: 5:00 am – 11:00 am Monday through Friday
Shoulder-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. xxxx
Canceling A.C.C. No. 5778
Rate Schedule GS-SCHOOLS M
Revision No. 1
Effective: xxxx



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

ADJUSTMENTS (cont)

6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for private and public elementary and secondary schools (K-12) whose average monthly maximum demand is greater than 400 kW and less than 3,000 kW per month.

The Company will place the Customer on the applicable Rate Schedule GS-SCHOOLS M or GS-SCHOOLS L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. Availability of this rate is subject to the availability of required metering equipment and completion of necessary enhancements to the Company's billing system

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.068	per day, or
For service through Instrument-Rated Meters:	\$ 1.627	per day, or
For service at Primary Voltage:	\$ 3.419	per day, or
For service at Transmission Voltage:	\$ 22.915	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. XXXXX
Canceling A.C.C. No. 5777
Rate Schedule GS-SCHOOLS L
Revision No. 1
Effective: XXXXX



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

RATES (cont)

Demand Charge:

Secondary Service:	\$ 9.311	per kW for the first 100 kW, plus
	\$ 4.954	per kW for all additional kW, or
Primary Service:	\$ 8.636	per kW for the first 100 kW, plus
	\$ 4.282	per kW for all additional kW, or
Transmission Service:	\$ 6.736	per kW for the first 100 kW, plus
	\$ 2.377	per kW for all additional kW

Energy Charge:

June – August Billing Cycles (Summer Peak)
\$ 0.15355 per kWh during On-Peak hours, plus \$ 0.11374 per kWh during Shoulder-Peak hours, plus \$ 0.06285 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer Shoulder)	November – April Billing Cycles (Winter)
\$ 0.13260 per kWh during On-Peak hours, plus \$ 0.09821 per kWh during Shoulder-Peak hours, plus \$ 0.05428 per kWh during Off-Peak hours	\$ 0.10276 per kWh during On-Peak hours, plus \$ 0.07612 per kWh during Shoulder-Peak hours, plus \$ 0.04206 per kWh during Off-Peak hours

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

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**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

DETERMINATION OF KW (cont)

For the purpose of placement on this rate, the Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

Summer Peak (June - August)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Summer Shoulder (May, September and October)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Winter (November - April)

On-Peak hours: 5:00 am – 11:00 am Monday through Friday
Shoulder-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 5 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

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Effective: XXXXXX



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE
ELEMENTARY AND SECONDARY SCHOOLS**

ADJUSTMENTS (cont)

6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company.

APPLICATION

This rate schedule is applicable to all cogeneration and small power production facilities with a nameplate continuous AC output power rating of 100 kW or less where the facility's generator(s) and load are located at the same premise and that otherwise meet qualifying status pursuant to Arizona Corporation Commission's Decision No. 52345 on cogeneration and small power production facilities. Applicable only to Qualifying Facilities electing to configure their systems as to require partial requirements service from the Company in order to meet their electric requirements.

TYPE OF SERVICE

Electric sales to the Company must be single or three phase, 60 Hertz, at one standard voltage as may be selected by the customer (subject to availability at the premises). The Qualifying Facility will have the option to sell energy to the Company at a voltage level different than that for purchases from the Company; however, the Qualifying Facility will be responsible for all incremental costs incurred to accommodate such an arrangement.

PAYMENT FOR PURCHASES FROM AND SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet its supplemental or interruptible electric requirements will be priced at the applicable retail rate or rates.

The Company will pay the customer for any energy purchased as calculated on the standard purchase rate (see below).

MONTHLY PURCHASE RATE FOR EXCESS GENERATION

For customers with a 9 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.236	3.734	5.447	3.957
Winter Billing Cycles (November - April)	3.432	3.622	3.432	3.622

^{1/} On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

MONTHLY PURCHASE RATE FOR EXCESS GENERATION (cont)

For customers with a 12 p.m. to 7 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.473	3.766	6.548	3.947
Winter Billing Cycles (November - April)	3.224	3.641	3.224	3.641

^{1/} On-Peak Periods: 12 p.m. to 7 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For customers with an 11 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.405	3.705	5.857	3.910
Winter Billing Cycles (November - April)	3.361	3.636	3.361	3.636

^{1/} On-Peak Periods: 11 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For residential customers served under a standard (non time-of-use) rate, the monthly purchase rate will equal the rate for customers served on a 12 p.m. to 7 p.m. on-peak rate. For all other customers served under a standard rate, the monthly purchase rate will equal the rate for customers served on an 11 a.m. to 9 p.m on-peak rate.

CONTRACT PERIOD

As provided for in any Supply /Purchase Agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

DEFINITIONS

1. **Partial Requirements Service** - Electric service provided to a customer that has an interconnected generation system configuration whereby the output from its electric generator(s) first supplies its own electric requirements and any Excess Generation (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
2. **Excess Generation** - Equals the customer's generation (kWh) in excess of their load at any point in time as metered by the Company. Excess Generation is computed for on-peak and off-peak billing periods.
3. **Special Service(s)** - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
4. **Non-Firm Power** - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
5. **Firm Power** - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
6. **Time Periods** - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

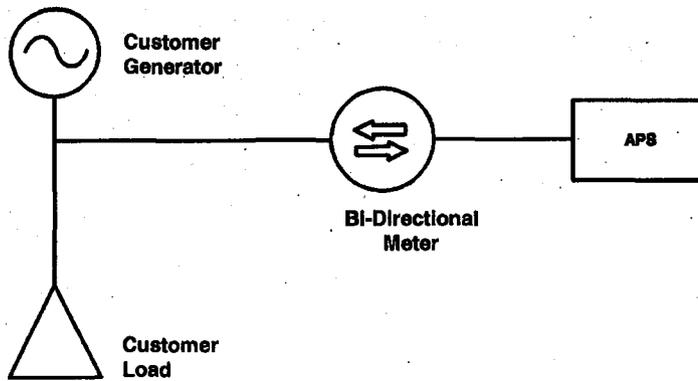
TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, and the Company's Interconnection requirements for Distributed Generation. This schedule has provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer interconnection or Supply/Purchase agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

METERING CONFIGURATION





**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is offered to customers with metered kWh usage with a Net Metering Facility that uses Renewable Resources, a fuel cell, or combined heat and power (CHP) to produce electricity. Definitions are pursuant to A.A.C. R14-2-2302. Participation under this schedule is subject to availability of enhanced metering and billing system upgrades.

DEFINITIONS

1. **Combined Heat and Power (CHP)** - A system that generates electricity and useful thermal energy in a single, integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.
2. **Customer Supply** - Energy (kWh) from a customer-owned Net Metering Facility that exceeds the customer's load at a point in time and is fed back into the Company's electric system, as metered by the Company.
3. **Customer Purchase** - Energy (kWh) that is provided from the Company to the customer to serve the load that is not being served by a customer-owned Net Metering Facility, as metered by the Company.
4. **Excess Generation** - Equals the Customer Supply (kWh) less the Customer Purchase (kWh) over a monthly billing period. For time-of-use rates the Excess Generation corresponding to the on and off peak periods is computed for on-peak and off-peak periods over the monthly billing period. (Not to be less than zero).
5. **Fuel Cell** - A device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. For purposes of this rate schedule, the source of the chemical reaction must be derived from Renewable Resources.
6. **Net Metering Facility** - A facility for the production of electricity that:
 - a) Is operated by or on behalf of a Net Metering customer and is located on the net metering customer's premises and;
 - b) Is intended primarily to provide part or all of the net metering customer's requirement for electricity and;
 - c) Uses Renewable Resources, a fuel cell, or CHP to generate electricity and;
 - d) Has a generating capacity less than or equal to 125% of the net metering customer's total connected load, or in the absence of customer load data, capacity less than or equal to the customer's electric service drop capacity and;
 - e) Is interconnected with and can operate in parallel and in phase with the Company's existing distribution system.



**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

DEFINITIONS (cont)

7. Partial Requirements Service – Electric service provided to a customer that has an interconnected Net Metering Facility whereby the output from its electric generator(s) first supplies its own electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
8. Renewable Resources – Natural resources that can be replenished by natural processes, including; biogas, biomass, geothermal, hydroelectric, solar, or wind.
9. Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
10. Firm Power - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
11. Standard Retail Rate Schedule – Any of the Company's retail rate schedules with metered kWh charges.
12. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods. On-peak and off-peak time periods will be determined by the applicable Standard Retail Rate Schedule.

TYPE OF SERVICE

Electric sales to the Company must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).

BILLING

A. During the billing period for:

1. Customer Purchases in excess of Customer Supply:

Company shall bill the customer for the net kWh supplied by the Company in accordance with the applicable Standard Retail Rate Schedule.

2. Customer Supply in excess of Customer Purchases (Excess Generation):

Company shall credit the customer the Excess Generation kWh in subsequent billing periods.

B. For customers taking service under time-of-use rates, Customer Supply and Customer Purchases will be segmented by on-peak and off-peak periods. Excess Generation kWh credits will be applied to the time-of-use periods in which the kWh were generated by the customer.

C. Basic Service Charges and Demand charges (either metered or contract) will continue to apply in full.



**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

BILLING (cont)

D. For the last billing period of each calendar year or for the last billing period at the time the customer discontinues taking service under this rate schedule;

The Company shall issue a billing credit to the customer for any remaining Excess Generation balance. In the event the customer's electric service is terminated, after applying a billing credit for any Excess Generation up to the amount the customers owes the Company, the Company shall issue a check for the remaining value of the Excess Generation balance. The payment or credit will be determined at the Company's annual avoided costs (Annual Purchase Rate), which are updated annually and as specified below:

Annual Purchase Rates (\$/kWh)	Non-Firm			Firm		
	On-peak	Off-peak	Total	On-peak	Off-peak	Total
	6.590	5.963	6.187	7.714	6.172	6.722

CONTRACT PERIOD

Any applicable contract period(s) will be set forth in an Agreement between the customer and the Company.

METERING

Customers served under this rate schedule will require a bi-directional meter that will register and accumulate the net electrical requirements of the customer. The Company will install such a meter at the customer's Net Metering Facility if proper metering is not already present. The incremental metering costs for bidirectional metering and the facility meter will be incurred by the Company. A bidirectional meter may not be required if the generating capacity of the Net Metering Facility is less than 10% of the customer's lowest billing demand over the previous 12 months, or as otherwise determined by the Company through available information, and if the customer agrees that they do not intend to net any Excess Generation on their monthly bill.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1 Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2 Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, Schedule 3 Conditions Governing Extensions of Electrical Distribution Lines and Services, and the Company's Interconnection Requirements for Distributed Generation.



ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedule GPS-2.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.



**ADJUSTMENT SCHEDULE GPS-2
GREEN POWER PERCENT SCHEDULE**

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge.

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedule GPS-1.

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: \$0.0004



**ADJUSTMENT SCHEDULE GPS-3
GREEN POWER BLOCK SCHEDULE
FOR SPECIAL EVENTS**

APPLICATION

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. For purposes of this adjustment, the total Green Power kWh will apply in the month they are purchased.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.



**RATE SCHEDULE E-56 R
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

Customers taking service under this rate schedule will be served in accordance with the E-56 R Electric Supply/Purchase Agreement between Company and Customer, which is incorporated herein by reference. This rate schedule is applicable to customers having solar/photovoltaic, wind, geothermal, biomass, and biogas generation equipment with a nameplate service continuous rating of greater than 100 kW capable of supplying all or a portion of its power requirements. Direct access customers are not eligible for service under this rate schedule.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter). All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

CONTRACT PERIOD

As provided in the E-56 R Electric Supply/Purchase Agreement between Company and Customer.

TERMS AND CONDITIONS

Customer must enter into an Interconnection Agreement and the E-56 R Electric Supply/Purchase Agreement to establish all pertinent details related to interconnection and other required service standards. APS will file the executed Electric Supply/Purchase Agreement in compliance with A.C.C. Decision No. 70130.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE SOLAR-3
CLASSIFIED SERVICE
SOLAR POWER PILOT PROGRAM**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.



**RATE SCHEDULE CMPW-01
COMMUNITY POWER – FLAGSTAFF SANDVIG 04
PILOT RIDER RATE**

AVAILABILITY

This pilot rate schedule is available to customers that are located within the Community Power boundaries of the limited geographical area in Flagstaff, Arizona served by the Sandvig 04 circuit feeder as defined by the Company and approved by the Arizona Corporation Commission (“ACC”) in Decision No. 71646.

APPLICATION

This pilot rate schedule shall apply to retail Standard Offer customers served under rate schedules E-12, ET-2, E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, and E-32TOU L or their successor rate schedules as approved by the ACC. All provisions of the customer’s current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule CMPW-01 may not be used in conjunction with any of the Company’s partial requirements rate schedules.

In addition, to be eligible for this rate schedule, the customer must meet the program requirements to participate in the Community Power Program in Flagstaff, Arizona including but not limited to (1) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer’s premises and (2) meeting the technical requirements for the customer’s premises. The rate and terms and conditions of this rate schedule are applicable only to this pilot rate.

TERM

This rate schedule shall remain in effect for a period of twenty years from its effective date unless cancelled or modified by the ACC prior to such date. Customers can discontinue participation in this rate schedule at any time without penalty.

SOLAR OPTIONS

Residential Options: For residential customers there are three photovoltaic equipment size options for service under this rate schedule, with nominal kW-DC ratings approximately equal to 2kW, 3kW, and 4kW.

General Service Options: Photovoltaic equipment size options available to general service customers under this rate schedule range from 50 to 250 kW.

DETERMINATION OF SOLAR ENERGY

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar installation over time, shall be derived by multiplying the kW-DC rating of the photovoltaic installation by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor for Residential Options is 105 kWh-AC per kW-DC and for General Service Options it is 90 kWh-AC per kW-DC.



**RATE SCHEDULE CMPW-01
COMMUNITY POWER – FLAGSTAFF SANDVIG 04
PILOT RIDER RATE**

RATES

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below. The Solar Charge is a fixed monthly amount for the term of this rate schedule.

Solar Option	Applicable Retail Rate Schedule	Solar Charge per kWh
Residential	E-12	\$0.11242
Residential	ET-2	\$0.13480
General Service	E-32 S, E-32 M, E-32 L	\$0.09293
General Service	E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:

- ET-2, E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
- E-12 - Solar Energy shall be netted from the second tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the first tier of kWh charges, where the netted amount shall not be less than zero.
- E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
- All kWh adjustment charges will be calculated on total metered kWh and then the bill will be credited for the Solar Energy multiplied by those charges.
- Discount levels for the Energy Support Program and Medical Care Equipment under rate schedules E-3 and E-4 will be based on the Customer's total metered usage.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The rate schedule was approved by the Arizona Corporation Commission ("ACC") in Decision Nos. 72022 and 72174.

APPLICATION

This rate schedule shall apply to retail Standard Offer electric service for eligible public elementary and secondary schools (K-12), including charter schools served under rate schedules E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, E-32TOU L, GS-SCHOOLS M, and GS-SCHOOLS L or their successor rate schedules as approved by the ACC. All provisions of the customer's current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule RSSP may not be used in conjunction with any of the Company's partial requirements rate schedules.

Eligibility shall be determined by the Company based on the following requirements:

- (1) The customer must be an economically challenged school as defined as having a per pupil available bonding capacity of \$8,000 or less and 60% or more of its students participating in free or reduced lunch program;
- (2) The customer must be located in a designated rural area as classified by the U.S. Census Bureau;
- (3) The customer must provide an alternate solar proposal from a third-party not affiliated with APS; and
- (4) The customer must be a participant in the Rural Schools Solar Program and therefore meet the program requirements including but not limited to (a) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer's premises and (b) meeting the technical requirements for the customer's premises.

TERM

The Solar Charge herein shall remain in effect for 20 years from the customer's effective date. Customers can discontinue participation in this rate schedule at any time without penalty.

SOLAR OPTIONS

The solar photovoltaic equipment size options available under this rate schedule shall be less than or equal to 350 kW-DC of nominal rated capacity for customers with a K-8 school or facilities totaling 75,000 square feet or less at the site where the solar equipment is installed. For customers with a high school or facilities totaling more than 75,000 square feet the solar equipment shall be less than or equal to 550 kW-DC.

In addition, the solar equipment capacity (kW-AC) shall not be greater than 125% of the customer's connected load (kW-AC) as determined in accordance to rate schedule EPR-6 and A.A.C. R14-2-2302, nor shall the Solar Energy be more than 100% of the customer's metered kWh for the previous 12 months. Both of these limitations shall be determined at the time of initial qualification for the rate.

DETERMINATION OF SOLAR ENERGY

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar equipment over time, shall be derived by multiplying the kW-DC rating of the photovoltaic equipment by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor is 90 kWh-AC per kW-DC. For billing purposes, the Solar Energy in any month shall not exceed the customer's metered kWh used in computing the monthly bill. For totalized metering service provided under Service Schedule 4, the Solar Energy shall not exceed the metered kWh from the single service entrance section where the solar facility is installed.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

RATES

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below.

Applicable Retail Rate Schedule	Solar Charge per kWh
E-32 S, E-32 M, E-32 L	\$0.09293
E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855
GS-SCHOOLS M, GS-SCHOOLS L	\$0.07158

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges and adjustments in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:

- E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
- E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
- GS-SCHOOLS M, GS-SCHOOLS L - Solar Energy shall be netted from the on-peak, shoulder-peak and off-peak kWh according to the following allocation:

Season	Time Period		
	On-Peak	Shoulder-Peak	Off-Peak
Summer Peak (Jun-Aug)	15.0%	35.0%	50.0%
Summer Shoulder (May, Sep & Oct)	15.0%	35.0%	50.0%
Winter (Nov-Apr)	20.0%	10.0%	70.0%

If the net kWh is less than zero in any period, the remaining kWh shall be applied first to the on-peak, and then the shoulder-peak, and the off-peak period if necessary, where the resulting kWh in any period shall not be less than zero.

- Any reductions to the monthly kWh billed under Schedule RES and Schedule EIS due to participation in green power schedules GPS-1, GPS-2, GPS-3 and Solar-3 will be capped at the customer's total metered kWh net of the Solar Energy provided in Schedule RSSP.
- The Solar Energy shall be netted against the metered kWh from the single service entrance section where the solar facility is installed and shall not be netted against metered kWh from any other metered kWh at other points of delivery at the same customer site or other sites.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

Attachment CAM-S1
Page 174 of 182

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.



**ADJUSTMENT SCHEDULE DSMAC-1
DEMAND SIDE MANAGEMENT COST ADJUSTMENT**

APPLICATION

The Demand Side Management Adjustment Charge ("DSMAC") shall be applied monthly to every metered and/or non-metered retail Standard Offer or Direct Access service. All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The DSMAC is applied to Standard Offer or Direct Access customer's bills as monthly charge to recover the cost of Commission approved demand side management programs above those costs included in base rates. The DSMAC will be changed in billing cycle 1 of the March revenue month and will not be prorated. The DSMAC and the REAC adjustors may be combined on the customer's bill and appear on the "Environmental Benefits Surcharge" line. Details of how the DSMAC is derived and administered can be found in the Demand Side Management Adjustment Charge Plan for Administration.

RATE

The charge shall be calculated at the following rate:

For all residential customers and general service customers whose billing does not include demand charges:

All kWh \$0.002717 per kWh

For general service customers whose billing includes demand charges:

All metered kW \$0.9685 per kW

SELF DIRECTION

Self direction of DSM charges collected through base rates and Adjustment Schedule DSMAC-1 shall be available for customers who use more than 40 million kWh per year, based on an aggregation of the usage for all the customer's accounts for the January through December billing months in the year the request for self direction is made.

Qualifying customers who elect to self direct their DSM charges must notify APS on or before December 1st in each year that they wish to self direct. Upon such notification, and verification of eligibility by APS, 85% of the customer's DSM charges paid over the January through December billing months in the election year will be reserved for tracking purposes for the customer's eligible energy efficiency project(s) to be completed within two years. The remaining 15% will be retained to cover the self direction program administration, management and verification, measurement and evaluation, and low-income program costs.

Customers who elect to self direct must continue to pay the DSM charges in base rates and Adjustment Schedule DSMAC-1.

Self direction shall be provided in accordance with the Self Direction Provisions approved in Arizona Corporation Commission (Commission) Decision No. 71448, Attachment C to the Settlement Agreement as modified from time to time with Commission approval.

Self direction amounts shall be the DSMAC-1 charges billed over the election year plus the DSM charges recovered in base rates. The latter shall be calculated by multiplying the kWh billed for the System Benefits Charge in the customer's current applicable rate schedule multiplied by \$0.000359 per kWh.



ADJUSTMENT SCHEDULE REAC-1 RENEWABLE ENERGY STANDARD

APPLICATION

The Renewable Energy Standard Adjustment Schedule ("REAC") shall apply to all retail Standard Offer or Direct Access service. All provisions of the customer's current applicable rate schedule will apply in addition to adjustment schedule REAC-1. This schedule shall recover the revenue requirements from the Renewable Energy Standard that are not otherwise recovered in base rates. The kWh charge and monthly surcharge limits shall be revised annually, as necessary, as approved by the Arizona Corporation Commission ("Commission"). Any new charges and surcharge limits will be applied in billing cycle 1 in the January revenue month, or as otherwise ordered by the Commission, and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. Adjustment schedules REAC-1 and DSMAC-1 may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.006962	per kWh
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SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$2.78	per service per month
Non-residential Customers	\$103.44	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$310.33	per service per month



**ADJUSTMENT SCHEDULE SDR
SELF-DIRECTED RENEWABLE RESOURCES**

APPLICATION

Pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1809, Adjustment Schedule Self-Directed Renewable Resources ("SDR") shall apply to any retail Standard Offer or Direct Access customers who, as a result of regular Company monthly billings, pay \$25,000 or more during a calendar year to the Company under Adjustment Schedule RES, Renewable Energy Standard ("RES"), which was approved by the Arizona Corporation Commission ("ACC") in Decision No. 70313.

ELIGIBILITY REQUIREMENTS

1. Funding Eligibility:

- a. The customer is eligible to receive funds pursuant to this schedule if the total of all RES related payments made to the Company for the customer's service account or accounts, individually or collectively, total \$25,000 or more in any one calendar year (January – December).
- b. Funds collected from the customer in any one year (the "Payment Year") will be available to the customer for self-directed projects in the following year (the "Funding Year"). Funds received during the Funding Year will not exceed payments collected by the Company in the Payment Year. In addition, if the customer has facilities in multiple service territories, only those payments collected by the Company are eligible for SDR funding.
- c. Customers requesting funds for self-directed projects must declare their intention by applying in writing to the Company on or before March 31 of the Payment Year. The application must include a description of the proposed project and its expected cost.
- d. The customer shall provide at least half of the funds necessary to complete the proposed project, as required by A.A.C. R14-2-1809.B.

2. Project Eligibility:

- a. SDR funds obtained by the customer from the Company may only be used for projects physically located within the Company's service territory.
- b. Projects specified in the Company's Distributed Energy Administration Plan ("DEAP") are eligible for SDR funding. Self-direct requesting customers must request incentives no greater than the prescribed incentives specified in the DEAP. If the customer wishes to apply funds to a project not specified in the DEAP, the customer must submit documentation detailing project economics and funding requirements.
- c. Any project proposed by the customer must meet the requirements for a Distributed Renewable Energy Resource described in the ACC's Renewable Energy Standard Rules (A.A.C. R14-2-1802.B).
- d. For purposes of financing SDR projects, funds provided by the Company may be assigned to third parties. Such assignment will be at the customer's sole discretion. The Company assumes no liability for third-party assigned funds.

RENEWABLE ENERGY CREDITS

All Renewable Energy Credits derived from any project funded through this schedule, including generation and Extra Credit Multipliers, shall be applied to satisfy the Company's Annual Renewable Energy Requirement as provided for in A.A.C. R14-2-1809.C.



ADJUSTMENT SCHEDULE PSA-1 POWER SUPPLY ADJUSTMENT

APPLICATION

The Power Supply Adjustment ("PSA") shall apply to all retail electric rate schedules in accordance with their terms with the exception of E-36 XL, AG-1 (except as provided in Rate Schedule AG-1), and Direct Access service. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATES

The charges shall be calculated at the following rates:

PSA Historical Component

All kWh	\$(0.002642)	per kWh
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PSA Forward Component

All kWh	\$(0.003016)	per kWh
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PSA Transition Component

All kWh	\$0.000000	per kWh
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**ADJUSTMENT SCHEDULE RCDAC-1
RETURNING CUSTOMER DIRECT ACCESS CHARGE**

APPLICATION

The Returning Customers Direct Access Charge ("RCDAC") shall apply to customers, or an aggregated group of customers, of 3 MW or greater who left Standard Offer or special contract service for competitive generation suppliers and desire to return to Standard Offer service. Customers that have been Direct Access customers since the origination of their APS service that request Standard Offer service are considered to be returning customers. The RCDAC can only be applied if the customer(s) wants to return to Standard Offer service and the Company did not include their load in planned resource acquisitions. If APS is provided one year's advance notice of the customer's intent to return to Standard Offer service then they will not be assessed RCDAC. APS may create a special RCDAC in each individual case and require the customer(s) to enter into a service agreement that specifies the charge, its duration, and how it will be applied and collected. In situations where an aggregated group of customers wish to return, each customer from the group will be charged the same rate for the same duration and an Electric Service Agreement will be required from each customer. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATE

The charge will be identified in the Electric Service Agreement between the Customer and the Company and will be in addition to the Standard Offer service charges. The RCDAC will be based on the cost differential between the applicable Standard Offer rate generation component and the cost of the resources required to serve the returning customer(s). The costs associated with serving customers that are required to enter into RCDAC agreements will be kept separate from the retail power supply costs subject to recovery through the Power Supply Adjustment. The types of costs that will be used to develop the RCDAC are incremental Power Supply, Transmission, Ancillary Services and Metering costs as defined in the Returning Customer Direct Access Charge Plan for Administration. These costs will be amortized over an appropriate period to allow their timely recovery. In no event, however, will the RCDAC last longer than 12 months for any individual customer.



**ADJUSTMENT SCHEDULE TCA-1
TRANSMISSION COST ADJUSTMENT**

APPLICATION

The Transmission Cost Adjustment ("TCA") charge shall apply to all Standard Offer retail rate schedules. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

ANNUAL ADJUSTMENT

Standard Offer rate schedules covered by this charge include a transmission component of base rates that was originally established at \$0.00476 per kilowatt-hour in accordance with A.C.C. Decision No. 67744. Decision No. 67744 also established the TCA. Decision No. 69663 modified the collection of transmission costs in retail rates to tie to the costs found in the FERC approved Open Access Transmission Tariff.

RATE

The charge shall be applied as follows:

Customer Class	TCA Charge
Residential	\$0.004211kWh
General Service 20 kW or less	\$0.002464/kWh
General Service over 20 kW, under 3,000 kW	\$0.837/kW
General Service 3,000 kW and over	\$0.615/kW



**ADJUSTMENT SCHEDULE EIS
ENVIRONMENTAL IMPROVEMENT SURCHARGE**

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service excluding Rate Schedules E-36 XL, and AG-1. All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663 and Decision No. XXXX.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.00000 per kWh



**ADJUSTMENT SCHEDULE LFCR
LOST FIXED COST RECOVERY MECHANISM**

APPLICATION

The Lost Fixed Cost Recovery ("LFCR") Mechanism shall be applied monthly to all retail Standard Offer or Direct Access service, except for Customers served under Rate Schedules E-30, E-32L, E-32 TOU L, E-34, E-35, E-36XL, and unmetered lighting schedules including E-47, E-58, E-59, and Contract 12. All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The LFCR adjustment will go into effect upon Commission approval and will not be prorated. Details of how the adjustment is derived and administered can be found in the Lost Fixed Cost Recovery Mechanism Plan of Administration approved by the ACC in Decision No. XXXXX.

RATE

The LFCR charge will be applicable to the customer's total billed amount (not be less than zero) including all other adjustors, excluding sales tax, transaction privilege tax, regulatory assessments, and franchise fees.

LFCR Charge: 0.0%

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFICATION OF SERVICES

RESIDENTIAL

	E-12	Standard Rate
FROZEN*	ET-1	Time-of-Use – Time Advantage Rate
	ET-2	Time-of-Use – Time Advantage 7PM-NOON
FROZEN*	ECT-1R	Time-of-Use with Demand Charge – Combined Advantage Rate
	ECT-2	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
	ET-SP	Time-of-Use – Time Advantage Super Peak 7PM-NOON
	ET-EV	Time-of-Use – Electric Vehicle Charging
	Low Income	
CANCEL	E-12 Low Income	Standard Rate
CANCEL	ET-1 Low Income	Time-of-Use – Time Advantage Rate
CANCEL	ET-2 Low Income	Time-of-Use – Time Advantage 7PM-NOON
CANCEL	ECT-1R Low Income	Time-of-Use with Demand Charge – Combined Advantage Rate
CANCEL	ECT-2 Low Income	Time-of-Use with Demand Charge – Combined Advantage 7PM-NOON
	Riders	
	E-3	Energy Support Program
	E-4	Medical Care Equipment Support Programs
	CPP-RES	Critical Peak Pricing - Residential
NEW	PTR-RES	Peak Time Rebate - Residential

GENERAL SERVICE

	E-30	Extra Small Unmetered
	E-32 XS	Extra Small General Service (0kW – 20 kW)
	E-32 S	Small General Service (21kW – 100 kW)
	E-32 M	Medium General Service (101kW – 400 kW)
	E-32 L	Large General Service (401kW +)
	E-32TOU XS	Time-of-Use – Extra Small General Service (0kW – 20 kW)
	E-32TOU S	Time-of-Use – Small General Service (21kW – 100 kW)
	E-32TOU M	Time-of-Use – Medium General Service (101kW – 400 kW)
	E-32TOU L	Time-of-Use – Large General Service (401kW +)
	E-34	Extra Large General Service
	E-35	Extra Large General Service Time-Of-Use
	Riders	
CANCEL	E-53	Athletic Stadiums & Sports Fields
	E-54	Seasonal Service
NEW	IRR	Interruptible Rider – Extra Large General Service
UNCHANGED	PPR	Preference Power
NEW	AG-1	Alternative Generation Rate

ARIZONA PUBLIC SERVICE COMPANY

Index to Rate Schedules

CLASSIFIED

	E-20	Time-of-Use for Religious Houses of Worship
NEW	E-36 M	Station Use Service M
	E-36 XL	Station Use Service XL
CANCEL	E-40	Agricultural Wind Machine Service
	E-47	Dusk to Dawn Lighting Service
	E-56	Partial Requirements Service
	E-58	Street Lighting Service
	E-59	Government Owned Street Lighting Systems
	E-67	Municipal Lighting Service - City of Phoenix
CANCEL	E-114	Share the Light – Lower Miami & Claypool – FROZEN
CANCEL	E-116	Share the Light – Central Heights & Country Club Manor – FROZEN
CANCEL	E-145	Share the Light – Ajo Heights – FROZEN
	E-221	Water Pumping Service
	E-221-8T	Water Pumping Service Time-of-Use
CANCEL	E-249	Share the Light – Camp Verde – FROZEN
	GS-SCHOOLS M	Time-of-Use - Elementary and Secondary Schools (0kW – 400 kW)
	GS-SCHOOLS L	Time-of-Use - Elementary and Secondary Schools (401kW +)
	Riders	
UNCHANGED	EPR-2	Purchase Rates for Qualified Facilities 100 kW or Less for Partial Requirements
UNCHANGED	EPR-6	Net Metering Pilot Program
	GPS-1	Green Power Block Schedule
	GPS-2	Green Power Percent Schedule
	GPS-3	Green Power Block Schedule for Special Events
	E-56 R	Partial Requirements Standard Contract
CANCEL	SOLAR-2	Individual Solar Electric Service
CANCEL	SOLAR-3	Solar Power Pilot Program
UNCHANGED	CMPW-01	Community Power – Flagstaff SANDVIG 04
UNCHANGED	RSSP	Rural Schools Solar Program

ADJUSTMENTS

	DSMAC-1	Demand Side Management Adjustment Charge
	REAC-1	Renewable Energy Standard
UNCHANGED	SDR	Self Directed Renewable Resources
	PSA-1	Power Supply Adjustment
UNCHANGED	RCDAC-1	Returning Customer Direct Access Charge
	TCA-1	Transmission Cost Adjustment
	EIS	Environmental Improvement Surcharge
NEW	LFCR	Lost Fixed Cost Recovery Mechanism

Notes:

- (1) Redline and final rate schedules have been provided for all rates.
- (2) Schedules marked FROZEN* were frozen to new customers at times noted on the individual schedule per Arizona Corporation Decision 71448.
- (3) Unless otherwise noted, elements of rate schedule have been changed.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE

1. Residence - Single

Residential service to a single residence covers electric service to a private residence or individually metered apartment unit, only.

Outbuildings on the same premises may be connected to the residential service meter, but only if such outbuildings form a part of the general living establishment.

2. Residence - Multiple

Residential service to two or more residences on the same premises or a residence or residences subdivided into two or more individual housekeeping apartments shall not be supplied through one meter on a Residential Service Rate Schedule.

Individual meters will be installed by the Company for each individual dwelling or housekeeping unit. If, for any reason, a separate meter is not installed for each individual dwelling or housekeeping unit, then the appropriate General Service Rate Schedule will be used for billing for the service supplied through the single meter.

3. Professional Offices or Commercial Activities in Dwellings

The supply of service under a Residential Rate Schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the energy used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters.

Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electric equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises shall be classified as non-residential and the appropriate General Service Rate Schedule shall be applied. Customer may at his option provide separate circuits so that the residential uses can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

4. Farm and Rural Residences

The Residential Service Rate Schedules are available for electric service through one meter to a farm residence, and the usual farm uses outside the dwelling unit, but not if the use extends to operations such as canning plants, packing plants, stone quarries, ice cream manufacturing plants, stores, restaurants, tea rooms, tourist and trailer camps, gasoline stations, automobile service stations, repair shops, blacksmith shops or any other commercial or non-farming operation.

In no case shall the use extend to the processing, preparing or distributing of products not raised on the same farm and in no cases shall the use extend to a hatchery, dairy, butchery, greenhouse, or any other specialized operation unless such operation is conducted solely by the farmer and is incidental to the usual farm residence uses.



CLASSIFICATION OF SERVICES

A. RESIDENTIAL SERVICE (cont)

Customer may at his option elect to take the entire service under the appropriate General Service Rate Schedule, or may provide separate circuits so that the residential uses, together with the usual farm uses outside the dwelling unit, can be metered and billed separately under the appropriate Residential Service Rate Schedule, and the other uses under the appropriate General Service Rate Schedule.

The Residential Service Rate Schedules are not available for any use outside the dwelling unit on a farm which is not operated by an individual owner or lessee, occupying the farm residence.

B. GENERAL SERVICE

This covers service to any establishment for any purpose not prohibited by the rate schedule or Agreement for Service.

The General Service Rate Schedules are available only when all electric service required on the premises is taken through one meter at one point of delivery, except that:

- (a) General Service Rate Schedules are available for more than one point of delivery on any one premise, provided that in such event, service supplied at each point of delivery will be separately metered and separately billed.
- (b) The General Service Rate Schedules will be available for service to that portion of the Customer's premises which cannot be served at the Residential Service Rate Schedule or a Classified Service Rate Schedule. Service to such portion of the premises shall be considered as service to a separate customer, and all electric service taken therein at the General Service Rate Schedule must be through one meter at one point of delivery.

C. CLASSIFIED SERVICE

Classified service covers service for which specific rate schedules are available, due to the nature and load characteristics of the particular business. For such service, the General Service Rate Schedule may be used, except as specifically prohibited in that schedule, while Classified Rate Schedules are available only to those businesses complying with the specific requirements of the particular schedule.

Service supplied under a Classified Rate Schedule shall be used only for the purposes specified in such rate schedule. In the event the Company questions whether the service is being used in compliance with said rate schedule, the customer shall have the burden of establishing such compliance to the satisfaction of the Company. In the absence of such compliance, the Company may substitute an appropriate General Service Rate Schedule.

A customer conducting mixed operations, a part of which may be served at a Classified Rate Schedule may, at his option, elect to take the entire service under the General Service Rate Schedule or may provide separate circuits so that the classified service can be metered and billed separately at the available classified schedule, and the other uses metered and billed under the available General Service Rate Schedule.



CLASSIFICATION OF SERVICES

C. CLASSIFIED SERVICE (cont)

The Classified Services for which specific rate schedules are available, excluding special street light service, are listed below.

<u>Schedule No.</u>	<u>Classification</u>
E-20***	Time of Use for Religious Houses of Worship
E-36 XL	Station Use Service, Extra large
E-36 M	Station Use service, Medium
E-40	Agricultural Wind Machine Service
E-47**	Dusk to Dawn Lighting Service
E-51*	Optional Electric Service for Qualified Cogeneration and Small Power Production Facilities over 100 kW
E-55	Electric Service for Partial Requirements Service 3,000 kW or Greater
E-56	Partial Requirements Service for On-Site Generation Facilities over 100 kW
E-58**	Street Lighting Service
E-59	Government Owned Street Lighting Systems
E-221	Water Pumping Service
E-221-8T	Water Pumping Service Time of Use
SC-SE-56 R	Partial Requirement Standard Contract – Solar for Solar/Photovoltaic Generation Equipment over 100 kW
Solar-2	Individual Solar Electric Service
Solar-3	Solar Power Pilot Program
SP-1*	Solar Partners
EPR-2	Purchase Rates for Qualified Facilities under 100 kW for Partial Requirements
EPR-5	Rates for Renewable Resource Facilities of 10 kW or Less for Partial Requirements
EPR-6	Net Metering
PPR	Preference Power Rider

- * _Frozen Rate.
- ** _Partially Frozen Rate.
- *** Frozen Rate as of July 1 ~~Dec 31~~, 20130.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.285 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<u>Total Monthly Metered kWh</u>	<u>Basic Service Charge</u>
0 to 400 kWh	\$0.305 per day
401 to 800 kWh	\$0.325 per day
801 to 2000 kWh	\$0.377 per day
2001 kWh and greater	\$0.502 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p>\$0.09687 0.09671 per kWh for the first 400 kWh, plus \$0.13817 0.13739 per kWh for the next 400 kWh, plus \$0.16167 0.16281 per kWh for the next 2200 kWh, plus \$0.172570 0.17358 per kWh for all additional kWh</p>	<p>\$0.09417 0.09397 per kWh</p>

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge Customer Accounts Charge: \$ 0.063 per day

RATES (cont)

Unbundled Components (cont) Optional Customer Accounts Charge for Opting Out of Adjustment Schedule

LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.083 per day
401 to 800 kWh	\$0.103 per day
801 to 2000 kWh	\$0.155 per day
2001 kWh and greater	\$0.280 per day

Revenue Cycle Service Charges:

Metering \$ ~~-0.090~~ per day
 Meter Reading \$ 0.062 per day
 Billing \$ 0.070 per day

System Benefits Charge: \$ 0.002970 ~~0.00210~~ per kWh

ARIZONA PUBLIC SERVICE COMPANY
 Phoenix, Arizona
 Filed by: David J. Rumolo
 Title: Manager, Regulation and Pricing
 Original Effective Date: July 1, 1983

A.C.C. No. ~~xxxx5719~~
 Canceling A.C.C. No. 57195648
 Rate Schedule E-12
 Revision No. 243
 Effective: ~~xxxx~~ January 1, 2010



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

Transmission Charge: \$ 0.00520 per kWh
 Delivery Charge: \$ 0.027000.03710 per kWh
 Generation Charges:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p>\$0.06170.0.05231 per kWh for the first 400 kWh, plus \$0.103000.1030.09299 per kWh for the next 400 kWh, plus \$0.126500.11841 per kWh for the next 2200 kWh, plus \$0.13740.0.12918 per kWh for all additional kWh</p>	<p>\$0.059000.04957 per kWh</p>

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's~~

ARIZONA PUBLIC SERVICE COMPANY
 Phoenix, Arizona
 Filed by: David J. Rumolo
 Title: Manager, Regulation and Pricing
 Original Effective Date: July 1, 1983

A.C.C. No. xxx5749
 Canceling A.C.C. No. 57195648
 Rate Schedule E-12
 Revision No. 243
 Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-12
RESIDENTIAL SERVICE
STANDARD RATE**

~~— Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 - Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<u>Total Monthly Metered kWh</u>	<u>Basic Service Charge</u>
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.178920-17866 per kWh during On-Peak hours, plus \$ 0.057700-05774 per kWh during Off-Peak hours	\$0.145330-14515 per kWh during On-Peak hours, plus \$0.055610-05565 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:			
Metering	\$ 0.186	per day	
Meter Reading	\$ 0.062	per day	
Billing	\$ 0.070	per day	
System Benefits Charge:	\$ 0.002970.00210	per kWh	
Transmission Charge:	\$ 0.00520	per kWh	
Delivery Charge:	\$ 0.027000.02706	per kWh	
Generation Charge:			

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.143750.14340 per kWh during On-Peak hours, plus \$0.022530.02248 per kWh during Off-Peak hours	\$0.110160.10989 per kWh during On-Peak hours, plus \$0.020440.02039 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 1982

A.C.C. No. ~~XXXX~~5720
Canceling A.C.C. No. 57205652
Rate Schedule ET-1
Revision No. 3029
Effective: ~~XXXX~~January 1, 2010



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 1982

A.C.C. No. XXXX5720
Canceling A.C.C. No. 57205652
Rate Schedule ET-1
Revision No. 3029
Effective: XXXX January 1, 2010



**RATE SCHEDULE ET-1
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 1982

A.C.C. No. ~~XXXX~~5720
Canceling A.C.C. No. 57205652
Rate Schedule ET-1
Revision No. 3029
Effective: ~~XXXX~~January 1, 2010



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~xxxx5721~~
Canceling A.C.C. No. 57215653
Rate Schedule ET-2
Revision No. 43
Effective: ~~xxxx~~ January 1, 2010



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE 7PM-NOON**

\$ 0.244770.24445 per kWh during On-Peak hours, plus \$ 0.061180.06126 per kWh during Off-Peak hours	\$0.198470.19825 per kWh during On-Peak hours, plus \$0.061160.06124 per kWh during Off-Peak hours
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ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~xxxx5721~~
Canceling A.C.C. No. ~~57215653~~
Rate Schedule ET-2
Revision No. ~~43~~
Effective: ~~xxxx~~ January 1, 2010



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE 7PM-NOON**

RATES (cont)

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering \$ 0.186 per day

Meter Reading \$ 0.062 per day

RATES (cont)

Unbundled Components (cont)

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.002970-0.00210 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.027000-0.02800 per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.209600-0.20915 per kWh during On-Peak hours, plus \$0.026010-0.02596 per kWh during Off-Peak hours	\$0.163300-0.16295 per kWh during On-Peak hours, plus \$0.025990-0.02594 per kWh during Off-Peak hours

DIRECT ACCESS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~xxxx~~5721
Canceling A.C.C. No. 57215653
Rate Schedule ET-2
Revision No. 43
Effective: ~~xxxx~~January 1, 2010



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE 7PM-NOON**

The bill for Direct Access customers will consist of the Unbundled Components ~~Customer Accounts~~ Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule ~~REAC-1S~~ pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and ~~XXXX~~.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

~~ADJUSTMENTS (cont)~~

- 3.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~xxxx5721~~
Canceling A.C.C. No. ~~57215653~~
Rate Schedule ET-2
Revision No. 43
Effective: ~~xxxxJanuary-1, 2010~~



**RATE SCHEDULE ET-2
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE 7PM-NOON**

65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT-1R prior to January 1, 2010.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<u>Total Monthly Metered kWh</u>	<u>Basic Service Charge</u>
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

RATES (cont)

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.55013.372 per On-Peak kW	\$9.4009.189 per On-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.073300.07434 per kWh during On-Peak hours, plus \$0.040830.04159 per kWh during Off-Peak hours	\$0.055870.05609 per kWh during On-Peak hours, plus \$0.039670.03976 per kWh during Off-Peak hours

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.002970.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh

Delivery Charge:

May – October Billing Cycles	November – April Billing Cycles
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ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1, 1988

A.C.C. No. ~~XXXX~~5722
Canceling A.C.C. No. 57225650
Rate Schedule ECT-1R
Revision No. 198
Effective: ~~XXXX~~ January 1, 2010



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

(Summer)	(Winter)
\$3.9003-811 per On-Peak kW, plus \$0.015400-01268_per kWh	\$2.3002-086 per On-Peak kW, plus \$0.017000-01556_per kWh

RATES (cont)

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.6509-561 per On-Peak kW, plus \$0.04973-0-05436_per kWh during On-Peak hours, plus \$0.01726-0-02161_per kWh during Off-Peak hours	\$7.1007-103 per On-Peak kW, plus \$0.03070-0-03323_per kWh during On-Peak hours, plus \$0.01450-0-01690_per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On-Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On-Peak time period shall be Off-Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

FROZEN



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ADJUSTMENTS (cont)

- 4.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
- ~~6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ADJUSTMENTS (cont)

- ~~7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.~~
- ~~7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.~~
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1, 1988

A.C.C. No. XXXX5722
Canceling A.C.C. No. 57225650
Rate Schedule ECT-1R
Revision No. 128
Effective: XXXX January 1, 2010



**RATE SCHEDULE ECT-1R
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

FROZEN



**RATE SCHEDULE ECT-2
-RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Basic Service Charge
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$13.500-13.404 per On-Peak kW	\$9.300-9.203 per On-Peak kW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. XXXX5723
Canceling A.C.C. No. 57235654
Rate Schedule ECT-2
Revision No. 43
Effective: XXXX January 1, 2010



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.088670-08845 per kWh during On-Peak hours, plus \$0.044170-04363 per kWh during Off-Peak hours	\$0.057470-05815 per kWh during On-Peak hours, plus \$0.041070-04273 per kWh during Off-Peak hours

— Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering \$ 0.186 per day

Meter Reading \$ 0.062 per day

Billing \$ 0.070 per day

System Benefits Charge: \$ 0.002970-00210 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$4.5003-817 per On-Peak kW, plus \$0.014000-01270 per kWh	\$2.4002-089 per On-Peak kW, plus \$0.015900-01558 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. XXXX5723
Canceling A.C.C. No. 57235654
Rate Schedule ECT-2
Revision No. 43
Effective: XXXX January 1, 2010



**RATE SCHEDULE ECT-2
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

RATES (cont)

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$9.0009.587 per On-Peak kW, plus \$0.066500.06845 per kWh during On-Peak hours, plus \$0.022000.02363 per kWh during Off-Peak hours	\$6.9007.114 per On-Peak kW, plus \$0.033400.03527 per kWh during On-Peak hours, plus \$0.017000.01985 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On-Peak time period shall be Off-Peak hours.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an

TIME PERIODS

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~XXXX5723~~
Canceling A.C.C. No. ~~57235651~~
Rate Schedule ECT-2
Revision No. 43
Effective: ~~XXXX~~ January 1, 2010



**RATE SCHEDULE ECT-2
-RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

-off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On-Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- ~~7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.~~
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~XXXX5723~~
Canceling A.C.C. No. ~~57235654~~
Rate Schedule ECT-2
Revision No. 43
Effective: ~~XXXX January 1, 2010~~



**RATE SCHEDULE ECT-2
-RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2006

A.C.C. No. ~~XXXX5723~~
Canceling A.C.C. No. ~~57235654~~
Rate Schedule ECT-2
Revision No. ~~43~~
Effective: ~~XXXX January 1, 2010~~



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE SUPER PEAK 7PM-NOON**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. A customer may not simultaneously participate in Schedule ET-SP and another demand response rate or program,

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<u>Total Monthly Metered kWh</u>	<u>Basic Service Charge</u>
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2001 kWh and greater	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE SUPER PEAK 7PM-NOON**

RATES (cont)

Energy Charge:

June – August Billing Cycles (Super Peak Summer)
\$0.465170.49445 per kWh during Super-Peak hours, plus \$0.244770.24445 per kWh during On-Peak hours, plus \$0.055170.05254 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.244770.24445 per kWh during On-Peak hours, plus \$0.055170.05254 per kWh during Off-Peak hours	\$0.198470.19825 per kWh during On-Peak hours, plus \$0.055170.05253 per kWh during Off-Peak hours



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE SUPER PEAK 7PM-NOON**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: _____ \$ 0.238 _____
per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering \$ 0.186 per day
Meter Reading \$ 0.062 per day
Billing \$ 0.070 per day

System Benefits Charge: \$ 0.002970-00210 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.027000-02800 per kWh

RATES (cont)

Generation Charge:

June – August Billing Cycles
(Super Peak Summer)



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE SUPER PEAK 7PM-NOON**

\$0.430000.45915 per kWh during Super-Peak hours,
plus
\$0.209600.20915 per kWh during On-Peak hours,
plus
\$0.020000.01724 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.209600.20915 per kWh during On-Peak hours, plus \$0.020000.01724 per kWh during Off-Peak hours	\$0.163300.16295 per kWh during On-Peak hours, plus \$0.020000.01723 per kWh during Off-Peak hours

TIME PERIODS

The Super-Peak time period is 3 p.m. to 6 p.m. and the On-Peak time period is 12 noon to 3 p.m. and 6 p.m. to 7 p.m., during the Super Peak Summer months Monday through Friday excluding the holidays listed below. The On-Peak time period during Summer and Winter months for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the Super-Peak or On-Peak time periods shall be Off-Peak hours for all seasons.

The following holidays are Off-Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off-peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off-peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX5724
Canceling A.C.C. No. 5724 Rate Schedule ET-SP
Rate Schedule ET-SP Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE ET-SP
RESIDENTIAL SERVICE TIME-OF-USE
-TIME ADVANTAGE SUPER PEAK 7PM-NOON**

ADJUSTMENTS (cont)

4.

~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. ~~XXXX~~5724
Canceling A.C.C. No. 5724 Rate Schedule ET-SP
Rate Schedule ET-SP Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI meter, in place at time of service. Availability of this rate is subject to the availability and installation of required metering equipment and completion of necessary enhancements to the Company's billing system.

Schedule ET-EV shall be available until December 31, 2014. The Company may extend the availability beyond that time, at their discretion, with prior notification to the ACC.

This rate schedule is only applicable to customers who own a qualified electric vehicle as determined by the Company. Service under this schedule is also subject to an annual certification for proof of EV ownership. Neighborhood Electric Vehicles as described in A.R.S. §28-101(36) do not qualify for this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.556 per day

Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<u>Total Monthly Metered kWh</u>	<u>Basic Service Charge</u>
0 to 400 kWh	\$0.576 per day
401 to 800 kWh	\$0.596 per day
801 to 2000 kWh	\$0.648 per day
2000 kWh +	\$0.773 per day

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

RATES (cont')

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.24784-0.24777 per kWh during On-Peak hours, plus \$0.064600-0.06458 per kWh during Off-Peak hours, plus \$0.041950-0.04194 per kWh during Super Off-Peak hours	\$0.201650-0.20159 per kWh during On-Peak hours, plus \$0.064600-0.06458 per kWh during Off-Peak hours, plus \$0.041950-0.04194 per kWh during Super Off- Peak hours

RATES (cont')

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: \$ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

Total Monthly Metered kWh	Customer Accounts Charge
0 to 400 kWh	\$0.258 per day
401 to 800 kWh	\$0.278 per day
801 to 2000 kWh	\$0.330 per day
2001 kWh and greater	\$0.455 per day

Revenue Cycle Service Charges:

Metering	\$ 0.186	per day
Meter Reading	\$ 0.062	per day
Billing	\$ 0.070	per day
System Benefits Charge:	\$ 0.002970-0.00210	per kWh
Transmission Charge:	\$ 0.00520	per kWh
Delivery Charge:	\$ 0.027000-0.03084	per kWh On Peak and Off- Peak kWh
	\$ 0.01200	per Super-Off Peak kWh

Generation Charge:

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: September 28, 2011

A.C.C. No. XXXX 5792
Cancelling A.C.C. No. 5792
Rate Schedule ET-EV
Revision No. 1
Effective: XXXX



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
<p>\$0.212670.20963 per kWh during On-Peak hours, plus \$0.029430.02644 per kWh during Off-Peak hours, plus \$0.006780.02264 per kWh during Super Off- Peak hours</p>	<p>\$0.166480.16345 per kWh during On-Peak hours, plus \$0.029430.02644 per kWh during Off-Peak hours, plus \$0.006780.02264 per kWh during Super Off- Peak hours</p>

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: September 28, 2011

A.C.C. No. XXXX 5792
Cancelling A.C.C. No. 5792
Rate Schedule ET-EV
Revision No. 1
Effective: XXXX



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m., Monday through Friday, excluding the qualifying holidays listed below.

The Off-Peak time period for this rate schedule is 7 p.m. to 11 p.m. and 5 a.m. to 12 noon, Monday through Friday (non holidays), all day on weekends, and qualifying holidays.

The Super Off-Peak time period for this rate schedule is 11 p.m. to 5 a.m., Monday through Friday, excluding qualifying holidays.

TIME PERIODS (cont')

Qualifying holidays include: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as the qualifying holiday. When any holiday listed above falls on a Sunday, the following Monday will be recognized as the qualifying holiday. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: September 28, 2011

A.C.C. No. XXXX 5792
Cancelling A.C.C. No. 5792
Rate Schedule ET-EV
Revision No. 1
Effective: XXXX



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

- ~~5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.



**EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE**

ADJUSTMENTS (cont)

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.
78. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a water heating or space heating rate schedule no longer in effect, the electric service measured by such meters shall be combined for billing purposes. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7 1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.253 per day

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.08570 per kWh for the first 400 kWh, plus \$0.12175 per kWh for the next 400 kWh, plus \$0.14427 per kWh for all additional kWh	\$0.08327 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.056 per day



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$0.080 per day

Meter Reading \$0.055 per day

Billing \$0.062 per day

System Benefits Charge: \$0.00185 per kWh

Transmission Charge: \$0.00520 per kWh

Delivery Charge: \$0.03288 per kWh

Generation Charges:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.04577 per kWh for the first 400 kWh, plus \$0.08182 per kWh for the next 400 kWh, plus \$0.10434 per kWh for all additional kWh	\$0.04334 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

- The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA 1 pursuant to Arizona Corporation Commission Decision No. 67744.
- The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
- The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.
- Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE E-12, LOW INCOME
RESIDENTIAL SERVICE
STANDARD RATE**

ADJUSTMENTS (cont)

6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt-hour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ET-1 prior to January 1, 2010. This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7 1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$ 0.15810 per kWh during On-Peak hours, plus \$ 0.05110 per kWh during Off-Peak hours	\$0.12845 per kWh during On-Peak hours, plus \$0.04925 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.211 per day

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

A.C.C. No. 5726

Rate Schedule ET-1, Low Income

Original

Effective: January 1, 2010



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

RATES (cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.165 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02474 per kWh

Generation Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$0.12631 per kWh during On Peak hours, plus -\$0.01931 per kWh during Off Peak hours	\$0.09666 per kWh during On Peak hours, plus -\$0.01746 per kWh during Off Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On Peak time period shall be Off Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
- The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA 1 pursuant to Arizona Corporation Commission Decision No. 67744.



**RATE SCHEDULE ET-1, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE RATE**

3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.

ADJUSTMENTS (cont)

4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.

6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt-hour meter.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7 1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Energy Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$ 0.21601 per kWh during On Peak hours, plus \$ 0.05413 per kWh during Off Peak hours	\$ 0.17519 per kWh during On Peak hours, plus \$ 0.05412 per kWh during Off Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.211 per day



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

RATES (Cont)

Unbundled Components (cont)

Revenue Cycle Service Charges:

Metering \$ 0.165 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge: \$ 0.02474 per kWh

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.18422 per kWh during On Peak hours, plus \$0.02234 per kWh during Off Peak hours	\$0.14340 per kWh during On Peak hours, plus \$0.02233 per kWh during Off Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The On Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On Peak time period shall be Off Peak hours.

The following holidays are Off Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off peak period. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5727
Rate Schedule ET-2, Low Income
Original
Effective: January 1, 2010



**RATE SCHEDULE ET-2, LOW INCOME
RESIDENTIAL SERVICE TIME-OF-USE
TIME ADVANTAGE 7PM-NOON**

2. ~~The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ADJUSTMENTS (Cont)

3. ~~The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.~~

4. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

5. ~~Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

6. ~~The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.~~

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule ECT 1R prior to January 1, 2010. This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7 1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: 0.493 per day

Demand Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$11.860 per On Peak kW	\$ 8.150 per On Peak kW

Energy Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$ 0.06593 per kWh during On Peak hours, plus \$ 0.03689 per kWh during Off Peak hours	\$ 0.04975 per kWh during On Peak hours, plus \$ 0.03526 per kWh during Off Peak hours

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Ramolo

Title: Manager, Regulation and Pricing

A.C.C. No. 5728

Rate Schedule ECT 1R, Low Income

Original

Effective: January 1, 2010



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.208 per day

Revenue Cycle Service Charges:

Metering \$ 0.168 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$ 3.380 per On Peak kW, plus \$0.01125 per kWh	\$ 1.850 per On Peak kW, plus \$0.01380 per kWh

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$8.480 per On Peak kW, plus \$0.04763 per kWh during On Peak hours, plus \$0.01859 per kWh during Off Peak hours	\$6.300 per On Peak kW, plus \$0.02890 per kWh during On Peak hours, plus \$0.01441 per kWh during Off Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS

The standard Company On Peak time period for residential rate schedules is 9 a.m. to 9 p.m. Monday through Friday. All hours not included in the On Peak time period shall be Off Peak hours.

Mountain Standard Time shall be used in the application of this rate schedule.



**RATE SCHEDULE ECT-1R, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE RATE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during On Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA 1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service, except as stated below, required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatthour meter.

This schedule is only available for customers that are enrolled in the E-3 Energy Support Program or the E-4 Medical Care Equipment Support Program. This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer's site). Three phase service may be furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services) and is required for motors of an individual rated capacity of 7 1/2 HP or more.

RATES

The customer's bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.493 per day

Bundled Standard Offer Service (cont)

Demand Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
\$11.870 per On Peak kW	\$8.150 per On Peak kW

Energy Charge:

May—October Billing Cycles (Summer)	November—April Billing Cycles (Winter)
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ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5729
Rate Schedule ECT 2, Low Income
Original
Effective: January 1, 2010



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

\$0.07833 per kWh during On Peak hours, plus \$0.03864 per kWh during Off Peak hours	\$0.05150 per kWh during On Peak hours, plus \$0.03784 per kWh during Off Peak hours
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RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Basic Service Charge: \$ 0.208 per day

Revenue Cycle Service Charges:

Metering \$ 0.168 per day

Meter Reading \$ 0.055 per day

Billing \$ 0.062 per day

System Benefits Charge: \$ 0.00185 per kWh

Transmission Charge: \$ 0.00520 per kWh

Delivery Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$3.380 per On Peak kW, plus \$0.01125 per kWh	\$1.850 per On Peak kW, plus \$0.01380 per kWh

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$8.490 per On Peak kW, plus \$0.06003 per kWh during On Peak hours, plus \$0.02034 per kWh during Off Peak hours	\$6.300 per On Peak kW, plus \$0.03065 per kWh during On Peak hours, plus \$0.01699 per kWh during Off Peak hours

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

TIME PERIODS



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

The On Peak time period for this rate schedule is 12 noon to 7 p.m. Monday through Friday excluding the holidays listed below. All hours not included in the On Peak time period shall be Off Peak hours.

TIME PERIODS (Cont)

The following holidays are Off Peak: New Year's Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as an off peak period. When any holiday listed above falls on a Sunday, the following Monday will be recognized as an off peak period.

Mountain Standard Time shall be used in the application of this rate schedule.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 60-minute period of maximum use during the customer's On Peak hours, as determined from readings of the Company's meter.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA 1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
4. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS' standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5729
Rate Schedule ECT 2, Low Income
Original
Effective: January 1, 2010



**RATE SCHEDULE ECT-2, LOW INCOME
RESIDENTIAL SERVICE
TIME-OF-USE WITH DEMAND CHARGE
COMBINED ADVANTAGE 7PM-NOON**

schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5729
Rate Schedule ECT-2, Low Income
Original
Effective: January 1, 2010



**RATE RIDER SCHEDULE E-3
RESIDENTIAL SERVICE
ENERGY SUPPORT PROGRAM**

AVAILABILITY

This rate rider schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Rider Schedule E-4 Medical Support Care Program concurrently.

APPLICATION

This rate rider schedule is applicable to all Standard Offer and Direct Access customers served electric service billed under a Residential Rate Schedules, where the customer has qualified for this rate pursuant to as specified in the Company's Plan for Administration of the Residential Energy Support Program pursuant to Arizona Corporation Commission Decision Nos. 55931 and, 56680, and 69663. All provisions of the customer's applicable retail Residential Rate Schedule will apply except as modified herein.

RATES

The total bill as calculated according to the applicable retail rate schedule before taxes, regulatory assessment and franchise fees.

The customer's bill shall be in accordance with the applicable specified schedule with the following exceptions:

The Total Bill as calculated according to the applicable Residential Rate Schedule (before Taxes, Regulatory Assessments and Franchise Fees)

A. <u>For Bills with Usage of:</u>	<u>Will be Discounted by:</u>
0 - 400 kWh	6540%
401 - 800 kWh	4526%
801 - 1200 kWh	2614%
1201-kWh and above	\$31.7543.00

~~B. Adjustment Schedule PSA 1 will not apply to customers served under this rate schedule.~~

~~C. Adjustment Schedule DSMAC 1 will not apply to customers served under this rate schedule.~~



**RATE RIDER SCHEDULE E-4
RESIDENTIAL SERVICE
MEDICAL CARE EQUIPMENT SUPPORT PROGRAM**

AVAILABILITY

This rate rider schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers may not receive discounts under this schedule and Rate Rider Schedule E-3 Energy Support Program concurrently.

APPLICATION

This rate rider schedule is applicable to all Standard Offer and Direct Access customers served electric service billed under a Residential Rate Schedules, where the customer has qualified for this rate as specified in the Company's Plan for Administration of the Medical Care Equipment Program pursuant to Arizona Corporation Commission Decision Nos. 59222, and 69663. All provisions of the customer's applicable retail Residential Rate Schedule will apply except as modified herein.

RATES

The customer's bill shall be in accordance with the applicable specified schedule with the following exceptions:
The total bill as calculated according to the applicable retail rate schedule before taxes, regulatory assessment and franchise fees.

The Total Bill as calculated according to the applicable Residential Rate Schedule (before Taxes, Regulatory Assessments and Franchise Fees) Will be Discounted by:

A.	<u>For Bills with Usage of:</u>	<u>Will be Discounted by:</u>
	0 - 800 kWh	6549%
	801 - 1400 kWh	4526%
	1401 - 2000 kWh	2614%
	2001 - kWh and above	\$60.0026.00

~~B. Adjustment Schedule PSA-1 will not apply to customers served under this rate schedule.~~

~~C. Adjustment Schedule DSMAC-1 will not apply to customers served under this rate schedule.~~



**RATE RIDER SCHEDULE CPP-RES
CRITICAL PEAK PRICING – RESIDENTIAL**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rate Schedule CPP-RES is available to residential retail Standard Offer customers. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. All provisions of the customer's otherwise applicable rate schedule will apply in addition to the charges in Schedule CPP-RES. Schedule CPP-RES is available for a period of two years from the initial availability.

A customer may not simultaneously participate in Schedule CPP-RES and another demand response rate or program, including Schedule ET-SP. A customer may participate in Schedule CPP-RES and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a CPP Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent CPP Event.

RATES

A. Critical Peak Price \$ 0.250000 ~~0.40000~~ per kWh
Critical Peak Price applies to kWh usage during a CPP Event.

B. Energy Discount
All residential customers \$ (0.012143) ~~(0.01891)~~ per kWh.

Energy Discount applies to Customer's total monthly kWh in the months of June through September.

CONDITIONS

- A. CPP Events: CPP Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A CPP Event can be triggered by severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. Number and Duration of CPP Events: The Company will invoke a minimum of 6 and a maximum of 18 CPP Events per calendar year, for 5 hours per event and 90 hours per year.
- C. CPP Event Notification/Communication: Customers shall be notified of a CPP Event in advance by 4:00 PM the day prior through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.
- D. CPP Event Cancellation: Once a CPP event alert has been initiated, there are no conditions that would warrant the critical event to be cancelled.



**RATE RIDER SCHEDULE PTR-RES
RESIDENTIAL SERVICE
PEAK TIME REBATE EXPERIMENT PROGRAM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

The Rider Rate Schedule PTR-RES is available to residential retail Standard Offer customers served under Rate Schedule E-12 and Rate Schedule ET-2. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI, in place at time of service. All provisions of Rate Schedule E-12 and Rate Schedule ET-2 will apply in addition to the rates and provisions in Schedule PTR-RES. Schedule PTR-RES is a pilot program and is available for a period of two years from its effective date. The Company may limit participation in this program at its discretion, not less than 1,000 customers. A customer may not simultaneously participate in Schedule PTR-RES and another demand response rate or program, including Rate Schedule ET-SP.

DESCRIPTION

Under this program, the Company incents customers to reduce their electrical usage during critical hours when load is difficult or expensive to serve. During these critical times, the Company may declare an event (PTR Event) where the customer receives a rebate for the amount of energy that they reduced. Such rebates will be credited on their monthly electric bill.

RATES

The Credit Rate shall apply to the Energy Reduction (kWh) during a PTR Event, as determined by the Company.

Credit Rate \$0.250000 per kWh

DETERMINATION OF LOAD REDUCTION

- A. The Energy Reduction reduction during a PTR Event will be determined using a customer baseline load (CBL) method, which estimates how much electricity a customer would have used had they not reduced their usage in response to a PTR event. The Energy Reduction is determined by subtracting the actual metered load from the CBL for all hours during a PTR event.
- B. The CBL shall be the customer's usage (kWh) from 2 p.m. to 7 p.m., averaged over the three highest days of the preceding ten non-holiday, non-event, weekdays prior to the event. The highest days shall be determined by the highest total consumption from 2 p.m. to 7 p.m.

CONDITIONS

- A. PTR Events: PTR Events may be invoked by the Company for the period 2 p.m. to 7 p.m., weekdays (Monday through Friday) during June through September. Holidays are excluded, which include Independence Day (July 4th) and Labor Day (first Monday in September). A PTR Event can be called based on severe weather, high load, high wholesale prices, or a major generation or transmission outage, as determined by the Company.
- B. Number and Duration of PTR Events: The Company will invoke a minimum of 6 and a maximum of 18 PTR Events and 90 event hours, based on five hours per event, per calendar year.
- C. PTR Event Notification/Communication: The Company shall notify customers of a PTR Event by 4:00 PM the prior day through a phone message, e-mail, or text message. Receipt of such notice is the responsibility of the participating customer.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. XXXX
Adjustment Schedule PTR-RES
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**RATE RIDER SCHEDULE PTR-RES
RESIDENTIAL SERVICE
PEAK TIME REBATE EXPERIMENT PROGRAM**

D. PTR Event Cancellation: Once a PTR event alert has been initiated, there are no conditions that shall warrant the event to be cancelled.

NET METERING

A customer may participate in Schedule PTR-RES and a net metering rate schedule, subject to meter availability. However, any customer generation in excess of load during a PTR Event will be netted according to the customer's otherwise applicable rate schedule and will not be netted against usage during a subsequent PTR Event.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access electric service required where demand and energy requirements are constant, subject to the limitations set forth in the Special Provisions of this schedule. Billing quantities must be subject to accurate determination without the use of metering equipment, and service must be supplied at a single point of delivery.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 volts). The cost of service extension shall include transformation equipment, if required.

RATES

The bill shall be computed at the following rates, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge: \$ 0.311 per day

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.144550-14447 per kWh	\$0.129840-12967 per kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Components

Customer Accounts Basic Service Charge: \$ 0.243 per day

Revenue Cycle Service Charges:
Billing: \$ 0.068 per day

System Benefits Charge: \$ 0.00297 per kWh

Transmission Charge: \$ 0.00424 per kWh

Delivery Charge: \$ 0.050320-05061 per kWh



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

RATES (cont)

Unbundled Components (cont)

Generation Charge:

May - October Billing Cycles (Summer)	November - April Billing Cycles (Winter)
\$0.087020-08752 per kWh	\$0.072310-07272 per kWh

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1986

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Rate Schedule E-30
Revision No. 176
Effective: XXXX January 1, 2010



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

~~76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.~~

87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.



**RATE SCHEDULE E-30
GENERAL SERVICE
EXTRA SMALL UNMETERED**

SPECIAL PROVISIONS

1. Electric services being served on the Company's Rate Schedule E-30 prior to April 1, 2005 will continue to be served under this rate schedule; however, services eligible for this rate schedule after that date must meet the demand and energy requirements set forth in the following Special Provisions.
2. This rate schedule is applicable only to loads where monthly demand (kW) and energy (kWh) requirements remain constant. Monthly demand and energy requirements may not exceed 1.44 kW (12 amperes) or 1,095 kWh at 120 volts, or 2.9 kW (12 amperes) or 2,117 kWh at 240 volts, for each delivery point. Determination of fixed monthly energy usage will be derived from the manufacturer's nameplate rating of the equipment and based on an average 730 hour month.
3. Prior written approval by an authorized Company representative is required before service is implemented under this rate schedule.
4. Prior written approval by an authorized Company representative is required for any change in loads. An unauthorized load change will automatically disqualify that customer from service under this rate schedule.
5. The Company shall have the right to inspect the customer's load facilities at any time to ensure compliance with all provisions of this rate schedule.
6. Service must be supplied at one site through one point of delivery as specified by an individual customer contract.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Company's standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company initially will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Rate Schedule E-32 XS
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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Rate Schedule E-32 XS Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.135370-13264 per kWh for the first 5,000 kWh, plus \$0.074270-07254 per kWh for all additional kWh, or	For Secondary Service: \$0.117690-11542 per kWh for the first 5,000 kWh, plus \$0.056580-05504 per kWh for all additional kWh, or
For Primary Service: \$0.132090-12939 per kWh for the first 5,000 kWh, plus \$0.071000-06929 per kWh for all additional kWh	For Primary Service: \$0.114380-11189 per kWh for the first 5,000 kWh, plus \$0.053290-05179 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.403 per day, or
Instrument-Rated Meters: \$ 1.055 per day, or
Primary: \$ 3.146 per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.068 per day

Billing: \$ 0.075 per day

System Benefits Charge: \$ 0.002970-00240 per kWh

Transmission Charge: \$ 0.00424 per kWh



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
For Secondary Service: \$0.041750.04086 per kWh for the first 5,000 kWh, plus \$0.013100.01284 per kWh for all additional kWh, or	For Secondary Service: \$0.041680.04078 per kWh for the first 5,000 kWh, plus \$0.013030.01275 per kWh for all additional kWh, or
For Primary Service: \$0.038470.03764 per kWh for the first 5,000 kWh, plus \$0.009830.00962 per kWh for all additional kWh	For Primary Service: \$0.038370.03755 per kWh for the first 5,000 kWh, plus \$0.009740.00953 per kWh for all additional kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.086410.08541 per kWh for the first 5,000 kWh, plus \$0.053960.05333 per kWh for all additional kWh	\$0.068800.06800 per kWh for the first 5,000 kWh, plus \$0.036340.03592 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge.

POWER FACTOR

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
Rate Schedule E-32 XS
-Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Rate Schedule E-32 XS Original
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**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's~~

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
Rate Schedule E-32 XS
-Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5732

Rate Schedule E-32 XS Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32 XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)**

Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands up to 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Rate Schedule E-32 XS
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
-Original Effective Date: January 1, 2010

A.C.C. No. ~~XXXX5732~~
Canceling A.C.C. No. 5732
Rate Schedule E-32 XS Original
Revision No. 1 Effective: January 1, 2010
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RATE SCHEDULE E-32 S SMALL GENERAL SERVICE (21 kW – 100 kW)

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

The Customer will be billed on Schedule E-32 S or E-32 XS depending on the Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

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Rate Schedule E-32 S Original
Revision No. 1 Effective: January 1, 2010
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**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service:	\$ 9.8289-675	per kW for the first 100
kW, plus	\$ 5.2145-146	per kW for all additional
kW, or		
Primary Service:	\$ 9.1168-976	per kW for the first 100
kW, plus	\$ 4.5024-448	per kW for all additional
kW, or		

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.103370-10403 per kWh for the first 200 kWh per kW, plus	\$0.087180-08689 per kWh for the first 200 kWh per kW, plus
\$0.062570-06083 per kWh for all additional kWh	\$0.046380-04369 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

<u>Customer Accounts Basic Service Charge:</u>	\$ 0.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
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Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5733 Rate Schedule E-32-S
Rate Schedule E-32 S Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.002970.00210	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 8.2438.090	per kW for the first 100
kW, plus	\$ 3.6293.561	per kW for all additional
kW, plus	\$ 0.004230.00011	

RATES (cont)

Unbundled Standard Offer Service (cont)

RATES (cont)

Primary Service:	\$ 7.5317.391	per kW for the first 100
kW, plus	\$ 2.9172.863	per kW for all additional
kW, plus	\$ 0.004230.00011	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.096170.10182 per kWh for the first 200 kWh per kW, plus	\$0.079980.08468 per kWh for the first 200 kWh per kW, plus
\$0.055370.05862 per kWh for all additional kWh	\$0.039180.04148 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Rate Schedule E-32 S Original
Revision No. 1 Effective: January 1, 2010
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**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$ for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

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A.C.C. No. XXXX5733
Canceling A.C.C. No. 5733 Rate Schedule E-32 S
Rate Schedule E-32 S Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32 S
SMALL GENERAL SERVICE (21 kW – 100 kW)**

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than or equal to 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the Applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service: kW, plus	__ \$ 10.2359.597	per kW for the first 100
kW, or	\$ 5.3855.105	per kW for all additional
Primary Service: kW, plus	\$ 9.4888.905	per kW for the first 100
kW, or	\$ 4.6954.412	per kW for all additional
Transmission Service: kW, plus	\$ 7.3686.942	per kW for the first 100
kW	\$ 2.5192.450	per kW for all additional

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.098840.10320 per kWh for the first 200 kWh per kW, plus	\$0.083780.08619 per kWh for the first 200 kWh per kW, plus
\$0.060910.06034 per kWh for all additional kWh	\$0.045860.04334 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

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-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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Rate Schedule E-32 M Original
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.002970.00210	per kWh
Transmission Charge:	\$ 1.585	per kW

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 8.6508.012	per kW for the
first 100 kW, plus		
	\$ 3.8003.520	per kW for all additional
kW, plus		
	\$ 0.006490.00011	per kWh, or
Primary Service:	\$ 7.9037.320	per kW for the first 100
kW, plus		
	\$ 3.1102.827	per kW for all additional
kW, plus		
	\$ 0.006490.00011	per kWh, or
Transmission Service:	\$ 5.7835.357	per kW for the first 100
kW, plus		
	\$ 0.9340.865	per kW for all additional
kW, plus		
	\$ 0.006490.00011	per kWh
Generation Charge:		

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.089380.10099 per kWh for the first 200 kWh per kW, plus	\$0.074320.08398 per kWh for the first 200 kWh per kW, plus
\$0.051450.05813 per kWh for all additional kWh	\$0.036400.04113 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

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-Phoenix, Arizona
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Rate Schedule E-32 M Original
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service charge plus \$ for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment. Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load.

POWER FACTOR (cont)

Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

ADJUSTMENTS

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

- ~~1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.~~
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than or equal to 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the

-ARIZONA PUBLIC SERVICE COMPANY
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Rate Schedule E-32 M Original
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**RATE SCHEDULE E-32 M
MEDIUM GENERAL SERVICE (101 kW - 400 kW)**

~~contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.~~

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

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-Phoenix, Arizona
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-Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32 XS, E-32 S, E-32 M, or E-32 L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-34 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.068	per day, or
For service through Instrument-Rated Meters:	\$ 1.627	per day, or
For service at Primary Voltage:	\$ 3.419	per day, or
For service at Transmission Voltage:	\$ 22.915	per day

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service: kW, plus	\$ 21.1499.384	per kW for the first 100
kW, or	\$ 14.2674.993	per kW for all additional
Primary Service: kW, plus	\$ 19.0918.793	per kW for the first 100
kW, or	\$ 13.2094.315	per kW for all additional
Transmission Service: kW, plus	\$ 14.2846.788	per kW for the first 100
kW.	\$ 9.1052.396	per kW for all additional

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$0.055179.10093 per kWh for the first 200 kWh per kW, plus	\$0.038040.08430 per kWh for the first 200 kWh per kW, plus
\$0.05902 per kWh for all additional kWh	\$0.04239 per kWh for all additional kWh

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge:	\$ 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.345	per day, or
Instrument-Rated Meters:	\$ 0.904	per day, or
Primary:	\$ 2.696	per day, or
Transmission:	\$ 22.192	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.058	per day
Billing:	\$ 0.064	per day

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-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. XXXX5735
Canceling A.C.C. No. 5735 Rate Schedule E-32 L
Rate Schedule E-32 L Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

System Benefits Charge: \$ 0.002970-00210 per kWh
Transmission Charge: \$ 1.585 per kW

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service: \$ ~~15.068~~ 7.799 per kW
for the first 100 kW, plus
additional kW, plus \$ ~~8.1863.408~~ per kW for all
\$ 0.00011 per kWh, or
Primary Service: \$ ~~13.010~~ 7.118 per kW
for the first 100 kW, plus
additional kW, plus \$ ~~7.1282.730~~ per kW for all
\$ 0.00011 ~~0.00011~~ per kWh, or
Transmission Service: \$ ~~8.2035.203~~ per kW for the first 100
kW, plus \$ ~~3.0240.811~~ per kW for all additional
kW, plus \$ 0.00011 ~~0.00011~~ per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$4.496 per kW, plus \$0.052090- 09872 per kWh for the first 200 kWh per kW, plus \$0.05681 per kWh for all additional kWh	\$4.496 per kW, plus \$0.034960- 08209 per kWh for the first 200 kWh per kW, plus \$0.04018 per kWh for all additional kWh

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components Customer Accounts Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

—ARIZONA PUBLIC SERVICE COMPANY
—Phoenix, Arizona
—Filed by: David J. Rumolo
—Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5735 Rate Schedule E-32 L
Rate Schedule E-32 L Original
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**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

MINIMUM

The bill for service under this rate schedule shall ~~Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service eCharge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined herein, plus \$2.115 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.~~

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

POWER FACTOR (cont)

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

~~For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter. For billing purposes, the kW used in this rate schedule shall be the greater of the following:~~

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

~~For the purpose of placement on this rate, the~~The Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly

-ARIZONA PUBLIC SERVICE COMPANY
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Rate Schedule E-32 LOriginal
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**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

The Monthly Maximum Demand shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- 4 The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5 The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
- 65 Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

- 76 The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
- 87 The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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Rate Schedule E-32 L Original
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**RATE SCHEDULE E-32 L
LARGE GENERAL SERVICE (401 kW +)**

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

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**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is 20 kW per month or less.

The Company will initially place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company.

The Customer will be billed on Schedule E-32TOU S or E-32TOU XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or

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-Phoenix, Arizona
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Rate Schedule E-32TOU XS Original
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RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE

For service at Primary Voltage: \$ 3.415 per day

RATES (cont)

Bundled Standard Offer Service

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p><u>For Secondary Service:</u> \$ 0.170330-16831 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.085640-08318 per kWh for all additional On-Peak kWh, plus \$ 0.126860-12438 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.047550-04459 per kWh for all additional Off-Peak kWh, or</p>	<p><u>For Secondary Service:</u> \$ 0.153100-15082 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.068370-06565 per kWh for all additional On-Peak kWh, plus \$ 0.109590-10686 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.034960-03181 per kWh for all additional Off-Peak kWh, or</p>
<p><u>For Primary Service:</u> \$ 0.166980-16498 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.081500-07907 per kWh for all additional On-Peak kWh, plus \$ 0.123500-12105 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.044200-04126 per kWh for all additional Off-Peak kWh</p>	<p><u>For Primary Service:</u> \$ 0.149740-14749 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.064230-06154 per kWh for all additional On-Peak kWh, plus \$ 0.106240-10353 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.031600-02848 per kWh for all additional Off-Peak kWh</p>

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge: \$ 0.126 per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters: \$ 0.441 per day, or
 Instrument-Rated Meters: \$ 1.055 per day, or
 Primary: \$ 3.146 per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a

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A.C.C. No. XXXX5736
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 Rate Schedule E-32 TOU XS Original
 Revision No. 1 Effective: January 1, 2010
 Effective: XXXX



**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.002970-00210	per kWh
Transmission Charge:	\$ 0.00424	per kWh

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
<p><u>For Secondary Service:</u> \$ 0.050650-05028 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.013160-01306 per kWh for all additional On-Peak kWh, plus \$ 0.041740-04143 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.009620-00955 per kWh for all additional Off-Peak kWh, or</p>	<p><u>For Secondary Service:</u> \$ 0.050570-05020 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.013040-01295 per kWh for all additional On-Peak kWh, plus \$ 0.041640-04134 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.009540-00947 per kWh for all additional Off-Peak kWh, or</p>
<p><u>For Primary Service:</u> \$ 0.047300-04695 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.009020-00895 per kWh for all additional On-Peak kWh, plus \$ 0.038380-03810 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.006270-00622 per kWh for all additional Off-Peak kWh</p>	<p><u>For Primary Service:</u> \$ 0.047210-04687 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.008900-00884 per kWh for all additional On-Peak kWh, plus \$ 0.038290-03801 per kWh for the first 5,000 Off-Peak kWh plus \$ 0.006180-00614 per kWh for all additional Off-Peak kWh</p>

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
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A.C.C. No. ~~XXXX~~5736
 Canceling A.C.C. No. 5736 Rate Schedule E-32 TOU XS
 Rate Schedule E-32TOU XS Original
 Revision No. 1 Effective: January 1, 2010
 Effective: XXXX



**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

<p>\$ 0.112470.11169 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.065270.06378 per kWh for all additional On-Peak kWh, plus \$ 0.077910.07661 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.030720.02870 per kWh for all additional Off-Peak kWh</p>	<p>\$ 0.095320.09428 per kWh for the first 5,000 On-Peak kWh, plus \$ 0.048120.04636 per kWh for all additional On-Peak kWh, plus \$ 0.060740.05918 per kWh for the first 5,000 Off-Peak kWh, plus \$ 0.018210.01600 per kWh for all additional Off-Peak kWh</p>
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DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components ~~Customer Accounts~~ Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

~~The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge.~~

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading

POWER FACTOR (cont)

unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of ± 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be

POWER FACTOR (cont)

non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

POWER FACTOR (cont)

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

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 Canceling A.C.C. No. 5736 Rate Schedule E-32 TOU XS
 Rate Schedule E-32 TOU XS Original
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**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.

ADJUSTMENTS (cont)

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
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A.C.C. No. XXXX5736
Canceling A.C.C. No. 5736 Rate Schedule E-32 TOU XS
Rate Schedule E-32 TOU XS Original
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**RATE SCHEDULE E-32TOU XS
EXTRA SMALL GENERAL SERVICE (0 kW - 20 kW)
TIME OF USE**

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands less than 20 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

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—————**RATE SCHEDULE E-32TOU S**
—————**SMALL GENERAL**
SERVICE (21 kW - 100 kW)
TIME OF USE
—————

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 20 kW and less than or equal to 100 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Customers will be billed on Schedule E-32 S or E-32 XS depending on the On-peak Monthly Maximum Demand for each billing cycle.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710-	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or

ARIZONA PUBLIC SERVICE COMPANY
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—————**RATE SCHEDULE E-32TOU S**
—————**SMALL GENERAL**
SERVICE (21 kW - 100 kW)
TIME OF USE \$ 3.415 per day

For service at Primary Voltage:

RATES (cont)

Bundled Standard Offer Service

Demand Charge:

Secondary Service:	\$ 14.30314.322 \$ 9.7139.725 \$ 5.4845.492 \$ 3.0543.059	per kW for the first 100 On-Peak kW, plus per kW for all additional On-Peak kW, plus per kW for the first 100 Off-Peak kW, plus per kW for all additional Off-Peak kW
Primary Service:	\$ 13.84513.863 \$ 9.6459.657 \$ 4.9094.916 \$ 2.9752.979	per kW for the first 100 On-Peak kW, plus per kW for all additional On-Peak kW, plus per kW for the first 100 Off-Peak kW, plus per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.073670.07294 per kWh during On-Peak hours, plus \$ 0.058730.05794 per kWh during Off-Peak hours	\$ 0.056650.05586 per kWh during On-Peak hours, plus \$ 0.04170 per kWh 0.04089 during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge:	\$ 0.1260.126	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.441	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068	per day
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ARIZONA PUBLIC SERVICE COMPANY
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Original Effective Date: January 1, 2010

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Canceling A.C.C. No. 5737Rate Schedule E-32TOU S
Rate Schedule E-32TOU S Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



RATE SCHEDULE E-32TOU S
SMALL GENERAL
SERVICE (21 kW - 100 kW)
TIME OF USE 0.075 per day

System Benefits Charge: \$ 0.002970-00210 per kWh
Transmission Charge: \$ 1.585 per kW

RATES (cont)

Unbundled Standard Offer Service (cont)

Delivery Charge:

Secondary Service:	\$ 5.7755-784	per kW for the first 100 On-Peak
kW, plus	\$ 1.1851-187	per kW for all additional On-Peak
kW, plus	\$ 2.8422-846	per kW for the first 100 Off-Peak
kW, plus	\$ 0.4120-413	per kW for all additional Off-Peak
kW, plus		
Primary Service:	\$ 5.3175-325	per kW for the first 100 On-Peak
kW, plus	\$ 1.1171-119	per kW for all additional On-Peak
kW, plus	\$ 2.2672-270	per kW for the first 100 Off-Peak
kW, plus	\$ 0.3330-333	per kW for all additional Off-Peak
kW, plus		

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 6.9436-953 per On-Peak kW, plus	\$ 6.9436-953 per On-Peak kW, plus
\$ 2.6422-646 per Off-Peak kW, plus	\$ 2.6422-646 per Off-Peak kW, plus
\$ 0.070700-07081 per kWh during On-Peak hours, plus	\$ 0.053680-05376 per kWh during On-Peak hours, plus
\$ 0.055760-05584 per kWh during Off-Peak hours	\$ 0.038730-03879 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components ~~Customer Accounts Basic Service Charge~~, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C.No. ~~XXXX5737~~
Canceling A.C.C. No. 5737 Rate Schedule E-32TOU S
Rate Schedule E-32TOU S Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



—————**RATE SCHEDULE E-32TOU S**
—————**SMALL GENERAL**
SERVICE (21 kW - 100 kW)

~~will be based on the available information. For new customers, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.~~

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
-Filed by: David J. Rumolo
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A.C.C.No. ~~XXXX5737~~
Canceling A.C.C. No. 5737Rate Schedule E-32TOU S
Rate Schedule E-32TOU SOriginal
Revision No. 1Effective: January 1, 2010
Effective: XXXX



—————RATE SCHEDULE E-32TOU S
—————SMALL GENERAL
SERVICE (21 kW - 100 kW)
TIME OF USE

ADJUSTMENTS (cont)

5. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 20 and less than 100 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

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-Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5737 Rate Schedule E-32TOU S
Rate Schedule E-32TOU S Original
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**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 100 kW and less than or equal to 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.710	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or

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Rate Schedule E-32TOU M Original
Revision No. 1 Effective: January 1, 2010
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**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

For service at Transmission Voltage: \$ 26.163 per day

RATES (cont)

Bundled Standard Offer Service (cont)

Demand Charge:

Secondary Service: \$ ~~15.16614.209~~ per kW for the first 100 On-Peak kW, plus
 \$ ~~10.0139.649~~ per kW for all additional On-Peak kW, plus
 \$ ~~5.8975.449~~ per kW for the first 100 Off-Peak
 kW, plus
 \$ ~~3.1683.034~~ per kW for all additional Off-Peak
 kW

Primary Service: \$ ~~14.65143.753~~ per kW for the first 100 On-Peak kW, plus
 \$ ~~9.9369.581~~ per kW for all additional On-Peak
 kW, plus
 \$ ~~5.2514.877~~ per kW for the first 100 Off-Peak
 kW, plus
 \$ ~~3.0792.955~~ per kW for all additional Off-Peak
 kW

Transmission Service: \$ ~~13.73042.938~~ per kW for the first 100 On-Peak kW, plus
 \$ ~~9.6199.300~~ per kW for all additional On-Peak
 kW, plus
 \$ ~~4.5224.232~~ per kW for the first 100 Off-Peak
 kW, plus
 \$ ~~2.9592.849~~ per kW for all additional Off-Peak
 kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.065660.07233 per kWh during On-Peak hours, plus	\$ 0.052750.05542 per kWh during On-Peak hours, plus
\$ 0.054320.05748 per kWh during Off-Peak hours	\$ 0.041420.04057 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts ~~Basic~~ Service Charge: \$ 0.126 per day
 Revenue Cycle Service Charges:
 Metering:
 Self-Contained Meters: \$ 0.441 per day, or

-ARIZONA PUBLIC SERVICE COMPANY
 -Phoenix, Arizona
 -Filed by: David J. Rumolo
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 Original Effective Date: January 1, 2010

A.C.C. No. ~~XXXX5738~~
 Canceling A.C.C. No. 5738 Rate Schedule E-32TOU M
 Rate Schedule E-32TOU M Original
 Revision No. 1 Effective: January 1, 2010
 Effective: XXXX



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
System Benefits Charge:	\$ 0.002970-00210	per kWh
Transmission Charge:	\$ 1.585	per kW
Delivery Charge:		
Secondary Service:	\$ 8.3188-3185.726	per kW for the first 100
On-Peak kW, plus	\$ 3.1653-1651.166	per kW for all additional
On-Peak kW, plus	\$ 3.8943-8942.824	per kW for the first 100
Off-Peak kW, plus	\$ 1.1651-1650.409	per kW for all additional
Off-Peak kW, plus	\$ 0.00910	per kWh
Primary Service:	\$ 7.8037-8035.270	per kW for the first 100
On-Peak kW, plus	\$ 3.0883-0881.098	per kW for all additional
On-Peak kW, plus	\$ 3.2483-2482.252	per kW for the first 100
Off-Peak kW, plus	\$ 1.0761-0760.330	per kW for all additional
Off-Peak kW, plus	\$ 0.00910	per kWh
Transmission Service:	\$ 6.8826-8824.455	per kW for the first 100
On-Peak kW, plus		

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
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Original Effective Date: January 1, 2010

A.C.C. No. ~~XXXX5738~~
Canceling A.C.C. No. 5738Rate Schedule E-32TOU M
Rate Schedule E-32TOU MOriginal
Revision No. 1Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

On-Peak kW, plus	\$ 2.7712.7710.817	per kW for all additional
Off-Peak kW, plus	\$ 2.5192.5191.607	per kW for the first 100
Off-Peak kW, plus	\$ 0.9560.9560.224	per kW for all additional
	\$ 0.00910	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 5.2636.898 per On-Peak kW, plus \$ 2.0032.625 per Off-Peak kW, plus \$ 0.053590.07023 per kWh during On-Peak hours, plus	\$ 5.2636.898 per On-Peak kW, plus \$ 2.0032.625 per Off-Peak kW, plus \$ 0.040680.05332 per kWh during On-Peak hours, plus
\$ 0.042250.05538 per kWh during Off-Peak hours	\$ 0.029350.03847 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components ~~Customer Accounts~~ Basic Service Charge, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service Basic Service Charge, \$ for each of either: (1) the highest On Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of ± 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be

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-Phoenix, Arizona
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A.C.C. No. ~~XXXX5738~~
Canceling A.C.C. No. 5738 Rate Schedule E-32TOU M
Rate Schedule E-32TOU M Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

- On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
- Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.

-ARIZONA PUBLIC SERVICE COMPANY
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~~Canceling A.C.C. No. 5738 Rate Schedule E-32TOU-M~~
Rate Schedule E-32TOU M Original
Revision No. 1 Effective: January 1, 2010
Effective: XXXX



**RATE SCHEDULE E-32TOU M
MEDIUM GENERAL SERVICE (101 kW – 400 kW)
TIME OF USE**

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- ~~76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.~~
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 100 and less than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

-ARIZONA PUBLIC SERVICE COMPANY
-Phoenix, Arizona
-Filed by: David J. Rumolo
-Title: Manager, Regulation and Pricing
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A.C.C. No. ~~XXXX5738~~
Canceling A.C.C. No. 5738 Rate Schedule E-32TOU M
Rate Schedule E-32TOU M Original
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Effective: XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose Average Monthly Maximum Demand is greater than 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule E-32TOU XS, E-32TOU S, E-32TOU M, or E-32TOU L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This rate schedule is applicable to all Standard Offer and Direct Access electric service required when such service is supplied at one point of delivery and measured through one meter. Rate selection is subject to paragraphs 3.2 through 3.5 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt/kilowatt-hour meter.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedule E-35 is applicable.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. 5739XXXX
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Rate Schedule E-32TOU L
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**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

For service through Self-Contained Meters: \$ 0.710 per day, or
Meters: For service through Instrument-Rated
\$ 1.324 per day, or

RATES (cont)

Bundled Standard Offer Service (cont)

For service at Primary Voltage: \$ 3.415 per day, or
For service at Transmission Voltage: \$ 26.163 per day

Demand Charge:

Secondary Service: \$ 14.91513.904 per kW for the first 100 On-Peak kW, plus
\$ 9.7849.439 per kW for all additional On-Peak kW, plus
\$ 5.8145.334 per kW for the first 100 Off-Peak kW, plus
\$ 3.0972.969 per kW for all additional Off-Peak kW

Primary Service: \$ 14.40213.455 per kW for the first 100 On-Peak kW, plus
\$ 9.7089.373 per kW for all additional On-Peak kW, plus
\$ 5.1704.774 per kW for the first 100 Off-Peak kW, plus
\$ 3.0082.894 per kW for all additional Off-Peak kW

Transmission Service: \$ 13.48612.658 per kW for the first 100 On-Peak kW, plus
\$ 8.6019.098 per kW for all additional On-Peak kW, plus
\$ 4.4444.140 per kW for the first 100 Off-Peak kW, plus
\$ 2.8882.787 per kW for all additional Off-Peak kW

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.065550.07076 per kWh during On-Peak hours, plus	\$ 0.051930.05424 per kWh during On-Peak hours, plus
\$ 0.053590.05623 per kWh during Off-Peak hours	\$ 0.039970.03968 per kWh during Off-Peak hours

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

Customer Accounts Basic Service Charge: \$ 0.126 per day
Revenue Cycle Service Charges:
Metering:
Self-Contained Meters: \$ 0.441 per day, or

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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A.C.C. No. 5739XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original Revision No. 1
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

Instrument-Rated Meters:	\$ 1.055	per day, or
Primary:	\$ 3.146	per day, or
Transmission:	\$ 25.894	per day

These daily metering charges apply to typical installations. Customers requesting specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

RATES (cont)

Unbundled Standard Offer Service (cont)

Revenue Cycle Service Charges (cont)

Meter Reading:	\$- 0.068	per day
Billing:	\$- 0.075	per day
System Benefits Charge:	\$-0.002970-00210	per kWh
Transmission Charge:	\$ 1.585	per kW

Delivery Charge:

Secondary Service:	\$ 7.7767-7765-567	per kW for the first 100
On-Peak kW, plus	\$ 2.6452-6451-105	per kW for all additional
Off-Peak kW, plus	\$ 3.7013-7012-763	per kW for the first 100
Off-Peak kW, plus	\$ 0.9840-9840-401	per kW for all additional
	\$ 0.00607	per kWh
Primary Service:	\$ 7.2637-2635-121	per kW for the first 100
On-Peak kW, plus	\$ 2.5692-5691-039	per kW for all additional
Off-Peak kW, plus	\$ 3.0573-0572-203	per kW for the first 100
Off-Peak kW, plus	\$ 0.8950-8950-323	per kW for all additional
	\$ 0.00607	per kWh
Transmission Service:	\$ 6.3476-3474-324	per kW for the first 100
On-Peak kW, plus		

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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A.C.C. No. 5739XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original Revision No. 1
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

On-Peak kW, plus	\$ 1.4621 4620.764	per kW for all additional
Off-Peak kW, plus	\$ 2.3312 3311.572	per kW for the first 100
Off-Peak kW, plus	\$ 0.7750 7750.219	per kW for all additional
	\$ 0.00607	per kWh

Generation Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 5.5546.749 per On-Peak kW, plus	\$ 5.5546.749 per On-Peak kW, plus
\$ 2.1132.568 per Off-Peak kW, plus	\$ 2.1132.568 per Off-Peak kW, plus
\$ 0.056510.06866 per kWh during On-Peak hours, plus	\$ 0.042890.05214 per kWh during On-Peak hours, plus
\$ 0.044550.05413 per kWh during Off-Peak hours	\$ 0.030930.03758 per kWh during Off-Peak hours

DIRECT ACCESS

The bill for Direct Access customers under this rate schedule will consist of the applicable Unbundled Components ~~Customer Accounts Basic Service Charge~~, System Benefits Charge, and Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for Standard Offer and Direct Access customers will not be less than the applicable Bundled Standard Offer Service ~~Basic Service Charge~~, plus \$ 2.141 for each of either: (1) the highest On Peak kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of ± 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. 5739XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original/Revision No. 1
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the billing period, as determined from readings of the Company's meter.

Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during either the On-Peak or Off-Peak hours of the billing period, as determined from readings of the Company's meter.

On-peak Monthly Maximum Demand will be based on the highest average kW supplied during the 15-minute period during the On-peak hours of the billing period, as determined from readings of the Company's meter.

For billing purposes, the On-Peak kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period of maximum use during the On-Peak period during the billing period, as determined from readings of the Company's meter.
2. 80% of the highest On-Peak kW measured during the six summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

Off-peak kW will be based on the average kW supplied during the 15-minute period of maximum use during the Off-peak hours of the billing period, as determined from readings of the Company's meter.

The Average Monthly Maximum Demand shall equal the average of the On-peak Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the On-peak Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum On-peak kW provided by the Customer and approved by the Company.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. 5739XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original Revision No. 1
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. 5739~~XXXX~~
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original Revision No. 1
Effective: January 1, 2010~~XXXX~~



**RATE SCHEDULE E-32TOU L
LARGE GENERAL SERVICE (401 kW +)
TIME OF USE**

76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

For customers with monthly maximum demands greater than 400 kW, any applicable contract period will be set forth in the Company's standard agreement for service. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer or, if no additional distribution construction is required, the contract period will be one (1) year or longer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2010

A.C.C. No. 5739XXXX
Canceling A.C.C. No. 5739
Rate Schedule E-32TOU L
Original Revision No. 1
Effective: January 1, 2010XXXX



RATE SCHEDULE E-34 EXTRA LARGE GENERAL SERVICE

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.1351-135	per day, or
For service through Instrument-Rated Meters:	\$ 1.7761-776	per day, or
For service at Primary Voltage:	\$ 3.8283-828	per day, or
For service at Transmission Voltage:	\$ 26.16126-161	per day

Demand Charge:

Secondary Service:	\$ 19.93017-377	per kW, or
Primary Service:	\$ 18.64916-478	per kW, or
Transmission Service:	\$ 12.27812-005	per kW

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$13.39212-787 per kW.

Energy Charge:	\$- 0.036650-04220	per kWh
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ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 5762-XXXX
Canceling A.C.C. No. 5763-5662
Rate Schedule E-34
Revision No. 2021
Effective: January 1, 2010-XXXX



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

RATES (cont)

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service:

Customer Accounts Basic Service Charge: \$ 0.6010-601
per day

Revenue Cycle Service Charges:

Metering:

Self-Contained Meters:	\$ 0.3950-395	per day, or
Instrument-Rated Meters:	\$ 1.0361-036	per day, or
Primary:	\$ 3.0883-088	per day, or
Transmission:	\$ 25.42125-421	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading: \$ 0.0660-066 per day

Billing: \$ 0.0730-073 per day

System Benefits Charge: \$ 0.002970-00210 per kWh

Transmission Charge: \$ 1.776 per kW

Delivery Charge:

Secondary Service: \$ 8.0275-635 per kW

Primary Service: \$ 6.7464-736 per kW

Transmission Service: \$ 0.3750-263 per kW

The Delivery Charge for military base customers taking primary service and served from a dedicated distribution feeder(s) Company substation shall be reduced to \$1.4891-045 per kW.

Generation Charge: \$ 10.1279-966 per kW, plus
\$ 0.033680-04010 per kWh

Direct Access

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 5763XXXX
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Rate Schedule E-34
Revision No. 2021
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-34
EXTRA LARGE GENERAL SERVICE**

The bill for Direct Access customers will consist of the applicable Unbundled Components Customer Accounts Basic Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for each kW as determined below.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor or other detrimental conditions shall be required to remedy problems or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be the greater of the following:

1. The average kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the month, as determined from readings of the Company's meter.
2. 80% of the highest kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.
3. The minimum kW specified in the agreement for service or individual contract.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-18 pursuant to Arizona Corporation Commission Decision No. 70313.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

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Canceling A.C.C. No. 57635662
Rate Schedule E-34
Revision No. 2021
Effective: ~~January 1, 2010~~XXXX



RATE SCHEDULE E-34 EXTRA LARGE GENERAL SERVICE

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ADJUSTMENTS (cont)

- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
5. ~~64.~~ Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. ~~75.~~ The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. ~~8.~~ The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1983

A.C.C. No. 5763XXXX
Canceling A.C.C. No. 57635662
Rate Schedule E-34
Revision No. 2021
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to all Standard Offer and Direct Access customers whose monthly maximum demand registers 3,000 kW or more for three (3) consecutive months in any continuous twelve (12) month period ending with the current month. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at the Company's standard voltages that are available within the vicinity of the customer site.

Service under this schedule is generally provided at secondary voltage, primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Bundled Standard Offer Service

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.183 1.183	per day, or
For service through Instrument-Rated Meters:	\$ 1.795 1.795	per day, or
For service at Primary Voltage:	\$ 3.881 3.881	per day, or
For service at Transmission Voltage:	\$ 26.574 26.574	per day

Demand Charge:

Secondary Service:	\$ 16.768 15.091	per On-
Peak kW, plus	\$ 3.064 2.734	per Off-Peak kW,
or		
Primary Service:	\$ 15.792 14.343	per On-
Peak kW, plus	\$ 2.966 2.659	per Off-Peak kW,
or		
Transmission Service:	\$ 10.755 10.483	per On-
Peak kW, plus	\$ 2.462 2.273	per Off-Peak kW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 10, 1988

A.C.C. No. 5764XXXX
Canceling A.C.C. No. 57645663
Rate Schedule E-35
Revision No. 4516
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

The Demand Charge for military base customers taking primary service and served from dedicated distribution feeder(s) shall be reduced to \$ 12.108 ~~11.520~~ per On-Peak kW and \$ 2.597 ~~2.376~~ per Off-Peak kW.

RATES (cont)

Energy Charge:	\$ 0.04076 0.04694	per kWh during On-Peak
hours, plus		
hours	\$ 0.03219 0.03530	per kWh during Off-Peak

Bundled Standard Offer Service consists of the following Unbundled Components:

Unbundled Standard Offer Service

<u>Customer Accounts</u> Basic Service Charge:	\$ 0.601 0.601	per day
Revenue Cycle Service Charges:		
Metering:		
Self-Contained Meters:	\$ 0.440 0.440	per day, or
Instrument-Rated Meters:	\$ 1.052 1.052	per day, or
Primary:	\$ 3.138 3.138	per day, or
Transmission:	\$ 25.831 25.831	per day

These daily metering charges apply to typical installations. Customers requiring specialized facilities are subject to additional metering charges that reflect the additional cost of the installation, (for example, a customer taking service at 230 kV). Adjustments to unbundled metering components will result in an adjustment to the bundled Basic Service Charge.

Meter Reading:	\$ 0.068 0.068	per day
Billing:	\$ 0.074 0.074	per day
System Benefits Charge:	\$ 0.00297 0.00210	per kWh
Transmission Charge:	-\$ 1.776	per On-Peak kW
Delivery Charge:		
Secondary Service:	\$ 6.461 4.951	per On-Peak kW, plus
	\$ 0.646 0.495	per kW Off-Peak, or
Primary Service:	\$ 5.485 4.203	per On-Peak kW, plus
	\$ 0.548 0.420	per Off-Peak kW, or
Transmission Service:	\$ 0.448 0.343	per On-Peak kW, plus
	\$ 0.044 0.034	per Off-Peak kW



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

In addition, the Delivery Charge for military base customers taking primary service and served directly from a Company substation shall be reduced to \$ 1.801 ~~-1.380~~ per On-Peak kW and \$ 0.179 ~~-0.137~~ per Off-Peak kW.

Generation Charge:	\$ 8.531 -8.364 per On-Peak kW, plus
	\$ 2.418 -2.239 per Off-Peak kW, plus
	\$ 0.03779 -0.04484 per kWh during On-Peak
hours, plus	
	\$ 0.02922 -0.03320 per kWh during Off-Peak
hours	

DIRECT ACCESS

The bill for Direct Access customers will consist of the applicable Unbundled Components Customer Accounts ~~Basic~~ Service Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third party supplier. If any revenue cycle services are not available from a third party supplier and must be obtained from the Company, the applicable Unbundled Components Revenue Cycle Service Charges will be applied to the customer's bill.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

MINIMUM

The bill for service under this rate schedule shall not be less than the applicable Bundled Standard Offer Service Basic Service Charge plus the applicable Bundled Standard Offer Service Demand Charge for the minimum kW specified in the agreement for service or individual customer contract.

DETERMINATION OF KW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 10, 1988

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Rate Schedule E-35
Revision No. 4516
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**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

For billing purposes, the On-Peak kW used in this rate schedule shall be the greater of the following:

1. The average On-Peak kW supplied during the 15-minute period (or other period as specified by an individual customer contract) of maximum use during the On-Peak hours of the month, as determined from readings of the Company's meter.
2. 80% of the highest On-Peak kW measured during the six (6) summer billing months (May-October) of the twelve (12) months ending with the current month.

The Off-Peak kW used in this rate schedule shall be the average kW supplied during the 15-minute period (or other period as specified by individual customer contract) of maximum use during the Off-Peak hours of the month as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday
Off-Peak hours: All remaining hours

TIME PERIODS (Cont)

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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A.C.C. No. 5764XXXX
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Rate Schedule E-35
Revision No. 4516
Effective: January 1, 2010XXXX



**RATE SCHEDULE E-35
EXTRA LARGE GENERAL SERVICE
TIME OF USE**

87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers served under this rate schedule will be three (3) years, at the Company's option. If the Company determines that the customer service location is such that unusual or substantial distribution construction is required to serve the site, the Company may require a contract of ten (10) years or longer with a standard seven (7) year termination provision.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-53
GENERAL SERVICE
ATHLETIC STADIUMS AND SPORTS FIELDS**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for outdoor athletic stadiums and sports fields operated by schools, churches or municipalities where such service is supplied at one point of delivery and measured through one meter. All provisions of the applicable general service rate schedule will apply except those specifically modified herein. Direct Access customers are not eligible for service under this schedule.

This rate schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

RATES

Customers being served under this rate schedule will be billed in accordance with the otherwise applicable general service rate with the following exceptions:

1. KW for a minimum bill will be based on the average kW measured during the 15 minute period of maximum use during the current billing month.
2. In those months in which service is not used, no bills will be rendered.



**RATE SCHEDULE E-54
GENERAL SERVICE
SEASONAL SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer or Direct Access electric service billed under general service rate schedules (except as limited below) where the customer's requirements are distinctly of a recurring seasonal nature, and where the customer enters into an agreement for service with the Company for a sufficient period of time and guarantees payments of a sufficient amount (in no event less than the MINIMUM 12-MONTH CHARGE in any 12 consecutive months) to justify the Company's expenses for installing service facilities and leaving them in place from season to season.

The application of this rate schedule is subject to the following limitations:

1. This schedule is applicable only to electric service otherwise eligible for Rate Schedule E-32 L and Rate Schedule E-32TOU L.
2. Customers whose highest measured monthly kW for the calendar year occurs in the billing months of June, July or August are not eligible for this rate schedule.

RATES

Customers being served under this rate schedule will be billed in accordance with Rate Schedule E-32 L and Rate Schedule E-32TOU L with the following exception:

The minimum bill shall be the minimum specified in the otherwise applicable rate schedule, but not more than an amount sufficient to make the total charges for the 12 months ending with the current month equal to twelve times the minimum specified in the rate schedule as calculated on the highest kW established during the 12 months ending with the current month, or the minimum kW specified in an agreement for service, whichever is greater, but in no event less than the MINIMUM 12-MONTH CHARGE.

MINIMUM 12-MONTH CHARGE: \$ 603.49



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

AVAILABILITY

This rate schedule is available in territory served by the Company and at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Customers located in Metro Phoenix and City of Yuma service areas where the Peak Solutions Program is available are not eligible for this rate until January 1, 2015.

APPLICATION

This rate schedule is applicable to retail Standard Offer customers served on Schedules E-34 and E-35. All provisions of the customer's applicable retail rate schedule shall continue to apply in addition to the provisions of Schedule IRR.

Customer cannot participate in Schedule IRR in conjunction with other demand response programs and rates such as Peak Event Pricing (CPP-GS), Peak Solutions, Power Partners, and other demand response programs and rates that may be offered from time to time.

Participation under this schedule is subject to: the availability of required metering and communication equipment compatible with the customer's applicable retail rate schedule and electrical service configuration; completion of the necessary enhancements to the Company's billing system; and availability of the necessary load data to establish the Baseline Load.

DEFINITIONS

Program Year – The calendar year in which the customer is subject to, and compensated for, an Event.

Event - A request by APS for customers to interrupt their load due to high loads, system emergencies, and high wholesale capacity or energy prices, as determined by the Company.

Firm Service Level -The level of demand (kW) to which the customer agrees to reduce their load for each hour of an Event, as specified in the Interruptible Contract.

Baseline Load – The hourly load (kW) during an Event that would have occurred without the interruption.

Actual Interrupted Demand – The average kW that the customer reduces during all event hours in the Program Year.

Required Interrupted Demand – The average kW that the customer is obligated to reduce during all event hours in the program year.

Shortfall Demand – The average kW that the customer fails to reduce to the Firm Service Level during all event hours in the Program Year.

Actual Interrupted Energy – The energy (kWh) that the customer reduces during all event hours in the Program Year.



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

LOAD INTERRUPTION

Events can be called by APS due to high loads, system emergencies, and high wholesale capacity or energy prices. When APS notifies the customer of an Event, the customer shall reduce their load to the Firm Service Level for each hour of the Event. The customer is responsible for reducing load and shall not use back-up generation to achieve the required load reduction.

CUSTOMER ENROLLMENT AND CONFIRMATION

Customer enrollment shall occur during the open enrollment period, which is October 1 through December 31 prior to the next Program Year. For the first year of the program, enrollment may occur up to April 1 of the Program Year, if necessary, due to timing of initial approval of the Schedule IRR by the Arizona Corporation Commission.

During enrollment, customer shall choose program options, set the Firm Service Level, demonstrate the ability to curtail load by at least 500 kW, and execute an Interruptible Contract.

Each year during the open enrollment period the customer may reset their Firm Service Level, change program options, or discontinue participation in the schedule.

Customer may reset the Firm Service Level by April 1 of the Program Year, if necessary, due to a significant change in their expected load or business situation.

INTERRUPTIBLE HOURS AND OPTIONS

Events shall occur June through September, all days of the week including Holidays, from 12 noon to 8 p.m.

Customer shall choose the maximum number of Events and hours per Event per Program Year from the following choices:

Option	Max Hours per Event	Max Number of Events	Max Interruptible Hours
1	4	20	80
2	8	10	80

APS shall not call more than one interruption event per day. APS shall call at least 2 events per year.

EVENT NOTIFICATION

APS shall notify customer of an Event by email, cell phone, land line, text message or pager. Customer shall choose either a 30-minute or 2-hour notice. Customer is responsible for receiving notification and shall acknowledge receipt of notification to APS within 15 minutes.

BILLING DETERMINANTS

Baseline Load shall be calculated using hourly metered load (kW) data for the highest three load days out of the previous ten non-Event days and metered load data for the hours just prior to the interruption, as calculated by APS. The highest three load days shall be determined from the average kW for the Event hours. The Baseline Load shall not be less than the actual metered load or the Firm Service Level for any Event hour.



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

BILLING DETERMINANTS (Cont)

Required Interrupted Demand shall be derived by subtracting the Firm Service Level (kW) from the Baseline Load (kW) for each Event hour and then averaged over all event hours for the Program Year.

Actual Interrupted Demand shall be derived by subtracting the metered load (kW) from the Baseline Load (kW) for each Event hour and then averaged over all Event hours for the Program Year. Load reductions below the Firm Service Level shall not be included in this calculation.

Shortfall Demand shall be derived by subtracting the Actual Interrupted Demand from the Required Interrupted Demand. This amount shall not be less than zero.

Actual Interrupted Energy shall be equal to the Actual Interrupted Demand multiplied by the total event hours during the Program Year.

All billing determinants shall be rounded to the nearest whole unit.

CREDITS

The customer shall receive a capacity and energy credit for reducing hourly usage during all event hours. The capacity credit shall be derived by multiplying the Actual Interrupted Demand by the applicable capacity credit rate. The energy credit shall be derived by multiplying the Actual Interrupted Energy by the applicable energy credit rate.

The credits shall be issued once a year in November billing cycles through a direct payment or a bill credit, at APS's option.

The credit rates shall be revised from time to time, as approved by the Arizona Corporation Commission, but shall not change during the Program Year.

All customers participating in a five-year agreement will be subject to the revised credit rates for the Program Year, regardless of the number of years remaining on their contract.

1 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$7.975	\$0.09969	\$7.178	\$0.08972
2	\$5.995	\$0.07493	\$5.395	\$0.06745

5 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$9.882	\$0.12353	\$8.894	\$0.11117
2	\$7.428	\$0.09285	\$6.685	\$0.08356



**RATE RIDER IRR
EXTRA LARGE GENERAL SERVICE
INTERRUPTIBLE RIDER**

PENALTIES

For any Event Year, if the Average Shortfall Demand is greater than 5% and less than or equal to 10% of the Required Interrupted Demand, the customer will receive 50% of their capacity credit. If the Average Shortfall Demand exceeds 10% of the Required Interrupted Demand, the customer will not receive a capacity credit. In either case, the customer will continue to receive 100% of their energy credit. The penalty shall not apply to the first Event of the customer's first Program Year on Schedule IRR.

If the customer terminates participation prior to the contract term in a five-year agreement, they shall pay the Company a penalty equal to the relevant Capacity Credit rate times the Required Interrupted Demand from the most recent Event Year (with a minimum of 500 kW) times the number of years remaining on the agreement. The total penalty shall be assessed at the time of termination.

In addition, if a customer terminates participation prior to the contract term in a one-year or a five-year agreement, they shall not be allowed to participate in the rate for the two subsequent years.

ESTIMATION OF MISSING DATA

If at least 50% of the hourly metered load data is available for an Event, any missing hourly kW values shall be estimated by the average of the available hourly data for that Event. If less than 50% is available, the missing hourly kW values will be estimated at the Firm Service Level.

METERING

Customer shall be served with interval metering equipment necessary to record and communicate hourly (or partial hour) load data. APS shall provide and install the metering and communication equipment at no additional cost to the customer and shall pay any ongoing cell phone or other communication costs, if applicable.

TERMS AND CONDITIONS

Service under this rate schedule is subject to APS's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a service agreement.



**RATE RIDER SCHEDULE PPR
PREFERENCE POWER RIDER**

APPLICATION

This Rate Schedule PPR Preference Power Rider ("Schedule PPR") is applicable to all Standard Offer customers ("Customer") who receive a Firm Electric Service allocation of preference power ("Preference Power") from the Western Area Power Administration ("WAPA"), an agency of the U.S. Department of Energy. All provisions of Customer's current applicable rate schedule will apply in addition to this Schedule PPR. Schedule PPR may be used in conjunction with all non-residential rate schedules that have unbundled charges.

Schedule PPR is applicable to new Preference Power allocations received from WAPA after January 1, 2007. Customer must enter into an "Electrical Supply Agreement" for "Customers with Preference Power" ("Agreement") with the Company prior to receiving service under Schedule PPR.

DETERMINATION OF GENERATION NET POWER

The Company will provide delivery and transmission services for Customer's Total Power, and will provide generation services for the Customer's Net Power, according to the following definitions:

1. Total Power equals Customer's demand ("Total Demand") and energy ("Total Energy") for the billing period, as metered by the Company.
2. Preference Power equals the demand ("Preference Demand") and energy ("Preference Energy") from Customer's Firm Electric Service allocation for the billing period, as scheduled by the Company. Preference Power will be reduced for electrical losses as specified in the Agreement.
3. Net Power equals Total Power less Preference Power. Net Demand equals Total Demand less Preference Demand. Net Energy equals Total Energy less Preference Energy for the billing period. If Total Power is less than Preference Power for a billing period, then Net Power shall equal zero for the billing period.

RATES

Service under this rate schedule shall be billed according to Customer's current applicable rate schedule, except as follows:

1. The eligibility for placement on a rate schedule will be determined by Total Demand.
2. The unbundled generation kWh charges in Customer's current applicable rate schedule will be applied to the Net Energy used.
3. The determination of billing kW for generation services shall be based on Net Demand computed in accordance with the provisions of Customer's current applicable rate schedule. The determination of billing kW for transmission and delivery services shall be based on Total Demand computed in accordance with the provisions of Customer's current applicable rate schedule.
4. The kWh charges under Adjustment Schedule PSA-1 and Adjustment Schedule EIS will be applied to the Net Energy determination.
5. All other kWh and kW charges in Customer's current applicable rate schedule and any other applicable adjustment schedules will be applied to the Total Energy or Total Demand, as applicable.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

Filed by: ~~David J. Rumolo~~ Phoenix, Arizona
Title: ~~Manager, Regulation and Pricing~~ Filed by: ~~David J. Rumolo~~
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A.C.C. No. ~~5703XXXX~~
Canceling A.C.C. No. 5703
Preference Power Rider Rate Schedule PPR

Original
Effective



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

AVAILABILITY

This experimental rate rider schedule is available in all territories served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate rider schedule is available for Standard Offer customers who have an Aggregated Peak Load of 10 MW or more and are served under Rate Schedules E-34, E-35, E32-L, or E-32 TOU L. An aggregated group may also include metered accounts that are served under Rate Schedules E-32 M or E-32 TOU M, if the accounts are located on the same premises and served under the same name as an otherwise eligible Customer.

Customers must have interval metering, Advanced Metering Infrastructure, or an alternative in place at all times of service under this schedule. If the Customer does not have such metering, the Company will install the metering equipment at no additional charge. However, the customer will be responsible for providing and paying for any communication requirements associated with the meter, such as a phone line.

All provisions of the customer's applicable rate schedule will apply in addition to this Schedule AG-1, except as modified herein. This rate rider schedule shall be available for four years from the effective date of Schedule AG-1, unless extended by the Commission. Total program participation shall be limited to 200 MW of customer load, 100 MW of which shall be initially reserved for Customers served under Rate Schedule E-32 L.

DEFINITIONS

Aggregated Peak Load: The sum of the maximum metered kW for each of the Customer's aggregated metered accounts over the previous 12 months, as determined by the Company and measured at the Customer's meter(s) at the time of application for service under this rate rider schedule.

Standard Generation Service: Power provided by the Company to a retail customer in conjunction with transmission and delivery services, at terms and prices according to a retail rate schedule other than Schedule AG-1.

Customer: A metered account or set of aggregated metered accounts that meet the eligibility requirements for service and enrollment as an aggregated load for service, under this rate rider schedule.

Generation Service Provider: A third party entity that provides wholesale power to the Company on behalf of a Customer. This entity must be legally capable of selling and delivering wholesale power to the Company.

Generation Service: Wholesale power delivered to APS by a Generation Service Provider.

Imbalance Energy: For each Generation Service Provider, Imbalance Energy will be calculated by the Company as the difference between the hourly delivered energy from the Generation Service Provider and the actual hourly metered load for each Customer for all Customers that have selected the Generation Service Provider under this rate rider schedule.

Imbalance Service: Calculating and managing the hourly deviations in energy supply for imbalance energy.

Total Load Requirements: The Customer's hourly load including losses from the point of delivery to the Company's transmission system to the Customer's sites for the duration of the contract.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

CUSTOMER ENROLLMENT

The Company shall establish an initial enrollment period during which Customers can apply for service under this rate rider schedule. If the applications for service are greater than the program maximum amount, then Customers shall be selected for enrollment through a lottery process as detailed in the program guidelines, which may be revised from time-to-time during the term of this rate rider schedule.

AGGREGATION

Eligible customers may be aggregated if they have the same corporate name, ownership, and identity. In addition, (1) an eligible franchisor customer may be aggregated with eligible franchisees or associated corporate accounts, and (2) eligible affiliate customers may be aggregated if they are under the same corporate ownership, even if they are operating under multiple trade names.

DESCRIPTION OF SERVICES AND OBLIGATIONS

The Customer shall apply for service under this rate rider schedule.

The Company shall conduct the enrollment process in accordance with the provisions of this rate rider schedule.

The Customer shall select a Generation Service Provider to provide Generation Service in accordance with the timeline specified in the program guidelines

The Company shall enter into a contract with the Generation Service Provider to receive delivery and title to the power on the Customer's behalf.

The Generation Service Provider shall provide to the Company on behalf of the Customer firm power sufficient to meet the Customer's Total Load Requirements for each of the specified metered accounts, and will attest in its contract with the Company that this condition is met. For the purposes of this rate schedule, "firm power" refers to generation resources identified in Western System Power Pool Schedule C or a reasonable equivalent as determined by the Company.

The Company shall provide transmission, delivery and network services to the Customer according to normal retail electric service.

The Company will settle with the Generation Service Provider for Imbalance Service and other relevant costs on a monthly basis according to the program guidelines.

The Generation Service Provider shall bill the Company the monthly billed amounts for each customer for Generation Service and Imbalance Service according to the program guidelines.

The Company shall bill the customer for the Generation Service Provider's charged amounts and remit the amounts to the Generation Service provider.

The customer will be responsible for paying for the cost of the power provided by the Generation Service Provider, as specified in the contract and this rate rider schedule.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

DELIVERY OF POWER TO THE COMPANY'S SYSTEM

Power provided by the Generation Service Provider must be firm power as defined above and delivered to the Company at the Palo Verde network delivery point, or other point of delivery as agreed to by the Company. The Generation Service Provider is responsible for the cost of transmission service to deliver the power to the Company's delivery point.

SCHEDULING

The Company shall serve as the scheduling coordinator. The Generation Service Provider shall provide monthly schedules of hourly loads along with day-ahead hourly load deviations from the monthly schedule to the Company according to the program guidelines. Line losses, in the amount of 7%, from the point of delivery to the Customer's sites shall be either scheduled or financially settled.

IMBALANCE SERVICE

The Company will provide Imbalance Service according to the terms and provisions in the Company's Open Access Transmission Tariff, Schedule 4. Imbalance Energy will be based on the Generation Service Provider's portfolio of Customer loads.

POWER SUPPLY ADJUSTER AND HEDGE COST TRUE-UP

The customer will be subject to the power supply adjustment – historical component for the first twelve months of service under this rate rider schedule. The customer will also pay for the hedge cost associated with the customer's Standard Generation Service at the time the customer takes service under this rate rider schedule. For the purpose of this rate rider schedule, the Company will determine the applicable pro rata hedge cost based on the market price for hedge costs at the time the customer takes service under this rate rider schedule.

DEFAULT OF THE THIRD PARTY GENERATION PROVIDER

In the event that the Generation Service Provider is unable to meet its contractual obligations, the customer must notify the Company and select another Generation Service Provider within 60 days. Prior to execution of any new power contract, the Company shall provide the required power to the customer, which will be charged at the Dow Jones Electricity Palo Verde Hourly Index price for the power delivery date plus \$10 per MWh. In addition, all other provisions of this rate rider schedule will continue to apply.

If the Customer is unable to select another Generation Service Provider within sixty days, the customer will automatically return to Standard Generation Service, and be subject to the conditions below.

RETURN TO COMPANY'S STANDARD GENERATION SERVICE

Customer may return to the Company's Standard Generation Service under their applicable retail rate schedule without charge if: (1) they provide one year notice (or longer) to the Company; or (2) if this rate rider schedule is discontinued at the end of the 4 year experimental period; or (3) if the Commission terminates the program prior to the initial four year experimental period. Absent one of these three conditions, the Company will provide the customer with generation service at the market index rate provided in the Company's Open Access Transmission Tariff until the Company is reasonably able to integrate the customer back into their generation planning and provide power at the applicable retail rate schedule. This transition will be at the Company's determination but no longer than 1 year. The returning customer must remain with the Company's Standard Generation Service for at least 1 year.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

RATES

All provisions, charges and adjustments in the customer's applicable retail rate schedule will continue to apply except as follows:

1. The generation charges will not apply;
2. Adjustment Schedule PSA-1 will not apply, except that the Historical Component will apply for the first twelve months of service under this rate rider schedule;
3. Adjustment Schedule EIS will not apply; and
4. The applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder shall be applied to the customer's bill.

Schedule AG-1 charges determined and billed by the Company include:

1. A monthly management fee of \$0.00060 per kWh applied to the customer's metered kWh;
2. A monthly reserve capacity charge applied to 15% of the customer's billed kW (on-peak for Rate Schedules E-35 and E-32 TOU L) at the Company's applicable cost-based rate filed at the Federal Energy Regulatory Commission and revised from time to time, which is currently \$6.985 per kW month;
3. An initial charge or credit for fuel hedging costs, as described herein;
4. Returning Customer charge, where applicable, as described herein;
5. Generation Service Provider Default charge, where applicable, as described herein.

Schedule AG-1 Generation Service and Imbalance Service charges billed by the Company include:

1. Generation Service charges shall be charged at a rate within the minimum and maximum limits as follows:
 - a. When the contract provides for pricing that reflects a specific index price, the minimum price will be the specified index minus 35% and the maximum price will be the specified index plus 35%. The determination that a contract is consistent with this provision will be based on the specified index price applicable on the date the contract is executed.
 - b. When the contract provides for a fixed price supply for the term of the contract, the minimum price will be the generation rate of the Customer's applicable retail rate schedule minus 35%, and the maximum price shall be the generation rate of the Customers applicable retail schedule plus 35%. If the Customer has more than one otherwise applicable retail rate schedule, the highest applicable retail rate schedule will be used for purposes of the consistency determination. The determination that a contract is consistent with this provision will be based on the Customer's otherwise applicable retail rate schedule in effect on the date the contract is executed.
 - c. Losses from the delivery point to the Customer's meters and any charges assessed by the Company on the Customer, including charges for transmission and distribution, Capacity Reservation Charge, the Management Fee, Imbalance Service charges, PSA balance and hedging costs, and Returning Customer Charges, shall not be included in the Generation Service charge for purposes of determining whether the contract is consistent with the minimum and maximum price provisions of this rate rider schedule.
2. Imbalance Service charges shall be charged at a rate greater than \$0.00 per kWh and less than or equal to the rate that the Company charges the Generation Service Provider for Imbalance Service as specified herein.



**EXPERIMENTAL RATE RIDER SCHEDULE AG-1
ALTERNATIVE GENERATION
GENERAL SERVICE**

CONTRACT TERM AND REQUIREMENTS

The term of the contract with the Generation Service Provider shall be for not less than one year and shall not exceed four years.

The Generation Service Provider and Customer will enter into a contract or contracts with the Company, stating the pertinent details of the transaction with the Generation Service Provider, including but not limited to the scheduling of power, location of delivery and other terms related to the Company's management of the generation resource.

CREDIT REQUIREMENTS

A Generation Service Provider or its parent company must have at least an investment grade credit rating or demonstrate creditworthiness in the form of either a 3rd-party guarantee from an investment grade rated company, surety bond, letter of credit, or cash in accordance with the Company's standard credit support rules



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for non-taxable religious houses of worship whose main purpose is worship and who have an established and continuing membership. Only the meter that measures service to the building in which the sanctuary or principal place of worship is located is eligible for this schedule. Customers must apply to the Company in order to determine eligibility for service under this schedule, and the Company may request a copy of the Internal Revenue Service letter in which the customer's non-taxable status as a religious organization is determined. In addition, customers agree to provide the Company a copy of any Internal Revenue Service letter which changes or supersedes that tax status determination.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, and this rate schedule will become effective only after the Company has installed the required timed kilowatt meter.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule E-20 prior to ~~January~~ July 1, 2013.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service nor to service for which Rate Schedules E-34 or E-35 is applicable. Direct Access customers are not eligible for this rate schedule.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge: \$ 1.065 per day

Demand Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$2.391 per On-Peak kW	\$2.156 per On-Peak kW

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1996

A.C.C. No. ~~xxx5779~~
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Rate Schedule E-20
Revision No. 412
Effective: ~~xxxJanuary 1, 2010~~



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

In the event the Off-Peak kW is greater than twice the highest On-Peak kW established during the current month, the difference between such Off-Peak kW and twice the On-Peak kW shall be billed at 50% of the current month's On-Peak kW charge, in addition to the Demand Charge as stated above.

RATES (cont)

Energy Charge:

May – October Billing Cycles (Summer)	November – April Billing Cycles (Winter)
\$ 0.144570-14380 per kWh during On-Peak hours, plus \$ 0.070140-06945 per kWh during Off-Peak hours	\$ 0.127190-12644 per kWh during On-Peak hours, plus \$ 0.062940-06226 per kWh during Off-Peak hours

MINIMUM

The bill for service under this rate schedule will not be less than the applicable Bundled Standard Offer Service Basic Service Charge.

1.065 per day plus \$1.951 for each kW of either:

(1) the highest kW established during the twelve (12) months ending with the current month, or (2) the minimum kW specified in the agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of ± 95% at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

On-Peak hours: 11:00 am – 9:00 pm Monday through Friday

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1996

A.C.C. No. ~~xxx5779~~
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Revision No. ~~112~~
Effective: ~~xxxJanuary 1, 2010~~



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RESAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.

ADJUSTMENTS (cont)

1. —
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1996

A.C.C. No. ~~xxxx5779~~
Canceling A.C.C. No. ~~5779 5742~~
Rate Schedule E-20
Revision No. ~~1+12~~
Effective: ~~xxxx January 1, 2010~~



**RATE SCHEDULE E-20
CLASSIFIED SERVICE
TIME OF USE
FOR RELIGIOUS HOUSES OF WORSHIP**

Attachment CAM-S2
Page 137 of 221

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 1996

A.C.C. No. ~~xxxx5779~~
Canceling A.C.C. No. ~~5779 5742~~
Rate Schedule E-20
Revision No. ~~1112~~
Effective: ~~xxxx January 1, 2010~~



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for start-up and/or auxiliary load requirements for generation plants with a power supply capacity requirement of less than 3 MW. Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by individual customer contract. Special metering may be required such as bi-directional metering. This rate schedule may be used in conjunction with other applicable rate schedules; however, service under this schedule is not eligible for Direct Access.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP. Service under this schedule is generally provided at secondary voltage or primary voltage when the customer owns the distribution transformer(s).

OPTIONS

- A. Customer may net the kWh output of their generator provided to APS through a purchase power contract or other arrangement against the electricity provided by APS to the Customer for station use. Under this option, the charges in this Schedule will not apply.
- B. Company supplies the station use power needs to the customer at the rates and provisions in this rate rider schedule.

RATES

Customers shall be placed on a small or medium pricing tier annually, based on the maximum metered monthly demand, averaged over the summer months May through October, or if such load data is not available, other relevant data determined by the Company. If such average demand is greater than 3 MW the customer will be placed on Rate Schedule E-36 XL.

Small:

Customers placed on the small pricing tier shall be billed according to the rates and provisions in Rate Schedule E-32 XS, except for the unbundled basic service and revenue cycle service charges which are specified below.

Medium:

Customers placed on the medium pricing tier shall be billed according to the rates and provisions in Rate Schedule E-32 L, except for the unbundled basic service and revenue cycle service charges which are specified below.



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

Unbundled Basic Service Charge:		
For E-32 M and E-32 L		
Self-Contained Meters:	\$ 1.344	per day, or
Instrument-Rated Meters:	\$ 1.322	per day, or
Primary Voltage Meters:	\$ 6.830	per day
Revenue Cycle Service Charges:		
E-32 XS		
Metering:		
Self-Contained Meters:	\$ 0.403	per day, or
Instrument-Rated Meters:	\$ 1.055	per day, or
Primary Voltage Meters:	\$ 3.146	per day
Meter Reading:	\$ 0.068	per day
Billing:	\$ 0.075	per day
E-32 L		
Metering:		
Self-Contained Meters:	\$ 0.345	per day, or
Instrument-Rated Meters:	\$ 0.904	per day, or
Primary Voltage Meters:	\$ 2.696	per day, or
Transmission	\$ 22.192	per day
Meter Reading:	\$ 0.058	per day
Billing:	\$ 0.064	per day

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: Original

A.C.C. No. xxxx
Canceling A.C.C. No. xxxx
Rate Schedule E-36 M
Original
Effective: xxxx



**RATE RIDER SCHEDULE E-36 M
CLASSIFIED SERVICE
STATION USE SERVICE MEDIUM**

ADJUSTMENTS (cont')

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE

RATES (cont)

C. Power Supply Service (cont)

2. Power Supply/Energy/Ancillary Service Charge: Hourly Pricing Proxy plus \$ 0.00057 for each kWh used

CONTRACT PERIOD

Any applicable contract periods will be set forth in an Electric Supply Agreement between the customer and the Company.

CONNECTION COSTS

The customer will pay all applicable connection costs and system improvement costs not otherwise covered in this schedule as a non-refundable contribution in aid of construction, including any associated tax liability.

POWER SUPPLY CAPACITY

Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of the customer's generation unit(s) plus any necessary auxiliary load (including generation auxiliary load and/or any other load requirements at the plant site that would otherwise be provided by the customer when the generation unit(s) are running).

If more than one generation unit is present at a single site, the Electric Supply Agreement may, at the Company's option, allow the customer to start one unit at a time. In this instance, Power Supply Capacity kW shall be defined as the greater of:

- (a) The amount of capacity (kW) reserved by the customer in the Electric Supply Agreement; or
- (b) The highest 15 minute measured kW supplied by the Company, by voltage level, to accommodate the start-up of one and only one customer generation unit at any given time plus any necessary auxiliary load (including any or all generation auxiliary load and/or any other load requirements at the entire plant site that would otherwise be provided by the customer when any or all generation unit(s) are running).

If, during any one billing period, the highest 15 minute measured kW supplied by the Company (by voltage level) exceeds the amount of Power Supply Capacity specified in the Electric Supply Agreement, the Power Supply Capacity reservation (by voltage level) shall be permanently increased to equal the higher measured kW. If the Company incurs additional connection costs to provide this added capacity, the customer is responsible for payment of these costs as specified herein.



**RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE**

RATES (cont)

DETERMINATION OF HOURLY PRICING PROXY

Hourly pricing proxy shall be calculated using the published day ahead Dow Jones Electricity Price Index. APS will calculate a weighted average using the day ahead hub pricing and volumes at Palo Verde, Four Corners, and Mead, for firm on-peak and off-peak prices as expressed on a per kWh basis, at the time Station Use power is supplied to the customer.

METERING

The Company will normally install a supply meter at the point of delivery to the customer and a generator meter(s) at the point(s) of output from each of the customer's generators. However, the customer can elect to supply this metering as long as it conforms to Company specifications. All meters will record integrated demand and energy on the same 15-minute interval basis as specified by the Company.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. ~~The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.~~
4. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~



RATE SCHEDULE E-36 XL
CLASSIFIED SERVICE
STATION USE SERVICE

ADJUSTMENTS (cont)

543. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

654. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

765. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

~~Service under this schedule is not subject to the Company's Adjustment Schedule PSA-1.~~

INTERCONNECTION REQUIREMENTS

The customer must meet all interconnection requirements as determined by the Company. The customer is responsible for all costs associated with interconnection of the customer's generation facility to the Company's system.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

THIS RATE IS CANCELED EFFECTIVE XXXXX PER A.C.C. DECISION NO. XXXXX.
AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served.

APPLICATION

This rate schedule is applicable to all Standard Offer electric service required for the operation of wind machine for frost control during the months of November through March only when such service is supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for this rate schedule.

This schedule is not applicable to temporary, breakdown, standby, supplementary, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be three phase, 60 Hertz, at one standard voltage (120/240, 120/480, or 7,200/12,000 volts as may be selected by customer subject to availability at the site).

Applicable only to customers being served on the Company's Rate Schedule E-40 prior to November 15, 1986.

RATES

Basic Service Charge: \$ 0.049 per HorsePower per day

Energy Charge: \$ 0.09106 per kWh for all kWh

HorsePower will be equivalent to the wind machine name plate rating unless Company tests indicate the motor is overloaded by more than 15%.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-conforming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 19, 1967
A.C.C. No. 5744
Canceling A.C.C. No. 5667
Rate Schedule E-40
Revision No. 39
Effective: January 1, 2010



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RES pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission No. 71448.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
6. ~~Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
7. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. For billing under this rate schedule, the customer may choose between one of the following options:
 - a) Monthly billing;
 - b) Semiannual billing for three (3) months in advance and three (3) months actual use; or
 - c) Annual billing for six (6) months in advance and six (6) months actual use.

After initial selection of payment by the customer no change may be made during the term of the service agreement.

2. ~~Thermostatically controlled wind machines with automatic reclosing switches must be equipped at the customer's expense with suitable time delay devices to permit the required adjustment of the time of reclosure after interruption of service.~~

A time delay device is a relay or other type of equipment that can be preset to delay with various time intervals the reclosing of the automatic switches in order to stagger the reconnection of the load on the utility's system. This device must be constructed so as to effectively permit a variable overall time interval of not less than five minutes with adjustable time increments of not greater than ten seconds. The particular setting to be utilized for each separate installation is to be determined by the Company from time to time in accordance with its operating requirements.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 19, 1967

A.C.C. No. 5744
Canceling A.C.C. No. 5667
Rate Schedule E-40
Revision No. 39
Effective: January 1, 2010



**RATE SCHEDULE E-40
CLASSIFIED SERVICE
AGRICULTURAL WIND MACHINE SERVICE**

CONTRACT PERIOD

The initial customer contract period shall be five (5) years. The contract period for any renewals shall be three (3) years.

TERMS AND CONDITIONS

~~Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.~~

FROZEN

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 19, 1967

A.C.C. No. 5744
Canceling A.C.C. No. 5667
Rate Schedule E 40
Revision No. 39
Effective: January 1, 2010



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to outdoor lighting which operates only from dusk to dawn and where service can be supplied from the existing secondary facilities of the Company. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The customer's bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide outdoor lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Company Owned	Customer Owned
A. Acorn	9,500 HPS	100	41	\$27.06	\$9.22
	16,000	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000	150	69	17.96	9.82
	30,000	250	99	21.31	12.60
	50,000	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
	33,000 LPS	180	90	36.22	17.02
C. Cobra/Roadway	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000	150	69	12.87	8.82
	30,000	250	99	15.52	11.46
	50,000	400	153	21.06	16.37
	14,000 MH	175	72	14.97	10.20
	21,000 MH	250	101	17.49	12.69
	36,000 MH	400	159	23.03	17.63
	8,000 FL	100	38	17.20	5.04



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont)

				RATES		
				Company Owned	Customer Owned	
		Lumen	Watts	kWh		
D. Decorative Transit		9,500 HPS	100	41	\$37.09	\$11.11
		16,000 HPS	150	69	36.88	6.31
		30,000 HPS	250	99	42.46	16.02
E. Flood		30,000 HPS	250	99	20.61	12.81
		50,000 HPS	400	153	25.56	17.77
		21,000 MH	250	101	22.00	13.53
		36,000 MH	400	159	26.82	18.35
F. Post Top	Colonial Gray	8,000 FL	100	38	18.54	5.23
		9,500 HPS	100	41	10.60	6.65
	Colonial Black	9,500 HPS	100	41	12.21	6.88
	Decorative Transit	9,500 HPS	100	41	32.47	10.24
G. FROZEN	FROZEN	4,000 INC	295	103	\$9.78	\$5.47
		7,000 MV	175	73	12.67	7.27
		10,000 MV	400	150	24.92	14.12
		Brackets over 8 ft. and up to 16 ft. in length				1.72

- NOTES:
1. Company Owned fixtures are those fixtures that the Company installs, owns, operates, and maintains.
 2. Customer Owned fixtures are those fixtures where the customer installs and maintains the lighting fixtures, and the Company approves the installation, operates the fixtures, and replaces Company standard lamps only.
 3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
 4. HPS = High Pressure Sodium
 5. MH = Metal Halide
 6. LPS = Low Pressure Sodium
 7. FL = Fluorescent
 8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on April 21, 1983.
 9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on June 1, 1987 in accordance with A.R.S. §49-1104(A).



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

II. POLES

			RATES	
			Height	Company Owned
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17
			22 ft.	13.70
			25 ft.	14.82
			30 ft.	17.03
			32 ft.	17.89
	Round Steel	2 Simplex Adapters	12 ft.	12.98
			22 ft.	14.91
			25 ft.	15.55
			30 ft.	18.07
			32 ft.	19.28
	Square Steel	5"	13 ft.	13.95
			15 ft.	12.47
			23 ft.	14.79
			25 ft.	16.26
			28 ft.	18.05
			32 ft.	17.95
Concrete			12 ft.	41.58
Fiberglass			12 ft.	35.21
Decorative Transit		4"	16 ft.	34.33
Decorative Transit		6"	30 ft.	66.28
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71
			22 ft.	13.24
			25 ft.	14.35
			30 ft.	16.58
			32 ft.	17.41
	Round Steel	2 Simplex Adapters	12 ft.	12.51
			22 ft.	13.97
			25 ft.	15.08
			30 ft.	17.61
			32 ft.	18.81
			3 Bolt Arm	32 ft.
	Square Steel	5"	13 ft.	13.50
			15 ft.	13.80
			23 ft.	14.32
			25 ft.	15.80
			28 ft.	17.56
32 ft.			18.23	

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. xxx5745
Canceling A.C.C. No. 57455688
Rate Schedule E-47
Revision No. 510
Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

RATES (cont)

II. POLES (cont)

		Height	RATES Company Owned	
C. Direct Bury	Round Steel	19 ft.	\$18.42	
		30 ft.	14.38	
		38 ft.	17.55	
		Self	40 ft.	21.62
		Stepped	49 ft.	64.99
	Square Steel	4"	34 ft.	15.87
		5"	20 ft.	15.07
			30 ft.	15.71
			38 ft.	17.05
		Decorative Transit	41 ft. 6"	20.47
	Decorative Transit	47 ft.	25.50	
	Steel Distribution Pole (for lighting	35 ft.	23.54	
D. Post Top	Decorative Transit Anchor Base	16 ft.	35.07	
	Gray Steel/Fiberglass	23 ft.	12.16	
	Black Steel	23 ft.	13.41	
E. FROZEN	Wood Poles	30 ft.	8.95	
		35 ft.	8.95	
		40 ft.	12.73	

- NOTES:
1. All distribution lines required to serve dusk to dawn facilities are owned by the Company.
 2. Monthly rates for all new Company owned poles include up to 100 feet of overhead secondary wire, or up to 100 feet of underground secondary line if customer provides earthwork and conduit (excluding the overhead to underground transition). Any additional wire required (over and above the first 100 feet provided) to install fixtures is subject to the additional monthly wire charges specified in Section IV.1 below.
 3. When adding lighting fixtures to an existing Company owned pole, any and all additional distribution wire required is subject to the additional monthly wire charges specified in Section IV.1 below.
 4. Any and all distribution wire required to serve lighting facilities placed on a customer owned pole, whether new or existing, is subject to the additional monthly wire charges specified in Section IV.1 below.

III. ANCHOR BASE

		Height	RATES Company Owned
A. Flush		4 ft.	\$9.91
		6 ft.	11.82
B. Pedestal		8 ft.	13.54
	For 32' Round Steel Pole only	4 ft. 6"	9.39

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

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Canceling A.C.C. No. 5745688
Rate Schedule E-47
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Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

IV. RATES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

	RATES	
		Company Owned
1. Each 100 feet of overhead secondary wire, or each 100 feet of underground secondary wire if customer provides earthwork and conduit.		\$3.50
2. Additional maintenance charge for HPS lamp and luminaire that is not accessible by bucket truck.		2.80
3. Additional maintenance charge for MH lamp and luminaire that is not accessible by bucket truck.		6.04

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a dusk to dawn lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the customer or its designee(s) on their dusk to dawn equipment. The trip charge will also apply when customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule ~~RESEAC-1~~ pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 5, 1962

A.C.C. No. ~~XXXX5745~~
Canceling A.C.C. No. ~~57455688~~
Rate Schedule E-47
Revision No. 510
Effective: ~~XXXX~~ January 1, 2010



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. The 4,000 and 7,000 lumen lamps use an open glass diffuser. All units are controlled by a photoelectric switch.
2. The customer is not authorized to make connections to the lighting circuits or to make attachments.

SPECIAL PROVISIONS (cont)

3. Should a customer request relocation of a dusk-to-dawn lighting installation, the costs of such relocation shall be paid by the customer.
4. The Company cannot guarantee that all dusk to dawn facilities will always operate as intended. Therefore, the customer will be responsible for notifying the Company when the dusk to dawn facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
- 6.—5. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
6. _____
7. The customer may cancel a lighting service agreement by payment of the bill including the applicable tax adjustment, multiplied by the number of remaining months of the initial agreement, or the calculated installation and removal costs for the extension, whichever is lower.
8. _____
9. 7. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.
8. Lighting Equipment and services with an initial Company cost exceeding \$25,000 shall require a financial liability agreement between the Company and the customer.

NON-STANDARD FACILITIES – CUSTOMER OWNED

When the customer requests any non-standard dusk-to-dawn lighting facilities (non-standard being defined as any equipment not listed in the Company's Transmission and Distribution Construction Standards book), the customer

ARIZONA PUBLIC SERVICE COMPANY
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A.C.C. No. xxx5745
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Rate Schedule E-47
Revision No. 510
Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-47
CLASSIFIED SERVICE
DUSK TO DAWN LIGHTING SERVICE**

will own, operate and maintain all components to the system excluding the distribution facilities installed by the Company to serve the lighting system. Monthly bills rendered for non-standard facilities will be computed at the following rates, plus any adjustments incorporated in this schedule. KWh will be determined by the Company, based on the rated wattage of the lighting equipment and an estimated average hourly usage per month.

- | | | | |
|----|----------------|---------|------------------------------|
| A. | Service Charge | 3.35 | per installed lamp per month |
| B. | Energy Charge | 0.06345 | per kWh per month |

If, at the Company's discretion, the customer chooses to have the Company maintain the entire non-standard facility, the Company may require the customer to enter into a separate maintenance agreement which may be subject to additional charges mutually agreed upon by the Company and the customer.

CONTRACT PERIOD

All Dusk-to-Dawn lighting installations will require a written agreement for service for a minimum of three (3) years, or longer at Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

AVAILABILITY

This rider rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rider rate schedule is applicable to retail Customers who obtain any part of their electric requirements from on-site generation equipment with a continuous nameplate rating of 100 kW or greater for other than emergency purposes, requiring Supplemental and Back-up or Maintenance Power and energy from the Company. Direct access customers are not eligible for service under this rate schedule. All provisions of the Customer's applicable retail rate schedule will apply except those specifically modified herein. Total measured demand at the Customer's meter will be used to determine the applicable retail rate schedule.

DEFINITIONS

1. Back-up Contract Demand - The specified demand, in kilowatts, of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.
2. Back-up Power - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.
3. Billing Period - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.
4. Excess Power - Excess Power is power supplied by the Company to the Customer in excess of the Total Contract Demand. The kW of Excess Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Excess Power during the Billing Period. For each fifteen minute period, Excess Power shall equal the Measured Demand minus the Total Contract Demand but shall not be less than zero.
5. Maintenance Power - Electric power and energy made available by the Company to a Customer during the scheduled maintenance periods established in accordance with the provisions of this schedule to replace Back-up Power. Maintenance Power shall not exceed the Back-up Contract Demand.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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Original Effective Date: December 21, 2007

A.C.C. No. 5746XXXX
Canceling A.C.C. No 5694746
Schedule E-56
Revision No. 42
Effective: January 1, 2010XXXX



RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

6. Measured Demand - The fifteen (15) minute Demands (Power) in kilowatts as shown by or computed from the readings of the Power (Demand) meter located at the Company's point of delivery for on-peak and off-peak periods during the Billing Period.

DEFINITIONS (cont)

7. Measured Energy - The electric energy in kilowatt-hours as shown by or computed from the readings of the kilowatt-hour meter located at the Company's point of delivery.
- ~~7.8. Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer~~

DEFINITIONS (cont)

~~Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer.~~

~~8. The Supplemental Contract Demand shall be established by agreement between Customer and Company.~~

- ~~10.9. Supplemental Power - The kW of Supplemental Contract Demand supplied by the Company to the Customer. The kW of Supplemental Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Supplemental Power during the Billing Period. For each fifteen minute period, Supplemental Power shall equal the Measured Demand but shall not be less than zero nor greater than the Supplemental Contract Demand.~~

- ~~11.10. Total Contract Demand - The sum of the Supplemental Contract Demand and the Back-up Contract Demand.~~

DETERMINATION OF SUPPLEMENTAL AND BACKUP CONTRACT DEMAND

The Supplemental Contract and Backup Demand shall be initially established by agreement between the Customer and the Company, and shall be reset annually based on the average daily maximum Measured Demand over the six months, May through October of the most recent year.

MONTHLY RATES

The bill shall be the sum of the amounts computed below, including any applicable adjustments:

- A. Basic Service: The Basic Service and Revenue Cycle Service Charges included in the customer's applicable General Service rate schedule will apply each month.
- B. Supplemental Power and Associated Energy: Supplemental Power and Associated Energy will be provided in accordance with the rate levels contained in the customer's applicable General Service rate schedule, excluding

ARIZONA PUBLIC SERVICE COMPANY
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A.C.C. No. 5746XXXX
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Schedule E-56
Revision No. 42
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RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

the monthly Basic Service and Revenue Cycle Service Charges, and also excluding delivery charges associated with Back-up Contract Demand.

C. Delivery Charges: The unbundled delivery charge contained in the customer's applicable General Service rate schedule multiplied by the amount of Back-up Contract Demand.

D. Back-up Power Charges:

Rate Schedule E-34 Customer - On-Peak:	\$ 0.5900 .5756 per kW Day
Rate Schedule E-32 Customer - On-Peak:	\$ 0.1200 .1184 per kW Day
During Scheduled Maintenance:	One Half (1/2) On-Peak Charge
Off Peak:	No Charge

On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

Back-up Power Charges (cont):
MONTHLY RATES (cont)

Off-Peak Periods: All other hours

The Power Charge for Back-up Power is billed on a per day basis and is based on the fifteen (15) minute period of the Customer's greatest use of Back-up Power during on-peak hours each on-peak day. For each fifteen

MONTHLY RATES (cont)

~~D. Back up Power Charges (cont):~~

minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.

MONTHLY RATES (cont)

E. Excess Power Charges:

Secondary Service:	\$ 54.8025 3.17 per kW
Primary Service:	\$ 52.0195 0.47 per kW
Transmission Service:	\$ 38.1873 7.05 per kW

F. Back-up, Maintenance and Excess Energy: All Back-up, Maintenance, and Excess Energy shall be billed in accordance with the rate levels contained in the customer's applicable General Service rate schedule.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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A.C.C. No. 5746XXXX
Canceling A.C.C. No 5691746
Schedule E-56
Revision No. 42
Effective: January 1, 2010XXXX



RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

MAINTENANCE REQUIREMENTS

Maintenance energy shall be defined as energy supplied to Customer to replace energy normally supplied by the Customer's generator(s) during an authorized Scheduled Maintenance period.

Maintenance periods shall not exceed 30 days per generation unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months, as defined in the Customer's applicable general service rate schedule. Customer shall provide Company with its planned maintenance schedule 90 days in advance of any planned maintenance in order for the Company to coordinate customer's scheduled maintenance with that of the Company. Upon review, Company shall either approve customer's planned maintenance schedule or notify customer of alternate acceptable periods. Customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter) if required. All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company. ~~Total measured demand at the customer's meter will be used to determine the applicable rate schedule.~~

TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK-UP CONTRACT DEMAND

The Customer shall contract for Total Contract Demand. This shall be the sum of the Supplemental Contract Demand and the Back-up Contract Demand. The Customer may elect to increase Total Contract Demand by ~~by TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK UP CONTRACT DEMAND (con't)~~

increasing Supplemental Contract Demand and/or Back-up Contract Demand prospectively at any time, provided there are facilities of adequate capacity, by providing notice to the Company. Any increase in Total Contract Demand shall establish a new Total Contract Demand which shall be in effect for the term of the contract, unless superseded by subsequent increases in Total Contract Demand.

TERMINATION PROVISION

Should Customer cease to operate his generation unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, Company reserves the option to terminate the Agreement for service under this rate schedule with Customer.

ARIZONA PUBLIC SERVICE COMPANY
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A.C.C. No. 5746XXXX
Canceling A.C.C. No 5694746
Schedule E-56
Revision No. 42
Effective: January 1, 2010XXXX



RIDER RATE SCHEDULE E-56
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS SERVICE

CONTRACT PERIOD

As provided in the Electric Supply Agreement between Company and Customer.

UNUSUAL UTILITY OPERATING CONDITIONS

If the Company is in need of additional power requirements due to equipment failure or other unusual conditions, the Customer may provide excess generation to Company at Company's request. The Company will pay the Customer for any energy purchased at the per kWh monthly firm purchase rate which is negotiated on a case-by-case basis.

TERMS AND CONDITIONS

Customer must enter into an Agreement for Interconnection and an Electric Supply Agreement which shall establish all details related to interconnection and other required service standards. Qualifying Cogeneration and Small Power Production Facilities (QFs) meeting Public Utility Regulatory Policy Act of 1978 criteria shall be permitted to sell excess power and energy subject to the provisions and rates specified in a Purchase Supply Agreement between Company and Customer. Customers who install facilities that do not meet QF standards will not have the right to sell power and energy to Company under this rate schedule. However, should Customer desire to do so, Customer may seek to enter into a new Service Agreement which would set forth the applicable purchase rates, terms and conditions for interconnection and for the sale of excess power to the Company.

ARIZONA PUBLIC SERVICE COMPANY
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Schedule E-56
Revision No. ~~42~~
Effective: January 1, 2010~~XXXX~~



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which Company does a general retail electric business and where Company has installed a multiple or series street lighting system of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to service for continuous lighting, from dusk to dawn, of public streets, alleys, thoroughfares, public parks and playgrounds ~~from dusk to dawn~~ by use of Company's facilities where such service for the entire area is contracted for from the Company by the city, town, other governmental agencies, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

RATES

The bill shall be computed at the following rates for each type of standard facility and/or service utilized to provide street lighting, plus any adjustments incorporated in this schedule:

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	RATES	
				Investment by Company	Investment by Others
A. Acorn	9,500 HPS	100	41	\$ 27.06	\$9.22
	16,000 HPS	150	69	30.04	11.65
B. Architectural	9,500 HPS	100	41	15.38	7.34
	16,000 HPS	150	69	17.96	9.82
	30,000 HPS	250	99	21.31	12.60
	50,000 HPS	400	153	26.29	18.13
	14,000 MH	175	72	21.51	11.79
	21,000 MH	250	101	24.42	14.54
	36,000 MH	400	159	30.54	20.00
	8,000 LPS	55	30	22.35	9.82
	13,500 LPS	90	50	26.36	11.84
	22,500 LPS	135	72	30.11	14.45
33,000 LPS	180	90	36.22	17.02	
C. Cobra/Roadway	5,800 HPS	70	29	8.73	5.16
	9,500 HPS	100	41	10.28	6.32
	16,000 HPS	150	69	12.87	8.82
	30,000 HPS	250	99	15.52	11.46
	50,000 HPS	400	153	21.06	16.37

ARIZONA PUBLIC SERVICE COMPANY
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Rate Schedule E-58
Revision No. 498
Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

I. FIXTURES (Includes Mounting Arm, if Applicable) (cont):

				RATES			
			Lumen	Watts	kWh	Investment by Company	Investment By Others
C. Cobra/Roadway (cont.)			14,000 MH	175	72	\$14.97	\$10.20
			21,000 MH	250	101	17.49	12.69
			36,000 MH	400	159	23.03	17.63
			8,000 FL	100	38	17.20	5.04
D. Decorative Transit			9,500 HPS	100	41	37.09	11.11
			16,000	150	69	36.88	12.41
			30,000	250	99	42.46	16.02
E. Flood			30,000	250	99	20.61	12.81
			50,000	400	153	25.56	17.77
			21,000 MH	250	101	22.00	13.53
			36,000 MH	400	159	26.82	18.35
F. Post Top	Colonial Gray		8,000 FL	100	38	18.54	5.23
			9,500 HPS	100	41	10.60	6.65
	Colonial Black		9,500 HPS	100	41	12.21	6.88
		Decorative		9,500 HPS	100	41	32.47
G. FROZEN			4,000 INC	295	103	\$9.78	\$5.47
			7,000 MV	175	73	12.67	7.27
			11,000 MV	250	96	15.87	9.68
			20,000 MV	400	150	24.92	14.12

NOTES:

1. Investment by Company. These rates are applicable where the Company provides the initial investment to purchase and install all facilities necessary for street lighting service. The Company will own, operate, and maintain the street lighting system.
2. Investment by Others. These rates are applicable in those instances where the requesting entity or individual purchases and installs the street lighting facilities at their own expense and in accordance with Company specifications. These rates will also apply in the instance where the customer provides a non-refundable advance to the Company to cover the Company's cost of purchasing and installing the street lighting system. The Company retains ownership of the street lighting system and provides operation and maintenance for all facilities.
3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy and adjustment charges.
4. HPS = High Pressure Sodium
5. MH = Metal Halide
6. LPS = Low Pressure Sodium
7. FL = Fluorescent
8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those customers being served and those installations in service on November 1, 1986.
9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those customers being served and those installation in service on November 1, 1986 in accordance with A.R.S. §49-1104(A).

ARIZONA PUBLIC SERVICE COMPANY
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A.C.C. No. ~~XXXX5747~~
Canceling A.C.C. No. 57475689
Rate Schedule E-58
Revision No. 498
Effective: ~~XXXX~~ January 1, 2010



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II. POLES

				RATES		
			Height	Investment by Company	Investment By Others	
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	12 ft.	\$12.17	\$1.68	
			22 ft.	13.70	1.88	
			25 ft.	14.82	2.05	
			30 ft.	17.03	2.34	
			32 ft.	17.89	2.37	
		2 Simplex Adapters	12 ft.	12.98	1.79	
			22 ft.	14.91	2.06	
			25 ft.	15.55	2.14	
			30 ft.	18.07	2.49	
			32 ft.	19.28	2.66	
	Square Steel	5"	13 ft.	13.95	1.92	
			15 ft.	12.47	1.72	
			23 ft.	14.79	2.03	
			25 ft.	16.26	2.23	
28 ft.			18.05	2.48		
32 ft.			17.95	2.47		
Concrete		12 ft.	41.58	5.73		
Fiberglass		12 ft.	35.21	4.85		
Decorative Transit Pedestrian		4"	16 ft.	34.33	4.73	
Decorative Transit		6"	30 ft.	66.28	9.13	
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	11.71	1.61	
			22 ft.	13.24	1.82	
			25 ft.	14.35	1.98	
			30 ft.	16.58	2.29	
			32 ft.	17.41	2.40	
		2 Simplex Adapters	12 ft.	12.51	1.72	
			22 ft.	13.97	1.92	
			25 ft.	15.08	2.07	
			30 ft.	17.61	2.42	
			32 ft.	18.81	2.59	
			3 Bolt Arm	32 ft.	21.62	2.97
	Square Steel	5"	13 ft.	13.50	1.86	
			15 ft.	13.80	1.89	
			23 ft.	14.32	1.98	
			25 ft.	15.80	2.19	
			28 ft.	17.56	2.42	
			32 ft.	18.23	2.50	



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II POLES (cont)

		RATES			
		Height	Investment by Company	Investment By Others	
C. Direct Bury	Round Steel	19 ft.	\$18.42	\$2.54	
		30 ft.	14.38	2.66	
		38 ft.	17.55	2.73	
		Self Support	40 ft.	21.62	3.42
		Stepped	49 ft.	64.99	8.96
	Square Steel	4"	34 ft.	15.87	2.75
		5"	20 ft.	15.07	2.49
			30 ft.	15.71	2.59
			38 ft.	17.05	2.96
		Decorative Transit	41 ft 6	20.47	3.01
	Decorative Transit	47 ft.	25.50	3.75	
	Steel Distribution Pole (for lighting only)	35 ft.	23.54	3.10	
D. Post Top	Decorative Transit Anchor Base	16 ft.	35.07	4.82	
	Gray Steel/Fiberglass	23 ft.	12.16	2.00	
	Black Steel	23 ft.	13.41	2.21	
E. Existing distribution pole suitable for streetlight use			1.48	--	
F. FROZEN	Wood Poles	30 ft.	\$8.95	\$1.55	
		35 ft.	8.95	1.48	

NOTE: The monthly rate for all new poles includes up to 300 feet of overhead secondary wire, or up to 300 feet of underground secondary wire if the customer provides earthwork and conduit (excluding the underground to overhead transition).

III. ANCHOR BASE

		RATES		
		Height	Investment by Company	Investment By Others
A. Flush		4 ft.	\$9.91	\$1.36
		6 ft.	11.82	2.05
B. Pedestal		8 ft.	13.54	2.36
	For 32' Round Steel Pole only	4 ft. 6"	9.39	1.63

IV. CHARGES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

		RATES	
		Company Owned	
Underground Circuit Charges:			
a. Per foot of cable installed under paying			\$0.15716

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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A.C.C. No. xxx5747
Canceling A.C.C. No. 57475689
Rate Schedule E-58
Revision No. 498
Effective: xxxJanuary 1, 2010



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

RATES	
Company Owned	0.05589

b. Per foot of cable, not installed under paving

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a street lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when Customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the Customer or its designee(s) on their street light equipment. The trip charge will also apply when Customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule ~~RES REAC-1~~ pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 71448.
87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Street lighting facilities installed under this rate schedule are of the type currently being furnished by Company as standard at the time service is initially requested. Standard facilities are those listed in the Company's Transmission and Distribution Construction Standards book.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 1, 1986

A.C.C. No. ~~xxx5747~~
Canceling A.C.C. No. 57475689
Rate Schedule E-58
Revision No. 498
Effective: ~~xxx January 1, 2010~~



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

2. ~~The Company cannot guarantee that streetlighting facilities will always operate as intended. Therefore, the~~ customer will be responsible for notifying the Company when the streetlighting facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by customer; however, if the maintenance requires cable replacement or repairs, the Company shall use reasonable efforts to complete said repairs within twenty (20) working days.
3. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.

SPECIAL PROVISIONS (con't)

4. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.

NON-STANDARD FACILITIES

Non-standard facilities (non-standard being defined as any facility not listed in the Company's Transmission and Distribution Construction Standards book) do not qualify for this rate schedule. At the Company's discretion, such facilities may be served under another of the Company's rate schedules.

EXTENSION OF STREET LIGHTING SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in ~~Section 6.1.2 of the Company's Service Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services;~~ or, at the ~~applicant's customer's request,~~ the Company will provide such earthwork and the applicant will be required to pay a non-refundable contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 1, 1986

A.C.C. No. ~~xxx~~5747
Canceling A.C.C. No. 57475699
Rate Schedule E-58
Revision No. 498
Effective: ~~xxxx~~January 1, 2010



**RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS**

AVAILABILITY

This rate schedule is available in those portions of cities, towns and unincorporated communities in which the Company does a general retail electric business and where the customer has installed or purchased a multiple or series street lighting system and the Company has distribution facilities of adequate capacity for the service to be rendered.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for continuous lighting, from dusk to dawn, of public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of the customer's facilities where such service for the whole area is contracted for from the Company pursuant to the terms set forth herein by the city, town, other governmental entities, or a responsible individual for unincorporated communities. Dusk is defined as the time between sunset and full night when a photocontrol senses the lack of sufficient sunlight and turns on the lights. Dawn is defined as the time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

The customer will own, operate, and maintain the street lighting system including lamps and glass replacements but excluding distribution facilities installed by the Company to serve the lighting system.

RATES

The bill shall be computed at the following rates plus any adjustments incorporated in this schedule:

Service Charge:	\$2.79	per installed lamp
Energy Charge:	\$ 0.06088	per kWh

TRIP CHARGE

When Company is not the responsible party contracted for the regular maintenance of a street lighting system owned by a city, town or other governmental entity, a \$100.00 trip charge per light will be charged when customer requests a disconnect and/or reconnect of service in order to accommodate the maintenance activities of the customer or its designee(s) on their street light equipment. The trip charge will also apply when customer request disconnect or reconnect for non-maintenance purposes.

ADJUSTMENTS

1. The bill is subject the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RESAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
3. _____
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 18, 1997

A.C.C. No. XXXX5748
Canceling A.C.C. No. 5672748
Rate Schedule E-59
Revision No. 910
Effective: XXXX January 1, 2010



**RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS**

~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

~~6. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ADJUSTMENTS (cont)

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

87. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

SPECIAL PROVISIONS

1. Billed energy is based upon the summation of the contracted energy rating of installed facilities specified in the streetlighting contract.
2. The customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
3. Presently installed units which do not conform to the types specified in Rate Schedule E-58 will be billed in accordance with the type which is most nearly like such units.

EXTENSION OF COMPANY DISTRIBUTION SYSTEM

The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the customer. When the extension is underground the customer will provide earthwork as specified in Section 6.1.2 of the Company's Service Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the customer's request, the Company will provide such earthwork and the applicant will be required to pay a non-refundable for a contribution in aid of construction equal to the cost of

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 18, 1997

A.C.C. No. ~~XXXX~~5748
Canceling A.C.C. No. 5672748
Rate Schedule E-59
Revision No. 910
Effective: ~~XXXX~~ January 1, 2010



**RATE SCHEDULE E-59
CLASSIFIED SERVICE
GOVERNMENT OWNED STREET LIGHTING SYSTEMS**

such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.

Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.

CONTRACT PERIOD

The contract period for service under this rate schedule shall be a fixed period of not less than 1 year and not more than 20 years, as agreed to by the customer and as specified in the streetlighting contract.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE –
CITY OF PHOENIX**

AVAILABILITY

This rate schedule is available within the City of Phoenix at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service furnished for the lighting of alleys, buildings, and other public places owned or maintained by the City. Streetlighting service is not eligible for this schedule. Service to traffic signals is limited to those installations being served as of January 31, 1985, under the Agreement of April 4, 1930, as modified, between Central Arizona Light and Power Company and the City of Phoenix, and no new or reconnected traffic signal installations may be served after that time. Service must be supplied at one site through one point of delivery and measured through one meter. Direct Access service is not available under this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage (as may be selected by customer, subject to availability at the customer's site).

RATES

The bill shall be computed at the following rate plus any adjustments incorporated in this schedule:

Energy Charge: \$ 0.05193 per kWh

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-conforming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RESEAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.

ARIZONA PUBLIC SERVICE COMPANY
5749
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1985

A.C.C. No. XXXXX
Canceling A.C.C. No. 5673749
Rate Schedule E-67
Revision No. 178
Effective: XXXXX January 1, 2010



**RATE SCHEDULE E-67
CLASSIFIED SERVICE
MUNICIPAL LIGHTING SERVICE --
CITY OF PHOENIX**

ADJUSTMENTS (cont)

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
- ~~3.4.~~ The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5.~~ The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.

- ~~887.~~ The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
5749
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1985

A.C.C. No. XXXXX
Canceling A.C.C. No. 5673749
Rate Schedule E-67
Revision No. 178
Effective: XXXXX January 1, 2010



**RATE SCHEDULE E-114
CLASSIFIED SERVICE – SHARE THE LIGHT
LOWER MIAMI AND CLAYPOOL STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available only in the area now known as Claypool and Lower Miami near Miami.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E 58. All provisions of Rate Schedule E 58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those street lights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Tri-City Fire Department.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Claypool and Lower Miami street lights to the Tri-City Fire Department for approval before any action is taken by the Company.

BILLING

Customers to be assessed for street lighting shall include all customers of Arizona Public Service Company located within the area now known as Claypool and Lower Miami comprising the following area: The NW 1/4 of Section 29; the NE 1/4, SW 1/4 of Section 29; the North half of NE 1/4, Section 29; the SE 1/4, SW 1/4, Section 20; the South half of SE 1/4, Section 20, the SW 1/4, SW 1/4 of Section 21; the East half of SW 1/4 of Section 21; the NW 1/4, NW 1/4, Section 28; all of Township 1 North, Range 15 East, of the G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus three times the total number of commercial and industrial customers. The assessment is to be adjusted to the nearest cent. Each Claypool and Lower Miami residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Claypool and Lower Miami commercial and industrial customer is to be assessed three times the amount of individual assessment as determined by the above method. The above assessment will be added to the customer's monthly bill for service.

Only one meter in each business house is to be counted as a commercial or industrial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial, industrial or residential customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: November 1, 1952

A.C.C. No. 5599
Canceling A.C.C. No. 5129
Rate Schedule E 114
Revision No. 10
Effective: April 1, 2005



**RATE SCHEDULE E-116
CLASSIFIED SERVICE – SHARE THE LIGHT
CENTRAL HEIGHTS AND COUNTRY CLUB MANOR
STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available only in the area now known as Central Heights and Country Club Manor near Miami.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E-58. All provisions of Rate Schedule E-58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Central Heights Fire Department.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Central Heights street lights to the Central Heights Fire Department for approval before any action is taken by the Company.

BILLING

Customers to be assessed for street lighting shall include all customers of Arizona Public Service Company located within the area now known as Central Heights, consisting of the SE 1/4 of Section 22, S 1/2 of NE 1/4 of Section 22 and the E 1/2 of SW 1/4 of Section 22, Township 1, Range 15 E., G & SRB & M and within the area now known as Country Club Manor, consisting of the entire S 1/2 of the NW 1/4 of Section 22, Township 1 N, Range 15 E., G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential, commercial and industrial customers. The assessment is to be adjusted to the nearest cent. Each Central Heights and Country Club Manor residential, commercial and industrial customer will be assessed a like amount as determined by the above described method. The above assessment will be added to the customer's monthly bill for service.

Only one meter in each residence or business house is to be counted as a residential, commercial or industrial customer regardless of the number of meters installed on the customer's premises to serve any such residential, commercial or industrial customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: March 15, 1954

A.C.C. No. 5600
Canceling A.C.C. No. 5130
Rate Schedule E 116
Revision No. 8
Effective: April 1, 2005



**RATE SCHEDULE E-145
CLASSIFIED SERVICE - SHARE THE LIGHT
AJO HEIGHTS STREET LIGHTING**

THIS RATE IS CANCELED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in the area now known as Ajo Heights near Ajo.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E 58. All provisions of Rate Schedule E 58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Ajo Heights Chamber of Commerce.

The Company agrees to submit all requests for increases or decreases in number or size of lamps, change in location, or like matters regarding Ajo Heights street lights to the Ajo Heights Chamber of Commerce for approval before any action is taken by the Company.

BILLING

For purposes of assessment, each Ajo Heights commercial or industrial customer is to be considered equivalent to six Ajo Heights residential customers. Ajo Heights customers to be assessed for street lighting shall include all residential, commercial, or industrial customers of the Company located within the following area:

The area known as Ajo Heights consisting of Section 10; the NW Quarter, the NE Quarter, and the SW Quarter of Section 15; the NW Quarter of the SE Quarter of Section 15; the West 450 feet of the SW Quarter of the SE Quarter of Section 15; the NW Quarter of Section 22; and the NW Quarter of the NW Quarter of Section 14; all located in T 12 S, R 6 W of the G & SRB & M.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus six times the number of commercial customers. This assessment is to be adjusted to the nearest cent. Each Ajo Heights residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Ajo Heights commercial customer is to be assessed six times the amount of the individual assessment as determined by the above method. The above assessment will be added to the customer's bill for service.

Only one meter in each business house is to be counted as a commercial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial or residential customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5601
Phoenix, Arizona	Canceled A.C.C. No. 5131
Filed by: David J. Rumolo	Rate Schedule E 145
Title: Manager, Regulation and Pricing	Revision No. 7
Original Effective Date: July 20, 1956	Effective: April 1, 2005



**RATE SCHEDULE E-145
CLASSIFIED SERVICE – SHARE THE LIGHT
AJO HEIGHTS STREET LIGHTING**

Attachment CAM-S2
Page 174 of 221

schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

FROZEN

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5601
Phoenix, Arizona	Canceling A.C.C. No. 5131
Filed by: David J. Rumolo	Rate Schedule E-145
Title: Manager, Regulation and Pricing	Revision No. 7
Original Effective Date: July 20, 1956	Effective: April 1, 2005



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rates, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.5880.558	per day
Demand Charge:	\$ 2.3574.880	per kW
Energy Charge:	\$ 0.112280.11680	per kWh for the first 240
kWh, plus	\$ 0.076330.07940	per kWh for the next 275
kWh per kW, plus	\$ 0.062700.06519	per kWh for all additional
kWh		

OPTIONAL TIME OF WEEK PROVISION

AVAILABILITY

~~The Time Of Week option is available to all customers eligible for Rate Schedule E-221. The customer must enter into an Electric Supply Agreement with the Company stating the customer's assigned Control Period. The type of equipment required to provide and measure time of week service is non-standard; therefore availability is limited and the Company cannot guarantee installation of the equipment within any specific time.~~

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1953

A.C.C. No. ~~XXXXXX~~5750
Canceling A.C.C. No. 57505674
Rate Schedule E-221
Revision No. 454
Effective: ~~XXXXXX~~ January 1, 2010



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

RATES (cont)

OPTIONAL TIME OF WEEK PROVISIONS (cont)

CONTROL PERIOD

The Control Period is the thirteen (13) hour period from 9 a.m. to 10 p.m. for one day during the week (Monday through Friday). The specific day of the Control Period will be mutually agreed upon by the Company and the customer and will be set forth in the Electric Supply Agreement.

RATE

The bill for customers on the Time Of Week option will be adjusted in the following manner:

When measured kWh during the specified Control Period is:	The following will be applied to the bill (before any adjustments, taxes or assessments)
1. 2 kWh per kW or less	(0.00785) (0.00785) per kWh for all kWh
2. Greater than 2 kWh per kW but less than or equal to 8 kWh per kW	No adjustment
3. Greater than 8 kWh per kW	0.003930 0.00393 per kWh for all kWh

MINIMUM

The bill for service under this rate schedule will not be less than \$0.5580.558 per day plus \$2.3571.88 for each kW of the highest kW established during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to ~~\$24.00~~24.00 for each of such highest kW plus ~~\$180.00~~180.00, but in no instance more than the monthly minimum amount as computed above.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1953

A.C.C. No. ~~xxxxxxx~~5750
Canceling A.C.C. No. 57505674
Rate Schedule E-221
Revision No. 454
Effective: ~~xxxxxxx~~ January 1, 2010



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

POWER FACTOR (cont)

Customers found to have a non-conforming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RESAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- 4.
5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.
76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1953

A.C.C. No. ~~XXXXXXX~~5750
Canceling A.C.C. No. 57505674
Rate Schedule E-221
Revision No. 454
Effective: ~~XXXXXX~~ January 1, 2010



**RATE SCHEDULE E-221
CLASSIFIED SERVICE
WATER PUMPING SERVICE**

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.
8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service required for irrigation pumping or for water utilities for pumping potable water to serve the citizens of a city, town, or unincorporated community. Service must be supplied at one point of delivery and measured through one meter. Direct Access customers are not eligible for service under this schedule.

Rate selection is subject to paragraphs 3.2 and 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services.

This schedule is not applicable to breakdown, standby, supplemental, residential or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site.

RATES

The bill shall be computed at the following rates or minimum rate, whichever is greater, plus any adjustments incorporated in this schedule:

Basic Service Charge:	\$ 0.9640.964	per day
Demand Charge:	\$ 5.6084.474	per On-Peak kW, plus
	\$ 3.3512.673	per Off-Peak kW
Energy Charge:	\$ 0.092050.09576	per kWh during On-Peak
hours, plus		
	\$ 0.049520.05151	per kWh during Off-Peak
hours		

MINIMUM

The bill for service under this rate schedule will not be less than \$0.964.0.964 per day plus \$3.3512.673 for each kW of the highest kW established during on or off peak hours during the 12 months ending with the current month, or the minimum kW specified in the Electric Service Agreement, whichever is greater. ~~However, such monthly minimum charge shall not be more than an amount sufficient to make the total charges for such 12 months equal to \$34.20 for each of such highest kW plus \$310.44, but in no instance more than the monthly minimum amount as computed above.~~

POWER FACTOR

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. ~~XXXXXX5751~~
Canceling A.C.C. No. 56755751
Rate Schedule E-221-8T
Revision No. 189

Original Effective Date: November 1, 1986

Effective: ~~XXXXX~~ January 1, 2010



**RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE**

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

POWER FACTOR (cont)

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVa may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the On-Peak and Off-Peak periods during the month, as determined from readings of the Company's meter, or at the Company's option, by test.

TIME PERIODS

For the purpose of this rate schedule, the On-Peak time period is a consecutive eight (8) hour period between 911 a.m. and 10-9 p.m., weekdays only each and every day. The specific On Peak period will be mutually agreed upon by the Company and the customer and will be set forth in an Electric Supply Agreement. All hours not included in the specified On-Peak period are designated as Off-Peak hours. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule RESEAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 69663; and Arizona Corporation Commission Decision No 71448, and XXXX.
3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

Original Effective Date: November 1, 1986

A.C.C. No. ~~XXXXXXX~~5751
Canceling A.C.C. No. 56755751
Rate Schedule E-221-8T
Revision No. 189

Effective: XXXXX January 1, 2010



RATE SCHEDULE E-221-8T
CLASSIFIED SERVICE
WATER PUMPING SERVICE – TIME-OF-USE

4. ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC-1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744, and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.

ADJUSTMENTS (cont)

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for customers receiving service under this rate schedule will be one (1) year or longer. At the Company's option, the contract period will be three (3) years or longer where additional distribution construction is required to serve the customer.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. ~~XXXXXX~~5751
Canceling A.C.C. No. 56755751
Rate Schedule E-221-8T
Revision No. 189

Original Effective Date: November 1, 1986

Effective: ~~XXXXX~~ January 1, 2010



**RATE SCHEDULE E-249
CLASSIFIED SERVICE – SHARE THE LIGHT
CAMP VERDE STREET LIGHTING**

THIS RATE IS CANCELLED EFFECTIVE XXXX PER ACC DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available only in the Town of Camp Verde.

APPLICATION

This rate schedule is applicable to electric service billed under Rate Schedule E 58. All provisions of Rate Schedule E 58 will apply except as specifically modified herein.

Service under this rate schedule is limited to those streetlights installed prior to April 8, 1980. The Company is not obligated to install new light fixtures, poles or distribution circuits, but will continue to maintain and operate those installed prior to April 8, 1980 only while maintenance and replacement materials are available from Company stock or until this rate schedule is cancelled, whichever comes first, provided, however, under no circumstances shall poles be relocated. Interfering poles shall only be removed. The Company is authorized to collect from the sponsoring entity, any and all unpaid bills for street lighting service.

THE STREET LIGHTING SYSTEM

The Company has installed, at its own expense, a street lighting system as prescribed by the Camp Verde Lions Club.

The Company agrees to submit all requests for an increase or decrease in number or size of street lights, change in location, change in assessment or like matters regarding Camp Verde street lights, to the Camp Verde Lions Club for approval. After recommendation by the Camp Verde Lions Club, such requests are to be submitted to the Arizona Corporation Commission for final approval before any action is taken by the Company.

RATES

For purposes of assessment, each Camp Verde commercial customer (not classified as rural) is to be considered equivalent to six Camp Verde residential customers. Camp Verde customers to be assessed for street lighting shall include all commercial and residential customers of the Arizona Public Service Company located within, and immediately adjacent thereto, the boundaries of the Military Reserve Addition, Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, and 19, of Camp Verde Townsite. Customers taking electric service outside of these districts shall be classified as Rural, and not subject to assessment for street lighting.

The monthly charge for street lighting is to be divided by a figure equal to the total number of residential customers for the month, plus six times the number of commercial customers. This assessment is to be adjusted to the nearest cent. Each Camp Verde residential customer is to be assessed the amount of the individual assessment as determined by the above method. Each Camp Verde commercial customer is to be assessed six times the amount of the individual

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: February 1, 1953

A.C.C. No. 5604
Canceling A.C.C. No. 5135
Rate Schedule E-249
Revision No. 8
Effective: April 1, 2005



**RATE SCHEDULE E-249
CLASSIFIED SERVICE - SHARE THE LIGHT
CAMP VERDE STREET LIGHTING**

~~assessment as determined by the above method. The above assessment will be added to the customer's bill for service.~~

~~Only one meter in each business house is to be counted as a commercial customer and one meter in each residence as a residential customer, regardless of the number of meters installed on the customer's premises to serve any such commercial or residential customer.~~

TERMS AND CONDITIONS

~~Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.~~

FROZEN

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo

Title: Manager, Regulation and Pricing

Original Effective Date: February 1, 1953

A.C.C. No. 5604

Canceling A.C.C. No. 5135

Rate Schedule E-249

Revision No. 8

Effective: April 1, 2005



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for private and public elementary and secondary schools (K-12) whose average monthly maximum demand is less than or equal to 400 kW per month.

The Company will place the Customer on the applicable Rate Schedule GS-SCHOOLS M or GS-SCHOOLS L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. Availability of this rate is subject to the availability of required metering equipment and completion of necessary enhancements to the Company's billing system.

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 0.672	per day, or
For service through Instrument-Rated Meters:	\$ 1.324	per day, or
For service at Primary Voltage:	\$ 3.415	per day, or
For service at Transmission Voltage:	\$ 26.163	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. ~~xxxx5778~~
Canceling A.C.C. No. 5778 Rate Schedule GS-SCHOOLS M

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

Rate Schedule GS-SCHOOLS M Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~xxxx~~



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

RATES (cont)

Demand Charge:

Secondary Service: _____ \$ ~~9.612~~ ~~9.597~~ per kW for the
first 100 kW, plus \$ ~~5.113~~ ~~5.105~~ per kW for all additional
kW, or

Primary Service: \$ ~~8.919~~ ~~8.905~~ per kW for the first 100
kW, plus \$ ~~4.419~~ ~~4.412~~ per kW for all additional
kW, or

Transmission Service: \$ ~~6.953~~ ~~6.942~~ per kW for the first 100
kW, plus \$ ~~2.454~~ ~~2.450~~ per kW for all additional
kW

Energy Charge:

June – August Billing Cycles (Summer Peak)
\$ 0.173430 0.17316 per kWh during On-Peak hours, plus \$ 0.128470 0.12827 per kWh during Shoulder-Peak hours, plus \$ 0.06487 0.06477 during Off-Peak hours

May, September, and October Billing Cycles (Summer Shoulder)	November – April Billing Cycles (Winter)
\$ 0.149770 0.14953 per kWh during On-Peak hours, plus \$ 0.110950 0.11077 per kWh during Shoulder-Peak hours, plus \$ 0.056020 0.05593 per kWh during Off-Peak hours	\$ 0.116070 0.11589 per kWh during On-Peak hours, plus \$ 0.085990 0.08585 per kWh during Shoulder-Peak hours, plus \$ 0.043420 0.04335 per kWh during Off-Peak hours

MINIMUM

The bill will not be less than the applicable Basic Service charge plus \$2.189 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. ~~xxx5778~~
Canceling A.C.C. No. 5778 Rate Schedule GS-SCHOOLS M

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

Rate Schedule GS-SCHOOLS M Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~xxxx~~



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

DETERMINATION OF KW (cont)

For the purpose of placement on this rate, the Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

Summer Peak (June - August)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Summer Shoulder (May, September and October)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. ~~xxxx~~5778
Canceling A.C.C. No. 5778 Rate Schedule GS-SCHOOLS M

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Rate Schedule GS-SCHOOLS M Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~xxxx~~



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

Winter (November - April)

On-Peak hours: 5:00 am – 11:00 am Monday through Friday
Shoulder-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1S pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

- ~~6.~~ The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.
7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.

ADJUSTMENTS (cont)

- ~~5.~~ ~~The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
- ~~6.~~ ~~Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. ~~xxxx5778~~
Canceling A.C.C. No. 5778 Rate Schedule GS-SCHOOLS M

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Rate Schedule GS-SCHOOLS M Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~xxxx~~



**RATE SCHEDULE GS-SCHOOLS M
GENERAL SERVICE (0 kW – 400 kW)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

A.C.C. No. ~~xxxx5778~~
Canceling A.C.C. No. 5778 Rate Schedule GS-SCHOOLS M

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

Rate Schedule GS-SCHOOLS M Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~xxxx~~



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer electric service for private and public elementary and secondary schools (K-12) whose average monthly maximum demand is greater than 400 kW and less than 3,000 kW per month.

The Company will place the Customer on the applicable Rate Schedule GS-SCHOOLS M or GS-SCHOOLS L based on the Average Monthly Maximum Demand, as determined by the Company each year. Such placement will occur in the February billing cycle following the annual determination. The Company may also place the Customer on the Applicable Rate Schedule during the year, if the Customer has experienced a significant and permanent change in load as determined by the Company. Such placement will be based on available information.

Service must be supplied at one point of delivery and measured through one meter unless otherwise specified by an individual customer contract.

Rate selection is subject to paragraphs 3.2 through 3.3 of the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services. Availability of this rate is subject to the availability of required metering equipment and completion of necessary enhancements to the Company's billing system

This schedule is not applicable to breakdown, standby, supplemental, or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single or three phase, 60 Hertz, at one standard voltage as may be selected by customer subject to availability at the customer's site. Three phase service is furnished under the Company's Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services). Three phase service is not furnished for motors of an individual rated capacity of less than 7-1/2 HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceeds 12 HP. Three phase service is required for motors of an individual rated capacity of more than 7-1/2 HP.

Service under this schedule is generally provided at secondary voltage; primary voltage when the customer owns the distribution transformer(s), or transmission voltage.

RATES

The bill shall be computed at the following rates or the minimum rates, whichever is greater, plus any adjustments incorporated in this rate schedule:

Basic Service Charge:

For service through Self-Contained Meters:	\$ 1.0681-068	per day, or
For service through Instrument-Rated Meters:	\$ 1.6274-627	per day, or
For service at Primary Voltage:	\$ 3.4193-419	per day, or
For service at Transmission Voltage:	\$ 22.9152-915	per day

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. ~~XXXXXX~~5777
Canceling A.C.C. No. 5777 Rate Schedule GS-SCHOOLS L
Rate Schedule GS-SCHOOLS L Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~XXXXXX~~



**RATE SCHEDULE GS-SCHOOLS I
GENERAL SERVICE (400 kW+)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

RATES (cont)

RATES (cont)

Demand Charge:

Secondary Service: kW, plus	\$ 9.3119.384	per kW for the first 100
kW, or	\$ 4.9544.993	per kW for all additional
Primary Service: kW, plus	\$ 8.6368.703	per kW for the first 100
kW, or	\$ 4.2824.315	per kW for all additional
Transmission Service: kW, plus	\$ 6.7366.788	per kW for the first 100
kW	\$ 2.3772.396	per kW for all additional

Energy Charge:

June – August Billing Cycles (Summer Peak)
\$ 0.153550.15475 per kWh during On-Peak hours, plus \$ 0.11374 per kWh 0.11463 during Shoulder-Peak hours, plus \$ 0.062850.06334 per kWh during Off-Peak hours

May, September, and October Billing Cycles (Summer Shoulder)	November – April Billing Cycles (Winter)
\$ 0.132600.13363 per kWh during On-Peak hours, plus \$ 0.09821 per kWh 0.09898 during Shoulder-Peak hours, plus \$ 0.05428 per kWh 0.05470 during Off-Peak hours	\$ 0.102760.10356 per kWh during On-Peak hours, plus \$ 0.07612 per kWh 0.07671 during Shoulder-Peak hours, plus \$ 0.04206 per kWh 0.04239 during Off-Peak hours

MINIMUM

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

A.C.C. No. ~~XXXXXX~~5777
Canceling A.C.C. No. 5777 Rate Schedule GS-SCHOOLS I
Rate Schedule GS-SCHOOLS I Original
Revision No. 1 Effective: August 31, 2010
Effective: ~~XXXXXX~~



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

The bill will not be less than the applicable Basic Service charge plus \$2.115 for each kW of either: (1) the highest kW established during the twelve (12) months ending with the current month; or (2) the minimum kW specified in an agreement for service, whichever is the greater.

POWER FACTOR

The customer deviation from phase balance shall not be greater than ten percent (10%) at any time. Customers receiving service at voltage levels below 69 kV shall maintain a power factor of 90% lagging but in no event leading unless agreed to by Company. Service voltage levels at 69 kV or above shall maintain a power factor of $\pm 95\%$ at all times. In situations where Company suspects that a customer's load has a non-confirming power factor, Company may install at its cost, the appropriate metering to monitor such loads. If the customer's power factor is found to be non-confirming, the customer will be required to pay the cost of installation and removal of VAR metering and recording equipment.

Customers found to have a non-confirming power factor, or other detrimental conditions shall be required to remedy problems, or pay for facilities/equipment that Company must install on its system to correct for problems caused by the customer's load. Until such time as the customer remedies the problem to Company satisfaction, kVA may be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

DETERMINATION OF KW

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15-minute period of maximum use during the month as determined from readings of the Company's meter.

DETERMINATION OF KW (cont)

For the purpose of placement on this rate, the Average Monthly Maximum Demand shall equal the average of the Monthly Maximum Demands for the May through October billing cycles, as determined by the Company. If the Monthly Maximum Demands are not available for all six May through October billing cycles, the Average Monthly Maximum Demand will be based on the available information. For a new customer, the initial Average Monthly Maximum Demand will be based on the estimated maximum kW provided by the Customer and approved by the Company.

For billing purposes, including determination of Monthly Maximum Demands, the kW used in this rate schedule shall be based on the average kW supplied during the 15 minute period of maximum use during the month as determined from readings of the Company's meter.

TIME PERIODS

Time periods applicable to usage under this rate schedule are as follows:

Summer Peak (June - August)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 31, 2010

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Rate Schedule GS-SCHOOLS LOriginal
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Effective: ~~XXXXXX~~



**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

Off-Peak hours: All remaining hours

Summer Shoulder (May, September and October)

On-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Shoulder-Peak hours: 11:00 am – 3:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Winter (November - April)

On-Peak hours: 5:00 am – 11:00 am Monday through Friday
Shoulder-Peak hours: 3:00 pm – 8:00 pm Monday through Friday
Off-Peak hours: All remaining hours

Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

- 1 The bill is subject to the Renewable Energy Standard as set forth in the Company's Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.
- 2 The bill is subject to the Power Supply Adjustment factor as set forth in the Company's Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, and Arizona Corporation Commission Decision No. 71448 and XXXX.
- 3 The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company's Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company's Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. XXXX.
- ~~5. The bill is subject to the Competition Rules Compliance Charge as set forth in the Company's Adjustment Schedule CRCC 1 pursuant to Arizona Corporation Commission Decision No. 67744.~~
65. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company's Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

ADJUSTMENTS (cont)

76. The bill is subject to the Demand Side Management Adjustment charge as set forth in the Company's Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5777 Rate Schedule GS-SCHOOLS L
Rate Schedule GS-SCHOOLS L Original
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**RATE SCHEDULE GS-SCHOOLS L
GENERAL SERVICE (400 kW+)
TIME OF USE FOR
ELEMENTARY AND SECONDARY SCHOOLS**

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company's Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. XXXX.

ADJUSTMENTS (cont)

8. The bill is subject to the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of APS and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

CONTRACT PERIOD

The contract period for all customers receiving service under this rate schedule will be one (1) year at the Company's option.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contains provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Canceling A.C.C. No. 5777Rate Schedule GS-SCHOOLS L
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Revision No. 1 Effective: August 31, 2010
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**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company.

APPLICATION

This rate schedule is applicable to all cogeneration and small power production facilities with a nameplate continuous AC output power rating of 100 kW or less where the facility's generator(s) and load are located at the same premise and that otherwise meet qualifying status pursuant to Arizona Corporation Commission's Decision No. 52345 on cogeneration and small power production facilities. Applicable only to Qualifying Facilities electing to configure their systems as to require partial requirements service from the Company in order to meet their electric requirements.

TYPE OF SERVICE

Electric sales to the Company must be single or three phase, 60 Hertz, at one standard voltage as may be selected by the customer (subject to availability at the premises). The Qualifying Facility will have the option to sell energy to the Company at a voltage level different than that for purchases from the Company; however, the Qualifying Facility will be responsible for all incremental costs incurred to accommodate such an arrangement.

PAYMENT FOR PURCHASES FROM AND SALES TO THE CUSTOMER

Power sales and special services supplied by the Company to the customer in order to meet its supplemental or interruptible electric requirements will be priced at the applicable retail rate or rates.

The Company will pay the customer for any energy purchased as calculated on the standard purchase rate (see below).

MONTHLY PURCHASE RATE FOR EXCESS GENERATION

For customers with a 9 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.236	3.734	5.447	3.957
Winter Billing Cycles (November - April)	3.432	3.622	3.432	3.622

- ^{1/} On-Peak Periods: 9 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule
- ^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

MONTHLY PURCHASE RATE FOR EXCESS GENERATION (cont)

For customers with a 12 p.m. to 7 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.473	3.766	6.548	3.947
Winter Billing Cycles (November - April)	3.224	3.641	3.224	3.641

^{1/} On-Peak Periods: 12 p.m. to 7 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For customers with an 11 a.m. to 9 p.m. on-peak rate:

	Cents per kWh			
	Non-Firm Power		Firm Power	
	On-Peak ^{1/}	Off-Peak ^{2/}	On-Peak ^{1/}	Off-Peak ^{2/}
Summer Billing Cycles (May - October)	4.405	3.705	5.857	3.910
Winter Billing Cycles (November - April)	3.361	3.636	3.361	3.636

^{1/} On-Peak Periods: 11 a.m. to 9 p.m., weekdays or as reflected in the customer's otherwise applicable retail rate schedule

^{2/} Off-Peak Periods: All other hours

These rates are based on the Company's estimated avoided energy costs and will be updated annually.

For residential customers served under a standard (non time-of-use) rate, the monthly purchase rate will equal the rate for customers served on a 12 p.m. to 7 p.m. on-peak rate. For all other customers served under a standard rate, the monthly purchase rate will equal the rate for customers served on an 11 a.m. to 9 p.m on-peak rate.

CONTRACT PERIOD

As provided for in any Supply /Purchase Agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
100 KW OR LESS FOR PARTIAL REQUIREMENTS**

DEFINITIONS

1. Partial Requirements Service - Electric service provided to a customer that has an interconnected generation system configuration whereby the output from its electric generator(s) first supplies its own electric requirements and any Excess Generation (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
2. Excess Generation - Equals the customer's generation (kWh) in excess of their load at any point in time as metered by the Company. Excess Generation is computed for on-peak and off-peak billing periods.
3. Special Service(s) - The electric service(s) specified in this section that will be provided by the Company in addition to or in lieu of normal service(s).
4. Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
5. Firm Power - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
6. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods.

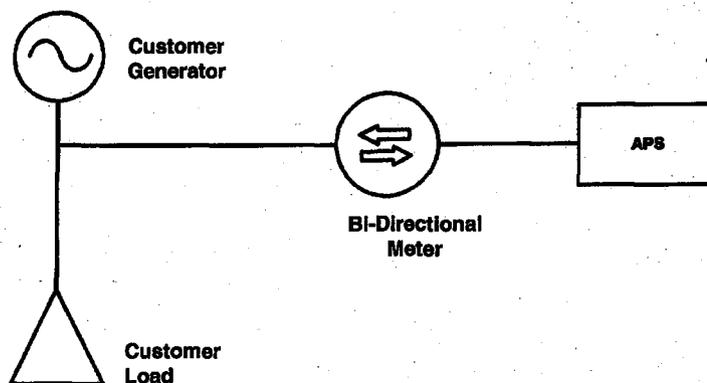
TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2, Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, and the Company's Interconnection requirements for Distributed Generation. This schedule has provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer interconnection or Supply/Purchase agreement.



**SCHEDULE EPR-2
CLASSIFIED SERVICE
PURCHASE RATES FOR QUALIFIED FACILITIES
400 KW OR LESS FOR PARTIAL REQUIREMENTS**

METERING CONFIGURATION





**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is offered to customers with metered kWh usage with a Net Metering Facility that uses Renewable Resources, a fuel cell, or combined heat and power (CHP) to produce electricity. Definitions are pursuant to A.A.C. R14-2-2302. Participation under this schedule is subject to availability of enhanced metering and billing system upgrades.

DEFINITIONS

1. Combined Heat and Power (CHP) - A system that generates electricity and useful thermal energy in a single, integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.
2. Customer Supply - Energy (kWh) from a customer-owned Net Metering Facility that exceeds the customer's load at a point in time and is fed back into the Company's electric system, as metered by the Company.
3. Customer Purchase - Energy (kWh) that is provided from the Company to the customer to serve the load that is not being served by a customer-owned Net Metering Facility, as metered by the Company.
4. Excess Generation - Equals the Customer Supply (kWh) less the Customer Purchase (kWh) over a monthly billing period. For time-of-use rates the Excess Generation corresponding to the on and off peak periods is computed for on-peak and off-peak periods over the monthly billing period. (Not to be less than zero).
5. Fuel Cell - A device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. For purposes of this rate schedule, the source of the chemical reaction must be derived from Renewable Resources.
6. Net Metering Facility - A facility for the production of electricity that:
 - a) Is operated by or on behalf of a Net Metering customer and is located on the net metering customer's premises and;
 - b) Is intended primarily to provide part or all of the net metering customer's requirement for electricity and;
 - c) Uses Renewable Resources, a fuel cell, or CHP to generate electricity and;
 - d) Has a generating capacity less than or equal to 125% of the net metering customer's total connected load, or in the absence of customer load data, capacity less than or equal to the customer's electric service drop capacity and;
 - e) Is interconnected with and can operate in parallel and in phase with the Company's existing distribution system.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

DEFINITIONS (cont)

- 6-7. Partial Requirements Service – Electric service provided to a customer that has an interconnected Net Metering Facility whereby the output from its electric generator(s) first supplies its own electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the customer's supplemental electric requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.
- 7-8. Renewable Resources – Natural resources that can be replenished by natural processes, including; biogas, biomass, geothermal, hydroelectric, solar, or wind.
- 8-9. Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
- 9-10. Firm Power - Power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
- 10-11. Standard Retail Rate Schedule – Any of the Company's retail rate schedules with metered kWh charges.
- 11-12. Time Periods - Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be a variation of up to 15 minutes in timing for the pricing periods. On-peak and off-peak time periods will be determined by the applicable Standard Retail Rate Schedule.

TYPE OF SERVICE

Electric sales to the Company must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).

BILLING

A. During the billing period for:

1. Customer Purchases in excess of Customer Supply:

Company shall bill the customer for the net kWh supplied by the Company in accordance with the applicable Standard Retail Rate Schedule.

2. Customer Supply in excess of Customer Purchases (Excess Generation):

Company shall credit the customer the Excess Generation kWh in subsequent billing periods.

- B. For customers taking service under time-of-use rates, Customer Supply and Customer Purchases will be segmented by on-peak and off-peak periods. Excess Generation kWh credits will be applied to the time-of-use periods in which the kWh were generated by the customer.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date July 7, 2009

A.C.C. No. 5712XXXXX
Cancelling A.C.C. No. 5712Rate Schedule EPR-6
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**RATE SCHEDULE EPR-6 (NET METERING)
CLASSIFIED SERVICE
RATES FOR RENEWABLE RESOURCE FACILITIES
FOR PARTIAL REQUIREMENTS**

C. Basic Service Charges and Demand charges (either metered or contract) will continue to apply in full.

BILLING (cont)

D. For the last billing period of each calendar year or for the last billing period at the time the customer discontinues taking service under this rate schedule;

The Company shall issue a billing credit to the customer for any remaining Excess Generation balance. In the event the customer's electric service is terminated, after applying a billing credit for any Excess Generation up to the amount the customer owes the Company, the Company shall issue a check for the remaining value of the Excess Generation balance. The payment or credit will be determined at the Company's annual avoided costs (Annual Purchase Rate), which are updated annually and as specified below:

Annual Purchase Rates (\$/kWh)	Non-Firm			Firm		
	On-peak	Off-peak	Total	On-peak	Off-peak	Total
	6.590	5.963	6.187	7.714	6.172	6.722

CONTRACT PERIOD

Any applicable contract period(s) will be set forth in an Agreement between the customer and the Company.

METERING

Customers served under this rate schedule will require a bi-directional meter that will register and accumulate the net electrical requirements of the customer. The Company will install such a meter at the customer's Net Metering Facility if proper metering is not already present. The incremental metering costs for bidirectional metering and the facility meter will be incurred by the Company. A bidirectional meter may not be required if the generating capacity of the Net Metering Facility is less than 10% of the customer's lowest billing demand over the previous 12 months, or as otherwise determined by the Company through available information, and if the customer agrees that they do not intend to net any Excess Generation on their monthly bill.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1 Terms and Conditions for Standard Offer and Direct Access Services, Schedule 2 Terms and Conditions for Energy Purchases from Qualified Cogeneration or Small Power Production Facilities, Schedule 3 Conditions Governing Extensions of Electrical Distribution Lines and Services, and the Company's Interconnection Requirements for Distributed Generation.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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ADJUSTMENT SCHEDULE GPS-1 GREEN POWER BLOCK SCHEDULE

APPLICATION

Adjustment Schedule GPS-1 ("GPS-1") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. ~~However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-1, up to 100% of the customer's total monthly kWh supplied by the Company.~~

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS3.

The customer shall subscribe for a specific number of blocks of electricity generated from renewable resources. Each block shall equal 100 kWh per month. The monthly charge is based upon the number of blocks subscribed for by the customer.

The Company shall limit the participation in GPS-1 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-1 service if the charges increase during the one year or longer commitment period.

GPS-1 may not be used in conjunction with rate schedules ~~GPS-2, Solar 2, or Solar 3.~~

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 per month for each 100 kWh block of Green Power. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

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Canceling A.C.C. No. ~~57615714~~
Adjustment Schedule GPS-1
Revision No. ~~23~~
Effective: January 1, 2010~~XXXXX~~



ADJUSTMENT SCHEDULE GPS-2
GREEN POWER PERCENT SCHEDULE

APPLICATION

Adjustment Schedule GPS-2 ("GPS-2") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their homes and/or businesses. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. ~~However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS 2, up to 100% of the customer's total monthly kWh consumption.~~

Electricity from renewable sources shall be referred to herein as "Green Power". Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer Green Power through the Company's electric distribution system.

Effective October 1, 2009 the Company, at its discretion, may limit the kWh sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2, and GPS-3. The Company shall limit the participation in GPS-2 based on the Green Power available to provide service under this rate schedule.

Customers are required to subscribe for a minimum of one year, but can commit to subscribe for a longer period at their discretion. Charges under this schedule will be adjusted annually with Commission approval. Customers may cancel GPS-2 service if the charges increase during the one year or longer commitment period.

GPS-2 may not be used in conjunction with rate schedules GPS-1, Solar 2, and Solar 3.

SERVICE CHARGES

Four options are available. The charges hereunder represent charges to be added to energy charges (\$/kWh basis) under the customer's applicable rate schedule and applied to the customer's total monthly kWh (including non-Green Power kWh, if any) supplied by the Company. The charges are based on the Green Power Premium rate of \$0.004 per kWh of Green Power.

- A. Green Power shall account for 100.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.004
- B. Green Power shall account for 50.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.002
- C. Green Power shall account for 35.0% of the total monthly kWh supplied by the Company.
Additional Charge per kWh: \$0.0014
- D. Green Power shall account for 10.0% of the total monthly kWh supplied by the Company. This option is not available to residential customers.
Additional Charge per kWh: \$0.0004



**ADJUSTMENT SCHEDULE GPS-3
GREEN POWER BLOCK SCHEDULE
FOR SPECIAL EVENTS**

APPLICATION

Adjustment Schedule GPS-3 ("GPS-3") shall be applied to Standard Offer customers who wish to purchase electricity generated from renewable sources for their Green Event. A Green Event is temporary in nature and includes, but is not limited to, concerts, sporting events, festivals, fairs, which can be held over single or contiguous multiple days at single or multiple sites. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES, or successor schedules as approved by the Arizona Corporation Commission, will not apply to the Green Power kWh served in accordance with GPS-3, up to 100% of the customer's total monthly kWh supplied by the Company. For purposes of this adjustment, the total Green Power kWh will apply in the month they are purchased.

Electricity from renewable sources shall be referred to herein as "Green Power." Green Power may be:

1. Company-owned generation using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).
2. Generation not owned by the Company, but owned by another party for which the Company has contracted using eligible renewable resources as defined by the Renewable Energy Standard rules (A.A.C. R14-2-1802 and successors).

TYPE OF SERVICE

The Company will offer electricity generated from renewable resources delivered through the Company's electric distribution system.

The Company shall limit the participation in GPS-3 based on the Green Power available to provide service under this rate schedule.

The Company, at its discretion, may limit the number of kWh blocks sold to any one customer to no more than five percent of total Green Power procured for service under schedules GPS-1, GPS-2 and GPS-3.

Each block shall equal 100 kWh subscribed for by the customer.

Charges under this schedule will be adjusted annually with Commission approval.

Because rate schedule GPS-3 is for a temporary event, Section 3.3 of APS' Schedule 1 shall not apply.

SERVICE CHARGES

Service under this rate schedule shall be billed the Green Power Block rate of \$0.40 for each 100 kWh block of Green Power for the duration of the special event. This charge is based on the Green Power Premium rate of \$0.004 per kWh of Green Power times 100 kWh. Minimum purchase shall be \$500.00 per transaction.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona

Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Schedule GPS-3
Adjustment Schedule GPS-3 Original
Revision 1 Effective: October 1, 2009
Effective: XXXXX



RATE SCHEDULE ~~SC-SE-56 R~~
CLASSIFIED SERVICE
PARTIAL REQUIREMENTS
~~STANDARD CONTRACT - SOLAR~~

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

Customers taking service under this rate schedule will be served in accordance with the attached ~~template SC-SE-56 R~~ Electric Supply/Purchase Agreement between Company and Customer, which is incorporated herein by reference. This rate schedule is applicable to customers having solar/photovoltaic, wind, geothermal, biomass, and biogas generation equipment with a nameplate service continuous rating of greater than 100 kW capable of supplying all or a portion of its power requirements. Direct access customers are not eligible for service under this rate schedule.

METERING

The Company will install, at the customer's expense, a bi-directional meter at the point of delivery to the customer (Supply Meter) and meter(s) at the point(s) of output from each of the customer's generators (Generator Meter). All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

CONTRACT PERIOD

As provided in the ~~SC-SE-56 R~~ Electric Supply/Purchase Agreement between Company and Customer.

TERMS AND CONDITIONS

Customer must enter into an Interconnection Agreement and the ~~SC-SE-56 R~~ Electric Supply/Purchase Agreement to establish all pertinent details related to interconnection and other required service standards. APS will file the executed Electric Supply/Purchase Agreement in compliance with A.C.C. Decision No. 70130.

ARIZONA PUBLIC SERVICE COMPANY

Phoenix, Arizona

Filed by: David J. Rumolo Phoenix, Arizona

Title: Manager, Regulation and Pricing Filed by: David J. Rumolo

Original Effective Date: January 23, 2008

A.C.C. No. 5693XXXXX

Cancelling A.C.C. No. 5693

Schedule ~~SC-SE-56 R~~

Effective: XXXXX Title: Manager, Regulation and Pricing

Original



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available within the Company's service territory to customers who are requesting new service requiring a new line extension and are located in areas where a line extension for regular electric service is less economical than Individual Solar Electric Service. The Company has the right to refuse service at unsecured locations which in the Company's opinion is a high risk area for vandalism, theft, or other damage.

The customer's system must be in a location that is determined by the Company to be reasonably accessible by standard Company vehicles. It will be located on the customer's property. If the system is not installed at the customer's permanent residence (that at which the customer resides for at least six months a year) the customer may be required to post security as determined by the Company for the amount of the Solar Electric system Net Installed Cost.

Additionally, this rate schedule is applicable only to those customers being served on the Company's Rate Schedule SOLAR 2 prior to January 1, 2010.

This service is only available until the Company investment in the Individual Solar Electric Service reaches the ACC approved funding limit.

APPLICATION

The Company has the sole right to determine the customer's eligibility for service under this schedule. Service under this schedule is limited to solar electric systems with name plate ratings of 200 watts or greater and having a Net Installed Cost of more than \$1,500.

TYPE OF SERVICE

The Company will offer power generated by a Company owned and maintained Solar Electric system for customers who cannot be economically connected by extension of the Company's distribution system. The system typically will include a photovoltaic module array, the module array mounting structure, the control structure, the control equipment, any necessary wiring, batteries, and any other equipment necessary to provide service that meets all applicable building and safety codes at a mutually agreed upon point of delivery. The Company will own, maintain, and make any necessary repairs to the Solar Electric system. If the system is damaged or in need of repairs, the customer shall notify the Company promptly.

This service is a substitute for and in lieu of the customer being connected to the Company's electric distribution system. Any back up, supplemental, or alternate power generation source may be contracted for with the Company. The Company assumes no obligation to provide or arrange for such back up, supplemental or alternative power unless it is part of the Solar Electric Service Agreement and not interconnected to the normal Company system. Any back up power equipment must meet Company technical specifications, and be connected to the Solar Electric system only at a Company designated point.

INITIAL FEE

An Initial Fee equal to five percent or more of the estimated Total Installed Cost of the Solar Electric system is required from the customer at the time the Contract is executed. The Initial Fee will be deducted from the Total Installed Cost, starting with the system component with the longest life, to yield the Net Installed Cost by system component. The Initial Fee shall be non-refundable unless the Company subsequently determines that it will not install the Solar Electric system. The customer has the option to pay a higher initial fee to reduce the net installed cost of the system.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: August 1, 1996

A.C.C. No. 5772
Canceling A.C.C. No. 5608
Rate Schedule SOLAR-2
Revision No. 2
Effective: January 1, 2010



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

INITIAL FEE (cont)

The minimum Initial Fee is:

<u>Estimated Total Installed Cost</u>	<u>Minimum Initial Fee</u>
Up to \$100,000	5%
More than \$100,000	10%

RATE

The total monthly bill is based on the type of system installed and the rate formula specified below. The exact charge will be specified in the service agreement entered into between the Company and the customer. Since each system is designed to meet the individual customer's specific needs, the rate will vary based on the following formula:

A. Monthly service fee, dependent on battery type and system size:

<u>Battery</u>	<u>System Size</u>	
	<u>Up to 2.5 kW</u>	<u>Over 2.5 kW</u>
None	\$ 5.00	\$ 5.00
Sealed	\$45.00	\$65.00
Flooded	\$65.00	\$85.00

plus,

B. Component Fee which is the summation of the Net Installed Cost by System Component times the appropriate Monthly Percentage. The monthly percentages listed are maximums that can not be reduced below marginal cost:

<u>Type</u>	<u>System Component Average Life</u>	<u>Straight Line Depreciation Life</u>	<u>Monthly Percentage</u>
Long	Greater than 13 years	20 Years	1.41%
Medium	Between 7 and 13 years	10 Years	1.83%
Short	Less than 7 years	5 Years	2.75%

plus,

C. any applicable sales tax and regulatory assessments.

The Company may offer an accelerated payment schedule to accelerate equipment depreciation allowing the customer to purchase the system for a lower book value.



**RATE SCHEDULE SOLAR-2
CLASSIFIED SERVICE
INDIVIDUAL SOLAR ELECTRIC SERVICE**

TERMINATION OF SERVICE

Upon termination of service for any reason other than the Contract terms:

- a) The customer shall pay to the Company on demand (in addition to all other monies to which the Company may be legally entitled by virtue of such termination) a facility termination charge defined as the Net Installed Cost less depreciation (based on customer's payment selection), plus the removal cost less the market salvage value for the Solar Electric facilities to be removed. Market salvage value is defined as new reconstruction cost of the system less depreciation for the same time period as the existing system.
- b) Upon termination of service, either by the Company or the customer, the customer will have the option to purchase the Solar Electric facilities based on Company's Net Installed Cost less accumulated depreciation.

If the system is damaged because of vandalism, theft, or abuse the Company has the right to terminate service and remove the remaining equipment.

SYSTEM MODIFICATIONS

The Company will reasonably respond to customer requests for improvement to the performance of the Solar Electric system. However, the Company has the sole right to determine if and when a modification to the existing system shall be made. Such modification will be reflected in the customer's monthly bill with a Solar Electric Service Agreement modification. An initial fee of at least 5 percent of the total modification cost shall be required prior to installation. The initial fee is non-refundable unless the Company determines that the modification is not warranted.

The Company shall adjust the monthly bill by adding the Net Modification Cost to the existing Net Installed Cost to yield a revised Net Installed Cost that will hence forth be used to compute the monthly bill. The Net Modification Cost will be equal to the total modification cost less the Initial Fee for the modification. The Company shall provide the customer the revised Net Installed Cost and monthly billing with the revised or amended Solar Electric Service Agreement.

CONTRACT PERIOD

Any applicable contract period will be set forth in the Solar Electric Service Agreement.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company's Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY	A.C.C. No. 5772
Phoenix, Arizona	Canceling A.C.C. No. 5608
Filed by: David J. Rumolo	Rate Schedule SOLAR-2
Title: Manager, Regulation and Pricing	Revision No. 2
Original Effective Date: August 1, 1996	Effective: January 1, 2010



**RATE SCHEDULE SOLAR-3
CLASSIFIED SERVICE
SOLAR POWER PILOT PROGRAM**

THIS RATE IS CANCELED EFFECTIVE XXXX PER A.C.C. DECISION NO. XXXX.

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The Solar Power Pilot Program is offered as a three year pilot program and is available to residential standard offer customers who wish to purchase electricity generated from solar sources for their homes. The Company will procure or construct new solar generation resources to provide service under Schedule Solar 3. The Company shall limit participation in Schedule Solar 3 based on the amount of solar generation resources available.

A customer may only subscribe to one green power or solar rate option. Schedule Solar 3 may not be used in conjunction with rate schedules GPS 1, GPS 2, or Solar 2.

APPLICATION

Service under this schedule provides all or a portion of the customer's service from solar electric generating systems producing AC electricity and delivered via APS' electric power grid. All provisions of the Customer's current applicable rate schedule will apply, including the unbundled generation components as applied to the Customers total monthly energy consumption. However, the charges in Adjustment Schedule EIS and Adjustment Schedule RES will not apply to the Solar Power Energy (kWh) served in accordance with Schedule Solar 3, up to 100% of the customer's total monthly kWh supplied by the Company. The customer is required to subscribe for a minimum term of one year. Direct Access customers are not eligible for service under this rate schedule.

SERVICE CHARGES

The customer shall be charged a Solar Power Premium Rate for all Solar Power Energy (kWh) served under this rate schedule. The Solar Power Premium Rate shall be the Solar Power Price, which represents the Company's price for Solar Power used to serve this rate schedule credited for the Avoided Cost, which represents the Company's associated savings in generation costs. The Solar Power Premium Rate shall be applied to the Solar Power Energy on a monthly basis.

Solar Power Price:	\$0.225 per kWh
Avoided Cost Credit:	\$0.059 per kWh
Solar Power Premium Rate:	\$0.166 per kWh

Solar Power Energy shall be a percentage of the customer's total monthly energy (kWh) supplied by the Company. Four options are available:

- A. Solar Power shall account for 100.0% of the customer's total monthly energy supplied by the Company.
- B. Solar Power shall account for 50.0% of the customer's total monthly energy supplied by the Company.
- C. Solar Power shall account for 35.0% of the customer's total monthly energy supplied by the Company.
- D. Solar Power shall account for 10.0% of the customer's total monthly energy supplied by the Company.

TERMS AND CONDITIONS

Subject to Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services, which contain provisions that may affect the customer's bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

A.C.C. No. 5754
Canceling A.C.C. No. 5678
Schedule SOLAR-3
Revision No. 1
Effective: January 1, 2010



**RATE SCHEDULE CMPW-01
COMMUNITY POWER – FLAGSTAFF SANDVIG 04
PILOT RIDER RATE**

AVAILABILITY

This pilot rate schedule is available to customers that are located within the Community Power boundaries of the limited geographical area in Flagstaff, Arizona served by the Sandvig 04 circuit feeder as defined by the Company and approved by the Arizona Corporation Commission (“ACC”) in Decision No. 71646.

APPLICATION

This pilot rate schedule shall apply to retail Standard Offer customers served under rate schedules E-12, ET-2, E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, and E-32TOU L or their successor rate schedules as approved by the ACC. All provisions of the customer’s current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule CMPW-01 may not be used in conjunction with any of the Company’s partial requirements rate schedules.

In addition, to be eligible for this rate schedule, the customer must meet the program requirements to participate in the Community Power Program in Flagstaff, Arizona including but not limited to (1) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer’s premises and (2) meeting the technical requirements for the customer’s premises. The rate and terms and conditions of this rate schedule are applicable only to this pilot rate.

TERM

This rate schedule shall remain in effect for a period of twenty years from its effective date unless cancelled or modified by the ACC prior to such date. Customers can discontinue participation in this rate schedule at any time without penalty.

SOLAR OPTIONS

Residential Options: For residential customers there are three photovoltaic equipment size options for service under this rate schedule, with nominal kW-DC ratings approximately equal to 2kW, 3kW, and 4kW.

General Service Options: Photovoltaic equipment size options available to general service customers under this rate schedule range from 50 to 250 kW.

DETERMINATION OF SOLAR ENERGY

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar installation over time, shall be derived by multiplying the kW-DC rating of the photovoltaic installation by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor for Residential Options is 105 kWh-AC per kW-DC and for General Service Options it is 90 kWh-AC per kW-DC.



**RATE SCHEDULE CMPW-01
COMMUNITY POWER – FLAGSTAFF SANDVIG 04
PILOT RIDER RATE**

RATES

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below. The Solar Charge is a fixed monthly amount for the term of this rate schedule.

Solar Option	Applicable Retail Rate Schedule	Solar Charge per kWh
Residential	E-12	\$0.11242
Residential	ET-2	\$0.13480
General Service	E-32 S, E-32 M, E-32 L	\$0.09293
General Service	E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:

- ET-2, E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
- E-12 - Solar Energy shall be netted from the second tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the first tier of kWh charges, where the netted amount shall not be less than zero.
- E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
- All kWh adjustment charges will be calculated on total metered kWh and then the bill will be credited for the Solar Energy multiplied by those charges.
- Discount levels for the Energy Support Program and Medical Care Equipment under rate schedules E-3 and E-4 will be based on the Customer's total metered usage.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The rate schedule was approved by the Arizona Corporation Commission ("ACC") in Decision Nos. 72022 and 72174.

APPLICATION

This rate schedule shall apply to retail Standard Offer electric service for eligible public elementary and secondary schools (K-12), including charter schools served under rate schedules E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, E-32TOU L, GS-SCHOOLS M, and GS-SCHOOLS L or their successor rate schedules as approved by the ACC. All provisions of the customer's current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule RSSP may not be used in conjunction with any of the Company's partial requirements rate schedules.

Eligibility shall be determined by the Company based on the following requirements:

- (1) The customer must be an economically challenged school as defined as having a per pupil available bonding capacity of \$8,000 or less and 60% or more of its students participating in free or reduced lunch program;
- (2) The customer must be located in a designated rural area as classified by the U.S. Census Bureau;
- (3) The customer must provide an alternate solar proposal from a third-party not affiliated with APS; and
- (4) The customer must be a participant in the Rural Schools Solar Program and therefore meet the program requirements including but not limited to (a) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer's premises and (b) meeting the technical requirements for the customer's premises.

TERM

The Solar Charge herein shall remain in effect for 20 years from the customer's effective date. Customers can discontinue participation in this rate schedule at any time without penalty.

SOLAR OPTIONS

The solar photovoltaic equipment size options available under this rate schedule shall be less than or equal to 350 kW-DC of nominal rated capacity for customers with a K-8 school or facilities totaling 75,000 square feet or less at the site where the solar equipment is installed. For customers with a high school or facilities totaling more than 75,000 square feet the solar equipment shall be less than or equal to 550 kW-DC.

In addition, the solar equipment capacity (kW-AC) shall not be greater than 125% of the customer's connected load (kW-AC) as determined in accordance to rate schedule EPR-6 and A.A.C. R14-2-2302, nor shall the Solar Energy be more than 100% of the customer's metered kWh for the previous 12 months. Both of these limitations shall be determined at the time of initial qualification for the rate.

DETERMINATION OF SOLAR ENERGY

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar equipment over time, shall be derived by multiplying the kW-DC rating of the photovoltaic equipment by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor is 90 kWh-AC per kW-DC. For billing purposes, the Solar Energy in any month shall not exceed the customer's metered kWh used in computing the monthly bill. For totalized metering service provided under Service Schedule 4, the Solar Energy shall not exceed the metered kWh from the single service entrance section where the solar facility is installed.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

RATES

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below.

Applicable Retail Rate Schedule	Solar Charge per kWh
E-32 S, E-32 M, E-32 L	\$0.09293
E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855
GS-SCHOOLS M, GS-SCHOOLS L	\$0.07158

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges and adjustments in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:

- E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
- E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
- GS-SCHOOLS M, GS-SCHOOLS L - Solar Energy shall be netted from the on-peak, shoulder-peak and off-peak kWh according to the following allocation:

Season	Time Period		
	On-Peak	Shoulder-Peak	Off-Peak
Summer Peak (Jun-Aug)	15.0%	35.0%	50.0%
Summer Shoulder (May, Sep & Oct)	15.0%	35.0%	50.0%
Winter (Nov-Apr)	20.0%	10.0%	70.0%

If the net kWh is less than zero in any period, the remaining kWh shall be applied first to the on-peak, and then the shoulder-peak, and the off-peak period if necessary, where the resulting kWh in any period shall not be less than zero.

- Any reductions to the monthly kWh billed under Schedule RES and Schedule EIS due to participation in green power schedules GPS-1, GPS-2, GPS-3 and Solar-3 will be capped at the customer's total metered kWh net of the Solar Energy provided in Schedule RSSP.
- The Solar Energy shall be netted against the metered kWh from the single service entrance section where the solar facility is installed and shall not be netted against metered kWh from any other metered kWh at other points of delivery at the same customer site or other sites.



**RATE SCHEDULE RSSP
RURAL SCHOOLS SOLAR PROGRAM
RIDER RATE**

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.



**ADJUSTMENT SCHEDULE DSMAC-1
DEMAND SIDE MANAGEMENT COST ADJUSTMENT**

APPLICATION

The Demand Side Management Adjustment Charge ("DSMAC") shall be applied monthly to every metered and/or non-metered retail Standard Offer or Direct Access service, ~~with the exception of customers served on rate schedules E-3 and E-4, and Solar-2.~~ All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The DSMAC is applied to Standard Offer or Direct Access customer's bills as monthly charge to recover the cost of Commission approved demand side management programs above those costs included in base rates. The DSMAC will be changed in billing cycle 1 of the March revenue month and will not be prorated. The DSMAC and the REACS adjustors may be combined on the customer's bill and appear on the "Environmental Benefits Surcharge" line. Details of how the DSMAC is derived and administered can be found in the Demand Side Management Adjustment Charge Plan for Administration.

RATE

The charge shall be calculated at the following rate:

For all residential customers and general service customers whose billing does not include demand charges:

All kWh \$0.002717 per kWh

For general service customers whose billing includes demand charges:

All metered kW \$0.9685 per kW

SELF DIRECTION

Self direction of DSM charges collected through base rates and Adjustment Schedule DSMAC-1 shall be available for customers who use more than 40 million kWh per year, based on an aggregation of the usage for all the customer's accounts for the January through December billing months in the year the request for self direction is made.

Qualifying customers who elect to self direct their DSM charges must notify APS on or before December 1st in each year that they wish to self direct. Upon such notification, and verification of eligibility by APS, 85% of the customer's DSM charges paid over the January through December billing months in the election year will be reserved for tracking purposes for the customer's eligible energy efficiency project(s) to be completed within two years. The remaining 15% will be retained to cover the self direction program administration, management and verification, measurement and evaluation, and low-income program costs.

Customers who elect to self direct must continue to pay the DSM charges in base rates and Adjustment Schedule DSMAC-1.

Self direction shall be provided in accordance with the Self Direction Provisions approved in Arizona Corporation Commission (Commission) Decision No. 71448, Attachment C to the Settlement Agreement as modified from time to time with Commission approval.

Self direction amounts shall be the DSMAC-1 charges billed over the election year plus the DSM charges recovered in base rates. The latter shall be calculated by multiplying the kWh billed for the System Benefits Charge in the customer's current applicable rate schedule multiplied by \$0.000359 per kWh.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

A.C.C. No. 5785XXXX
Canceling A.C.C. No. 57855774
Adjustment Schedule DSMAC-1
Revision No. 56
Effective: ~~March 1, 2011~~ XXXX



**ADJUSTMENT SCHEDULE REAC-1
RENEWABLE ENERGY STANDARD**

APPLICATION

The Renewable Energy Standard- Adjustment Schedule ("REACS") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWh served in accordance with rate schedules Solar 2, Solar 3, and Adjustment Schedules GPS 1, GPS 2, and GPS 3. All provisions of the customer's current applicable rate schedule will apply in addition to adjustment schedule the REAC-1S Adjustor. This schedule shall recover the revenue requirements from the Renewable Energy Standard that are not otherwise recovered in base rates. The kWh charge and monthly surcharge limits shall be revised annually, as necessary, as approved by the Arizona Corporation Commission ("Commission"). From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges and surcharge limits/caps will be applied in billing cycle 1 in the January revenue month, or as otherwise ordered by the Commission, beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. Adjustment schedules REAC-1 and DSMAC-1 The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.0069620.009588	per kWh
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SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$2.783.84	per service per month
Non-residential Customers	\$103.44142.44	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$310.33427.33	per service per month

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: May 1, 2008

A.C.C. No. 5794XXXX
Canceling A.C.C. No. 57945780
Adjustment Schedule REAC-1S
Revision No. 56
Effective: January 1, 2011XXXX



**ADJUSTMENT SCHEDULE SDR
SELF-DIRECTED RENEWABLE RESOURCES**

APPLICATION

Pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1809, Adjustment Schedule Self-Directed Renewable Resources ("SDR") shall apply to any retail Standard Offer or Direct Access customers who, as a result of regular Company monthly billings, pay \$25,000 or more during a calendar year to the Company under Adjustment Schedule RES, Renewable Energy Standard ("RES"), which was approved by the Arizona Corporation Commission ("ACC") in Decision No. 70313.

ELIGIBILITY REQUIREMENTS

1. Funding Eligibility:

- a. The customer is eligible to receive funds pursuant to this schedule if the total of all RES related payments made to the Company for the customer's service account or accounts, individually or collectively, total \$25,000 or more in any one calendar year (January – December).
- b. Funds collected from the customer in any one year (the "Payment Year") will be available to the customer for self-directed projects in the following year (the "Funding Year"). Funds received during the Funding Year will not exceed payments collected by the Company in the Payment Year. In addition, if the customer has facilities in multiple service territories, only those payments collected by the Company are eligible for SDR funding.
- c. Customers requesting funds for self-directed projects must declare their intention by applying in writing to the Company on or before March 31 of the Payment Year. The application must include a description of the proposed project and its expected cost.
- d. The customer shall provide at least half of the funds necessary to complete the proposed project, as required by A.A.C. R14-2-1809.B.

2. Project Eligibility:

- a. SDR funds obtained by the customer from the Company may only be used for projects physically located within the Company's service territory.
- b. Projects specified in the Company's Distributed Energy Administration Plan ("DEAP") are eligible for SDR funding. Self-direct requesting customers must request incentives no greater than the prescribed incentives specified in the DEAP. If the customer wishes to apply funds to a project not specified in the DEAP, the customer must submit documentation detailing project economics and funding requirements.
- c. Any project proposed by the customer must meet the requirements for a Distributed Renewable Energy Resource described in the ACC's Renewable Energy Standard Rules (A.A.C. R14-2-1802.B).
- d. For purposes of financing SDR projects, funds provided by the Company may be assigned to third parties. Such assignment will be at the customer's sole discretion. The Company assumes no liability for third-party assigned funds.

RENEWABLE ENERGY CREDITS

All Renewable Energy Credits derived from any project funded through this schedule, including generation and Extra Credit Multipliers, shall be applied to satisfy the Company's Annual Renewable Energy Requirement as provided for in A.A.C. R14-2-1809.C.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing

A.C.C. No. 5697
Adjustment Schedule SDR
Original
Effective: May 1, 2008



ADJUSTMENT SCHEDULE PSA-1 POWER SUPPLY ADJUSTMENT

APPLICATION

The Power Supply Adjustment ("PSA") shall apply to all retail electric rate schedules in accordance with their terms with the exception of Solar 2, E-3, E-4, E-36 XL, AG-1 (except as provided in Rate Schedule AG-1), and Direct Access service. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATES

The charges shall be calculated at the following rates:

PSA Historical Component

All kWh	\$(0.002642)	per kWh
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PSA Forward Component

All kWh	\$(0.003016)	per kWh
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PSA Transition Component

All kWh	\$0.000000	per kWh
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ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: April 1, 2005

A.C.C. No. ~~5783XXXX~~
Canceling A.C.C. No. ~~57835758~~
Adjustment Schedule PSA-1
Revision No. ~~4213~~
Effective: February 1, 2012 ~~XXXX~~



ADJUSTMENT SCHEDULE RCDAC-1 RETURNING CUSTOMER DIRECT ACCESS CHARGE

APPLICATION

The Returning Customers Direct Access Charge ("RCDAC") shall apply to customers, or an aggregated group of customers, of 3 MW or greater who left Standard Offer or special contract service for competitive generation suppliers and desire to return to Standard Offer service. Customers that have been Direct Access customers since the origination of their APS service that request Standard Offer service are considered to be returning customers. The RCDAC can only be applied if the customer(s) wants to return to Standard Offer service and the Company did not include their load in planned resource acquisitions. If APS is provided one year's advance notice of the customer's intent to return to Standard Offer service then they will not be assessed RCDAC. APS may create a special RCDAC in each individual case and require the customer(s) to enter into a service agreement that specifies the charge, its duration, and how it will be applied and collected. In situations where an aggregated group of customers wish to return, each customer from the group will be charged the same rate for the same duration and an Electric Service Agreement will be required from each customer. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

RATE

The charge will be identified in the Electric Service Agreement between the Customer and the Company and will be in addition to the Standard Offer service charges. The RCDAC will be based on the cost differential between the applicable Standard Offer rate generation component and the cost of the resources required to serve the returning customer(s). The costs associated with serving customers that are required to enter into RCDAC agreements will be kept separate from the retail power supply costs subject to recovery through the Power Supply Adjustment. The types of costs that will be used to develop the RCDAC are incremental Power Supply, Transmission, Ancillary Services and Metering costs as defined in the Returning Customer Direct Access Charge Plan for Administration. These costs will be amortized over an appropriate period to allow their timely recovery. In no event, however, will the RCDAC last longer than 12 months for any individual customer.



**ADJUSTMENT SCHEDULE TCA-1
TRANSMISSION COST ADJUSTMENT**

APPLICATION

The Transmission Cost Adjustment ("TCA") charge shall apply to all Standard Offer retail electric rate schedules, with the exception of Solar 2. All provisions of the customer's current applicable rate schedule will apply in addition to this charge.

ANNUAL ADJUSTMENT

Standard Offer rate schedules covered by this charge include a transmission component of base rates that was originally established at \$0.00476 per kilowatt-hour in accordance with A.C.C. Decision No. 67744. Decision No. 67744 also established the TCA. Decision No. 69663 modified the collection of transmission costs in retail rates to tie to the costs found in the FERC approved Open Access Transmission Tariff.

RATE

The charge shall be applied as follows:

Customer Class	TCA Charge
Residential	\$0.004211/kWh
General Service 20 kW or less	\$0.002464/kWh
General Service over 20 kW, under 3,000 kW	\$0.837/kW
General Service 3,000 kW and over	\$0.615/kW



**ADJUSTMENT SCHEDULE EIS
ENVIRONMENTAL IMPROVEMENT SURCHARGE**

APPLICATION

The Environmental Improvement Surcharge ("EIS") shall apply to all retail Standard Offer service excluding Rate Schedules E-36 XL, and AG-1, excluding kWh served in accordance with rate schedules Solar 2, Solar 3, GPS 1, GPS 2 and GPS 3. All provisions of the customer's current applicable rate schedule shall apply in addition to charges under this Adjustment Schedule EIS.

The EIS was approved by the Arizona Corporation Commission ("ACC") in Decision No. 69663 and Decision No. XXXX.

The EIS recovers the cost associated with investment and expenses for environmental improvements at APS' generation facilities that the ACC has approved for recovery. Approved environmental improvements include those implemented on or after January 1, 2004, for which costs have not been fully recovered under current approved rates, ongoing environmental improvement projects and environmental improvement projects designed to comply with prospective environmental standards required by federal, state, tribal, or local laws or regulations.

RATE

The charge shall be calculated at the following rate:

EIS

All kWh

\$0.0000046 per kWh

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: July 1, 2007

A.C.C. No. 5760XXXX
Canceling A.C.C. NO. 57605747
Adjustment Schedule EIS
Revision No. 32
Effective: January 1, 2010XXXX



**ADJUSTMENT SCHEDULE LFCR
LOST FIXED COST RECOVERY MECHANISM**

APPLICATION

The Lost Fixed Cost Recovery ("LFCR") Mechanism shall be applied monthly to all retail Standard Offer or Direct Access service, except for Customers served under Rate Schedules E-30, E-32L, E-32 TOU L, E-34, E-35, E-36XL, and unmetered lighting schedules including E-47, E-58, E-59, and Contract 12. All provisions of the customer's currently applicable rate schedule will apply in addition to this adjustment charge. The LFCR adjustment will go into effect upon Commission approval and will not be prorated. Details of how the adjustment is derived and administered can be found in the Lost Fixed Cost Recovery Mechanism Plan of Administration approved by the ACC in Decision No. XXXXX.

RATE

The LFCR charge will be applicable to the customer's total billed amount (not be less than zero) including all other adjustors, excluding sales tax, transaction privilege tax, regulatory assessments, and franchise fees.

LFCR Charge: 0.0%

ARIZONA PUBLIC SERVICE COMPANY

Index to Service Schedules

SERVICE SCHEDULES

(1)	Schedule 1	Terms and Conditions for Standard Offer and Direct Access
UNCHANGED	Schedule 2	Terms and Conditions for Energy Purchases from Qualified Cogeneration and Small Power Production Facilities
(2)	Schedule 3	Conditions Governing Extensions of Electric Distribution Lines and Services
UNCHANGED	Schedule 4	Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service
UNCHANGED	Schedule 5	Guidelines for Electric Curtailment
(3)	Schedule 6	Interconnection Services and Fees for Non-FERC Wholesale Generation Facilities
UNCHANGED	Schedule 7	Electric Meter Testing and Maintenance Plan
(4)	Schedule 8	Bill Estimation
UNCHANGED	Schedule 10	Terms and Conditions for Direct Access
UNCHANGED	Schedule 15	Conditions Governing the Providing of Specialized Metering
UNCHANGED	Schedule 16	Home Energy Information Pilot (Experimental)

Notes:

- (1) Schedule 1 includes proposed changes, a red-lined version is included, see Attachment CAM-S4.
- (2) Schedule 3 reflects ACC Decision No. 72684 and incorporates Staff's recommended changes.
- (3) Schedule 6 reflects Commission approval in Open Meeting dated Dec. 14, 2011 for Docket E-01345A-11-0264. The Company is currently awaiting the written order.
- (4) Schedule 8 reflects changes as approved in ACC Decision No. 72490 filed subsequent to the Company's initial application.



SERVICE SCHEDULE 1 TERMS AND CONDITIONS FOR STANDARD OFFER AND DIRECT ACCESS SERVICES

The following TERMS AND CONDITIONS and any changes authorized by law will apply to Standard Offer and Direct Access services made available by Arizona Public Service Company (Company), under the established rate or rates authorized by law and currently applicable at time of sale.

Definitions

- a. Applicant means a person requesting the utility to supply electric service. [A.A.C. R14-2-201-(2)]
- b. Application means a request to the utility for electric service, as distinguished from an inquiry as to the availability or charges for such service. [A.A.C. R14-2-201-(3)]
- c. Billing Month means the period between any two regular readings of the utility's Meters at approximately 30 day intervals. [A.A.C. R14-2-201-(5)]
- d. Billing Period means the time interval between two consecutive Meter readings that are taken for billing purposes. [A.A.C. R14-2-201-(6)]
- e. Customer means the person or entity in whose name service is rendered, as evidenced by the signature on the Application or contract for that service, or by the receipt and/or payment of bills regularly issued in his name regardless of the identity of the actual user of the service. [A.A.C. R14-2-201-(9)]
- f. Delinquent Bill means a bill in which current electric charges are considered past due. (15 calendar days after the statement date)
- g. Demand means the rate at which power is delivered during any specified period of time. Demand may be expressed in kilowatts, kilovolt-amperes, or other suitable units. [A.A.C. R14-2-201-(12)]
- h. Distribution Lines means the utility lines operated at distribution voltage which are constructed along public roadways or other bona fide rights-of-way, including Easements on Customer's property. [A.A.C. R-14-2-201-(13)]
- i. Easement means a property owner grants the right to use land they own ("Grantor") to another party. An easement gives Company the right to have Company lines on property not owned by the Company. This allows Company to construct, replace, repair, operate and maintain electrical equipment for the safe transmission and distribution of electricity. The Grantor may continue to use the land along the easement within certain limitations.
- j. Landlord Automatic Transfer of Service Agreement is a legal contract established between the customer (landlord) and Company, which provides continuous service to the landlord between tenants without incurring a service establishment charge to the landlord.
- k. Master meter means a meter used for measuring or recording the flow of electricity that has passed through it at a single location where said electricity is distributed to tenants or occupants for their individual usage. [A.A.C. R14-2-201(23)]
- l. Meter means the instrument used for measuring and indicating or recording the flow of electricity that has passed through it. [A.A.C. R14-2-201(25)]



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- m. Meter tampering means a situation where a meter has been altered or bypassed without prior written authorization from Company. Common examples are meter bypassing, use of magnets to slow the meter recording, and broken meter seals. [A.A.C. R14-2-201(26)]
- n. Minimum charge means the amount the customer must pay for the availability of electric service, including an amount of usage, as specified in the utility's tariffs. [A.A.C. R14-2-201(27)]
- o. Point of delivery or delivery point means the point where facilities owned, leased, or under license by a customer connects to the utility's facilities. [A.A.C. R14-2-201(31)]
- p. Service establishment charge means the charge for establishing a new account.
- q. Tariffs mean the documents filed with the Arizona Corporation Commission which list the services and products offered by the utility and which set forth the terms and conditions and a schedule of the rates and charges, for those services and products. [A.A.C. R14-2-201(42)]

Statement of Charges

Description	Charge	Reference
Residential Service Establishment Charge	\$25.00	2.2
Non-Residential Service Establishment Charge	\$35.00	2.2
Trip Charge	\$16.00	2.2.1
After hours Charge	\$75.00	2.2.2
Same Day Connect Charge	\$75.00	2.2.3
Non-standard Connect Charge	\$75.00 per crew per hour	2.2.4
Direct Access Request	\$10.00	2.3
Dishonored Payment Fee	\$15.00	4.4.1
Field Call Charge	\$15.00	4.5.1
Overhead Reconnection Charge	\$96.50	4.5.2
Underground Reconnection Charge	\$115.00	4.5.2
Lock Ring Key Charge	\$70.00	6.2.2
Joint Site meeting for removal of Company Equipment	\$62.00 per site per first half hour. Additional charge per hour for site meeting over one half hour	6.2.3

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1951

A.C.C. No. xxxx
Canceling A.C.C. No. 5765
Service Schedule 1
Revision No. 35
Effective: xxxxx



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

	will be \$53.00 per hour.	
Meter Reread	\$16.50	6.4.4 & 6.4.5
Meter test in shop	\$30.00	6.5
Meter test at site	\$50.00	6.5
Electronically Transmitted Payment Discount	-\$0.48	4.3.3

1. General

- 1.1 Services will be supplied in accordance with these Terms and Conditions and any changes required by law, and such applicable rate or rates as may from time to time be authorized by law. However, in the case of the Customer whose service requirements are of unusual size or characteristics, additional or special contract arrangements may be required.
- 1.2 These Terms and Conditions shall be considered a part of all rate schedules, except where specifically changed by a written agreement.
- 1.3 In case of a conflict between any provision of a rate schedule and these Terms and Conditions, the provisions of the rate schedule shall apply.

2. Establishment of Service

- 2.1 Application for Service - Customers requesting service may be required to appear at Company's place of business to produce proof of identity and/or sign Company's standard form of Application for service or a contract before service is supplied by Company.
 - 2.1.1 In the absence of a signed Application or contract for service, the supplying of Standard Offer and/or Direct Access services by Company and acceptance thereof by the Customer shall be deemed to constitute a service agreement by and between Company and the Customer for delivery of, acceptance of, and payment for service, subject to Company's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, Company shall have the right to collect the full amount owed Company from any one of the Customers.
- 2.2 Service Establishment and Customer Request for Special Service Charge - A Service Establishment Charge of \$25.00 for residential and \$35.00 non-residential plus any applicable tax adjustment will be assessed each time Company is requested to establish, reconnect or re-establish electric service to the Customer's Delivery Point, or to make a special read without a disconnect and calculate a bill for a partial month
 - 2.2.1 The Customer will additionally be required to pay a trip charge of \$16.00 when an authorized Company representative travels to the Customer's site and is unable to complete the Customer's requested services due to lack of access to the Point of Delivery.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.2.2 The Customer will additionally be required to pay an after-hours charge of \$75.00 if the Customer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established after 5:00 p.m. on a day other than the day of request.
- 2.2.3 The Customer will additionally be required to pay a same day connect charge of \$75.00 if the Customer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established on the same business day the request is being made, and Company agrees to work the request on the same business day of the request. This will be charged regardless of the time the order may be worked by Company on that day. Company may, where no additional costs are incurred by Company, waive the same day fee.
- 2.2.4 The Customer will additionally be required to pay \$75.00 per crew person per hour when Customer requests services that do not meet the definition of service establishment as defined in A.A.C. R14-2-203.D.3 (such as Customer requested outages for maintenance and metering equipment installations which include instrument transformers) that require the availability of Company representatives after hours, on a weekend day, or on a Company holiday. The number of representatives utilized by Company in fulfilling such requests shall be at the sole discretion of Company. Customers will be given notice of estimated charges prior to the work being performed.
- Company holidays are New Year's Day, Martin Luther King Jr. Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, and Christmas Day.
- 2.2.5 Company may waive the Service Establishment Charge where:
- 2.2.5.1 No field trip is required because Applicant accepts responsibility for energy billed and not yet paid and the change is effective with the last Meter read and Meter read date billed.
- 2.2.5.2 Applicant has an active Landlord Automatic Transfer of Service Agreement on file with Company. This service agreement is for property owners that have established credit with Company and provides for continuous service to the landlord between tenants.
- 2.2.5.3 Where multiple connects are performed during the same site visit, in the same Applicant name, at the same address, for the same class of service, Company will assess the Service Establishment Charge once for every two Delivery Points.
- 2.3 Direct Access Service Request (DASR) - A Direct Access Service Request charge of \$10.00 plus any applicable tax adjustment will be assessed to the Electric Service Provider (ESP) submitting the DASR each time Company processes a Request (RQ) type DASR as specified in Company's Schedule 10, Terms and Conditions for Direct Access.
- 2.4 Grounds for Refusal of Service - Company may refuse to connect or reconnect Standard Offer or Direct Access service if any of the following conditions exist:



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.4.1 The Applicant has an outstanding amount due with Company for the same class of service and is unwilling to make payment arrangements that are acceptable to Company.
- 2.4.2 A condition exists which in Company's judgment is unsafe or hazardous.
- 2.4.3 The Applicant has failed to meet the security deposit requirements set forth by Company as specified under Section 2.5 or 2.6 hereof.
- 2.4.4 The Applicant is known to be in violation of Company's Tariff.
- 2.4.5 The Applicant fails to furnish such funds, service, equipment, and/or rights-of-way or Easements required to serve the Applicant and which have been specified by Company as a condition for providing service.
- 2.4.6 The Applicant falsifies his or her identity for the purpose of obtaining service.
- 2.4.7 Service is already being provided at the address for which the Applicant is requesting service.
- 2.4.8 Residential service is requested by an Applicant and a prior Customer, who will be living at the subject address, owes a delinquent bill from the same or a prior residential service address.
- 2.4.9 Service is requested by an Applicant, and a prior Customer who will be an actual user of the service at the subject address owes a delinquent bill for the same class of service from the same or a prior service address.
- 2.4.10 The Applicant has failed to obtain all required permits and/or inspections indicating that the Applicant's facilities comply with local construction and safety codes.

2.5 Establishment of Credit or Security Deposit

- 2.5.1 **Residential Establishment of Credit** - Company shall not require a security deposit from a new Applicant for service at a primary and/or secondary residence if the Applicant is able to meet any of the following requirements:
 - 2.5.1.1 The Applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
 - 2.5.1.2 Company receives an acceptable credit rating, as determined by Company, for the Applicant from a credit rating agency utilized by Company.
 - 2.5.1.3 The Applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received within six (6) months of the current date which states that the Applicant had a timely payment history for the prior twelve (12) consecutive months at the time of service discontinuation.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.5.1.4 In lieu of a security deposit, Company receives deposit guarantee notification from a social or governmental agency acceptable to Company or a surety bond as security for Company in a sum equal to the required deposit.
- 2.5.1.5 Where three or more additional residential services are requested, Company may require Customer to establish or reestablish a security deposit.
- 2.5.2 Residential Establishment of Credit or Security Deposit - When credit cannot be established as provided for in Section 2.5.1 hereof or when it is determined that the Applicant left an unpaid final bill owing to another utility company, the Applicant will be required to:
- 2.5.2.1 Place a cash deposit to secure payment of bills for service as prescribed herein, or
- 2.5.2.2 Provide a surety bond acceptable to Company in an amount equal to the required security deposit.
- 2.5.3 Non-residential Establishment of Security Deposit - All non-residential Applicants will be required to place a cash deposit to secure payment of bills for service as prescribed herein, unless:
- 2.5.3.1 The Applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
- 2.5.3.2 The Applicant provides a non-cash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit, or Assignment of Monies in an amount equal to the required security deposit.
- 2.6 Establishment or Reestablishment of Security Deposit
- 2.6.1 Residential - Company may require a residential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months.
- 2.6.2 Non-residential - Company may require a non-residential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or if the Customer has been disconnected for non-payment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by Company based on the results of using a credit scoring worksheet. Company will inform all Customers of the Arizona Corporation Commission's complaint process should the Customer dispute the deposit based on the financial data.
- 2.7 Security Deposits - Once it is determined that a security deposit is required, the following will apply:



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.7.1 Security deposits may be required for each service location.
- 2.7.2 Company reserves the right to increase or decrease security deposit amounts applicable to the services being provided by Company in accordance with this section:
 - 2.7.2.1 If the Customer chooses to change from Standard Offer to Direct Access services, the deposit may be decreased by an amount which reflects that portion of the Customer's service being provided by a Load Serving ESP. However if the Load Serving ESP is providing ESP Consolidated Billing pursuant to Company's Schedule 10 Section 7, the entire deposit will be credited to the Customer's account; or,
 - 2.7.2.2 If the Customer chooses to change from Direct Access to Standard Offer service, the requested deposit amount may be increased by an amount pursuant to Section 2.5, which reflects that Company is providing bundled electric service.
 - 2.7.2.3 If the Customer's average consumption increases: by more than ten (10) percent for residential accounts or five (5) percent for nonresidential accounts within a twelve (12) consecutive month period and credit has not been established, an additional security deposit may, at Company's option, be required.
- 2.7.3 Customer security deposits shall not preclude Company from terminating an agreement for service or suspending service for any failure in the performance of Customer obligation under the agreement for service.
- 2.7.4 Cash deposits held by Company six (6) months/183 days or longer shall earn interest from the date the deposit was collected at the established one year Treasury Constant Maturities rate, effective on the first business day of each year, as published on the Federal Reserve Website. Deposits on inactive accounts are applied to the final bill when all service options become inactive, and the balance, if any, is refunded to the Customer of record within thirty (30) days. For refunds resulting from the Customer changing from Standard Offer to Direct Access, the difference in the deposit amounts will be applied to the Customer's account.
- 2.7.5 If the Customer terminates all service with Company, the security deposit may be credited to the Customer's final bill.
- 2.7.6 Residential security deposits shall not exceed the higher amount of either one (1) time the Customer's maximum monthly bill or two (2) times the Customer's average monthly bill as estimated by Company for the services being provided by Company.
 - 2.7.6.1 Deposits or other instruments of credit will automatically expire or be credited or returned to the Customers account after twelve (12) consecutive months of service, provided the Customer has not been delinquent more than twice, unless Customer has filed bankruptcy in the last twelve (12) months.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

2.7.7 Non-residential security deposits shall not exceed two and one-half (2-1/2) times the Customer's maximum monthly billing as estimated by Company for the service being provided by Company.

2.7.7.1 Deposits and non-cash deposits on file with Company will be reviewed after twenty-four (24) months of service and will be returned provided the Customer has not been delinquent more than twice in the payment of bills or disconnected for non-payment during the previous twelve (12) consecutive months unless the Customer's financial condition warrants extension of the security deposit.

2.8 Line Extensions Service requests requiring Company to extend or upgrade its facilities in order to establish service will be made in accordance with Company's Service Schedule #3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

2.9 Customer-Specific Information - Customer-specific information shall not be released without specific prior written Customer authorization unless the information is requested by law enforcement or other public agency, or is requested by the Arizona Corporation Commission or its staff, or is reasonably required for legitimate account collection activities, or is necessary to provide efficient, effective, safe, or reliable service to the Customer. Customer-specific information may be provided to suppliers of goods or services under contract with Company if:

2.9.1 Such goods or services will assist Company in providing efficient, effective, safe, or reliable service; and

2.9.2 Such contract includes a requirement that the information be kept confidential and is only used to fulfill the supplier's obligations to Company.

3. Rates

3.1 Rate Information - Company shall provide, in accordance with A.A.C. R14-2-204, a copy of any rate schedule applicable to that Customer for the requested type of service. In addition, Company shall notify its Customers of any changes in Company Tariff affecting those Customers.

3.2 Rate Selection - The Customer's service characteristics and service requirements determine the selection of applicable rate schedule. If the Customer is receiving bundled service, Company will use reasonable care in initially establishing service to the Customer under the most advantageous rate schedule applicable to the Customer. However, because of varying Customer usage patterns and other reasons beyond its reasonable knowledge or control, Company cannot guarantee that the most economic applicable rate will be applied. Company will not make any refunds in any instances where it is determined that the Customer would have paid less for service had the Customer been billed on an alternate applicable rate or provision of that rate.

3.3 Optional Rates - Certain optional rate schedules applicable to certain classes of service allow the Customer the option to select the rate schedule to be effective initially or after service has been established. Billing under the alternate rate will become effective from the next regularly scheduled Meter reading, after the appropriate metering equipment is installed. No further rate schedule changes, however, may be made within the succeeding twelve (12) month period. Where



SERVICE SCHEDULE 1 TERMS AND CONDITIONS FOR STANDARD OFFER AND DIRECT ACCESS SERVICES

the rate schedule or contract pursuant to which the Customer is provided service specifies a term, the Customer may not exercise its option to select an alternate rate schedule until expiration of that term.

- 3.4 Direct Access service will be effective upon the next Meter read date if DASR is processed fifteen (15) calendar days prior to that read date and the appropriate metering equipment is in place. If a DASR is made less than fifteen (15) days prior to the next regular read date the effective date will be at the next Meter read date thereafter. The above timeframes are applicable for Customers changing their selection of Electric Service Providers or for Customers returning to Standard Offer service.
- 3.5 Any Customer that selects Direct Access service may return to Standard Offer service in accordance with the rules, regulations, and orders of the Arizona Corporation Commission. However, such Customer will not be eligible for Direct Access service for the succeeding twelve (12) month period. If a Customer returning to Standard Offer, in accordance with the rules, regulations and orders of the Commission, was not given the required notification in accordance with the rules and regulations of the Commission by their Load Serving ESP of its intent to cease providing competitive services then the above provision will only apply if the Customer fails to select another ESP within sixty (60) days of returning to Standard Offer service.

4. Billing and Collection

- 4.1 Customer Service Installation and Billing - Service Billing Periods normally consist of approximately thirty (30) days unless designated otherwise under rate schedules, through contractual agreement, or at Company option.
- 4.1.1 Company normally Meters and bills each site separately; however, at Customer's request, adjacent and contiguous sites (not separated by private or public property or right of way), operated as one integral unit under the same name and as a part of the same business, may at Company's option be considered a single site as specified in Company's Schedule 4, Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service.
- 4.1.2 The Customer's service installation will normally be arranged to accept only one type of service at one Point of Delivery to enable service measurement through one Meter. If the Customer requires more than one type of service, or total service cannot be measured through one Meter according to Company's regular practice, separate Meters will be used and separate billing rendered for the service measured by each Meter.
- 4.2 Collection Policy - The following collection policy shall apply to all Customer accounts:
- 4.2.1 All bills rendered by Company are due and payable no later than fifteen (15) calendar days from the billing date. Any payment not received within this time frame will be considered delinquent. All delinquent bills for which payment has not been received shall be subject to the provisions of Company's termination procedure. Company reserves the right to suspend or terminate the Customer's service for non-payment of any Arizona Corporation Commission approved charges. All delinquent charges will be subject to a late charge at the rate of eighteen percent (18%) per annum.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 4.2.2 If the Customer, as defined in A.A.C. R 14-2-201.9, has two or more services with Company and one or more of such services is terminated for any reason leaving an outstanding bill and the Customer is unwilling to make payment arrangements that are acceptable to Company, Company shall be entitled to transfer the balance due on the terminated service to any other active account of the Customer for the same class of service. The failure of the Customer to pay the active account shall result in the suspension or termination of service thereunder.
- 4.2.3 Unpaid charges incurred prior to the Customer selecting Direct Access will not delay the Customer's request for Direct Access. These charges remain the responsibility of the Customer to pay. Normal collection activity, including discontinuing service, may be followed for failure to pay.
- 4.2.4 All unpaid delinquent final bills may be referred to a collection agency for collection.
 - 4.2.4.1 If collection agency referral is warranted for collection of unpaid final bills, Customer will be responsible for associated collection agency fees incurred.

4.3 Responsibility for Payment of Bills

- 4.3.1 The Customer is responsible for the payment of bills until service is ordered discontinued and Company has had reasonable time to secure a final Meter reading for those services involving energy usage, or if non-metered services are involved until Company has had reasonable time to process the disconnect request.
- 4.3.2 When an error is found to exist in the billing rendered to the Customer, Company may correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of the applicable statute of limitations from the date the error is discovered. Schedule 8 (Bill Estimation) shall be applied when Company cannot obtain a complete and valid Meter read. Situations that result in an estimated Meter read include inclement weather, lack of access to a Customer's Meter, energy diversion, labor unavailability and equipment malfunction.
 - 4.3.2.1 Refunds or credits to Customers resulting from overbillings will be made promptly upon discovery by Company.
 - 4.3.2.2 Corrected charges for underbillings shall be billed to the Customer who shall be given an equal length of time such as number of months underbilled to pay the backbill without late payment penalties, unless there is evidence of Meter Tampering or energy diversion.
 - 4.3.2.3 Except as specified below, corrected charges for underbillings shall be limited to three (3) month for residential accounts and six (6) months for non-residential accounts.
 - 4.3.2.3.1 Where the account is billed on a special contract or non-metered rate, corrected charges for underbillings shall be billed in accordance with



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

the contract or rate schedule requirements and is not limited to three or six months as applicable.

4.3.2.3.2 Where service has been established but no bills have been rendered, corrected charges for underbillings shall go back to the date service was established.

4.3.2.3.3 Where there is evidence of Meter Tampering or energy diversions, corrected charges for underbillings shall go back to the date Meter Tampering or energy diversions began, as determined by Company.

4.3.2.3.4 Where lack of access to the Meter (caused by the Customer) has resulted in estimated bills, corrected charges for underbillings shall go back to the Billing Month of the last Company obtained Meter read date.

4.3.2.3.5 Where actual Customer usage can be determined without estimating reads, corrected charges for underbillings are not limited to three or six months, as applicable. In no event shall such rebilling exceed the applicable statute of limitations.

4.3.2.4 Company may forgo billing and collection of corrected charges for an underbilling if Company believes the cost of billing and collecting the underbilling would not justify pursuing the underbill.

4.3.3 Where Company is responsible for rendering the Customer's bill, Company will provide a monthly incentive of \$0.48 per Customer to Customers who elect to pay their bills using the Company's electronically transmitted payment options AutoPay, SurePay or similar programs.

4.4 **Dishonored Payments** - If Company is notified by the Customer's financial institution that they will not honor a payment tendered by the Customer for payment of any bill, Company may require the Customer to make payment in cash, by money order, certified or cashier's check, or other means which guarantee the Customer's payment to Company.

4.4.1 The Customer will be charged a fee of \$15.00 for each instance where the Customer tenders payment of a bill with a payment that is not honored by the Customer's financial institution.

4.4.2 The tender of a dishonored payment shall in no way (i) relieve the Customer of the obligation to render payment to Company under the original terms of the bill, or (ii) defer Company's right to terminate service for nonpayment of bills.

4.4.3 Where the Customer has tendered two (2) or more dishonored payments in the past twelve (12) consecutive months, Company may require the Customer to make payment in cash, money order or cashier's check for the next twelve (12) consecutive months.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

4.5 Termination Process Charges

- 4.5.1 Company will require payment of a Field Call Charge of \$15.00 when an authorized Company representative travels to the Customer's site to accept payment on a delinquent account, notify of service termination, make payment arrangements or terminate the service. This charge will only be applied for field calls resulting from the termination process.
- 4.5.2 If a termination is required at the pole, a reconnection charge of \$96.50 will be required; if the termination is in underground equipment, the reconnection charge will be \$115.00.
- 4.5.3 To avoid termination of service, the Customer will make payment in full, including any necessary deposit in accordance with Section 2.5 hereof or make payment arrangements satisfactory to Company.

5. Service Responsibilities of Company and Customer

- 5.1 Service Voltage –Company will deliver electric service to the designated Point of Delivery, as specified in Section 6.3 of this Schedule, at the standard voltages specified in the Electric Service Requirements Manual published by Company and as specified in A.A.C. R14-2-208.F. Company may deliver service for special Applications at higher voltages, with prior approval from Company's Engineering Department and in accordance with Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.
- 5.2 Responsibility: Use of Service or Apparatus
 - 5.2.1 The Customer shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the services being provided by Company or the use thereof on the Customer's side of the Point of Delivery. Company shall have the right to suspend or terminate service in the event Company should learn of service use by the Customer under hazardous conditions.
 - 5.2.2 The Customer shall exercise all reasonable care to prevent loss or damage to Company property installed on the Customer's site for the purpose of supplying service to the Customer.
 - 5.2.3 The Customer shall be responsible for payment for loss or damage to Company property on the Customer's site arising from neglect, carelessness or misuse and shall reimburse Company for the cost of necessary repairs or replacements.
 - 5.2.4 The Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering with, tampering with, or by-passing the Meter.
 - 5.2.5 The Customer shall be responsible for notifying Company of any failure in Company's equipment.



SERVICE SCHEDULE 1 TERMS AND CONDITIONS FOR STANDARD OFFER AND DIRECT ACCESS SERVICES

5.3 Service Interruptions: Limitations on Liability of Company

- 5.3.1 Company shall not be liable to the Customer for any damages occasioned by Load Serving ESP's equipment or failure to perform, fluctuations, interruptions or curtailment of electric service, except where due to Company's willful misconduct or gross negligence. Company may, without incurring any liability therefore, suspend the Customer's electric service for periods reasonably required to permit Company to accomplish repairs to or changes in any of Company's facilities. The Customer needs to protect their own sensitive equipment from harm caused by variations or interruptions in power supply.
- 5.3.2 In the event of a national emergency or local disaster resulting in disruption of normal service, Company may, in the public interest and on behalf of Electric Service Providers or Company, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.4 Company Access to Customer Sites

- 5.4.1 Company's authorized agents shall have satisfactory unassisted twenty-four (24) hour a day, seven (7) days a week access to Company's equipment located on Customer's sites for the purpose of repair, maintenance, and service restoration work that Company may need to perform.
- 5.4.2 Company's authorized agents shall have satisfactory unassisted access to the Customer's sites at all reasonable hours to install, inspect, read, repair or remove its Meters or to install, operate or maintain other Company property, to verify that Customer is in compliance with its obligations, or to inspect and determine the connected electrical load. If, after six (6) months (not necessarily consecutive) of good faith efforts by Company to work with the Customer, Company in its opinion does not have satisfactory unassisted access to the Meter, then Company shall have sufficient cause for termination of service or denial of any rate options where, in Company's opinion, access is required. The remedy for unassisted access will be at Company discretion and may include the installation by Company of a specialized Meter. If such specialized Meter is installed, the Customer will be billed the difference between the otherwise applicable Meter for their rate and the specialized Meter plus the cost incurred to install the specialized Meter as a one-time charge and any reoccurring incremental costs. If service is terminated as a result of failure to provide unassisted access, Company verification of unassisted access may be required before service is restored. Written termination notice is required prior to disconnecting service under this section.

5.5 Easements

- 5.5.1 All suitable Easements or rights-of-way required by Company for any portion of an extension to serve a Customer, which is either on sites owned, leased or otherwise controlled by the Customer or developer, or other property required for the extension, shall be furnished in Company's name by the Customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

Easements or rights-of-way granted to, or obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

5.5.2 When Company discovers that the Customer or the Customer's agent is performing work, has constructed facilities, or has allowed vegetation to grow, adjacent to or within an Easement or right-of-way or Company-owned equipment, and such work, construction, vegetation or facility poses a hazard or is in violation of federal, state, or local laws, ordinances, statutes, rules or regulations, or significantly interferes with Company's safe use, operation or maintenance of, or access to, equipment or facilities, Company shall notify the Customer or the Customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction, interference or violation at the Customer's expense. Company will notify the Customer in writing of the violations.

5.6 Load Characteristics – The Customer shall exercise reasonable care to ensure that the electrical characteristics of its load, such as deviation from sine wave form (a minimum standard is IEEE 519) or unusual short interval fluctuations in Demand, shall not impair service to other Customers or interfere with operation of telephone, television, or other communication facilities. Customer shall meet power factor requirements as specified on applicable rate schedules.

6. Metering and Metering Equipment

6.1 Customer Equipment - The Customer shall install and maintain all wiring and equipment beyond the Point of Delivery except for Company's Meters and special equipment. The Customer's entire installation must conform to all applicable construction standards and safety codes and the Customer must furnish an inspection or permit if required by law or by Company. In circumstances where a clearance is not required by law, Company may require Customer to execute a Letter In-Lieu of Electrical Clearance.

6.1.1 The Customer shall provide, in accordance with Company's current service standards and/or Electric Service Requirements Manual, at no expense to Company, and close to the Point of Delivery, a sufficient and suitable space acceptable to Company's agent for the installation, accessibility and maintenance of Company's metering equipment. A current version of the Electric Service Requirements Manual is available on-line at <http://esp.apsc.com/resource/metering.asp>.

6.1.2 Where a Customer requests, and Company approves, a special Meter reading device or communications services or devices to accommodate the Customer's needs, the cost for such additional equipment and usage fees shall be the responsibility of the Customer.

6.2 Company Equipment

6.2.1 A Meter Service Provider (MSP) or its authorized agents may remove Company's metering equipment pursuant to Company's Schedule 10. Meters not returned to Company or returned damaged will result in charge to the MSP of the replacement costs, plus an administration fee of fifteen percent (15%), less five (5) years depreciation.

6.2.2 Company will lease lock ring keys to MSP's and/or their agents authorized to remove Company Meters pursuant to the terms and conditions of Company's Schedule 10 at a



SERVICE SCHEDULE 1 TERMS AND CONDITIONS FOR STANDARD OFFER AND DIRECT ACCESS SERVICES

refundable charge of \$70.00 per key. The charge will not be refunded if a key is lost, stolen, or damaged. If Company must replace ten percent (10%) of the issued keys within any twelve (12) month period due to loss by the MSP's agent, Company may, rather than leasing additional lock ring keys, require the MSP to arrange for a joint meeting. All lock ring keys must be returned to Company within five (5) working days if the MSP and/or its authorized agents are:

- 1) No longer permitted to remove Company Meters pursuant to conditions of Company's Schedule 10;
- 2) No longer authorized by the Arizona Corporation Commission to provide services; or
- 3) The ESP Agreement has been terminated.

6.2.3 If the MSP, the Customer, and/or its agent request a joint site meeting for removal of Company metering and associated equipment and/or lock ring, a base charge will be assessed of \$62.00 per site. Company may assess an additional charge of \$53.00 per hour for joint site meetings that exceed thirty (30) minutes. If Company must temporarily replace the MSP's Meter and/or associated metering equipment during emergency situations or to restore power to a Customer, the above charges may apply.

6.3 Service Connections - Company is not required to install and maintain any lines and equipment on the Customer's side of the Point of Delivery except its Meter.

6.3.1 For overhead service, the Point of Delivery shall be where Company's service conductors terminate at the Customer's weatherhead or bus rider.

6.3.2 For underground service, the Point of Delivery shall be where Company's service conductors terminate in the Customer's or development's service equipment. The Customer shall furnish, install and maintain any risers, raceways and/or termination cabinet necessary for the installation of Company's underground service conductors.

6.3.3 For special Applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, Company and Customer shall mutually agree upon the designated Point of Delivery.

6.3.4 For the mutual protection of the Customer and Company, only authorized employees or agents of Company or the Load Serving ESP are permitted to make and energize the connection between Company's service wires and the Customer's service entrance conductors. Such employees carry Company issued identification which they will show on request.

6.4 Measuring Customer Service - All the energy sold to the Customer will be measured by commercially acceptable measuring devices by Company (or the Meter Reading Service Provider (MRSP) pursuant to the terms and conditions of Company's Schedule 10). Where energy and, if applicable, Demand is estimated by Company, estimation will be in accordance with Company's bill estimation procedures approved by the Arizona Corporation Commission. Where it is impractical to Meter loads, such as street lighting, security lighting, or special installations, consumption will be determined by Company.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 6.4.1 For Standard Offer Customers, or where Company is the MRSP, the readings of the Meter will be conclusive as to the amount of electric power supplied to the Customer unless there is evidence of Meter Tampering or energy diversion, or unless a test reveals the Meter is in error by more than plus or minus three percent (3%).
- 6.4.2 If there is evidence of Meter Tampering or energy diversion, the Customer, person or entity demonstrated to have tampered with the Meter and/or benefited from the tampering or diversion will be billed for the estimated energy and, if applicable, Demand, for the period in which the energy diversion took place. Additionally, where there is evidence of Meter Tampering, energy diversion, or by-passing the Meter, the Customer, person or entity demonstrated to have tampered with the Meter and/or diverted energy will also be charged the cost of the investigation as determined by Company.
- 6.4.3 If after testing, a Meter is found to be more than three percent (3%) in error, either fast or slow, proper correction shall be made of previous readings and adjusted bills shall be rendered or adjusted billing information will be provided to the MRSP.
- 6.4.3.1 Customer will be billed, in accordance with Section 4.3.2, for the estimated energy and Demand that would have registered had the Meter been operating properly.
- 6.4.4 Where Company is the MRSP, Company will, at the request of the Customer or the ESP, reread the customer's Meter within ten (10) working days after such request by the Customer. The cost of such rereads is \$16.50 and may be charged to the Customer or the ESP, provided that the original reading was not in error.
- 6.4.5 Where the ESP is the MSP or MRSP, and the ESP and/or its' agent fails to provide the Meter data to Company pursuant to Company's Schedule 10 Section 8.16, Meter Reading Data Obligations, Company may, at its option, obtain the data, or may estimate the billing determinants. The charge for such reread is \$16.50 and may be charged to the ESP.
- 6.5 Meter Testing - Company tests its Meters regularly in accordance with a Meter testing and maintenance program as approved by the Arizona Corporation Commission. Company will, however, individually test a Company owned/maintained Meter upon Customer or ESP request. If the Meter is found to be within the plus or minus three percent (3%) limit, Company may charge the Customer or the ESP \$30.00 for Meter test if the Meter is removed from the site and tested in the meter shop, and \$50.00 if the Meter remains on site and is tested in the field.
- 6.6 Master Metering
- 6.6.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.
- 6.6.2 Residential Apartment Complexes - Company shall refuse service to all new construction of apartment complexes and condominiums which are Master Metered. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

6.6.3 **Multi-Unit Residential High Rise Developments** (developments consisting of apartments, condominiums or townhouse developments built with four or more floors, usually using elevators for accessing floors) – Company will allow Master Metering for residential units where the residential units are privately owned, provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.

6.6.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.

6.6.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.

7. **Termination of Service**

7.1 **With Notice** - Company may without liability for injury or damage, and without making a personal visit to the site, disconnect service to any Customer for any of the reasons stated below, provided Company has met the notice requirements established by the Arizona Corporation Commission:

7.1.1 A Customer violation of any of the applicable rules of the Arizona Corporation Commission or Company Tariff.

7.1.2 Failure of the Customer to pay a Delinquent Bill for services provided by Company.

7.1.2.1 Additional notice will not be provided when Customer makes payments to avoid/stop non-payment disconnection with a dishonored payment. Prior to reconnection of service, repayment of those funds and all other delinquent amounts will be required in cash, money order, or certified funds.

7.1.2.2 Additional notice will not be provided when Customer pays to reconnect service with a dishonored payment. Prior to reconnection of service, payment of those funds and all other delinquent amounts will be required in cash, money order or certified funds.

7.1.3 The Customer's breach of a written contract for service.

7.1.4 Failure of the Customer to comply with Company's deposit requirements.

7.1.5 Failure of the Customer to provide Company with satisfactory and unassisted access to Company's equipment.

7.1.6 When necessary to comply with an order of any governmental agency having jurisdiction.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 7.1.7 Failure of a prior Customer to pay a Delinquent Bill for utility services where the prior Customer continues to reside on the premises.
- 7.1.8 Failure to provide or retain rights-of-way or Easements necessary to serve the Customer.
- 7.1.9 Company learns of the existence of any condition in Section 2.4, Grounds For Refusal of Service.
- 7.2 Without Notice - Company may without liability for injury or damage disconnect service to any Customer without advance notice under any of the following conditions:
 - 7.2.1 Company observes, or has evidence of, a hazard to the health or safety of persons or property.
 - 7.2.2 Company has evidence of Meter Tampering or fraud.
 - 7.2.3 Company has evidence of unauthorized resale or use of electric service.
 - 7.2.4 Failure of the Customer to comply with the curtailment procedures imposed by Company during a supply shortage.
- 7.3 Restoration of Service - Company shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of Company.
- 8. Removal of Facilities - Upon termination of service, Company may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the Customer, and Company shall be under no further obligation to serve the Customer.
- 9. Successors and Assigns - Agreements for Service shall be binding upon and for the benefit of the successors and assigns of the Customer and Company, but no assignments by the Customer shall be effective until the Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by Company.
- 10. Warranty - THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED HEREIN OR IN THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION CONCERNING THE SALE AND DELIVERY OF SERVICES BY COMPANY TO THE CUSTOMER. THESE TERMS AND CONDITIONS AND THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION STATE THE ENTIRE OBLIGATION OF COMPANY IN CONNECTION WITH SUCH SALES AND DELIVERIES.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

The following TERMS AND CONDITIONS and any changes authorized by law, regulation, rule or order of applicable governmental authority will apply to the purchase of electric energy under the established rate or rates authorized by law and currently applicable at time of purchase; and these TERMS AND CONDITIONS shall be considered a part of all of Company's rate schedules for purchases except where specifically changed by written agreement.

1. DEFINITIONS

- 1.1 Point Of Interconnection - The point where Company's service conductors are connected to Customer's service conductors.
- 1.2 Qualifying Facility (QF) - Any cogeneration or small power production facility that meets the criteria for size, fuel use, efficiency, and ownership as promulgated in 18 CFR, Chapter I, Part 292, Subpart B of the Federal Energy Regulatory Commission's Regulations.
- 1.3 Purchase Agreement - The agreement entered into between Customer and Company detailing the provisions for the purchase of electric energy by Company from Customer's QF, and the sale, if any, of power by Company to Customer.
- 1.4 Cogeneration Facility - Any facility that sequentially produces electricity, steam or forms of useful energy (e.g., heat) from the same fuel source and which are used for industrial, commercial, heating, or cooling purposes.
- 1.5 Small Power Production Facility - A facility that uses primarily biomass, waste, or renewable resources, including wind, solar, and water to produce electric power.

2. CUSTOMER'S OBLIGATIONS

- 2.1 Customer agrees not to commence interconnected operation of its QF with Company's system, until the installation has been inspected by an authorized Company representative and final written approval is received from Company to commence interconnected operation. Customer shall give reasonable notice to Company when initial startup is to begin. Company shall have the right to have a representative present during initial energizing and testing of Customer's system.
- 2.2 Customer shall own and be fully responsible for the costs of designing, installing, operating and maintaining:
 - 2.2.1 The QF in accordance with the requirements of all applicable electric codes, laws and governmental agencies having jurisdiction.
 - 2.2.2 Control and protective devices to protect its facilities from abnormal operating conditions such as, but not limited to, electrical overloading, abnormal voltages, and fault currents. Such protective devices shall promptly disconnect the QF from Company's system in the event of a power outage on Company's system.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

- 2.2.3 A gang operated load break disconnect switch, capable of being locked in a visibly open position that will completely isolate the QF from Company's system. Such disconnect switch shall be installed in a place easily accessible to Company's personnel. Company shall have the right to lock open the disconnect switch without notice to Customer when interconnected operation of the QF with Company's system could adversely affect Company's system or endanger life or property.
- 2.2.4 Interconnection facilities on Customer's premises as may be required to deliver power from Customer's QF to Company's system at the agreed Point Of Interconnection.
- 2.3 Electric sales to Company must be single or three phase, 60 Hertz, at one standard voltage (12,500; 2400/4160; 480; 277/480; 120/240 or 120/208 volts as may be selected by Customer subject to availability at the premises). Customer's facilities shall also maintain a minimum ninety percent (90%) leading to ninety percent (90%) lagging power factor as measured at the Point Of Interconnection.
- 2.4 The electrical output of Customer's QF shall not contain harmonic content which may cause disturbances on or damage to Company's electrical system, or other party's systems, such as but not limited to communication systems.
- 2.5 Customer shall operate and maintain the QF in accordance with those practices and methods, as they are changed from time-to-time, that are commonly used in prudent engineering and electric utility operations and shall operate the QF lawfully and in a safe, dependable and efficient manner.
- 2.6 Customer shall submit to Company written equipment specifications and detailed plans to Company for the installation and operations of its QF, interconnection facilities, control and protective devices and facilities to accommodate Company's meter(s) for review and advance written approval prior to their actual installation. After Company's approval Customer shall not change or modify equipment specifications, plans, control and protective devices, metering and in general the QF's system configuration. If Customer desires to make such changes or modifications, Customer shall resubmit to Company plans describing said changes or modifications for approval by Company. No such change or modification may be made without the prior written approval of Company.
- 2.7 In the event it is necessary for Company to install interconnection facilities on its system (including, but not limited to control or protective devices, or any other facilities) in order to receive or continue to receive or to deliver electric power under the terms of the Purchase Agreement, Company shall inform Customer of the cost thereof in advance of incurring the costs of such facilities and Customer shall reimburse Company for the costs incurred by Company in connection with such facilities to the extent that said costs exceed those normally incurred by Company with respect to those customers which it serves who do not have self generation facilities.
- 2.8 If Customer utilizes the Company's system to facilitate start-up of its QF, the voltage flicker level shall not exceed Company standards.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

3. METERING PROVISIONS

- 3.1 Customer shall provide and install at no expense to Company, and in accordance with Company's service standards, meter sockets and metering cabinets in a suitable location to be determined by Company's representatives.
- 3.2 Company shall furnish, own, install and maintain all meters that register the sales of power to, and the purchases of energy from Customer. The responsibility for the costs of providing and maintaining the required meters shall be as outlined in the applicable Rate for Purchase, or as specified in the Purchase Agreement.
- 3.3 The readings of all said meters will be conclusive as to the amount of electric power and energy supplied to the QF and/or purchased by Company unless, upon test, the meters are found to be in error by more than three percent (3%). The expense of any meter test requested by Customer will be borne by Customer unless such test shows the meter(s) to be in error by more than three percent (3%).

4. MUTUAL UNDERSTANDINGS

- 4.1 Company shall be allowed to install on Customer's premises any instrumentation equipment for research purposes. Such equipment shall be owned, furnished, installed and maintained by Company.
- 4.2 Company's approvals given pursuant to the Purchase Agreement shall not be construed as any warranty or representation to Customer or any third party regarding the safety, durability, reliability, performance or fitness of Customer's generation and service facilities, its control or protective devices or the design, construction, installation or operation thereof.
- 4.3 Company (including its employees, agents, and representatives) shall have the right to enter Customer's premises at all reasonable times to (a) inspect Customer's QF, protective devices and to read or test instrumentation equipment that Company may install, provided that as reasonably possible, notice is given to Customer prior to entering its premises; (b) maintain Company equipment relative to the purchase of electric energy from Customer; (c) read or test the meters; and (d) disconnect the QF without notice if, in Company's opinion, a hazardous condition exists and such immediate action is necessary to protect persons, or Company's facilities or other customers' or third parties' property and facilities from damage or interference caused by Customer's QF, or improperly operating protective devices.
- 4.4 All suitable easements or rights-of-way (required by Company in order to accommodate inter-connection of Company's system with the QF), which are either on premises owned, leased or otherwise controlled by Customer, or upon other property, shall be furnished in Company's name by Customer without cost to or condemnation by Company and in reasonable time to meet the requirements of the Purchase Agreement. All easements or rights-of-way obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

- 4.5 Company is not obligated to pay for electric energy or capacity from Customer during any periods when such purchases would result in costs greater than those which Company would otherwise incur had Company generated said energy itself or purchased the energy from another source. Company will give reasonable notice to Customer when such periods exist, so that Customer can discontinue deliveries of energy to Company or elect to continue to sell to Company at a rate, lower than the standard purchase rate, estimated to be the avoided system cost for the period during which such situations exist.
- 4.6 Company will not install and maintain any lines or equipment on Customer's side of the Point Of Interconnection except its meter (and possibly some research equipment). For the mutual protection of Customer and Company, only authorized employees of Company are permitted to make and energize the interconnection between Company's system and that of Customer's QF. Such employees carry credentials which they will show to Customer upon request.
- 4.7 The particular rate for purchases applicable to a QF may be dependent on the system configuration of its facilities. Because of the varied and diverse requirements and operating characteristics associated with such facilities, it will be the QF's responsibility to evaluate and determine which system configuration and attendant purchase rate is most appropriate. Company will cooperate with Customer by providing suitable information to enable the Customer to assess the options available; provided, however, that no such information or assistance shall be deemed a representation or warranty by Company with respect to the contents of such information or any particular option available to Customer.
- 4.8 Service billing periods normally consist of approximately 30 days unless designated otherwise under rate schedules or at Company's option.
- 4.9 The interconnection of Company's system with that of Customer will normally be arranged to accept only one type of standard service at one Point Of Interconnection. However, if Customer's QF requires a special type of service (e.g., supplemental, back-up, maintenance or interruptible power in addition to its normal service), or its sales to Company are at a different voltage level than that of its purchases from Company, such service(s) will be provided pursuant to the specific terms outlining such requirements in the Purchase Agreement, applicable rate schedules, and/or other supplemental or special terms and conditions governing such service.
- 4.10 Each premises owned or controlled by Customer which is served by Company under the Purchase Agreement shall be metered and billed separately. As used herein, the term "premises" shall be deemed to mean a single tract of land owned or controlled by Customer, or separate adjacent or contiguous tracts of land owned or controlled by Customer, operated by it as one tract under the same name or as part of the same business, and not separated by any private or public lands or rights-of-way owned or controlled by third parties.
- 4.11 All bills rendered for Company services provided to Customer under the provisions of the Purchase Agreement are due and payable upon presentation and are past due fifteen calendar days after mailing of bill. Company reserves the right to suspend or terminate Customer's service for non-payment of service bills past due, for non-payment of interconnection charges, and for non-payment of meter test charges. Past-due service bill amounts, past-due interconnection charges and past-due meter test charges, are subject to an additional charge at the rate of 1-1/2% per month during the period of delinquency.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

5. SERVICE RENDERED UNDER SPECIAL AGREEMENT

Purchases will be made from Customer's QF in accordance with the Purchase Agreement, these terms and conditions and any changes required by law, regulation, rule, or order of applicable governmental authority, and such applicable rate or rates as may from time to time be authorized by law. However, in the case of QF's, whose requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.

6. REGULATORY AUTHORITY

The rates, terms and other contract provisions governing electric power sold to Customer and the rates or other contract provisions for purchases by Company from Customer are subject to the jurisdiction of the Corporation Commission (ACC) and nothing contained herein shall be construed as affecting or limiting in any way the right of Company (a) to make unilateral filings of changed rates, terms and other contract provisions, which shall be effective when filed, or within a specified number of days thereafter as specified therein, such rates or other contract provisions specified in such filing to be subject to modification if required by a final decision of the ACC, or (b) to unilaterally make application to the ACC for changes in such rates or other contract provisions, following a hearing and decision as permitted by law and the ACC's rules and regulations.

7. INDEMNITY AND INSURANCE

Each Party hereby agrees to indemnify the other Party, its officers, agents, and employees against all loss, damages, expenses and liability to third persons for injury to or death of person or injury to or loss of property, proximately caused by the indemnifying Party's construction, ownership, operation, or maintenance of, or by failure of, any of such Party's works or facilities used in connection with the Purchase Agreement. The indemnifying Party shall, on the other Party's request, defend any suit asserting a claim covered by this indemnity. The indemnifying Party shall also pay all costs and expenses that may be incurred by the other Party in enforcing this indemnity.

8. UNCONTROLLABLE FORCES

No Party shall be considered to be in default in the performance of any of its obligations under the Purchase Agreement (other than obligations of said Party to pay sums to be paid by it hereunder, and other costs and expenses) when a failure of performance shall be due to an uncontrollable force. The term "uncontrollable force" shall be any cause beyond the control of the Party affected, including but not restricted to failure of or threat of failure of facilities, flood, earthquake, tornado, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, strikes, labor or material shortage, sabotage, restraint by court order or public authority, and action or non-action by or inability to obtain the necessary authorizations or approvals from any governmental agency or authority, which by exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed so as to require a Party to settle any strike or labor dispute in which it may be involved. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an uncontrollable force shall give prompt written notice of such fact to the other Party and shall exercise due diligence to remove such inability with all reasonable dispatch.



**SERVICE SCHEDULE 2
TERMS AND CONDITIONS FOR ENERGY
PURCHASES FROM QUALIFIED
COGENERATION AND SMALL POWER
PRODUCTION FACILITIES**

9. NOTICES

Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given by certified or registered mail, addressed to the Party or personally delivered to the Party at the place designated in the applicable section of the Purchase Agreement. Changes in such designation may be made by notice similarly given.

10. CONFLICTS

10.1 In case of an inconsistency or conflict between any provision of the Purchase Agreement, a rate schedule and/or these terms and conditions, the inconsistency shall be resolved by giving priority to the Purchase Agreement, the rate and then the terms and conditions in said respective order.

11. SUCCESSORS AND ASSIGNS

Purchase Agreement shall be binding upon and for the benefit of the successors and assigns of Customer and Company, but no assignment by Customer shall be binding until accepted in writing by Company (which acceptance shall not be unreasonably withheld) and until the assignee in writing assumes the obligations of Customer under the Agreement.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

Provision of electric service from Arizona Public Service Company (Company) may require construction of new facilities or the relocation and/or upgrade of existing facilities. Costs for construction depend on the applicant's location, scope of project, load size, and load characteristics. Costs include, but are not limited to, project management, coordination, engineering, design, surveys, permits, construction inspection, and support services. This schedule establishes the terms and conditions under which Company will extend, relocate, and/or upgrade its facilities in order to provide service.

All facility installations and/or upgrades shall be made in accordance with good utility construction practices, as determined by Company, and are subject to the availability of adequate capacity, voltage and Company facilities at the beginning point of an extension as determined by Company.

The following provisions govern the installation of overhead and underground electric distribution facilities to applicants whose requirements are deemed by Company to be usual and reasonable in nature.

1. DEFINITIONS

- 1.1. **APS Approved Electrical Distribution Contractor** means an electrical contractor who is licensed in the State of Arizona and properly qualified to install electric distribution facilities in accordance with Company standards and good utility construction practices as determined by Company.
- 1.2. **Conduit Only Design** means the conduit layout design for the installation of underground Extension Facilities that will be required when the Extension Facilities are to be installed at a later date.
- 1.3. **Corporate Business and Industrial Development** means a tract of land which has been divided into contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of buildings for commercial and/or industrial use.
- 1.4. **Doubtful Permanency** means a customer who in the opinion of the Company is neither Permanent nor Temporary. Service which, in the opinion of the Company, is for operations of a speculative character is considered Doubtfully Permanent.
- 1.5. **Economic Feasibility** means a determination by Company that the estimated annual revenue based on Company's then currently effective rate for delivery service (excluding taxes, regulatory assessment and other adjustments) less the cost of service provides an adequate rate of return on the investment made by Company to serve the applicant.
- 1.6. **Execution Date** means the date Company signs the agreement after the applicant has signed the agreement and money has been collected by company.
- 1.7. **Extension Facilities** means the electrical facilities, including conductors, cables, transformers, and related equipment installed solely to serve an individual applicant, or groups of applicants. For example, the Extension Facilities to serve a Residential Subdivision would consist of the line extension required to connect the subdivision to Company's existing system, as well as Company's electrical facilities constructed within the subdivision which would include primary and service lines, and transformers.
- 1.8. **High Rise and/or Mixed-Use Development** means a building built with four or more floors (usually using elevators for accessing floors) or any mixed use development that may consist of either residential or non-residential use or both, such as a building where the first level is for commercial purposes and the upper floors are residential.
- 1.9. **Irrigation** means water pumping service.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

- 1.10. **Line Extension Agreement** means the contractual agreement between Company and applicant that defines applicant payment requirements, terms of refund, scope of project, estimated costs, and construction responsibilities for Company and the applicant. Line Extension Agreements may be assigned to applicants successors in interest with Company approval, which approval shall not be unreasonably withheld.
- 1.11. **Master Planned Community Development** means a development that consists of a number of separately subdivided parcels for different Residential Subdivisions. The development may also incorporate a variety of uses including multi-family, non-residential, and public use facilities.
- 1.12. **Permanent** means a customer who is a tenant or owner of a service location who applies for and receives electric service, which, in the opinion of the Company, is of a permanent and established character. The use of electricity may be continuous, intermittent, or seasonal in nature. Permanency at the service location may be established by such things as city/county/state permits, a permanent water system, an approved sewer/septic system, or other permanent structures.
- 1.13. **Project-Specific Cost Estimate** means cost estimates that are developed recognizing the unique characteristics of large or special projects to which the Schedule of Charges is not applicable. A Project-Specific Cost Estimate provided to an applicant is valid for a period of up to six (6) months from the date the estimate is provided to the applicant.
- 1.14. **Residential "Lot Sale" Development** means a tract of land that has been divided into four (4) or more contiguous lots in which a developer offers improved lots for sale and the purchaser of the lot is responsible for construction of a residential home.
- 1.15. **Residential Multi-Family Development** means a development consisting of apartments, condominiums, or townhouses.
- 1.16. **Residential Single Family** means a house, or a manufactured or mobile home Permanently affixed to a lot or site.
- 1.17. **Residential Subdivision** means a tract of land which has been divided into four (4) or more contiguous lots with an average size of one acre or less in which the developer is responsible for the construction of residential homes or permanent manufactured or mobile home sites.
- 1.18. **Schedule of Charges** means the list of charges that is used to determine the applicant's cost responsibility for the Extension Facilities. An applicant requesting an extension will be provided a sketch showing the Extension Facilities and an itemized cost quote based on the Schedule of Charges or other applicable details. When the Schedule of Charges is not applicable, charges for Extension Facilities shall be determined by the Company based on Project-Specific Cost Estimates. The Schedule of Charges is attached to this Service Schedule as Attachment 1. The Schedule of Charges will be reviewed and updated from time to time by Company with the Arizona Corporation Commission.

The Schedule of Charges is not applicable for the following:

- 1.18.1. Extension Facilities requiring modifications, removal, relocations or conversions of existing facilities in conjunction with a new extension or existing customer requested upgrade. The removal, replacement, conversion, and new Extension Facilities charges will be determined by a combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project and may include residual value costs as computed in accordance with the method described in A.R.S 40-347.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

- 1.18.2. Extension Facilities required for modifications, relocations or conversions of existing facilities not in conjunction with a new extension or existing customer upgrade.
- 1.18.3. Extension Facilities for General Service applicants with estimated demand loads of three (3) megawatts or greater, or that require in aggregate 3,000 kVA of transformer capacity or greater.
- 1.18.4. Extension Facilities that require three phase transformer installations greater than the sizes noted in the Schedule of Charges.
- 1.18.5. Extension Facilities required for High Rise and/or Mixed-Use Developments or Temporary service.
- 1.18.6. Extension Facilities involving spot networks, vault installations, primary metering, or specialized or additional equipment for enhanced reliability.
- 1.19. **Temporary** means premises or enterprises which are temporary in character, or where it is known in advance that the Extension Facilities will be of limited duration.

2. RESIDENTIAL

2.1. SINGLE FAMILY HOMES

Extension Facilities will be installed to new Permanent residential applicants or groups of new Permanent residential applicants under the following conditions:

2.1.1. Free footage basis extensions are made under the following conditions:

2.1.1.1. The total footage of the Extension Facilities (primary, secondary, service) does not exceed 750 feet per applicant, or \$10,000; or

2.1.1.2. The total cost of the Extension Facilities as determined by Company is less than \$10,000 per applicant.

2.1.2. All additional construction costs over \$10,000 per applicant will be paid by applicant(s) as a non-refundable contribution in aid of construction.

2.1.3. Applicants who combine to form a group may also combine their allowance as specified in Sections 2.1.1.1 and 2.1.1.2.

2.1.4. The cost of extending service to applicant will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project which shall exclude the cost of the transformer(s). Construction costs in excess of the allowances as described in 2.1.1.1 and 2.1.1.2 shall be paid by the applicant prior to the Company installing facilities. Payment is due at the time the Line Extension Agreement is signed by the applicant.

2.1.5. The applicant(s) signs a Line Extension Agreement.

2.1.6. The site plan has been approved and recorded in the county having jurisdiction.

2.1.7. The footage allowance of 750 feet and cap of \$10,000 shall be reviewed from time to time with the Arizona Corporation Commission.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

2.1.8. Examples of the application of 2.1.1 and 2.1.2 can be found in Attachment 2 – Free Footage Illustrative Example.

2.2. RESIDENTIAL SUBDIVISION DEVELOPMENTS

Extension Facilities will be installed to Residential Subdivision developments of four (4) or more homes in advance of application for service by Permanent customers under the following conditions:

2.2.1. The applicant(s) signs a Line Extension Agreement.

2.2.2. The subdivision development plat has been approved and recorded in the county having jurisdiction.

2.2.3. The cost of extending service to applicant will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project.

2.2.4. A signed Line Extension Agreement and advance payment of all project costs are required prior to the start of construction by the Company. Payment is due at the time the Line Extension Agreement is signed by the applicant.

2.2.4.1. A portion of the project cost shall be designated as a refundable advance and will be eligible for refund based on the “per lot” allowance provisions of Section 2.2.5 and in accordance with Section 5.

2.2.4.2. In lieu of a cash payment for the refundable advance amount, the Company shall reserve the right to accept an alternative financial instrument, such as a Letter of Credit or Surety Bond based on the financial condition, or organizational structure of developer.

2.2.4.3. That portion of the project cost in excess of the refundable advance shall be non-refundable in addition to any other non-standard construction charges such as street lights.

2.2.5. The refundable advance will be eligible for refund based on a “per lot” allowance of \$3,500 for each Permanently connected residential customer over a five (5) year period. Refunds of refundable advances shall be governed by Section 5. The refund eligibility period shall be five (5) years which will start three (3) months from the date Company executes the Line Extension Agreement with the applicant. A review of the project will be conducted annually to determine subdivision buildout, and if the qualifications have been met for any refunds.

2.2.6. Examples of the application of 2.2.4 can be found in Attachment 3 – Residential Subdivision Illustrative Example.

2.3. RESIDENTIAL “LOT SALE” DEVELOPMENTS

Extension Facilities will be installed to residential “lot sale” developments in advance of application for service by Permanent applicants under the following conditions:

2.3.1. The applicant(s) signs a Line Extension Agreement.

2.3.2. The development plat has been approved and recorded in the county having jurisdiction.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

- 2.3.3. The cost of extending service to applicant will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project. A signed Line Extension Agreement and advance payment of all project costs are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.
- 2.3.4. The applicant shall pay the total project estimated cost as a non-refundable contribution in aid of construction in addition to costs for street lights and other non-standard construction charges.
- 2.3.5. Company will provide a "Conduit Only Design" provided applicant makes a payment in the amount equal to the estimated cost of the preparation of the design, in addition to the costs for any materials, field survey and inspections that may be required.
- 2.3.6. Extension Facilities will be installed to individual applicants in accordance with provisions listed in Section 2.1.

2.4. MASTER PLANNED COMMUNITY DEVELOPMENTS

Extension Facilities will be installed to Master Planned Community Developments in advance of application for service by Permanent applicants under the following conditions:

- 2.4.1. The applicant(s) signs a Line Extension Agreement.
- 2.4.2. The site development plan has been approved and recorded in the county having jurisdiction.
- 2.4.3. The cost of extending service to applicant will be determined by a Project-Specific Cost Estimate based on the scope of the project. A signed Line Extension Agreement and advance payment of all project costs are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.
- 2.4.4. The applicant shall pay the total project estimated cost as a non-refundable contribution in aid of construction in addition to costs for street lights and other non-standard construction charges.
- 2.4.5. Extension Facilities will be installed to each subdivided tract within the planned development in accordance with the applicable sections of this Service Schedule 3.

2.5. RESIDENTIAL MULTI-FAMILY DEVELOPMENTS

Extension Facilities will be installed to Residential Multi-Family Developments in advance of application for service by Permanent customers under the following conditions:

- 2.5.1. The applicant signs a Line Extension Agreement.
- 2.5.2. The site development plan has been approved and recorded in the county having jurisdiction.
- 2.5.3. The cost of extending service to applicant will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost estimate depending on the scope of the project.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

- 2.5.4. A signed Line Extension Agreement and advance payment of all project costs are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.
- 2.5.4.1. A portion of the project cost shall be designated as a refundable advance and will be eligible for refund based on the "per unit" refundable allowance provisions of Section 2.5.4 and in accordance with Section 5.
- 2.5.4.2. In lieu of a cash payment for the refundable advance amount, the Company shall reserve the right to accept an alternative financial instrument, such as a Letter of Credit or Surety Bond based on the financial condition, or organizational structure of applicant.
- 2.5.4.3. That portion of the project cost in excess of the refundable advance shall be non-refundable in addition to any other non-standard construction charges such as street lights etc.
- 2.5.5. The refundable advance will be eligible for refund based on a "per unit" allowance of \$1,000 for each new meter installed over a five (5) year period. Refunds of refundable advances shall be governed by Section 5. The refund eligibility period shall be five (5) years which will start three (3) months from the date Company executes the Line Extension Agreement. A review of the project will be conducted annually to determine buildout and if the qualifications have been met for any refunds.

3. GENERAL SERVICE INCLUDING IRRIGATION

3.1. GENERAL PROVISIONS

- 3.1.1. Extension Facilities that do not meet the requirements under Section 2 Residential will be considered General Service and will be installed to all applicants who meet the qualifications under Sections 3 and 4 of this Service Schedule 3.
- 3.1.2. The project costs for General Service Extension Facilities installations will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project. A signed Line Extension Agreement and any required payment as determined by an Economic Feasibility analysis are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant. The site development plan for the project for which the Line Extension has been requested must be approved and recorded in the county having jurisdiction prior to signing the Line Extension Agreement.
- 3.1.3. The cost for Extension Facilities installed for applicants with estimated demand loads of less than three (3) megawatts or less than 3,000 kVA of transformer capacity, will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate depending on the scope of the project. A signed Line Extension Agreement and any required payment as determined by an Economic Feasibility analysis are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.
- 3.1.4. The cost for Extension Facilities installed for applicants with projected loads of three (3) megawatts or greater, requiring transformer capacity of 3,000 kVA and greater, special requests involving primary metering, or specialized/additional equipment for enhanced reliability shall be determined by the Company based on Project-Specific Cost Estimates. A signed Line Extension Agreement and any required payment as determined by an Economic Feasibility analysis are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

3.1.5. Economic Feasibility analysis for General Service applicants:

- 3.1.5.1. Economic Feasibility for projects where the applicant's Extension Facilities cost (excluding non-refundable applicant contributions such as street lights and other non-standard construction charges) is \$25,000 or less shall be established where the estimated annual revenue based on Company's then currently effective rate for delivery service (excluding taxes, regulatory assessment and other adjustments) multiplied by six (6) is equal to or greater than the cost of the applicant's Extension Facilities.
- 3.1.5.2. Economic Feasibility for projects where the applicant's Extension Facilities cost (excluding non-refundable applicant contributions such as street lights and other non-standard construction charges) is greater than \$25,000 shall be established where the estimated annual revenue based on Company's then currently effective rate for delivery service (excluding taxes, regulatory assessment and other adjustments), less the cost of service, provides an adequate rate of return on the investment made by Company to serve the applicant.
- 3.1.5.3. Applicants whose Extension Facilities are installed on the basis of an Economic Feasibility analysis which determines that the estimated installation cost of the Extension Facilities is not supported by the applicant's estimated delivery service revenue may be required to advance sufficient funds to make installation of the Extension Facilities economically feasible. Company reserves the right to collect a full advance from the applicant based on the project scope, location, applicant's financial condition or organizational structure of the applicant.

Applicants whose Economic Feasibility analysis results in the requirement for a payment in advance of construction may be eligible for a refund of such advance over the term of the Line Extension Agreement's five-year period if the actual annual delivery service revenue for the applicant's project exceeds the estimated delivery service revenue used in the Economic Feasibility analysis.

The Economic Feasibility analysis for the Extension Facilities will be reviewed at the end of the third and fifth year of the Line Extension Agreement based on actual delivery service revenue for the preceding year and to the degree that actual revenue supports the Extension Facilities cost, all or a portion of the applicant's construction advance may be refunded. In no case will refunds exceed the unrefunded balance of the applicant's advance.

Any unrefunded balance remaining five years from the date of the Company's executed Line Extension Agreement shall become a non-refundable contribution in aid of construction.

- 3.1.5.4. Company may include a capacity factor component, as determined by Company, to the Economic Feasibility Analysis for applicants that request excess or redundant system capacity.

3.2. HIGH RISE AND/OR MIXED-USE DEVELOPMENTS

Extension Facilities will be installed to High Rise and/or Mixed-Use Developments in advance of application for service by Permanent applicants under the following conditions:

- 3.2.1. The residential units are privately owned and either individually metered or master metered in accordance with Section 7.10.
- 3.2.2. Extension Facilities will be installed to designated points of delivery and it is the applicant's responsibility to provide and maintain the electrical facilities within the building.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

Attachment CAM-S3
Page 33 of 96

- 3.2.3. The applicant signs a Line Extension Agreement.
- 3.2.4. The site development plan has been approved and recorded in the county or city having jurisdiction.
- 3.2.5. The charges for Extension Facilities will be determined based on a Project-Specific Cost Estimate, and shall be paid by the applicant prior to Company installing facilities.
- 3.2.6. Prior to the ordering of specialized materials or equipment required to provide service applicant will be required to make an advance payment to the Company for the estimated cost of the material or equipment in accordance with Section 7.13 of this Service Schedule 3.
- 3.2.7. A signed Line Extension Agreement and any required advance payment are required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.

3.3. CORPORATE BUSINESS & INDUSTRIAL PARK DEVELOPMENTS

Extension Facilities will be made to Corporate Business and Industrial Park Developments in advance of application for service by Permanent customer under the following conditions:

- 3.3.1. The applicant signs a Line Extension Agreement.
- 3.3.2. The site development plan has been approved and recorded in the county or city having jurisdiction.
- 3.3.3. The cost of installing Extension Facilities will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a project-specific cost estimate depending on the scope of the project.
- 3.3.4. The applicant shall pay the total project estimated cost as a non-refundable contribution in aid of construction in addition to costs for street lights and other non-standard construction charges.
- 3.3.5. Payment of all project costs is required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.
- 3.3.6. Company will provide a "Conduit Only Design" provided applicant makes a payment in the amount equal to the estimated cost of the preparation of the design, in addition to the costs for any materials, field survey and inspections that may be required.
- 3.3.7. Extension Facilities will be installed to individual lots (at the request of an applicant) within the Corporate Business and Industrial Park Development in accordance with the applicable sections of this Service Schedule 3.

4. OTHER CONDITIONS

4.1. TEMPORARY APPLICANTS

- 4.1.1. Where Temporary Extension Facilities are required to provide service to the applicant, the applicant shall make a non-refundable payment in advance of installation or construction equal to the cost of installing and removing of the facilities required in providing Temporary service, less the salvage value of such facilities. Charges will be determined by Company based on a Project-Specific Cost Estimate. Payment is due at the time the Line Extension Agreement is signed by the applicant.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

Attachment CAM-S3
Page 34 of 96

4.1.2. When use of the Temporary service is discontinued or service is terminated, Company may dismantle and remove its facilities, and the materials and equipment provided by Company will remain Company property.

4.2. DOUBTFUL PERMANENCY CUSTOMERS

When, in the opinion of Company, permanency of the applicant's residence or operation is doubtful, the applicant will be required to pay the total cost of the Extension Facilities. The cost of extending service to applicant will be determined in accordance with the Schedule of Charges or combination of Schedule of Charges and a Project-Specific Cost Estimate. The applicant shall pay the total project estimated cost as a non-refundable contribution in aid of construction in addition to costs for street lights and other non-standard construction charges.

4.2.1. Payment of all project costs is required prior to the start of Company construction. Payment is due at the time the Line Extension Agreement is signed by the applicant.

4.3. MUNICIPALITIES AND OTHER GOVERNMENTAL AGENCIES

Relocation of existing facilities and/or Extension Facility installations required to serve loads of municipalities or other governmental agencies may be constructed prior to the receipt of a signed Line Extension Agreement. However, this does not relieve the municipality or governmental agency of the responsibility for payment of the Extension Facilities costs in accordance with the applicable sections of this Service Schedule 3.

The effective date for projects enacted under this provision for purposes of Section 5 shall be the date the municipality or agency provided written approval to the Company to proceed with construction.

5. REFUNDS

5.1. GENERAL REFUND CONDITIONS

- 5.1.1. No refund will be made to any applicant for an amount more than the un-refunded balance of the applicant's refundable advance.
- 5.1.2. Company reserves the right to withhold refunds to any applicant who is delinquent on any account, agreement, or invoice, including the payment of electric service, and may apply these refund amounts to past due bills.
- 5.1.3. The refund eligibility period shall be five (5) years from the date Company executes the Line Extension Agreement with the applicant. Any un-refunded advance balance shall become a non-refundable contribution in aid of construction five (5) years from the Execution Date of the agreement.
- 5.1.4. Refunds will be mailed to the applicant of record noted on the executed agreement no later than 60-days from the annual review date.

6. UNDERGROUND CONSTRUCTION

6.1. GENERAL UNDERGROUND CONSTRUCTION POLICY

With respect to all underground installations pursuant to a Line Extension Agreement, Company will install underground facilities only if all of the following conditions are met:

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

Attachment CAM-S3
Page 35 of 96

- 6.1.1. The Extension Facilities meet all requirements as specified in Sections 1, 2, 3, or 4 of this Service Schedule 3.
- 6.1.2. The applicant provides all earth-work including, but not limited to, trenching, boring or punching, backfill, compaction, and surface restoration in accordance with Company specifications, and signs a trench agreement.
- 6.1.3. The applicant provides installation of equipment pads, pull-boxes, manholes, conduits, and appurtenances as required and in accordance with Company specifications.
- 6.1.4. In lieu of applicant providing these services and equipment, the applicant may pay Company to provide these services and equipment as a non-refundable contribution in aid of construction. The payment will equal the cost of such work plus any administrative or inspection fees incurred by Company. Applicants electing this option will be required to sign an agreement indemnifying and holding Company harmless against claims, liabilities, losses or damage (Claims) asserted by a person or entity other than Company's contractors, which Claims arise out of the trenching and conduit placement, provided the Claims are not attributable to the Company's gross negligence or intentional misconduct.

7. GENERAL CONDITIONS

7.1. VOLTAGE

- 7.1.1. All Extension Facility installations will be designed and constructed for operation at standard voltages used by Company in the area in which the Extension Facilities are located. At the request of applicant, Company may, at its option, deliver service for special applications of non-standard or higher voltages with prior approval from Company's Engineering Department. Applicant will be required to pay the costs of any required studies as a non-refundable payment.
- 7.1.2. Extension Facilities installed at higher voltages will be limited to serving an applicant operating as one integral unit under the same name and as part of the same business on adjacent and contiguous sites not separated by private property owned by another party or separated by public property or public right-of-way.

7.2. POINT OF DELIVERY

- 7.2.1. For overhead service, the point of delivery shall be where Company's service conductors terminate at the applicant's weatherhead or bus riser.
- 7.2.2. For underground service, the point of delivery shall be where Company's service conductors terminate in the applicant's or development's service equipment. The applicant shall furnish, install and maintain any risers, raceways and/or termination cabinets necessary for the installation of Company's underground service conductors.
- 7.2.3. For special applications where service is provided at voltages higher than the standard voltages specified in the APS Electric Service Requirements Manual, Company and applicant shall mutually agree upon the designated point of delivery.

7.3. EASEMENTS

All suitable easements or rights-of-way required by Company for any portion of the extension which is either on premises owned, leased or otherwise controlled by the applicant or other property required for the

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Service Schedule 3
Revision No. 12
Effective:XXXXXX



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

Extension Facilities, shall be provided to the Company in Company's name by the applicant without cost to or condemnation by Company prior to commencement of Company's construction of Extension Facilities. All easements or rights-of-way obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

7.4. GRADE MODIFICATIONS

If after construction of Extension Facilities, the final grade of the property established by the applicant is changed in such a way as to require relocation of Company facilities, or the applicant's actions or those of his contractor results in damage to such facilities, the cost of replacement, relocation and/or resulting repairs shall be borne by applicant as a non-refundable contribution in aid of construction.

7.5. OWNERSHIP

Except for applicant owned facilities, all Extension Facilities installed in accordance with this Service Schedule 3 will be owned, operated, and maintained by Company.

7.6. MEASUREMENT AND LOCATION

7.6.1. Measurement must be along the proposed route of construction.

7.6.2. Construction will be on public streets, roadways, highways, or easements acceptable to Company.

7.6.3. The Extension Facilities must be a branch from, the continuation of, or an addition to, Company's existing distribution facilities.

7.7. UNUSUAL CIRCUMSTANCES

In unusual circumstances as determined by Company, when the application and provisions of this Service Schedule 3 appear impractical, or in case of extension of lines to be operated on voltages other than specified in the applicable rate schedule, or when applicant's estimated demand load will exceed 3,000 kW, Company may make a special study of the conditions to determine the basis on which service may be provided. Additionally, Company may require special contract arrangements as provided for in the Company's Service Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service.

7.8. ABNORMAL LOADS

Company, at its option, may install Extension Facilities to serve certain abnormal loads (such as: transformer type welders, x-ray machines, wind machines, excess capacity for test purposes and loads of unusual characteristics) and the costs of any distribution system modifications or enhancements required to serve the applicant will be included in the payment described in previous sections of this Service Schedule 3.

7.9. UPGRADES, RELOCATIONS AND/OR CONVERSIONS

7.9.1. Company will upgrade, relocate or convert from overhead to underground its facilities for the applicant's convenience or aesthetics. The cost of upgrades, relocations or conversions not in conjunction with a new extension or existing customer upgrade will be determined by a Project-Specific Cost Estimate and may include residual value costs as computed in accordance with the method described in A.R.S Section 40-347.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

7.9.2. When the relocation of Company facilities involves "prior rights" conditions, the applicant will be required to make payment equal to the estimated cost of relocation as determined by a Project-Specific Cost Estimate. In addition applicant shall be required to provide similar "rights" for the relocated facilities.

7.10. MASTER METERING

7.10.1. Mobile Home Parks

Company shall refuse service to all new construction and/or expansion of existing Permanent residential mobile home parks unless the construction and/or expansion are individually metered by Company.

7.10.2. Residential Apartment Complexes, Condominiums

Company shall refuse service to all new construction of apartment complexes and condominiums which are master metered unless the builder or developer can demonstrate that the installation meets the provisions of R14-2-205 of the Arizona Corporation Commission's Rules and Regulations or the requirements discussed in 7.10.3 below. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.

7.10.3. Multi-Unit High Rise Residential Developments

7.10.3.1. Company will allow master metering for high rise residential units where the residential units are privately owned provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.

7.10.3.2. Sub-metering shall be provided and maintained by the builder or homeowners association.

7.10.3.3. Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company installing Extension Facilities.

7.10.3.4. Company will convert its facilities from a master metered system to a Permanent individually metered system at the applicant's request provided the applicant makes a non-refundable contribution in aid of construction equal to the residual value plus the removal costs less salvage of the master meter facilities to be removed. The new facilities to serve the individual meters will be extended on the basis specified in Section 1 of this Service Schedule 3. Applicant is responsible for all costs related to the installation of new service entrance equipment.

7.11. CHANGE IN APPLICANT'S SERVICE REQUIREMENTS

Company will rebuild, modify, or upgrade its existing facilities to meet the applicant's added load or change in service requirements on the basis specified in Section 2, 3, or 4. Charges for such changes will be in accordance with the Schedule of Charges and/or a Project-Specific Cost Estimate determined by the Company based on project-specific requirements.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

7.12. STUDY AND DESIGN AGREEMENT

Any applicant requesting Company to prepare special studies or detailed plans, specifications, or cost estimates will be required to make a payment to Company in an amount equal to the estimated cost of preparation. When the applicant authorizes Company to proceed with construction of the Extension Facilities, the payment will be credited to the cost of the Extension Facilities otherwise the payment shall be non-refundable. Company will prepare, without charge, a preliminary sketch and rough estimate of the cost to be paid by the applicant upon request.

7.13. MATERIAL ORDER AGREEMENT

Any applicant requesting Company to enter into a Line Extension Agreement, or relocation agreement which requires either large quantities of material or material and equipment which the Company does not keep in stock will be required to make a payment to Company prior to the material being ordered in an amount equal to the material/equipment's estimated cost. When the applicant authorizes Company to proceed with construction of the extension, the payment will be credited to the cost of the extension; otherwise the payment shall be non-refundable.

7.14. INTEREST

All refundable advances made by the applicant to the Company shall be non-interest bearing.

7.15. APPLICANT CONSTRUCTION OF COMPANY DISTRIBUTION FACILITIES

7.15.1. Applicant may provide construction related labor only services associated with the installation of new distribution line facilities (21 kV and below) to serve the applicant's new or added load provided the applicant receives written approval from Company prior to performing any such services and uses electrical contractors who are qualified and licensed in the State of Arizona to construct such facilities and designated as an APS Approved Electrical Distribution Contractor.

This option is not available for the following:

7.15.1.1. Replacement, modifications, upgrades, relocation, or conversions of existing systems.

7.15.1.2. Where all or a portion of the distribution line facilities are to be constructed on or installed on existing distribution line or transmission lines.

7.15.2. All construction services provided by the applicant shall be subject to inspection by a duly authorized Company representative and shall comply with Company designs, construction standards, and other requirements which may be in effect at the time of construction. Any work found to be substandard in the sole opinion of the Company must be corrected by applicant prior to energization by Company.

7.15.3. Applicant shall reimburse Company for all inspection and project coordination costs as a non-refundable contribution in aid of construction. Estimated costs for inspection and project coordination will be identified in the construction agreement executed by Company and applicant.

7.15.4. Costs for Extension Facilities for applicants who provide construction of Company distribution facilities shall be based on a Project-Specific Cost Estimate.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

- 7.15.5. A signed agreement and advance payment of all project costs are required prior to the start of applicant construction. Payment is due at the time the agreement is signed by the applicant.
- 7.15.6. For applicants that are not served by the terms in Section 3 of this document, Company shall provide a Project-Specific Cost Estimate. Applicants may submit an invoice detailing costs of Extension Facilities and apply any allowance provided in Section 2 to these costs. At no point shall these costs exceed the Company's Project-Specific Cost Estimate.
- 7.15.7. Applicants served by the terms in Section 3 of this document shall be subject to the rules set forth in Sections 3 and 5.

7.16. SETTLEMENT OF DISPUTES

Any dispute between the applicant or prospective applicant and Company regarding the interpretation of these "Conditions Governing Extensions of Electric Distribution Lines and Services" may, by either party, be referred to the Arizona Corporation Commission or a designated representative or employee thereof for determination.

7.17. LINE EXTENSION AGREEMENTS

All facility installations or equipment upgrades requiring payment by an applicant shall be in writing and signed by both the applicant and Company.

7.18. ADDITIONAL PRIMARY FEED OR SPECIALIZED EQUIPMENT

When specifically requested by an applicant to provide an alternate primary feed or specialized equipment (excluding transformation), Company will perform a special study to determine the feasibility of the request. The applicant will be required to pay for the cost of the additional feed requested as a non-refundable contribution in aid of construction. Installation cost will be based on a Project-Specific Cost Estimate. Payment for the installation of Extension Facilities is due at the time the Line Extension Agreement is signed by the applicant.

7.19. GRANDFATHERING

An applicant that has entered into a Line Extension Agreement with the Company under a previous revision of this Service Schedule 3 may at applicant's request cancel the agreement, provided the Company has not installed any facilities pursuant to the agreement, and provided that applicant reimburses Company for the costs and expenses it has incurred to date, as a non-refundable contribution in aid of construction. The applicant may then enter into a new Line Extension Agreement with the Company under this revision of Service Schedule 3.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

**Attachment 1
Schedule of Charges – Single Phase**

**APS Schedule 3, Line Extension Schedule of Charges
Single Phase Extension Costs**

Single Phase	OH Primary		UG Primary			OH Secondary		UG Secondary	
	Cost per Circuit Foot	Cost per Circuit Foot	Pull Box	Pad Mount Junction Cabinet	OH/UG Transition	Secondary Pole	OH/UG Secondary Transition	J Box	
	\$15.00	\$6.00	\$7.05	\$2,682	\$1,183	\$2,339	\$681	\$98.54	
OVERHEAD Single Phase	SES Size	Transformer Size, 120/240V	Service wire/Linear Ft						
	200 Amp	25KVA	\$3,657	\$4.89					
	200 Amp	50KVA	\$4,439	\$9.02					
	400 Amp	50KVA	\$4,439	\$9.02					
	600 Amp	75KVA	\$5,475	\$18.23					
	800 Amp	100KVA	\$7,699	\$18.23					
UNDERGROUND Single Phase	SES Size	Transformer Size, 120/240V	Service wire/Linear Ft						
	200 Amp	25KVA	\$3,764	\$3.65					
	200 Amp	50KVA	\$4,498	\$4.36					
	400 Amp	50KVA	\$4,498	\$4.36					
	600 Amp	75KVA	\$5,266	\$8.71					
	800 Amp	100KVA	\$6,270	\$16.68					

Notes:

- 1) Extension Facilities that do not qualify for the Schedule of Charges will be determined by a project specific cost estimate.
- 2) Cost per foot charges will be determined from termination at the source to the next device in the circuit. Linear footage for each circuit will be summed to determine charges.
- 3) Pad Mount switch gear is a single phase termination cabinet.
- 4) Primary OH cost per foot is for one phase and a neutral or two phases and no neutral. Includes poles, framing, 2R conductor
- 5) Charges for services are based on linear feet from Transformer to SES regardless of the number of sets. J Boxes not included in footage cost.
- 6) All footages to be calculated by linear footages
- 7) Transition is from the OH line to the UG line, which includes wire down pole and accessories. Pole NOT included.

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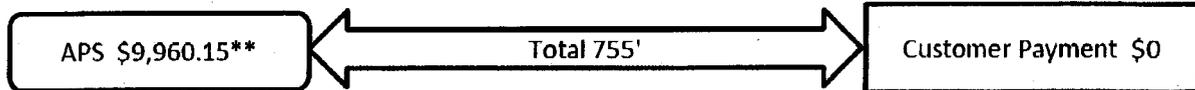
**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

**Examples to Section 2.1*
Free Footage Illustrative Example**

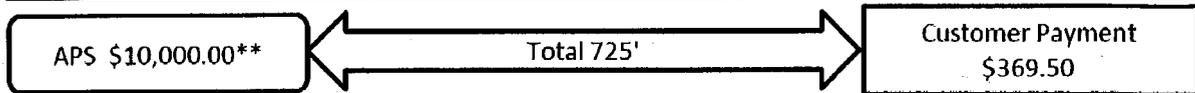
	Primary		Service		Total		Customer Payment
	Footage	Cost	Footage	Cost	Footage	Cost	
Scenario 1	500	\$15.00	50	\$ 4.89	550	\$ 7,744.50	\$ -



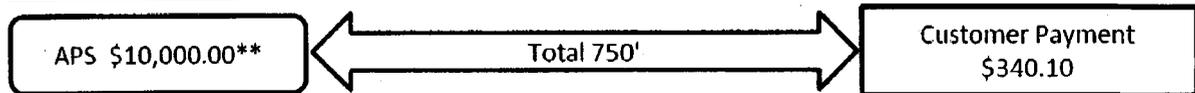
	Primary		Service		Total		Customer Payment
	Footage	Cost	Footage	Cost	Footage	Cost	
Scenario 2	620	\$ 15.00	135	\$ 4.89	755	\$ 9,960.15	\$ -



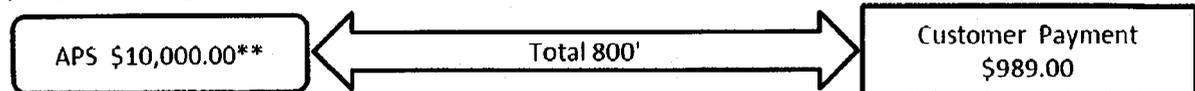
	Primary		Service		Total		Customer Payment
	Footage	Cost	Footage	Cost	Footage	Cost	
Scenario 3	675	\$ 15.00	50	\$ 4.89	725	\$ 10,369.50	\$ 369.50



	Primary		Service		Total		Customer Payment
	Footage	Cost	Footage	Cost	Footage	Cost	
Scenario 4	660	\$ 15.00	90	\$ 4.89	750	\$ 10,340.10	\$ 340.10



	Primary		Service		Total		Customer Payment
	Footage	Cost	Footage	Cost	Footage	Cost	
Scenario 5	700	\$ 15.00	100	\$ 4.89	800	\$ 10,989.00	\$ 989.00



*Scenarios do not reflect all components required for a complete project.
**APS portion does not include cost of transformer.



**SERVICE SCHEDULE 3
CONDITIONS GOVERNING EXTENSIONS OF
ELECTRIC DISTRIBUTION LINES AND SERVICES**

**Attachment 3
Residential Subdivision Illustrative Example**

Scenario 1	
Number of Planned Homes	100
Estimated Construction Cost	\$ 350,000
Total Potential Refundable Allowance	\$ 350,000
Non-Refundable Contribution	\$ -
Number of Homes Completed	100
Credited Allowance	\$ 350,000
Potential Remaining Allowance	\$ -

Scenario 2	
Number of Planned Homes	100
Estimated Construction Cost	\$ 400,000
Total Potential Refundable Allowance	\$ 350,000
Non-Refundable Contribution	\$ 50,000
Number of Homes Completed	100
Credited Allowance	\$ 350,000
Potential Remaining Allowance	\$ -

Scenario 3	
Number of Planned Homes	100
Estimated Construction Cost	\$ 350,000
Total Potential Refundable Allowance	\$ 350,000
Non-Refundable Contribution	\$ -
Number of Homes Completed	45
Credited Allowance	\$ 157,500
Potential Remaining Allowance	\$ 192,500

Scenario 4	
Number of Planned Homes	100
Estimated Construction Cost	\$ 400,000
Total Potential Refundable Allowance	\$ 350,000
Non-Refundable Contribution	\$ 50,000
Number of Homes Completed	45
Credited Allowance	\$ 157,500
Potential Remaining Allowance	\$ 192,500

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SERVICE SCHEDULE 4: TOTALIZED METERING OF MULTIPLE SERVICE ENTRANCE SECTIONS AT A SINGLE SITE FOR STANDARD OFFER AND DIRECT ACCESS SERVICE

Arizona Public Service Company (Company) customers at a single site whose load requires multiple points of delivery through multiple service entrance sections (SESs) may be metered and billed from a single meter through Adjacent Totalized Metering or Remote Totalized Metering as specified in this schedule.

Totalized Metering (Adjacent or Remote) is the measurement for billing purposes on the appropriate rate, through one meter, of the simultaneous demands and energy of a customer who receives electric service at more than one SES at a single site.

- A. Totalized metering will either be Adjacent or Remote and shall be permitted only if conditions 1 through 8 are all satisfied.
1. The customer's facilities must be located on adjacent and contiguous sites not separated by private or public property or right-of-way and must be operated as one integral unit under the same name and as a part of the same business or residence (these conditions must be met to be considered a single site, as specified in Company's Schedule 1, Terms and Conditions for Standard Offer and Direct Access Service, Section 4.1.1); and
 2. Power will generally be delivered at no less than 277/480 volt (nominal), three phase, four wire or 120/240 volt (nominal) single phase three wire; and
 3. Three phase and single phase service entrance sections can not be combined for totalizing purposes; and
 4. For Standard Offer customers, totalized metering may be accomplished by providing electronically totalized demand and energy reads or by means of a physical wire interconnection of metering information with the customer providing conduit between the SESs; for Direct Access customers the customer's Electric Service Provider may provide electronically totalized demand and energy reads in compliance with Company's Schedule 10, Terms and Conditions for Direct Access; and
 5. The customer shall provide vault or transformer space, which meets Company specifications, on the customer's property at no cost to Company; and
 6. If the customer operates an electric generation unit on the premise, totalized metering will be permitted when the customer complies with all of Company's requirements for interconnection, pays all costs for any additional special metering required to accommodate such service from totalized service sections, and takes service on an applicable rate schedule for interconnected customer owned generation; and
 7. Written approval by Company's authorized representative is required before totalized metering may be implemented.
 8. Customers electing to have accounts either Adjacent or Remote Totalized metered will be required to maintain the accounts in the approved totalized configuration for a minimum of one (1) year.
- B. Adjacent Totalized Metering will apply when conditions A.1-A.8 and the following conditions are met:
1. The customer's total load to be totalized requires a National Electrical Code (NEC) service entrance size of over 3,000 amps three phase or 800 amps single phase; and



**SERVICE SCHEDULE 4: TOTALIZED METERING
OF MULTIPLE SERVICE ENTRANCE SECTIONS
AT A SINGLE SITE FOR STANDARD OFFER AND
DIRECT ACCESS ACCESS SERVICE**

2. Company requires that load be split and served from multiple SESs; and
3. The customer must locate SESs to be totalized within 10 feet of each other.

There will be no additional charge to the customer's monthly bill for Adjacent Totalized Metering.

C. Remote Totalized Metering will apply when conditions A.1-A.8 are met, multiple SESs are separated from one another by more than 10 feet, and the following conditions are met:

1. Each of the customer's service entrance sections to be totalized requires an NEC section size of 3,000 amps three phase or 800 amps single phase or greater; and
2. The customer's total load to be totalized has a minimum demand of 2,000 kVa or 1,500 kW three phase or 100 kVa or 80 kW single phase; and
3. The customer has made a non-refundable contribution for the net additional cost to Company of the meter totalizing connection and equipment.

When the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is equal to or less than the cost to serve a single point of delivery, then no additional monthly charge shall be made to the customer receiving Remote Totalized Metering. However, lower capital investment which results from the customer's contribution, other than the meter costs in C.3 above, shall not be considered.

For customers where the total capital investment by Company to provide service at multiple points of delivery, as computed by Company, is greater than the cost to serve at a single point of delivery, then there shall be an additional charge. The additional monthly charge for each delivery point above one shall consist of 1% of the totalized bill, plus \$500.00, plus all applicable taxes and adjustments.

D. Removal of Totalized Metering Configuration

In some cases, it may be to the customer's benefit to remove all totalized metering equipment, or remove selected totalized metering equipment from the totalized account. This will be permitted under the following conditions:

1. The customer must submit a written request to Company stating the reason for the removal and the specific equipment to be removed.
2. After removal of the equipment, the customer may not ask for services to be totalized for one (1) year from the removal date. At the end of one (1) year, if the customer does request services to be totalized, the applicable conditions listed above must be met.
3. The customer will be required to make a nonrefundable contribution for the costs associated with the removal of the meter totalizing connection and equipment.
4. In the event the customer should elect to remove a meter from a totalized metering configuration, the customer will continue to be responsible for the minimum billing kW parameters noted on the Customer's Electric Supply Agreement.



**SERVICE SCHEDULE 4: TOTALIZED METERING
OF MULTIPLE SERVICE ENTRANCE SECTIONS
AT A SINGLE SITE FOR STANDARD OFFER AND
DIRECT ACCESS ACCESS SERVICE**

5. Customer may elect an alternate rate schedule for accounts that are removed from the totalized configuration however no further rate schedule changes may be made within the succeeding twelve (12) month period in accordance with the provisions of the Company's Schedule 1.



**SERVICE SCHEDULE 5
GUIDELINES FOR ELECTRIC CURTAILMENT**

Attachment CAM-S3
Page 47 of 96

1. Arizona Public Service Company (Company) shall have no liability of obligation for claims arising out of the procedures for curtailment or interruption of electric service effected by it in accordance with such guidelines or such supplemental, amendatory or implementary guidelines or regulations as may hereafter be established and as provided by law.
2. Company shall endeavor to identify any electric customer(s) who might be classified as having either essential or critical loads. In the event that any customer of Company is dissatisfied by the classification of Customer by Company, or with the amount of such customer's load (if any) classified by the Company as critical or essential, the Customer may bring the matter to either the Company or the Commission and request a determination in regard thereto. However, until such redetermination is made by the Commission or the Company, customer's original classification for purposes of electric curtailment under this Schedule shall be unaffected.
3. Company shall endeavor to, as circumstances permit and as further discussed in the Company's detailed Electric Load and Curtailment Plan, to notify County emergency personnel, or similar local authorities, of existing or developing situations involving the curtailment or interruption of APS customers pursuant to this Schedule #5.

4. DEFINITIONS

- 4.1 Essential Loads – Loads necessary to serve facilities used to protect the health and safety of the public, such as: hospitals, 911 Centers, national defense installations, sewage facilities and domestic water facilities. Loads necessary to serve 911 Centers, police stations, and fire stations, which do not have independent back-up generation and require APS' electric service for operation of essential emergency equipment.
 - 4.2 Critical Loads – That portion of the electric load of nonresidential customers, which in the event of 100 percent curtailment of service, would cause excessive damage to equipment or material being processed, or where such interruption would create grave hazards to employees or the public.
 - 4.3 Major Use Customers/Others (With Notice) – Those customers having relatively large loads (over 1000 kW) or a substantial number of employees or other special circumstances that make it appropriate to schedule blackouts or curtailments different from typical customers. Customers who qualify as Major Use/Others (With Notice) can take 100 percent curtailment when sufficient notice is provided. These loads will be interrupted after the required notification period. "Sufficient", "required", and "appropriate" notice is that notice that APS, after consultation with the affected customer, has determined will allow the customer to curtail in a safe and efficient manner. Such notice necessarily varies from customer to customer.
 - 4.4 Others (With or Without Notice) – All customers not meeting the above definitions. These customers will be interrupted (with or without notice) if voluntary curtailment measures are not sufficient to alleviate the situation.
5. **GUIDELINES TO BE APPLICABLE IN EVENT OF INTERRUPTION OR CURTAILMENT OF ELECTRIC SERVICE BY COMPANY TO ITS CUSTOMERS DUE TO POWER SUPPLY INTERRUPTIONS, FUEL SHORTAGE OR TRANSMISSION EMERGENCY PURSUANT TO CORPORATION COMMISSION RULE R14-2-208, PROVISION OF SERVICE, PARAGRAPH E.**

5.1 Operating Procedures Prior to Customer Load Curtailment

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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**SERVICE SCHEDULE 5
GUIDELINES FOR ELECTRIC CURTAILMENT**

Attachment CAM-S3
Page 48 of 96

- 5.1.1 The following items shall be pursued concurrently
- 5.1.1.1 Reschedule maintenance of transmission components and generating units, where practical.
 - 5.1.1.2 Utilize spinning reserve.
 - 5.1.1.3 Discontinue all non-firm wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
 - 5.1.1.4 Do not enter into any new wholesale sales during any period of involuntary curtailment or when an involuntary curtailment is anticipated.
 - 5.1.1.5 Start all standby units.
 - 5.1.1.6 Contact other utilities and/or agencies for emergency assistance.
 - 5.1.1.7 Invoke emergency and short-term contractual schedules with other utilities and/or agencies.
 - 5.1.1.8 Reduce system voltage, where practical.
 - 5.1.1.9 Reduce non-essential Company uses such as flood lighting, sign lighting, display lighting, office lighting, electric cooling and heating, etc., where practical.
 - 5.1.1.10 Provide information through the media or other appropriate medians to the public which will contain instructions on how customers can assist Company in case of an emergency power outage.
 - 5.1.1.11 Work with government agencies and environmental groups to seek waivers on environmental constraints and/or expedite permitting process for company-owned generation, as well as, customer generation, as appropriate.

5.2 Voluntary Customer Load Curtailment

5.2.1 Public Appeal

- 5.2.1.1 An advisory message procedure will be used when Company has advance indications that it will not be able to meet future peak loads. These messages will request voluntary load reduction during specific hours on specific days.
- 5.2.1.2 An emergency bulletin procedure will be used for instant notification to the public in the event there is no advance indication of a power shortage. These bulletins will request the immediate voluntary cooperation of all customers in reducing electric loads.
 - 5.2.1.2.1 These bulletins will request all customers to reduce the use of all electrically operated equipment and devices, where possible.



**SERVICE SCHEDULE 5
GUIDELINES FOR ELECTRIC CURTAILMENT**

Attachment CAM-S3
Page 49 of 96

5.2.1.2.2 Company will have a prepared statement to read which will give current information on the Power Supply Interruption, Fuels Shortage or Transmission Emergency.

5.3 Contractually Interruptible Load

5.3.1 Company shall invoke contractual interruption provisions to the extent appropriate.

5.3.2 Company shall interrupt non-firm wholesale customer(s) as appropriate.

5.4 Involuntary Customer Load Curtailment

5.4.1 If the load reduction realized from application of the voluntary curtailment procedures is not sufficient to alleviate the power shortage, Company will reduce voltage if and to the extent practical and in accordance with normal applicable electric utility operation standards.

5.4.2 If further load reduction is required, load will be reduced as follows:

5.4.2.1 Circuits not classified with "Major Use/Others With Notice, Critical or Essential" customers will be interrupted on a rotating basis. The frequency and duration of such interruptions will be dependent upon the magnitude and nature of the power shortage. The frequency and duration of such interruptions shall also consider the circumstances of Major Use Customers.

5.4.2.2 Accurate records will be kept to ensure that these circuits are rotated in an equitable and technically feasible manner.

5.4.2.3 Circuits classified as "Major Use/Others" will be interrupted upon the giving of appropriate notice.

5.4.2.4 Customers on circuits which serve critical loads will be required to curtail the non-critical portion of their loads. Thereafter, circuits which serve critical loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as critical may be curtailed if they possess back-up generation sufficient to meet their entire load requirement. If a customer having a critical load refuses or fails to curtail his electric consumption down to the critical load, he shall thereupon not be considered to have a critical load for purposes of this Schedule.

5.4.2.5 Circuits which serve essential loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as essential may be curtailed if they possess back-up generation sufficient to meet their entire load requirement.

5.5 Sudden Shortages of Power

In the event that time does not allow for the implementation of the Electric Curtailment Guidelines, Company may resort to its emergency operations procedures, with or without notice.



5.6 Automatic Load Shedding

In the event that there is a major electrical disturbance threatening the interconnected Southwest system with blackout conditions, emergency devices such as under frequency load shedding, transfer tripping, etc., will be utilized to maintain the optimum system stability.

6. ELECTRIC CURTAILMENT OF FIRM WHOLESALE CUSTOMERS

6.1 The term "firm wholesale customer" shall be defined as those APS customers who purchase, on a firm basis, electricity from the Company for purposes of resale.

6.2 In any given instance where a curtailment of wholesale power deliveries is involved, and subject to any required approvals of the Federal Energy Regulatory Commission or contractual provisions to the contrary, Company shall notify its firm wholesale customers, requesting that they curtail electric service to their retail customers during the period that Company's system is affected by power shortages. In the event that Company is unable to obtain the cooperation of a firm wholesale customer, it may seek an order from appropriate governmental authority requiring the firm wholesale customer to accept a reduction of electricity deliveries proportionate to the curtailment being effected on Company's system.

7. ELECTRIC LOAD AND CURTAILMENT PLAN

A detailed electric load and curtailment plan shall be kept on file with the Arizona Corporation Commission. This plan shall contain specific procedures for implementation of the above, along with the name(s) and telephone number(s) of the appropriate Company personnel to contact in the event implementation of the plan becomes necessary. This plan shall be updated at least annually, and it or amendments thereto shall become effective upon submission to the Arizona Corporation Commission.

7.1 Company shall contact the Director, Utilities Division, or their designee, as soon as practical for any curtailment pursuant to this Schedule #5.



SERVICE SCHEDULE 6
INTERCONNECTION STUDY SERVICES AND FEES FOR
NON-FERC GENERATION FACILITIES

Attachment CAM
51 of 96

1. APPLICABILITY

- 1.1 The services, provisions and fees in this schedule shall apply to an entity (Applicant) desiring to interconnect a generating facility to the Arizona Public Service (APS or Company) power delivery system that is not otherwise subject to the Federal Energy Regulatory Commission (FERC) interconnection processes or rules. See 18 C.F.R. § 292.306; *Western Massachusetts Electric Co.*, 61 FERC ¶61,182 at p. 61,661-62 (1992), *aff'd* 165 F.3d 922, 926 (D.C. Cir. 1999).
- 1.2 This schedule shall only apply to: 1) for third-party-owned generation, a Qualifying Facility as defined in 18 C.F.R. § 292.203, for which the total generation output that is transmitted to the APS power delivery system is sold directly to APS, and 2) for APS-owned generation, generation that otherwise would meet the requirements in 18 C.F.R. § 292.203.
- 1.3 This schedule shall not apply to a generating facility that is interconnected on the load side of an APS retail customer's meter and is primarily intended to serve the customer's electricity requirements, including, for example, a net metering facility as defined in A.A.C. R14-2-2302.

2. DESCRIPTION OF STUDY SERVICES

- 2.1 Feasibility Study - APS will conduct a preliminary review of the potential impacts of the proposed generating facility on the APS power delivery system. The study will assess the expected capacity requirements of the proposed generator on the delivery system compared with the available system capacity at the point of interconnection and identify any potential overload issues for the delivery system and circuit protection devices. Additionally, this study will provide an initial assessment of the complexity and likely costs for the interconnection.
 - 2.1.1 The Applicant shall identify the proposed project site location prior to commencement of the study.
 - 2.1.2 Although the Feasibility Study is optional, no system impact or cost information will be provided by APS without the study and associated fee.
- 2.2 System Impact Study - APS will conduct a full technical review of the project's impact on the APS power delivery system, including power flow, stability analysis (69 kV and above only), APS system protective device coordination, system protection schemes and voltage drop. This study will determine if any upgrades to APS's system are required to build and interconnect the project as designed.
 - 2.2.1 Although the System Impact Study is optional, no related information will be provided by APS without the study and fee.
- 2.3 Facilities Study - APS will conduct a comprehensive analysis of the actual construction requirements for the APS power delivery system, based on the information from the Feasibility Study and System Impact Study or equivalent information provided by the Applicant or third party. The study shall provide the detailed costs of construction and milestones associated with the requirements.
 - 2.3.1 This study is required for interconnection to the Company's power delivery system.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: January 1, 2011

A.C.C. No. 5795
Canceling A.C.C. No. 5781
Service Schedule 6
Revision No. 1
Effective: January 1, 2012



**SERVICE SCHEDULE 6
INTERCONNECTION STUDY SERVICES AND FEES FOR
NON-FERC GENERATION FACILITIES**

Attachment CAM-S3
Page 52 of 96

2.3.2 If the Applicant chooses to forgo the Feasibility and System Impact Studies, the technical analysis normally included in the System Impact Study may be conducted as part of the Facilities Study.

2.4 All services in this schedule are distinct from any similar-termed services provided by APS under FERC interconnection processes, which are not governed by this schedule.

3. STUDY FEES

3.1 Feasibility Study:

3.1.1 Interconnections below 69 kV- \$5,000 per study (non-refundable).

3.1.2 Interconnections 69 kV and above – Applicant will pay APS’s actual cost of performing study.

3.2 System Impact Study:

3.2.1 Interconnections below 69 kV - \$15,000 per study. Fee shall be reduced to \$10,000 if a Feasibility Study has been completed by APS for the specific project (non-refundable).

3.2.2 Interconnections 69 kV and above – Applicant will pay APS’s actual cost of performing study.

3.3 Facilities Study:

3.3.1 All interconnections– Applicant pays APS’s actual cost of performing study.

4. PAYMENTS

4.1 For interconnections below 69 kV, study fees under sections 3.1.1 and 3.2.1 will be due prior to the commencement of the study.

4.2 For interconnections 69 kV and above, Applicant shall provide a \$20,000 deposit to APS prior to the commencement of the Feasibility Study under section 3.1.2 and a \$40,000 deposit to APS prior to the commencement of the System Impact Study under section 3.2.2. At the completion of studies under sections 3.1.2 and 3.2.2 the Applicant shall pay any remaining fees above the deposit to APS or shall be refunded any excess deposit amount by APS.

4.3 For all interconnections, Applicant shall provide a \$55,000 deposit to APS prior to the commencement of the Facilities Study under section 3.3. At the completion of the study the Applicant shall pay any remaining fees above the deposit to APS or shall be refunded any excess deposit amount by APS.

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**SERVICE SCHEDULE 6
INTERCONNECTION STUDY SERVICES AND FEES FOR
NON-FERC GENERATION FACILITIES**

Attachment CAM
Page 53 of 96

5. FACILITIES

The construction or installation of interconnection facilities will be completed in accordance with the provisions of a separate agreement or contract.

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Phoenix, Arizona
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Service Schedule 6
Revision No. 1
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**SERVICE SCHEDULE 7
ELECTRIC METER TESTING AND
MAINTENANCE PLAN**

General Plan

This schedule establishes a meter maintenance and testing program for electric meters in order to ensure an acceptable degree of performance in the registration of the energy consumption of Arizona Public Service Company (Company) customers. Company will file an annual report with the Arizona Corporation Commission summarizing the results of the meter maintenance and testing program.

Specific Plan

1. Single-Phase Self Contained Meters - Non-Solid State Hybrids and Electro-Mechanical

- 1.1 Meters shall be separated into groups having common physical attributes and the average performance of each group will be determined based on the weighted average of the meter's percentage registration at light load (LL) and at full load (FL) giving the full load registration a weight factor of four (4).
- 1.2 Analysis of the test results for each group evaluated shall be done in accordance with the statistical formulas outlined in ANSI/ASQC Z1.9 - 1995 Formulas B-3, Tables A-1, A-2 and B-5. The minimum sample size shall be 100 meters when possible.

2. Single Phase Self Contained Meters - Solid State

Company will monitor performance of these types of meters through the Company Metering and Billing systems.

3. Three Phase Self-Contained Meters - Non-Solid State Hybrids and Electro-Mechanical

Company shall monitor installations with the following types of meters for accuracy and recalibrate as necessary according to the following schedule:

- 3.1 Three-phase meters with surge-proof magnets and without demand registers or pulse initiators: 16 years.
- 3.2 Three phase block-interval demand-register-equipped kWh meters with surge-proof magnets: 12 years.
- 3.3 Three phase lagged-demand meters: 8 years.

4. Three Phase Self-Contained Meters - Solid State

Company will monitor performance for these types of meters through the Company Metering and Billing systems.

5. Three Phase Transformer-Rated Meter Installations - Solid State Hybrids and Electro-Mechanical

Company will conduct a periodic testing program whereby three phase transformer-rated meter installations along with their associated equipment shall be inspected and tested for accuracy according to the following schedule:



**SERVICE SCHEDULE 7
ELECTRIC METER TESTING AND
MAINTENANCE PLAN**

- 5.1 Installations with 500 to 1,000 kW load: 4 years.
- 5.2 Installations with 1001 kW to 2000 kW load: 2 years.
- 5.3 Installations over 2000 kW load: 1 year.



SERVICE SCHEDULE 8 BILL ESTIMATION

Arizona Public Service Company (APS or Company) regularly encounters situations in which APS cannot obtain a complete and valid meter read. Situations that result in an estimated meter read include inclement weather, lack of access to a customer's meter, energy diversion, labor unavailability and equipment malfunction. Without a valid meter read, the customer's energy usage and/or demand must be estimated in order to render a bill for the missing read period. A bill based on estimated usage is often referred to as an "estimated bill."

APS uses situation specific methods to estimate electrical usage to ensure that the most accurate usage estimate is obtained. This Schedule describes the estimation methods and procedures used when an actual meter read cannot be obtained or when energy diversion and/or meter tampering has occurred. The estimating process is applicable to customers receiving Standard Offer service and to direct access customers receiving unbundled delivery service from the Company.

1. GENERAL

- 1.1 Estimating a read for energy (kWh) and/or demand (kW) is performed in accordance with the provisions of this Schedule or such supplemental or amendatory guidelines or regulations as may hereafter be established and as provided by law.
- 1.2 This Schedule shall be considered a part of all rate schedules.
- 1.3 Upon discovery of the need to estimate kWh or kW, Company will make reasonable attempt (s) to secure an accurate meter reading and to resolve no-access issues.
- 1.4 Company is not obligated to obtain, or attempt to obtain, a customer supplied meter read prior to sending an estimated bill. In circumstances where APS has agreed in writing to permit customer supplied meter reads in accordance with Arizona Corporation Commission (ACC or Commission) regulations and that customer fails to provide Company with the meter read, estimation is also allowed.
- 1.5 Estimates due to equipment malfunctions may exceed one month if the malfunction of Company owned or maintained equipment could not be reasonably discovered and/or corrected before the need for additional estimates, or if the equipment malfunction is with regard to customer-owned or maintained equipment.
- 1.6 This schedule is not intended to supersede the Commission's rules and regulations in effect at the time the Commission approved this Schedule 8 without a specific decision of the Commission.

2. BILL ESTIMATION

- 2.1 The causes that result in an estimated bill include but are not limited to:
 - 2.1.1 Inclement weather where conditions prevent meter access or compromise APS employee safety as determined by Company.
 - 2.1.2 Lack of access to the meter either due to conditions on the customer's premise or to road closures that prevent access to the customer's premise.



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2.1.3 Equipment or meter failure or malfunction with no reliable information retained by the meter, or inability to obtain billing information from an AMI meter due to equipment failure in the AMI system.
 - 2.1.4 Labor unavailability due to circumstances such as unforeseen illness, natural disasters, or other extreme events.
 - 2.1.5 Meter tampering or energy diversion resulting in a lack of accurate metered consumption information.
 - 2.1.6 An electronic meter reading is obtained, but the data cannot be transferred to a billing computer.
 - 2.1.7 Only a partial read for a meter (for example, the total kWh read is obtained from a time-of-use meter, but on-peak kWh and/or kW reads are unavailable). Company will use the read available, and estimate the missing read(s).
- 2.2 The following defines certain conditions under which a bill is not considered estimated:
- 2.2.1 A bill based on an actual kWh read, following an estimated bill. This is considered a "true-up" bill and has an explanation of "true-up" on the bill.
 - 2.2.2 Rate changes in the middle of the billing cycle.
 - 2.2.3 A meter failure or malfunction which does not prevent the meter from accurately recording customer usage or from being read.
 - 2.2.4 The meter read is not available using electronic meter reading devices, but data is obtained from a visual meter reading.
 - 2.2.5 Meter reading information is not available because the service is provided on an un-metered basis.
 - 2.2.6 Unbundled service for direct access customers is provided on the basis of load profiles in accordance with ACC regulations rather than using interval data metering.
 - 2.2.7 When Company determines a meter is misread, but the actual read on the meter at the time it was read can be determined, Company makes a manual correction to the incorrect read. This includes, but is not limited to, the following examples:
 - 2.2.7.1 A shut-off read is obtained, and on the same day the monthly meter read is taken and is higher by 1 kWh. The monthly meter read is changed to the same read as the shut off read.
 - 2.2.7.2 The serviceman enters a shut-off or turn-on read and then calls into the office to say he entered the read for the wrong address. The correct reads are entered for the appropriate addresses.
 - 2.2.7.3 Accurate consumption information can be obtained from load research meters.



SERVICE SCHEDULE 8 BILL ESTIMATION

2.2.8 A bill is estimated, and then rebilled when an actual read is obtained for the same billing period. The first bill is considered an estimated bill and is coded as such. The subsequent bill is considered a corrected bill and is not coded as an estimate, but does contain "corrected bill" language.

3. BILL ESTIMATION METHODS

The following section describes the estimation methods used to estimate energy consumption and demand for most instances. Estimation techniques required where special circumstances exist, such as initial bills, are also described. In general, the estimation methodologies utilize historical data.

3.1 ENERGY ESTIMATION (kWh)

For energy estimation, the following hierarchy is used: 1) The estimate will be based on the customer-specific prior month's energy consumption unless that month was an initial bill. 2) If the prior month's customer-specific energy consumption is not available or was an initial bill, the estimate will be based on the customer-specific energy consumption for the same month in the prior year. 3) If the customer-specific prior month or same month last year energy consumption is unavailable but adequate seasonal customer history exists, energy consumption will be estimated based on daily usage during six months of the same season. 4) If customer-specific energy consumption is not available, the estimate will be based on the prior month's energy consumption at that premise unless that month was an initial bill. 5) If prior month's premise energy consumption is not available or was an initial bill, the premise energy consumption for the same month in the prior year will be used to estimate consumption. 6) If premise-specific prior month or same month last year is unavailable but adequate seasonal premise history exists, energy consumption will be estimated based on daily usage during six months of the same season. 7) When adequate customer or premise history is not available, the estimate is based on the customer class average usage found in Section 3.3.1.

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

For customers served under rate schedules SC-S, EPR-2, EPR-5, and EPR-6 the hierarchy listed above will be used to estimate the energy consumed by the Customer. Section 3.1.3 below shall be used to estimate any excess energy purchased by the Utility. For customers served under rate schedules E-56, CPP-RES and CPP-GS, the energy estimation will be addressed on a case-by-case basis.

For bill estimation purposes, the Summer Season is defined as May through October and the Winter Season is defined as November through April.

The energy estimation methods are described in detail below.

Previous Month Method

Estimated energy usage is calculated as follows:

1. Determine the number of days for the previous month's billing period.
2. Determine the kWh for the previous month's billing period.



SERVICE SCHEDULE 8 BILL ESTIMATION

3. Divide the previous month kWh by the previous month number of days to determine previous month per day usage.
4. Multiply the previous month per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Same Month Prior Year Method

Estimated energy is calculated as follows:

1. Determine the number of days for the same month of the previous year's billing period.
2. Determine the kWh for the same month of the previous year's billing period.
3. Divide the same month prior year's kWh by the same month prior year's number of days to get same month prior year per day usage.
4. Multiply the same month prior year per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Seasonal Average Method

Estimated energy is calculated as follows:

Where there is sufficient seasonal history (the number of days billed in the season is between 165 and 195 days), energy is estimated by calculating the average use per day for the same season as the billing period with the missing read. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period. Seasonal average is calculated as follows:

1. Determine the total number of days from each of the previous six same-season months to yield seasonal total days.
2. Add the kWh from each of the previous six same-season months to yield seasonal total kWh.
3. Divide seasonal total kWh by seasonal total days to yield the seasonal per day usage.
4. Multiply the seasonal per day usage by the number of days in the missing read billing period to yield the kWh for the missing read billing period.

Class Average Method

Estimated energy usage is calculated as follows:

Where neither customer nor premise history is available, energy is estimated by calculating the average use per day for customer served under the same rate schedule. The resulting per day usage is multiplied by the number of days in the missing-read billing period to yield the usage estimate for the billing period.



SERVICE SCHEDULE 8 BILL ESTIMATION

3.1.1 TIME-OF-USE AND SEASONAL ESTIMATION (kWh):

If the rate for the estimated billing period is a time-of-use rate and sufficient time-of-use history does not exist for a customer or premise, on-peak energy usage is allocated as follows:

	Super Summer (Jun, Jul, Aug) <u>ET-SP Only</u>	Summer (May through October)	Winter (November through April)
Residential			
ET-1	-	37%	29%
ET-2	-	25%	18%
ET-SP			
Super Peak	12%	-	-
On-Peak (12-3, 6-7)	13%	-	-
On-Peak (12-7)	-	25%	19%
ECT-1R	-	36%	29%
ECT-2	-	23%	17%
Non-Residential			
All	-	33%	32%

NOTE: The percentages specified above will also apply for seasonal estimation of Customer-owned on-site distributed generators to include both the energy consumed by the Customer and any excess energy purchased by the utility.

Seasonal on-peak energy percentages listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5 percentage points.

3.1.2 ENERGY ESTIMATION FOR CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

For energy estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on each generators previous month's energy output unless that month was an initial bill. 2) If the prior month's generator-specific energy output is not available or was an initial bill, the estimate will be based on the generator-specific energy output for the same month in the prior year. 3) If the generator-specific prior month or same month last year energy output is unavailable but adequate seasonal history exists for a similar type of generator, energy output will be estimated based on the similar generator's output during six months of the same season 4) If similar generator output is not available, the estimate will be based on the prior month's generation output at that premise unless that month was an initial bill. 5) If prior month's premise generator output is not available or was an initial bill, the premise generator output for the same month in the prior year will be used to estimate generator output. 6) If premise-specific prior month or same month last year generator output is unavailable but adequate seasonal premise generation output history exists, energy output will be estimated based on daily generation output during six months of the same season.



SERVICE SCHEDULE 8 BILL ESTIMATION

7) When adequate Customer or similar generator output history is not available, the generator estimate is based on a 50% availability factor for the month (20% for PV systems).

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak energy consumption.

3.1.3 EXCESS POWER (ENERGY) ESTIMATION FOR CUSTOMERS WITH CUSTOMER-OWNED ON-SITE DISTRIBUTED GENERATORS

This section estimates the amount of Customer-owned on-site distributed generation energy provided to the APS distribution system ("Excess Power"). For Excess Power estimation for Customer-owned on-site distributed generators, the following hierarchy is used: 1) The estimate will be based on the previous month's Excess Power kWh level unless that month was an initial bill. 2) If the prior month's Excess Power kWh level is not available or was an initial bill, the estimate will be based on the Excess Power kWh level for the same month in the prior year. 3) If the Excess Power kWh level for the prior month or same month last year is unavailable but adequate seasonal Excess Power history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 4) If the seasonal daily Excess Power kWh level is not available, the Customer's estimate will be based on the prior month's Excess Power kWh level at that premise unless that month was an initial bill. 5) If prior month's premise Excess Power kWh level is not available or was an initial bill, the premise Excess Power kWh level for the same month in the prior year will be used to estimate the Excess Power kWh level. 6) If premise-specific prior month or same month last year Excess Power kWh level data is unavailable but adequate seasonal premise Excess Power kWh level history exists, the Excess Power kWh level will be estimated based on the daily Excess Power kWh level during six months of the same season. 7) When adequate Customer or similar Excess Power kWh level history is not available, the Excess Power kWh level estimate is based on the following formula:

- a. Residential PV Systems: $(1,630.8 \times \text{the nameplate continuous output power rating of the generating facility}) / 12 \times .10$
- b. All other generating systems will be addressed on a case-by-case basis

For customers served under time-of-use schedules, the hierarchy listed above will be utilized to develop the estimated on-peak and off-peak Excess Power kWh levels.

3.1.4 ENERGY ESTIMATION FOR MISSING INTERVAL DATA

For rate schedules where kWh billing determinants are derived from interval data, such as 15 minute or hourly intervals, and which are not specifically addressed elsewhere herein, the billing determinants shall be estimated through the standard validating, editing and estimating (VEE) process described below.

3.1.4.1 If any of the relevant interval billing data is missing in a billing period, the kWh billing determinants will be estimated as stated below, with the exception of section 3.1.4.1.1.



SERVICE SCHEDULE 8 BILL ESTIMATION

- Determine the kWh to be estimated: Compute the total kWh for the relevant time period by subtracting the start read from the stop read for that period, using the most recent reads. Sum the interval data for the same period to determine the kWh for the intervals having valid data. Compute the kWh for the interval data needing estimation (X): where (X) equals the total kWh for the period minus the kWh for the intervals with valid data.
- Determine the reference day(s): Select a reference day (or days) to provide an estimate of the load shape for the missing interval data. The reference day shall have a load shape that resembles the time period needing estimation. Weekday load shapes will be estimated with weekday reference days, weekends with weekend reference days. Holidays will be estimated with a weekend reference day.
- Replace the missing interval data with the reference day interval data for the same hour or sub-hour intervals of the day.
- Scale the reference day interval data: Sum the kWh for the reference day interval data that replaced the missing interval data (Y). Create a scale factor by dividing the kWh for the section needing estimation (X) by (Y). Multiply each estimated interval data point in the period by the (X/Y) scale factor.

3.1.4.1.1 For rate schedules GS-Schools M and GS-Schools L, the on-peak and shoulder-peak monthly billing kWh are derived from hourly interval data, while the off-peak monthly kWh is derived as the residual of the total kWh register read less the on-peak and shoulder-peak kWh. If 3% or less of the relevant combined on-peak and shoulder-peak interval data is missing in a billing period, the missing kWh will be included in the residual off-peak billing kWh. Otherwise the missing interval data will be estimated according to 3.1.4.1.

3.2 DEMAND ESTIMATION

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:

- 3.2.1 If it is the same customer, use the prior month's demand unless that demand was estimated or is for an initial bill.
- 3.2.2 If it is the same customer, but the prior month's customer-specific demand is not available or was estimated or was an initial bill, use the customer-specific demand read from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.3 If the bill for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise demand read for the prior month, unless that demand was estimated or is for an initial bill.



**SERVICE SCHEDULE 8
BILL ESTIMATION**

- 3.2.4 If the prior month's premise demand was estimated or was an initial bill, use the premise demand read from the same billing month of the prior year, unless that demand was estimated or was for an initial bill.
- 3.2.5 For purposes of this Section 3.2., a demand read is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read is not greater than the prior month's demand read which was not reset.
- 3.2.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
ET-SP Super-Peak	43%
ET-SP On-Peak	38%
ECT-1R	39%
ECT-2	39%
<u>Non-residential:</u>	
All	50%

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5 percentage points.

- 3.2.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."
 - 3.2.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.
 - 3.2.7.2 In the following month, if the meter reader is able to reset the demand, the "Demand Not Reset" notation is removed.
 - 1) If the kW reading is less than the reading for the previous month, the demand is used for billing purposes and is not an estimated demand.
 - 2) If the demand reading is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.
 - 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.2.8 DEMAND ESTIMATION FOR CUSTOMER-OWNED DISTRIBUTED GENERATORS

For those accounts where the missing read period is billed on a demand rate and the missing read billing period is not for an initial bill, demand is estimated using the following hierarchy:



SERVICE SCHEDULE 8 BILL ESTIMATION

- 3.2.8.1 If it is the same customer, use the prior month's demand from the Customer-owned generator unless that demand was estimated or is for an initial bill.
- 3.2.8.2 If it is the same customer, but the prior month's customer-specific demand from the generator is not available or was estimated or was an initial bill, use the customer-specific demand on the generator from the same billing month a year ago, unless that demand was estimated or is for an initial bill.
- 3.2.8.3 If the demand on the generator for the same month of the prior year was not for the same customer, or was estimated or for an initial bill, use the premise generator demand read for the prior month, unless that demand was estimated or is for an initial bill.
- 3.2.8.4 If the prior month's premise demand from the generator was estimated or was an initial bill, use the premise demand from the generator from the same billing month of the prior year.
- 3.2.8.5 For purposes of this Section 3.2., a demand read on the generator is considered "estimated" if the demand was not reset the prior month (or any time thereafter) and the demand read on the generator is not greater than the prior month's demand read which was not reset.
- 3.2.8.6 If none of the above is applicable, apply the rate schedule load factor percentage to the appropriate kWh. The rate schedule load factor percentages are:

<u>Residential:</u>	<u>Load Factor %</u>
ET-SP Super Peak	43%
ET-SP On-Peak	38%
ECT-1R	39%
ECT-2	39%
<u>Non-residential:</u>	
All	50%

Load factors listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5 percentage points.

- 3.2.8.7 From time to time, meter reader may be unable to reset demand readings. When this occurs the readings are noted as "Demand Not Reset."
 - 3.2.8.7.1 In the month when the "Demand Not Reset" is noted, the kWh and kW are not estimates and are used for billing purposes.
 - 3.2.8.7.2 In the following month, if the meter reader is able to reset the demand on the generator, the "Demand Not Reset" notation is removed.
 - 1) If the kW reading is less than the reading for the previous month, the demand on the generator is used for billing purposes and is not an estimated demand.



SERVICE SCHEDULE 8 BILL ESTIMATION

- 2) If the demand reading on the generator is greater than the previous month when the "Demand Not Reset" was noted, the read demand is used.
- 3) If the demand reading is equal to the demand reading when the "Demand Not Reset" was noted, demand will be estimated using the procedures described in previous sections of this schedule.

3.3 INITIAL BILL

An initial bill is the first bill a customer receives for a premise. Examples of an initial bill include a new meter set where no service has previously been provided, or a previously occupied premise that is now in the new connecting customer's name.

If the billing period for an initial bill is fewer than 11 days and no read was obtained, the customer is billed only a daily basic service charge, and any energy used during this period is included in the following month's billing period usage. If the billing period is 11 or more days, the bill is estimated as follows:

3.3.1 ENERGY USAGE (kWh):

If there is no usage history for the premise, a "minimum usage" estimate is multiplied by the number of days in the missing read billing period. The difference in energy used during this period and the "minimum usage" estimate is included in the following month's billing period usage. The "minimum usage" estimates for total kWh are:

Residential:

E-12	24 kWh per day
ET-1 and ET-2	46 kWh per day
ET-SP	47 kWh per day
ECT-1R and ECT-2	74 kWh per day
<u>Non-residential:</u>	
Under 20 kW	42 kWh per day
Over 20 kW	1,087 kWh per day

NOTE: The minimum usage estimates specified above also apply to energy consumed by the Customer under rate schedules EPR-2 and EPR-5. Excess energy purchased by the utility will be estimated at zero for the initial bill.

Initial bill minimum energy usage estimates for total kWh listed above will be modified through general rate case or tariff filings or within three months whenever annual Load Research studies indicate that changes in these data are greater than 5%.

If there is usage history for the premise, energy will be estimated using the applicable method in Section 3.1. If there is no on-peak usage history for the premise, the allocations found in Section 3.1.1 will be utilized.



SERVICE SCHEDULE 8 BILL ESTIMATION

3.3.2 DEMAND (kW):

For those accounts where the missing read period is billed on a demand rate, demand is estimated as follows:

For initial bills fewer than 11 days, no demand charge is billed.

For initial bills 11 or more days, the kW is estimated using the same hierarchy as indicated in Section 3.2.

3.4 ADVANCED METER INFRASTRUCTURE (AMI) METERS

When a missing read occurs on an account with an AMI meter, an initial attempt to estimate will be performed using partial month data as available. AMI meter data is normally collected on a daily basis, and therefore would be used to compute an estimate for the billing month, even if some of these daily reads are missing.

3.4.1 For initial and normal bills:

If the latest AMI meter data is available with a meter reading of 11 or more days since the last read date for the previous billing month:

- 1) Review the daily AMI incremental reads to determine the total energy consumption, on-peak percentage and demand for the billing month. Use reads from the latest AMI data to determine a per-day usage value and multiply by the number of days in the current billing period to yield the estimates for total and on-peak usage.
- 2) If the AMI meter data is unavailable use the estimation methods for non-AMI meters.

3.4.2 For initial and normal bills of 10 or less days, use the estimation methods described in Section 3.3.

3.5 DEAD OR FAILING METER

For accounts where it is determined the meter is dead or failing, no adjustment to the bill will be made until the new meter is in place at least 11 days. Then the usage for the previous month(s) is to be determined by taking the lower of the per day usage calculated from the new meter, less 3% (plus 3% for estimating customer-owned on-site generation bought by Utility), or the Same Month Prior Year Method described in Section 3.1. Charges for underbillings of dead or failing meters will be limited to three months for residential accounts and six months for non-residential accounts, in accordance with Schedule 1 Section 4.3. In instances where Company believes the customer's usage patterns were different during the dead or failing meter period than those being used to estimate, Company may adjust its estimate downward from either method.

3.6 ENERGY DIVERSION OR METER TAMPERING



SERVICE SCHEDULE 8 BILL ESTIMATION

In instances where energy diversion or meter tampering has occurred, meter reads from the meter will not accurately reflect all of the energy usage. Energy consumption for the period during which the diversion or meter tampering occurred shall be estimated by calculating a per day usage based on the best available information. This may include 1) metered data obtained from an auxiliary meter installed during the diversion investigation; 2) meter information obtained from the customer's meter after the diversion or meter tampering was discovered by Company and stopped; and 3) consumption history for the customer or site prior to when the diversion or meter tampering began.

In some instances, the estimated consumption based on per day usage may be less than what the meter actually registered during the time period. In those cases, the actual usage will be used in the calculation of the total energy diversion or meter tampering back bill.

3.7 NON-CUSTOMER INFORMATION SYSTEM ESTIMATES

In some instances, an account is coded to not be automatically estimated by Company's Customer Information System (CIS). This occurs when, due to special circumstances of the account (such as: served at substation voltage, receives a power allowance from a federal agency, partial requirements/self-generation, etc.), manual intervention in the billing process is required. For those accounts which are coded to not be automatically estimated by the CIS, additional attempts may be made to obtain meter readings which will be used for billing. If reads are not obtained, then energy and demand will be estimated, using the applicable methods described in this Schedule.

3.8 REBILLS OF PREVIOUS ESTIMATES

In instances where the reads from the previous month are estimated and a subsequent actual read is obtained, the following "true-up" is performed.

3.8.1 ENERGY USAGE

If the actual read following an estimated read is either lower than the estimated read, or, in Company's opinion, considerably higher than the previously estimated read(s), then per day usage is calculated using the difference in kWh between the last actual read and the current month actual read. The per day usage is multiplied by the number of days in each estimated month and each affected month is rebilled using the new per day usage kWh.

3.8.2 DEMAND

If the actual demand read obtained after an estimate is lower than the estimated demand read, the previous month(s) estimated demand read(s) are lowered to the subsequent actual demand read.

The estimates used in this Section 3.8 take precedence over the estimating methods described elsewhere in this Service Schedule.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

The following terms and conditions and any changes authorized by law will apply to Arizona Public Service Company (Company), Energy Service Providers (ESPs), and their agents that participate in Direct Access under the Arizona Corporation Commission's (ACC) rules for retail electric competition (A.A.C. R14-2-1601, et seq., referred to herein as the "Rules"). "Direct Access customer" refers to any Company retail customer electing to procure its electricity and any other ACC authorized Competitive Services directly from ESPs as defined in the Rules.

Customer Selections

All Company retail customers shall obtain service under one of two options:

1. **Standard Offer Service.** With this election, retail customers will receive all services from Company, including metering, meter reading, billing, collection and other consumer information services, at regulated rates authorized by the ACC. Any customer who is eligible for Direct Access who does not elect to procure Competitive Services shall remain on Standard Offer Service. Direct Access customers may also choose to return to Standard Offer Service after having elected Direct Access.
2. **Competitive Services (Direct Access).** This service election allows customers who are eligible for Direct Access to purchase electric generation and other Competitive services from an ACC certificated ESP. Direct Access customers with single premise demands greater than 20 kW or usage of 100,000 kWh annually will be required to have Interval Metering, as specified in Section 3.6.1. Pursuant to the Rules, and any restrictions herein, the ESP serving these customers will have options available for choosing to offer Meter Services, Meter Reading Services and/or Billing Services on their own behalf (or through a qualified third party), or to have Company provide those services when permitted as specified herein.

1. General Terms

1.1 **Definitions.** The definitions of principal terms used in this Schedule shall have the same meaning as ascribed to them in the Rules, unless otherwise expressly stated in this Schedule.

1.1.1 **Customer** - Unless otherwise stated, all references to Customer in this agreement refer to Company customers who are eligible for and have elected Direct Access.

1.1.2 **Service Account** - Unless otherwise stated, all references to "Service Account" in this agreement shall refer to an installed service, identified by a Universal Node Identifier (UNI).

1.1.3 **Local Arizona Time** - All time references in this Schedule are in Local Arizona Time, which is Mountain Standard Time (MST).

2. General Obligations of Company

2.1 Non-Discrimination

2.1.1 Company shall discharge its responsibilities under the Rules in a non-discriminatory manner as to providers of all Competitive Services. Unless otherwise authorized by the ACC, the Federal Energy Regulatory Commission ("FERC") or applicable affiliate transactions rules, Company shall not:

- 2.1.1.1 Represent that its affiliates or customers of its affiliates will receive any different treatment with regard to the provision of Company services than other, unaffiliated services providers as a result of affiliation with Company; or

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Service Schedule 10
Revision No. 2
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SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 2.1.1.2 Provide its affiliates, or customers of its affiliates, any preference based on the affiliation including but not limited to terms and conditions of service, information, pricing or timing over non-affiliated suppliers or their customers in the provision of Company services.

2.2 Transmission and Distribution Service

Company will offer transmission and distribution services under applicable tariffs, schedules and contracts for delivery of electric generation to Direct Access customers under the provisions of State law, the terms of the ACC's Rules and Regulations, this Schedule, the ESP Service Acquisition Agreement, applicable tariffs and applicable FERC rules.

3. General Obligations of ESPs

3.1 Timeliness, Due Diligence and Security Requirements

- 3.1.1 ESPs shall exercise due diligence in meeting their obligations and deadlines under the Rules to facilitate customer choice. ESPs shall make all payments owed to Company in a timely manner.
- 3.1.2 ESPs shall adhere to all credit, deposit and security requirements specified in the ESP Service Acquisition Agreement and Company tariffs and schedules.

3.2 Arrangements with ESP Customers

ESPs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement Direct Access. Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

3.3 Responsibility for Electric Purchases

ESPs will be responsible for the purchase of their Direct Access customers' electric generation needs and the delivery of such purchases to designated receipt points as set forth on schedules given to the Scheduling Coordinators ("SCs").

3.4 Company Not Liable for ESP Services

To the extent the customer elects to procure services from an ESP, Company has no obligations to the customer with respect to the services provided by the ESP.

3.5 Load Aggregation for Procuring Electric Generation/Split Loads

- 3.5.1 ESPs may aggregate individually-metered electric loads for procuring competitive electric generation only. Load aggregation shall not be used to compute Company charges or for tariff applicability.
- 3.5.2 Customers requesting Direct Access Services may not partition the electric loads of a Service Account among electric service options or providers. The entire load of a Service Account must be provided by only one (1) ESP. This provision shall not restrict the use of separate parties for metering and billing services.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

3.6 Interval Metering

3.6.1 "Interval Metering" refers to the purchase, installation and maintenance of electricity metering equipment capable of measuring and recording minimum data requirements, including hourly interval data required for Direct Access settlement processes and distribution billing. Interval Metering is required for all customers that elect Direct Access and reach a single site maximum demand in excess of 20 kW one or more times or annual usage of 100,000 kWh or more. Interval Metering is provided by the ESP, at no cost to Company. Interval Metering is optional for those customers with single site maximum demands that are 20 kW or less or annual usage of less than 100,000 kWh.

3.6.2. Company shall determine if Customer meets the requirements for Interval Metering based on historical data, or an estimated calculation of the demand and/or usage for new customers.

3.7 Meter Data Requirements

Minimum meter data requirements consist of data required to bill Company distribution tariffs and determine transmission settlement. Company shall have access to meter data necessary for regulatory purposes or rate-setting purposes pursuant to mutually agreed upon terms with the ESP for such data access.

3.8 Statistical Load Profiles

Company will offer statistical load profiles in place of Interval Metering, for qualifying Customers to estimate hourly consumption for settlement and scheduling purposes. Statistical load profiles will be applied as authorized by FERC.

3.9 Fees and Other Charges

Direct Access customers shall pay all applicable fees, surcharges, impositions, assessments and taxes on the sale of energy or the provisions of other services as authorized by law. The ESP and Company will each be respectively responsible for paying such fees to the taxing or regulatory agency to the extent it is their obligation to do so. Both the ESP and Company will be responsible for providing the authorized billing agent the information necessary to bill these charges to the customer.

3.10 Liability In Connection With ESP Services

3.10.1 "Damages" shall include all losses, harm, costs and detriment, both direct and indirect, and consequential, suffered by Customer or third parties.

3.10.2 Company shall not be liable for any damages caused by Company conduct in compliance with, or as permitted by, Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service, or as otherwise set forth in Company's Schedule #1.

3.10.3 Company shall not be liable for any damages caused to Customer by any ESP, including failure to comply with Company's electric rules and tariffs, the ESP Service Acquisition Agreement, the Rules, and associated legal and regulatory requirements related to Direct Access service.

3.10.4 Company shall not be liable for any damages caused by the ESP's failure to perform any commitment to Customer.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 3.10.5 An ESP is not a Company agent for any purpose. Company shall not be liable for any damages resulting from acts, omissions, or representations made by an ESP in connection with soliciting customers for Direct Access or rendering Competitive Services.
- 3.10.6 Under no circumstances shall Company be liable to Customer, ESP (including any entity retained by it to provide competitive services to the customer) or third parties for lost revenues or profits, indirect or consequential damages or punitive or exemplary damages in connection with Direct Access Services. This provision shall not limit remedies otherwise available to customers under Company's schedules and tariffs and applicable laws and regulations.

4. Customer Inquiries and Data Accessibility

- 4.1 Customer Inquiries – For customers requesting information on Direct Access, Company shall make available the following information:

- 4.1.1 Materials to consumers about competition and consumer choices.
- 4.1.2 A list of ESPs that have been issued a Certificate of Convenience and Necessity to offer Competitive Services within Company's service territory. Company will provide the list maintained by the ACC, but Company is under no obligation to assure the accuracy of this list. Reference to any particular ESP or group of ESPs on the list shall not be considered an endorsement or other form of recommendation by Company.

- 4.2 Access to Customer Usage Data. For Company customers on Standard Offer Service, Company shall provide customer specific usage data to ESP or to Customer, subject to the following provisions:

- 4.2.1 ESPs may request Customer usage data prior to submission of a Direct Access Service Request ("DASR") by obtaining and submitting to Company the Customer's written authorization on a Customer Information Service Request ("CISR") form. Company may charge for customer usage data at rates approved by the ACC.
- 4.2.2 Company will provide the most recent twelve (12) months of customer usage data or the amount of data available for that Customer if there is less than twelve (12) months of usage history.

- 4.3 Customer Inquires Concerning Billing Related Issues

- 4.3.1 Customer inquiries concerning Company charges or services shall be directed to Company.
- 4.3.2 Customer inquiries concerning ESP charges or services shall be directed to the ESP.

- 4.4 Customer Inquiries Related to Emergency Situations and Outages

- 4.4.1 Company shall be responsible for responding to all Standard Offer Service or, in the case of Direct Access customers, distribution service emergency system conditions, outages and safety situation inquiries related to Company's distribution system. Customers contacting an ESP with such inquiries are to be referred directly to Company for resolution. ESPs performing consolidated billing must show Company's emergency telephone number on their bills.
- 4.4.2 Company may shed or curtail customer load as provided by its ACC-approved tariffs and schedules, or by other ACC rules and regulations.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

5. ESP Service Establishment

- 5.1 Before the ESP or its agents can offer Direct Access services in Company's distribution service territory they must meet the applicable provisions as listed:
- 5.1.1 All ESPs must obtain a Certificate of Convenience and Necessity from the ACC which authorizes the ESP to offer Competitive Services in Company's distribution service territory.
 - 5.1.2 All ESPs must register to do business in the State of Arizona and obtain all other licenses and registrations needed as a legal predicate to the ESP's ability to offer Competitive Services in Company's distribution service territory.
 - 5.1.3 Load Serving ESPs must satisfy creditworthiness requirements as specified in the ESP Service Acquisition Agreement if the ESP chooses the ESP Consolidated Billing option. If the ESP chooses Company UDC Consolidated Billing, they must enter into a Customized Billing Services Agreement.
 - 5.1.4 Load Serving ESPs must enter into an ESP Service Acquisition Agreement with Company.
 - 5.1.5 All ESPs must satisfy any applicable ACC electronic data exchange requirements including:
 - 5.1.5.1 The ESP and/or its designated agents must complete to Company's satisfaction all necessary electronic interfaces between the ESP and Company to exchange DASRs and general communications.
 - 5.1.5.2 The ESP or its agent must complete to Company's satisfaction all electronic interfaces between the ESP and Company to exchange meter reading and usage data. This includes communication to and from the Meter Reading Service Provider's (MRSP) server for sharing of meter reading and usage data.
 - 5.1.5.3 The ESP must have the capability to electronically exchange data with Company. Alternative arrangements may be acceptable at Company's option.
 - 5.1.5.4 The ESP and its agents must use Electronic Data Interchange (EDI) using Arizona Standard Formats to exchange billing and remittance data with Company when offering ESP Consolidated Billing or Company UDC Consolidated Billing. The ESP and its agents must use the Arizona Standard Format to exchange meter reading data with Company when providing meter reading services. Alternative arrangements may be allowed at Company's option.
 - 5.1.6 For Company UDC Consolidated Billing or ESP Consolidated Billing options, compliance testing is required. Both parties must demonstrate the ability to perform data exchange functions required by the ACC and the ESP Service Acquisition Agreement. Any change of the billing agent will require a revalidation of the applicable compliance testing. Provided the ESP is acting diligently and in good faith, its failure to complete such compliance testing shall not affect its ability to offer electric generation to Direct Access customers. Dual Company/ESP Billing will be performed until the compliance testing is completed to Company's satisfaction.
 - 5.1.7 Compliance testing will be required for a MRSP when providing meter reading services to ensure that meter data can be delivered successfully. Any change of the MRSP's system, or any change to



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

the Arizona Standard 867 EDI format, will require a revalidation of the applicable compliance testing.

6. Direct Access Service Request (DASR)

- 6.1 A DASR is submitted pursuant to the terms and conditions of the Arizona DASR Handbook, the ESP Service Acquisition Agreement and this section, and shall also be used to define the Competitive Services that the ESP will provide the customer.
- 6.2 ESPs shall have a CC&N from the ACC; shall have entered into an ESP Service Acquisition Agreement with Company, if required, and shall have successfully completed data exchange compliance testing before submitting DASRs.
- 6.3 The customer's authorized ESP must submit a completed DASR to Company before Customer can be switched from Standard Offer Service or Competitive Service provided by another ESP. The DASR process described herein shall be used for customer Direct Access elections, updates, cancellations, customer-initiated returns to Company Standard Offer Service, or requests for physical disconnection of service and ESP- or customer-initiated termination of an ESP/customer service agreement.
- 6.4 A separate DASR must be submitted for each service delivery point. Each of the five (5) DASR operation types [Request (RQ), Termination of Service Agreement (TS), Physical Disconnect (PD), Cancel (CL) and Update/Change (UC)] has specific field requirements that must be fully completed before the DASR is submitted to Company. A DASR that does not contain the required field information or is otherwise incomplete may be rejected. In accordance with the provisions of the applicable Service Acquisition Agreement, Company may deny the ESP or customer request for service if the information provided in the DASR is false, incomplete, or inaccurate in any material respect. ESPs filing DASRs are thereby representing that they have their customer's authorization for such transaction.
- 6.5 Company requires that DASRs be submitted electronically using Electronic Data Interchange (EDI) or Comma Separated Value (CSV) formats through the Company's web site (<http://esp.apsc.com>).
- 6.6 DASRs will be handled on a first-come, first-served basis. Each request shall be time and date stamped when received by Company.
- 6.7 Once the DASR is submitted, the following timeframes will apply:
 - 6.7.1 Company will respond to RQ, TS, CL and UC DASRs within two (2) working days of the time and date stamp. Company will exercise best efforts (no later than five (5) working days) to provide the ESP with a DASR status notification informing them whether the DASR has been accepted, rejected or placed in a pending status awaiting further information. If accepted, the effective switch date will be determined in accordance with Sections 6.8, 6.9, and 6.12 and will be confirmed in the response to the ESP and the former ESP if applicable. If a DASR is rejected, Company shall provide the reasons for the rejection. If a DASR is held pending further information, it shall be rejected if the DASR is not completed with the required information within thirty (30) working days, or a mutually agreed upon date, following the status notification. Company will send written notification to the customer once the RQ DASR has been processed.
 - 6.7.2 When a customer requests electric services to be disconnected, the ESP is responsible for submitting a PD DASR to Company on behalf of the customer, regardless of the Meter Service Provider (MSP).



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.7.2.1 When Company is acting as the MSP, Company shall perform the physical disconnect of the service. The PD DASR must be received by Company at least three (3) working days prior to the requested disconnect date. Company will acknowledge the PD DASR status within two (2) working days of the time and date stamp.
- 6.7.2.2 When Company is not acting as the MSP, the ESP is responsible for performing the physical disconnect. The ESP shall notify Company by DASR of the date of the physical disconnect. Disconnect reads must be posted to the server within three (3) working days following the disconnection.
- 6.8 DASRs that do not require a meter exchange must be received by Company at least fifteen (15) calendar days prior to the next scheduled meter read date. The actual meter read date would be the effective switch date. DASRs received less than fifteen (15) calendar days prior to the next scheduled meter read date will be scheduled for switch to Direct Access on the following month's read date.
- 6.9 DASRs that require a meter exchange will have an effective change date to Direct Access as of the meter exchange date. Notification of meter exchange dates shall be coordinated between the ESP, MSP and Company's Meter Activity Coordinator ("MAC").
- 6.10 If more than one (1) RQ DASR is received for a service delivery point within a Customer's billing cycle, only the first valid DASR received shall be processed in that period. All subsequent DASRs shall be rejected.
- 6.11 Upon acceptance of an RQ DASR, a maximum of twelve (12) months of customer usage data, or the available usage for that customer switching from Standard Offer, shall be provided to the ESP. If there is an existing ESP currently serving that customer, that ESP shall be responsible for submitting the customer usage data to the new ESP. In both cases, the customer usage data will be submitted to the appropriate ESP no later than five (5) working days before the scheduled switch date.
- 6.12 Customers returning to Company Standard Offer service must contact their ESP. The ESP shall be responsible for submitting the DASR on behalf of the customer.
- 6.13 ESPs requesting to return a Direct Access customer to Company Standard Offer service shall submit a TS DASR and shall be responsible for the continued provision of the customer's electric supply service, metering, and billing services until the effective change date.
- 6.14 Customers requesting to return to Company Standard Offer service are subject to the same timing requirements as used to establish Direct Access service. Direct Access customers returning to Company Standard Offer service may be subject to the RCDAC-1.
- 6.15 Company may assess a fee for processing DASRs. All fees are payable to Company within fifteen (15) calendar days after the invoice date. All unpaid fees received after this date will be assessed applicable late fees pursuant to Schedule 1. If an ESP fails to pay these fees within thirty (30) days after the due date, Company may suspend accepting DASRs from the ESP unless a deposit sufficient to cover the fees due is currently available or until such time as the fees are paid. If an ESP is late in paying fees, a deposit or an additional deposit may be required from the ESP.
- 6.16 A customer moving to new premises may retain or start Direct Access immediately. The customer must first contact Company to establish a Service Account. The customer will be provided the necessary information that will enable its ESP to submit a DASR. The same timing requirements apply as set forth in Section 6.8 and 6.9.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 6.17 Billing and metering option changes are requested through a UC DASR and cannot be changed more than once per billing cycle.
- 6.18 Company shall not hold the ESP responsible for any customer unpaid billing charges prior to the customer's switch to Direct Access. Unpaid billing charges shall not delay the processing of DASRs and shall remain the customer's responsibility to pay Company. Company's Schedule 1 applies in the event of customer non-payment, which includes the possible disconnection of distribution services. Company shall not accept any DASRs submitted for customers who have been terminated for nonpayment and have not yet been reinstated. Disconnection by Company of a delinquent customer shall not make Company liable to the ESP or third-parties for the customer's disconnection.
- 6.19 Company shall not accept DASRs that specify a switch date of more than sixty (60) calendar days from the date the DASR is submitted.

7. Billing Service Options and Obligations

7.1 Subject to availability, and pursuant to the terms in the ESP Service Acquisition Agreement, this Schedule 10, and applicable tariffs and the restrictions therein, ESPs may select among the following billing options:

- 7.1.1 COMPANY UDC CONSOLIDATED BILLING
- 7.1.2 ESP CONSOLIDATED BILLING
- 7.1.3 DUAL COMPANY/ESP BILLING

7.2 COMPANY UDC CONSOLIDATED BILLING

7.2.1 The customer's authorized ESP sends its bill-ready data to Company, and Company sends a consolidated bill containing both Company and ESP charges to the Customer.

7.2.2 Company Obligations:

7.2.2.1 Company shall bill the ESP charges and send the bill either by mail or electronic means to the customer. Company is not responsible for computing or determining the accuracy of the ESP charges. Company is not required to estimate ESP charges if the expected bill ready data is not received nor is Company required to delay Company billing. Billing rendered on behalf of the ESP by Company shall comply with A.A.C. R14-2-1612.

7.2.2.2 Company bills shall include in Customer's bill a detailed total of ESP charges and applicable taxes, assessments and billed fees, the ESP's name and telephone number, and other information provided by the ESP.

7.2.2.3 If Company processes Customer payments on behalf of the ESP, the ESP shall receive payment for its charges as specified in Section 7.7.

7.2.3 ESP Obligations

7.2.3.1 Once a billing election is in place as specified in the ESP Service Acquisition Agreement, the ESP may offer Company UDC Consolidated Billing services to Direct Access customers pursuant to the terms and conditions of the applicable ACC approved tariff.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.2.3.2 The ESP shall submit the necessary billing information to facilitate billing services under this billing option by Service Account, according to Company's meter reading schedule, and pursuant to the applicable tariff. Timing of billing submittals is provided for in Section 7.2.4 below.

7.2.4 Timing Requirements

7.2.4.1 Bills under this option will be rendered once a month. Nothing contained in this Schedule shall limit Company's ability to render bills more frequently consistent with Company's existing practices. However, if Company renders bills more frequently than once a month, ESP charges need only to be calculated based on monthly billing periods.

7.2.4.2 Except as provided in Section 7.2.4.1, Company shall require that all ESP and Company charges be based on the same billing period data.

7.2.4.3 ESP charges for normal monthly customer billing and any adjustments for prior months' metering or billing errors must be received by Company in EDI "810" format no later than 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date. If billing charges have not been received from the ESP by this deadline, Company will render a bill for Company charges only. The ESP must wait until the next billing cycle, unless there is a mutual agreement for Company to send an interim bill. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. An interim bill issued pursuant to this Section may also include a message that Company charges were previously billed.

7.2.4.4 ESP charges for a Physical Disconnect Final Bill must be received by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If final billing charges have not been received from the ESP by this date, Company will render the customer's final bill for Company charges only, without the ESP's final charges. If Company renders the bill for Company charges only, Company will include a note on the bill stating that ESP charges will be forthcoming. The ESP must send the final charges to Company. Company will produce and send a separate bill for the final billing charges.

7.2.5 Restrictions

Company UDC Consolidated Billing shall be an option for individual customer bills only, not an aggregated group of customers. Nothing in this Section precludes each individual customer in an aggregated group, however, from receiving the customer's individual bills under Company UDC Consolidated Billing.

7.3 ESP CONSOLIDATED BILLING

7.3.1 Company calculates and sends its bill-ready data to the ESP. The ESP in turn sends a consolidated bill to its customer. The ESP shall be obligated to provide the customer detailed Company charges to the extent that the ESP receives such detail from Company. The ESP is not responsible for the accuracy of Company charges.

7.3.2 Company Obligations:

7.3.2.1 Company shall calculate all its charges once per month based on existing Company billing cycles and provide these to the ESP to be included on the ESP consolidated bill or as



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

otherwise specified. Company and the ESP may mutually agree to alternative options for the calculation of Company charges.

7.3.2.2 Company shall provide the ESP with sufficient detail of its charges, including any adjustments for prior months' metering and billing error, by EDI "810" format. Company charges that are not transmitted to the ESP by 4:00 p.m. Local Arizona Time on the third working day following the Last Meter Read/First Bill Date need not be included in the ESP's bill. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges unless there is a mutual agreement to have the ESP send an interim bill to the customer including Company charges. The ESP will include a message on the bill stating that Company charges are forthcoming.

7.3.2.3 For a Physical Disconnect Final Bill, Company will provide the ESP with Company's final bill charges by 4:00 p.m. Local Arizona Time on the sixth working day following the actual disconnect date. If Company's billing charges have not been received by such date, the ESP may render the bill without Company charges. The ESP shall include a message on the bill stating that Company charges are forthcoming. Company will send the final bill charges to the ESP, and the ESP will produce and deliver a separate bill for Company charges.

7.3.3 ESP Obligations:

7.3.3.1 Once an ESP Service Acquisition Agreement is entered into, including an appropriate billing election, and all other applicable prerequisites are met, the ESP may offer consolidated billing services to Direct Access customers they serve.

7.3.3.2 The ESP bill shall include any billing-related details of Company charges. Company charges may be printed with the ESP bill or electronically transmitted. Billing rendered on behalf of Company by the ESP shall comply with A.A.C. R14-2-1612.

7.3.3.3 Other than including the billing data provided by Company on the customer's bill, the ESP has no obligations regarding the accuracy of Company charges or for disputes related to these charges. Disputed charges shall be handled according to ACC procedures.

7.3.3.4 The ESP shall process customer payments and handle collection responsibilities. Under this billing option, the ESP must pay all charges due to Company and not disputed by the customer as specified in Section 7.7.2.1.

7.3.3.5 Subject to the limitations of this Section and with the written consent of the Customer, the ESP may offer customers customized billing cycles or payment plans which permit the Customer to pay the ESP for Company charges in different amounts than Company charges to the ESP for any given billing period. Such plans shall not, however, affect in any manner the obligation of the ESP to pay all Company charges in full. Should Customer select an optional payment plan, all Company charges must be billed in accordance with A.A.C. R14-2-210(G).

7.3.4 Timing Requirements

ESPs may render bills more or less frequently than once a month. However, Company shall continue to bill the ESP each billing cycle period for the amounts due by the customer for that billing month.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.4 DUAL COMPANY/ESP BILLING

Company and the ESP each separately bill the customer directly for services provided by them. The billing method is the sole responsibility of Company and the ESP. Company and the ESP shall process only the customer payments relating to their respective charges.

7.5 Billing Information and Inserts

7.5.1 All customers, including Direct Access customers, shall receive mandated legal, safety and other notices equally in accordance with A.A.C. R14-2-204 (B). If the ESP is providing consolidated billing, Company shall make available one (1) copy of these notices to the ESP for distribution to customers or, at the ESP's request, in electronic format to the ESP for production and communication to electronically billed Customers. If Company is providing Consolidated billing services, Company shall continue to provide these notices.

7.5.2 Under Company UDC Consolidated Billing, ESP bill inserts may be included pursuant to the applicable Company tariff.

7.6 Billing Adjustments for Meter and Billing Error

7.6.1 Meter and Billing Error

7.6.1.1 The MSP (including the ESP or Company if providing such services) shall resolve any meter errors and must notify the ESP and Company, as applicable, so any billing adjustments can be made. All other affected parties, including the appropriate Scheduling Coordinator, shall be notified by the ESP.

7.6.1.2 A billing error is the incorrect billing of Customer's energy or demand. If the MSP, MRSP, ESP or Company becomes aware of a potential billing error, the party discovering the billing error shall contact the ESP and Company, as applicable, to investigate the error. If it is determined that there is in fact a billing error, the ESP and Company will make any necessary adjustments and notify all other affected parties in a timely manner.

7.6.1.3 Company UDC Consolidated Billing

7.6.1.3.1 Company shall be responsible for notifying Customer and adjusting the bill for its charges to the extent those charges were affected by the meter or billing error.

7.6.1.3.2 The ESP shall be responsible for any recalculation of the ESP charges. Following the receipt of the recalculated charges from the ESP, the charges or credits will be applied to Customer's next normal monthly bill, unless there is mutual agreement to have Company send an interim bill to the Customer including the ESP's charges.

7.6.1.4 ESP Consolidated Billing

7.6.1.4.1 The ESP shall be responsible for notifying the Customer and adjusting the bill for ESP charges to the extent those charges were affected by the meter or billing error. The Customer shall be solely responsible for obtaining refunds of ESP electric generation overcharges from its current and prior ESPs, as appropriate.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.6.1.4.2 Company shall transmit its adjusted charges and any refunds to the ESP with Customer's next normal monthly bill. The ESP shall apply the charges to Customer's next normal monthly bill, unless there is a mutual agreement to have the ESP send an interim bill to Customer including Company charges.

7.6.1.5 Dual Company/ESP Billing

7.6.1.5.1 Company and the ESP shall be separately responsible for notifying Customer and adjusting its respective bill for their charges.

7.7 Payment and Collection Terms

7.7.1 Company UDC Consolidated Billing

7.7.1.1 Company shall remit payments to the ESP for the total ESP charges collected from Customer within three (3) working days after Customer's payment is received. Company is not required to pay amounts owed to the ESP for ESP charges billed but not received by Company.

7.7.1.2 Customer is obligated to pay Company for all undisputed Company and ESP charges consistent with existing tariffs and other contractual arrangements for service between the ESP and the customer.

7.7.1.3 The ESP is responsible for all collections related to the ESP services on the Customer's bill, including, but not limited to, security deposits and late charges unless otherwise agreed upon in the customized billing services agreement between ESP and Company.

7.7.1.4 Payment for any Company charges for Consolidated Billing is due in full from the ESP within fifteen (15) calendar days of the date Company charges are rendered to the ESP. Any payment not received within this time frame will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.

7.7.2 ESP Consolidated Billing

7.7.2.1 Payment is due in full from the ESP within fifteen (15) calendar days after the date Company's charges are rendered to the ESP. The ESP shall pay all undisputed Company charges regardless of whether Customer has paid the ESP. All payments received after fifteen (15) calendar days will be assessed applicable late charges pursuant to Schedule 1. If an ESP fails to pay these charges prior to the next billing cycle, Company may revert the billing option for that ESP's customers to Dual Billing pursuant to Section 7.10.4. If an ESP is late in paying charges a deposit or additional deposit as provided for in Section 7.11 may be required.

7.7.2.2 Company shall be responsible for any follow-up inquiries with the ESP if there is question concerning the payment amount.

7.7.2.3 Company has no payment obligations to the ESP for Customer payments under ESP Consolidated Billing services.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.7.3 Dual Company/ESP Billing

Company and the ESP are separately responsible for collection of Customer payment for their respective charges.

7.8 Late or Partial Payments and Unpaid Bills

7.8.1 Company UDC Consolidated Billing

7.8.1.1 Company shall not be responsible for ESP's Customer collections, collecting the unpaid balance of ESP charges from Customers, sending notices informing Customers of unpaid ESP balances, or taking any action to recover the unpaid amounts owed the ESP. The ESP shall assume any collection obligations and/or late charge assessments for late or unpaid balances related to ESP charges under this billing option.

7.8.1.2 All Customer payments shall be applied first to unpaid balances identified as Company charges until such balances are paid in full, then applied to ESP charges. A Customer may dispute charges as provided by A.A.C. R14-2-212, but a Customer will not otherwise have the right to direct partial payments between Company and the ESP.

7.8.1.3 ACC rules shall apply to late or non-payment of all Company customer charges. Undisputed Company delinquent balances owed on a customer account shall be considered late and subject to Company late payment procedures.

7.8.2 ESP Consolidated Billing

The ESP shall be responsible for collecting both unpaid ESP and Company charges, sending notices informing Customers of unpaid ESP and Company balances, and taking appropriate actions

to recover the amounts owed. Company shall not assume any collection obligations under this billing option and ESP is liable to Company for all undisputed payments owed Company.

7.8.3 Dual Company/ESP Billing

Company and the ESP are responsible for collecting their respective unpaid balances, sending notices to Customers informing them of the unpaid balance, and taking appropriate actions to recover their respective unpaid balances. Customer disputes with ESP charges must be directed to the ESP and Customer disputes with Company charges must be directed to Company.

7.9 Service Disconnects and Reconnects

In accordance with ACC rules, Company has the right to disconnect electric service to the Customer for a variety of reasons, including, but not limited to, the non-payment of Company's final bills or any past due charges by Customer, or evidence of safety violations, energy theft, or fraud, by Customer. The following provides for service disconnects and reconnects.

7.9.1 Company shall notify Customer and Customer's ESP of Company's intent to disconnect electric service for the non-payment of Company charges prior to disconnecting electric service to the Customer. Company shall further notify the ESP at the time Customer has been disconnected. To the extent authorized by the ACC, a service charge shall be imposed on Customer if a field call is performed to disconnect electric service.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 7.9.2 Company shall reconnect electric service for a fee when the criteria for reconnection have been met to Company's satisfaction. Company shall notify the ESP of a Customer's reconnection.
- 7.9.3 Company shall not disconnect electric service to Customer for the non-payment of ESP charges by Customer. In the event of non-payment of ESP charges by Customer, the ESP may submit a DASR requesting termination of the service agreement and request return to Company Standard Offer Service. Company will then advise the Customer that they will be placed on Company Standard Offer Service unless a DASR is received from another ESP on their behalf.

7.10 Involuntary Service Changes

- 7.10.1 A Customer may have its service of electricity, billing, or metering from an ESP changed to another provider, including Company, involuntarily in the following circumstances:
 - 7.10.1.1 The ACC has decertified the ESP or the ESP otherwise receives an ACC order that prohibits the ESP from serving the customer.
 - 7.10.1.2 The ESP, including its agents, has materially failed to meet its obligations under the terms of its ESP Service Acquisition Agreement with Company (including applicable tariffs and schedules) so as to constitute an Event of Default under the terms of the ESP Service Acquisition Agreement, and Company exercises its contractual right to terminate the ESP Service Acquisition Agreement.
 - 7.10.1.3 The ESP has materially failed to meet its obligations under the terms of the ESP Service Acquisition Agreement (including applicable tariffs and schedules) so as to constitute an Event of Default and Company exercises a contractual right to change billing options.
 - 7.10.1.4 The ESP ceases to perform by failing to provide schedules through a Scheduling Coordinator whenever such schedules are required, or the ESP fails to have a Service Acquisition Agreement in place with a Scheduling Coordinator.
 - 7.10.1.5 The Customer fails to meet its Direct Access requirements and obligations under the ACC rules and Company tariffs and schedules.

7.10.2 Change of Service Election in Exigent Circumstances

In the event Company finds that an ESP or the Customer has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company elects to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3) and the failure constitutes an emergency (defined as posing a substantial threat to the reliability of the electric system or to public health and safety), or the failure relates to ESP's sale of unscheduled energy, Company may initiate a change in the Customer's service election, or terminate an ESP's ability to offer certain services under Direct Access. In such case, Company shall initiate the change or termination by preparing a DASR, but the change or termination may be made immediately notwithstanding the applicable DASR processing times set forth in this Schedule. Company shall provide such notice and opportunity to remedy the problem if there are reasonable circumstances prevailing. Additionally, Company shall notify the ACC of the circumstances that required the change or the termination and the resulting



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

action taken by Company. The ESP and/or Customer shall have the right to seek an order from the ACC restoring the customer's service election and/or the ESP's ability to offer services. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to Customer other than as provided in Section 4.4.2.

7.10.3 Change in Service Election Absent Exigent Circumstances

7.10.3.1 In the event Company finds that an ESP has materially failed to meet its obligations under this Schedule or the ESP Service Acquisition Agreement such that Company seeks to invoke its remedies under Section 7.10 (other than termination of ESP Consolidated Billing under Section 7.10.1.3), and the failure does not constitute an emergency (as defined in Section 7.10.2) or involve an ESP's unauthorized energy use, Company shall notify the ESP and the ACC of such finding in writing stating the following:

7.10.3.1.1 The nature of the alleged failure;

7.10.3.1.2 The actions necessary to remedy the failure;

7.10.3.1.3 The name, address and telephone number of a contact person at the Company authorized to discuss resolution of the failure.

7.10.3.2 The ESP shall have thirty (30) calendar days from receipt of such notice to remedy the alleged failure or reach an agreement with Company regarding the alleged failure. If the failure is not remedied and no agreement is reached between Company and the ESP

following this thirty (30) day period, Company may initiate the DASR process set forth in this Schedule to accomplish its remedy and shall notify the customers of such remedy. Unless expressly ordered by the ACC, the provisions of this section shall not disconnect electric service provided to the customer other than as provided in Section 4.4.2.

7.10.4 Termination of ESP Consolidated Billing

7.10.4.1 Company may terminate ESP Consolidated Billing under the following circumstances:

7.10.4.1.1 The Company shall notify affected Customers that ESP Consolidated Billing services will be terminated, and the Company may switch affected Customers to Dual Company/ESP billing as promptly as possible if any of the following occur:

7.10.4.1.1.1 Company finds that the information provided by the ESP in the ESP Service Acquisition Agreement is materially false, incomplete, or inaccurate.

7.10.4.1.1.2 The ESP attempts to avoid payment of Company charges.

7.10.4.1.1.3 The ESP files for bankruptcy.

7.10.4.1.1.4 The ESP fails to have an involuntary bankruptcy proceeding filed against the ESP dismissed within sixty (60) calendar days.

7.10.4.1.1.5 The ESP admits insolvency.

7.10.4.1.1.6 The ESP makes a general assignment for the benefit of creditors.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.10.4.1.1.7 The ESP is unable to pay its debts as they mature.

7.10.4.1.1.8 The ESP has a trustee or receiver appointed over all, or a substantial portion, of its assets.

7.10.4.1.2 If the ESP fails to pay Company (or dispute payment pursuant to the procedures set forth in this Schedule) the full amount of all Company charges and fees by the applicable due date, Company shall notify the ESP of the past due amount within two (2) working days of the applicable past due date. If the ESP incurs late charges on more than two (2) occasions or fails to pay overdue amounts including late charges within five (5) working days of the receipt of notice by Company, Company may notify the ESP's customers and the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.

7.10.4.1.3 If the ESP fails to comply within thirty (30) calendar days of the receipt of notice from Company of any additional credit, security or deposit requirements set forth in Sections 5.1.3 and 7.11, Company may notify the ESP that ESP Consolidated Billing services will be terminated, and that Customers shall be switched to Dual Billing.

7.10.4.2 Upon termination of ESP Consolidated Billing pursuant to Section 7.10.4, Company may deliver a separate bill for all Company charges which were not previously billed by the ESP.

7.10.4.3 Company may reinstate the ESP's eligibility to engage in ESP Consolidated Billing upon a reasonable showing by the ESP that the problems causing the revocation of ESP Consolidated Billing have been cured, including payment of any late charges, reestablishing credit requirements in compliance with Sections 5.1.4 and 7.11, and payment to Company of all costs associated with changing ESP customers' billing elections to and from dual billing.

7.10.4.4 In the event Company terminates ESP Consolidated Billing, Company will return any security posted by the ESP pursuant to the ESP Service Acquisition Agreement.

7.10.5 Termination of Company UDC Consolidated Billing

7.10.5.1 Company may terminate Company UDC Consolidated Billing and revert to Dual Billing upon providing thirty (30) calendar days notice to an ESP if ESP fails to pay Company charges in connection with Company UDC Consolidated Billing or otherwise fails to comply with its obligations under Section 7.2.

7.10.5.2 Company may terminate Consolidated Billing upon providing thirty (30) days notice to an ESP if Company cancels or changes the tariff governing Company UDC Consolidated Billing.

7.10.6 Upon termination of ESP Direct Access services pursuant to Section 7.10, the provision of the affected service(s) shall be assumed by another eligible ESP from which the Customer elects to obtain the affected service(s). Absent an election by Customer, Company shall provide such services, until such time that Customer makes an election.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

7.10.7 Company shall not use involuntary service changes in an anticompetitive or discriminatory manner.

7.11 ESP Security Deposits

7.11.1 Company may, at its discretion, require cash security deposits from any ESP that has on more than one occasion failed to pay Company charges or ACC-approved Direct Access charges within the established time frame, such as DASR fees, meter or billing error or service fees, and other fees applicable to an ESP through Schedule 10 and Company's other tariffs and schedules.

7.11.2 The amount of the security deposit required shall not exceed two and one-half times the estimated maximum monthly bill to the ESP for such charges, and a separate security deposit may be required for separate categories of ESP or Direct Access charges.

7.11.3 Security deposits required pursuant to Section 7.11 shall be in the form of a cash deposit accruing interest as specified in Section 2.7.4 of Company Schedule 1. Company shall issue the ESP a nonnegotiable receipt for the amount of the deposit.

7.11.4 Company may refuse to accept DASRs from, or provide other Company services to, an ESP that fails to comply within thirty (30) calendar days to a demand that the ESP establish a security deposit pursuant to Section 7.11

8. Meter Services

8.1 Under Direct Access, ESPs may offer certain metering services for Direct Access implementation, including meter ownership, MSP and MRSP services.

8.2 Company has the right to offer the following meter services:

8.2.1 Metering and Meter Reading for all Direct Access Customers.

8.2.1.1 If the ESP subcontracts with the UDC for Meter Services they must subcontract for both Metering and Meter Reading Services. The ESP shall remain responsible for all cost associated with Metering, Meter Installation, Meter Communications and other MSRP related cost. All such cost shall be authorized by the ACC.

8.2.2 Services as authorized by the ACC.

8.2.3 Company reserves the right to perform meter disconnects, regardless of meter ownership, in cases of potential safety hazards or non-payment for Company charges.

8.3 A Load Serving ESP may sub-contract Metering or Meter Reading Services to a certificated third party or the UDC. If the ESP sub-contracts any of the components of these services to a third party or UDC, the ESP shall, for the purposes of this Schedule, remain responsible for the services including communication equipment, meter reading equipment and associated maintenance necessary to obtain reads from specialized meters that may be required by a Direct Access Customers.

8.4 Load Serving ESPs providing Metering or Meter Reading Services to Direct Access customers either on their own or through a third party or UDC assume full responsibility for meeting the applicable meter and communication standards, as well as assuming responsibility for the safe installation and operation of the meter and any personal injuries and damage caused to customer or Company property by the meter or its



**SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS**

installation. This liability will lie with the ESP regardless of whether the ESP or its subcontractors perform the work.

8.5 Meter Specifications

8.5.1 The Director of Utilities Division of the ACC has determined the following specifications and standards shall apply to competitive metering where applicable (see Performance Metering Specifications and Standards document):

8.5.2 Metering standards (American National Standards Institute):

- ANSI C12.1 Code for Electricity Metering
- ANSI C12.6 Marketing & Arrangement of Terminals for Phase Shifting Devices used in Metering
- ANSI C12.7 Watt-hour Meter Socket
- ANSI C12.10 Electromechanical Watt-hour Meters
- ANSI C12.13 Electronic TOU Registers for Electricity Meters
- ANSI C12.18 Type 2 Optical Port
- ANSI C12.20 0.2% & 0.5% Accuracy Class Meters
- ANSI C37.90 Surge Withstand Test ANSI 57.13 Instrument Transformers (All CTs & PTs)
- ANSI Z1.4 Sampling Procedures and Tables for Inspection
- ANSI Z1.9 Sampling Procedures and Tables for Inspection

8.5.3 EEI Electricity Metering Handbook

8.5.4 Electric Utilities Service Equipment Requirements Committee (EUSERC)

8.5.5 NEC & Local Requirements by jurisdictions

8.5.6 Company's Electric Service Requirements Manual (ESRM)

8.5.7 National Electrical Safety Code (NESC)

8.5.8 ESPs or their contractors providing competitive metering services shall also comply with such other specifications or standards determined to be applicable or appropriate by the ACC's Director of Utilities Division.

8.6 Meter Conformity

8.6.1 All Direct Access meters shall have a visual kWh display and must have a physical interface to enable on-site interrogation of all stored meter data. All meters installed must support the Company's rate schedules.

8.6.2 If Company is providing MRSP functions for the ESP, pursuant to the Rules, meters must be compatible with Company's meter reading system.

8.6.3 No meter or associated metering equipment shall be set or allowed to remain in service if it is determined that the meter or its associated equipment did not meet approved specifications, as set forth in Company's ESRM, or is in violation of any code listed in Section 8.5.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.7 Meter Testing

- 8.7.1 If a manufacturer's sealed meter has not previously been set and the meter was tested within the last twelve (12) months, the meter shall be deemed in compliance with ACC standards without additional testing.
- 8.7.2 Any meter removed from service shall be processed according to the following table prior to its re-installation:

METER TYPE	REMOVAL REASON	ACTION REQUIRED
1 Ph kWh Electro-Mechanical	Routine	Meter Inspection
1 Ph kWh Electro-Mechanical	Trouble	Meter Test
1 Ph kWh Hybrid or Solid State	Routine	Meter Test
1 Ph TOU (all)	Trouble	Meter Test
3 Ph Meters (all)	All	Meter Test
1 Ph or 3 Ph IDR Meters	All	Meter Test

- 8.7.3 Meter tests are to be conducted in accordance with ANSI C12.1 recommended testing standards.
- 8.7.4 Records on meter testing shall be maintained by the MSP and provided to the requesting parties within three (3) working days of such a request for such records. The latest meter test record shall be kept as long as the meter is in service.

8.8 Meter Test Requests

Pursuant to A.A.C. R14-209(F), either party may request that the other party perform a meter test, in which instance the requesting party is entitled to witness the test if it so chooses. The requesting party shall be notified of the test date and written test results from the testing party. If the meter is found to be within ACC-approved standards, the requesting party shall reimburse the other party for all costs incurred in the process of testing the meter (per ACC approved tariffs). The MSP shall take reasonable measures to detect meter error. The MSP shall notify Company as soon as it becomes aware of any meter that is not operating in compliance with ACC performance specifications. The MSP shall make any repairs or changes required to correct the error. ESPs and Company shall use a form approved by the ACC Process Standardization Working Group (PSWG) to initiate and respond to such action.

8.9 Meter Identification

- 8.9.1 The ESP or its agent shall install a Company provided unique number on each meter. Company will provide the unique numbers printed on stickers in blocks of up to 1,000 numbers. These stickers must be readily visible from the front of the meter. The number assigned to that meter shall remain solely with that meter while in use in Company's service territory.
- 8.9.2 When an ESP installs either its own meter or a customer owned meter, the ring or lock ring must be secured with a blue seal that is imprinted with the name and/or logo of the ESP or their agent.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.10 Installation of metering equipment

- 8.10.1 All metering equipment shall be installed according to all applicable ACC requirements and Company's Electric Service Requirements Manual.
- 8.10.2 An ESP or its agent must be authorized by Company to remove a Company owned meter. The Existing Meter Information (EMI) form will be sent to the ESP and MSP within five (5) working days within receiving the DASR acceptance notification indicating a pending meter exchange. When the MSP intends to remove a Company meter, Company must receive a Meter Data Communication Request (MDCR) format at least five (5) working days prior to the exchange. Upon completion of the meter exchange, the MSP will return the Meter Installation/Removal Notification (MIRN) form to Company by the end of business, three (3) working days from the day of the exchange.
- 8.10.3 The ESP or its agent shall inform Company of all meter activity, such as meter installations or exchanges, via the Meter Activity Coordination (MAC) Form within the time frames specified above. If final meter reads are not provided to Company, are inaccurate, or otherwise result in Company not being able to render accurate final bills to customers pursuant to ACC Rules and Regulations, the ESP shall be responsible for any unbilled, disputed, or unrecoverable amounts and applicable late charges.
- 8.10.4 The ESP or its agent shall return the existing meter to Company at one of Company's designated locations identified in the meter drop off list within fifteen (15) working days after its removal, or be charged the cost of the meter and metering equipment and /or any other charges per the applicable ACC-approved tariff. The ESP or its agent shall be responsible for damage to the meter occurring during shipment.

8.11 On-Site Inspections/Site Meets

- 8.11.1 Company may perform on-site inspections of meter installations. The ESP shall be notified if the inspections uncover any material non-compliance by the MSP with the approved specifications and standards.
- 8.11.2 For new construction, the party installing the meter shall ensure that the owner/builder has met the construction standards outlined in Company's ESRM, and Company's Transmission and Distribution construction manual, as well as local municipal agency requirements, and any updates, supplements, amendments and other changes that may be made to these manuals and requirements.

Company shall perform a preinstallation inspection on all new construction. Local city/county clearances may also be required prior to energizing any new construction.

- 8.11.3 Company may require a site meet for: the exchange or removal of an IDR meter which requires an optical device to retrieve interval data; the exchange or removal of equipment at an existing totalized metering installation; a restricted access location for which Company forbids key access; cogeneration sites, bi-directional or detented metering sites; or upon request of an ESP or MSP. The ESP and Company's MAC shall coordinate the time of the site meet. If the ESP or MSP miss two (2) site meets, Company may cancel the applicable DASR. Company may charge for a site meet requested by the ESP or MSP, or if the ESP or MSP fails to arrive within thirty (30) minutes of the appointment time, or if the ESP fails to cancel a site meet at least one (1) working day in advance of the appointment time.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

8.12 Meter Service Options and Obligations

- 8.12.1 Meter Ownership shall be limited to Company, an ESP, or the customer. The customer must obtain the meter through Company or an ESP. Although a customer may own the electric meter, maintenance and servicing of the metering equipment shall be limited to Company, the ESP, or the ESP's qualified representative (MSP).
- 8.12.2 If the ESP or customer owns the meter, the ESP must own the CTs, PTs, and associated equipment, except as provided in Section 8.12.3. The ESP may purchase existing CTs and PTs and associated metering equipment from Company at depreciated original cost.
- 8.12.3 The following provisions apply to the ownership of CTs and PTs.
 - 8.12.3.1 For distribution voltages up to 25kV, the ESP or Company shall own the CTs and PTs. For transmission primary voltages (over 25kV), the CTs and PTs shall be owned by Company. ESP owned CTs and PTs must meet Company specifications. No CTs and PTs or associated metering equipment shall be set or allowed to remain in service if it is determined that the CTs and PTs or their associated equipment does not meet Company's approved specifications, as set forth in Company's Electric Service Requirements Manual in place at the time of installation.
- 8.12.4 All CT-rated meter installations shall utilize safety test switches, and all self-contained commercial metering shall utilize safety-test blocks as provided in Company's ESRM. During meter exchanges, the ESP or its agent's employees who are certificated to perform the related MSP activities may install, replace or operate Company test switches and operate Company-sealed customer-owned test blocks.

8.13 Installation Options

- 8.13.1 The ESP is responsible for Direct Access customer meter installation and associated cost. Company may optionally provide meter installation pursuant to the provisions of this Service Schedule.
- 8.13.2 ESPs or their agents must be certificated by the ACC in order to offer MSP services. The policies and procedures described in this Section 8.13 assume that the MSP and their meter installers have ACC certification. ESPs may elect to offer metering services by:
 - 8.13.2.1 Becoming a certificated MSP.
 - 8.13.2.2 Subcontracting with a third party that is a certificated MSP.
 - 8.13.2.3 Subcontracting with Company under the circumstances described in Section 8.2.

8.14 As part of providing metering services, ESPs or their agents shall:

- 8.14.1 Obtain lock ring keys for meters originally installed by Company or request site meets with Company. Company will issue lock ring keys to certified MSPs upon receipt of a refundable deposit. The deposit will not be refunded if a key is either lost or stolen, and a fee will be applied to replace lost or damaged keys. For more information about the cost of lock rings, standard rings, or lock ring keys, please consult the Company MAC.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

- 8.14.2 If lock rings are used they shall meet Company requirements. If a meter is installed and the readings are obtained from a source other than a physical inspection, a lock ring must be utilized. Lock rings may be purchased from Company.
 - 8.14.3 Provide information to Company on the specifications and other specifics on meters not purchased from or installed by Company.
 - 8.14.4 Allow Company to remove the customer's meter, or schedule a site meet to remove the meter transferring from Direct Access to Standard Offer service. If the ESP allows Company to remove meters, ESP shall coordinate with Company regarding the return of the meters.
 - 8.14.5 Be responsible for obtaining and providing reads from any meter that it installs from the time it is installed to the time it is removed or until meter reading responsibilities are assumed by another ESP or the customer returns to Standard Offer service.
 - 8.14.6 Ensure that ESP and MSP employees working in Company's territory follow ACC and other applicable safety standards.
 - 8.14.7 Company shall notify the ESP immediately and the ESP shall notify Company immediately of any suspected unauthorized energy use when a safety hazard exists. In instances where there is not a safety hazard, each party will notify each other within twenty-four (24) hours. The ESP shall ensure that a lock ring is installed to secure any meter that does not require a monthly local (i.e., manual) meter read. The Parties agree to preserve any evidence of unauthorized energy use. Once unauthorized energy use is suspected, Company, in its sole discretion, may take any or all of the actions permitted under Company's tariffs and schedules and shall notify the ACC of any such action taken.
 - 8.14.8 Take no action to impede Company's safe and unrestricted access to a customer's service entrance.
 - 8.14.9 Glass over any socket when a meter is removed and a new meter is not installed.
- 8.15 MSRP Services provided as a responsibility of an ESP

Only certificated MRSP's acting on the ESP's behalf in accordance with ACC regulations shall perform MRSP functions. The MRSP for each Direct Access customer will be specified on the DASR received from the ESP. Any changes to Customers MRSP will be updated by the ESP with a "UC" DASR at least ten (10) days prior to the next scheduled read date. MRSP obligations and responsibilities are stated in the ACC's Rules and Regulations and include:

- 8.15.1 Meter data for Direct Access Customers shall be read, validated, edited, and transferred pursuant to Arizona's Validation, Editing, and Estimation Process (VEE). It is the responsibility of the MRSP to comply with this process. In cases where validated data is unavailable for transfer by the posting deadline, it is the responsibility of the MRSP to provide an estimated data file for the entire read cycle until actual meter data is available. At such time as actual data becomes available, a corrected data file shall be posted immediately.
- 8.15.2 Both Company and the ESP shall have 24-hour/7 days per week access to the MRSP server.
- 8.15.3 Meter read data shall include beginning and ending reads as well as the validated usage for load-profiled customers. Validated interval data shall be provided for all interval metering customers.



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

Data must be posted to the MRSP server using the Arizona Standard EDI "867" format. Estimated data shall contain applicable reason codes pursuant to the 867 guidelines.

- 8.15.4 The MRSP shall provide Company with access to meter data at the MRSP server as required to allow the proper performance of billing and settlement.
- 8.15.5 MRSPs must have a CC&N from the ACC authorizing it to offer MSRP services, and must be certified in Company territory.
- 8.15.6 MRSPs shall read Customer's meter based on the scheduled read date per Company's Yearly Meter Read Schedule. The billing cycle for each meter shall contain the full period from read date to the following read date. Interval data cycles shall be considered from 00:15 on the read date to 00:00 on the following read date (i.e. 9/1/00 00:15 through 10/1/00 00:00). The first complete interval timestamp shall begin at 00:15 in each cycle. For meter exchanges to Direct Access, the first complete interval through the first read date at 00:00 shall constitute the billing cycle. For meter exchanges back to Standard Offer, every interval shall be included up to the last full interval prior to the exchange. It is the responsibility of the MRSP to provide estimation of any intervals that are necessary to constitute the full billing cycle.
- 8.15.7 The MRSP shall provide re-reads or read verifies within ten (10) working days of a request by Company or Customer. The requesting party may be charged per the applicable ACC tariff if the original read was not in error.

8.16 Meter Reading Data Obligations

8.16.1 Accuracy for all meters

- 8.16.1.1 Meter clocks shall be maintained according to Arizona time within +/- three (3) minutes of the National Time Standard.
- 8.16.1.2 Meter read date and time shall be accurate.
- 8.16.1.3 All meter reading data shall be validated pursuant to the approved Arizona VEE guidelines.

8.16.2 Timeliness for Validated Meter Reading Data

Pursuant to guidelines established by the Utilities Division Director, one hundred percent (100%) of the validated meter data shall be available by 3:00 p.m. Local Arizona Time (MST) on the third working day after the scheduled read date. If the meter data is not posted, is unavailable, or clearly contains errors by this deadline, the billing determinants including usage (kWh) and demand (kW) may be estimated by Company and the ESP shall be charged an approved charge for this service.

8.16.3 Proof of Operational Ability

Prior to performing MRSP services in Company's distribution service territory, or prior to making any significant change in MRSP service methodology, each MRSP will perform compliance testing to demonstrate its ability to read meters, validate data, edit data, estimate missing data and post validated data in Company-compatible EDI format to the MRSP server. In addition, upon installation of the initial meter on Direct Access accounts in Company's distribution service territory, each MRSP shall prove its ability to read its meters and post validated data in Company-



SERVICE SCHEDULE 10
TERMS AND CONDITIONS FOR DIRECT ACCESS

compatible EDI format to the MRSP server. If the MRSP is unsuccessful in its attempts to meet these requirements, all subsequent requests for meter exchanges will be postponed until the MRSP successfully demonstrates its operational ability.

8.16.4 Retention and Format for Meter Reading Data

8.16.4.1 All meter reading data for a Customer shall remain posted on the MRSP server for five (5) working days and will be recoverable for at least three (3) years.

8.16.4.2 Meter reading data posted to the MRSP server shall be stored in Company-compatible EDI format.

8.17 Company performing MSP and MRSP functions:

If Company is eligible to perform Direct Access related MSP and MRSP functions as defined in section 8.2, the following restriction applies:

The validated meter read will be posted in EDI format no later than 6 working days following the scheduled read date.

8.18 Non-Conforming Meters, Meter Errors and Meter Reading Errors

8.18.1 Whenever Company, the ESP or its agents becomes aware of any non-conforming meters, erroneous meter services and/or meter reading services that impact billing, it shall promptly notify the other parties and the affected Customer. Bills found to be in error due to non-conforming meters or errors in meter services or meter reading services will be corrected by the appropriate parties.

8.18.2 In cases of meter failure or non-compliance, the ESP or its agents shall have five (5) working days to correct the non-compliance. If the non-compliance is not remedied within five (5) working days, the following actions may apply:

8.18.2.1 A site meeting may be required when services are being performed. The non-compliant party may be charged an ACC-approved tariff for the meeting.

8.18.2.2 Company may repair the defect, and the other party shall be responsible for all related expenses.

8.18.2.3 Company shall adhere to the approved Performance Monitoring Standards and follow the steps outlined to address non-compliance by an MRSP.

8.18.3 Company may refuse to enter into a new ESP Service Acquisition Agreement, or cancel an existing ESP Service Acquisition Agreement pursuant to section 7.10.1.2, with any ESP or its agents that has a demonstrated pattern of uncorrected non-compliance as established above. This provision shall not apply if the alleged demonstrated pattern of non-compliance or correction thereof is disputed and is pending before any agency or entity with jurisdiction to resolve the dispute.



SERVICE SCHEDULE 15 CONDITIONS GOVERNING THE PROVISION OF SPECIALIZED METERING

Arizona Public Service Company (Company) will provide specialized metering upon customer request, provided the customer agrees to the following conditions:

1. The customer must contact their Company Account Representative to request and coordinate the purchase and installation of specialized metering such as KYZ pulse meters, IDR meters, or IDR meter with KYZ pulse and/or modem options (including associated interfaces).
2. If the customer requests a meter with a modem option, the customer will be required to install coil of communication cable within five feet of the meter panel location and in such a manner that will provide for ease of attachment to the meter panel by Company. The phone line must be installed prior to the installation of the meter and shall be located in such a manner as to not impede access to the metering equipment, the interior or exterior of the metering compartment or other utility access panels. The customer must provide Company with a phone number and any other communication access information to the meter(s) prior to Company installation of the meter(s).
3. If a customer requests kWh pulses, Company shall furnish and install a customer pulse interface and enclosure. Connections made by the customer to the customer pulse interface shall not impede access to metering equipment, the interior or exterior of the metering compartment or other utility access panels.
4. The customer will be required to make a non-refundable contribution in aid of construction to Company for the requested meter(s) installation. The non-refundable contribution amount will be determined at the time of the request as follows:
 - 4.1 If a meter currently exists on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less the equipment cost of Company's existing meter.
 - 4.2 If a meter has not been installed on the customer site, the charge is based on Company's total equipment and installation costs for the requested specialized metering less 100% of the AUC cost of a Company standard meter.
 - 4.3 If a specialized meter is existing on a customer's site and the customer requests an upgrade to a different type of meter, the customer will be responsible for 100% of the cost (installation and equipment) associated with the requested meter.

Company will not place an order for a requested meter(s) until payment has been received from the customer. The typical lead time for procurement of meters is six (6) to eight (8) weeks. Once the requested meter(s) have been received, Company will schedule the installation of the meter(s) with the customer or a designated representative.

Company will retain ownership of all meters and Company installed metering equipment.

If a customer makes a nonrefundable contribution for the installation of a specialized meter and then terminates service or requests Company to remove and/or replace the specialized meter, the customer will not be eligible for a refund.

Company will provide general maintenance of the specialized meter; however, in the event the meter should become damaged, obsolete or inoperable, the customer will be responsible for 100% of the replacement cost (installation and equipment) associated with the specialized meter.



**SERVICE SCHEDULE 15
CONDITIONS GOVERNING THE
PROVISION OF SPECIALIZED METERING**

- Company will not be responsible for the installation, maintenance, or usage fees associated with any phone lines or related communication equipment.
5. Under no circumstances shall the customer stop the operation or in any way affect or interfere with the operation of the customer pulse interface and the related output wiring. The integrity of Company's billing metering equipment within the sealed metering compartment shall be maintained.
 6. Company reserves the right to interrupt the specialized metering circuit for emergencies or to perform routine or special tests or maintenance on its billing metering equipment, and in so doing assumes no responsibility for affecting the operation of the customer's demand control or other equipment. However, Company will make a good faith effort to notify the customer prior to any interruption of the specialized metering circuit.
 7. The possible failure or malfunction of an KYZ pulse output or interface and subsequent loss of kWh contact closures to the customer's control equipment shall in no way be deemed to invalidate or in any way impair the accuracy and readings of Company's meters in establishing the kWh and demand record for billing purposes.
 8. The accuracy of the customer's equipment is entirely the responsibility of the customer. Should the customer's equipment malfunction, Company will reasonably cooperate with the customer to the extent of assuring that no malfunction exists in Company's equipment. Work of this nature will be billed to the customer, unless the actual source of the malfunction is found within Company's equipment.
 9. If Company provides pulse values in kWh, customer's equipment must be capable of readjustment or recalibration to adjust to new contact closure values and rates should it become necessary for Company to adjust the pulse values due to changes in Company's equipment.
 10. No circuit for use by the customer shall be installed from Company's billing metering potential or current transformer secondaries.
 11. Company reserves the right, without assuming any liability or responsibility, to disconnect and/or remove the pulse delivery equipment at any time upon 30 days written notice to the customer.
 12. Upon request by Company, the customer shall make available to Company monthly load analysis information.
 13. References to electric kWh pulses above shall mean dry KYZ contact closures only; the customer is required to furnish operating voltage service. KYZ contacts are rated for and shall not be wetted beyond a maximum of 100 milliamperes and 120 volts DC or AC rms.
 14. The customer assumes all responsibility for, and agrees to indemnify and save Company harmless against, all liability, damages, judgments, fines, penalties, claims, charges, costs and fees incurred by Company resulting from the furnishing of specialized metering.
 15. A waiver at any time by either party, or any default of or breach by the other party or any matter arising in connection with this service, shall not be considered a waiver of any subsequent default or matter.
 16. Prior written approval by an authorized Company representative is required before electric kWh pulses service may be implemented.

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Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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Revision No. 3
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**EXPERIMENTAL SERVICE SCHEDULE 16
HOME ENERGY INFORMATION PILOT**

AVAILABILITY

This experimental service schedule is available through December 31, 2012 in the Phoenix area and other areas served by the Company that are designated to be part of the pilot program. Service Schedule 16 was approved by the Arizona Corporation Commission in Decision No. 72214.

APPLICATION

The Experimental Service Schedule 16 is applicable to residential retail standard offer customers with an Advanced Metering Infrastructure (AMI) meter in place at time of service. All provisions of the customer's current applicable rate schedule will continue to apply in addition to the provisions in Service Schedule 16. The participating customer is requested to continue service under the pilot program through December 31, 2012, but may discontinue participation at any time.

The pilot program shall consist of five options with associated technology devices and eligible rate schedules. Participation shall be limited to a total of 2,800 customers capped at the designated participation level for each option. However, the Company, at its discretion, may oversubscribe participation to allow for potential dropouts during the pilot period.

Option	Description	Eligible Residential Rate Schedules	Participation
A	Critical Peak Pricing with Customer Energy Control Device	E-12, ET-1, ET-2, with rider CPP-RES	0-300
B	In-home Energy Information Display	E-12, ET-1, ET-2, ET-SP	0-300
C	Smart Thermostat or Control Switch with APS Direct Load Control of Air Conditioner	E-12, ET-1, ET-2	0-300
D	Qualifying Smart Phone, Personal Digital Assistant, and Computer Energy Information	E-12, ET-1, ET-2, ET-SP	0-300
E	Pre-pay Energy Service	E-12, E-12 Low Income, ET-1, ET-1 Low Income, ET-2, ET-2 Low Income, ET-SP	600-2,000

In addition, to be eligible for Options A, B and C the customer must own and reside in the home associated with the pilot program, and their average computed monthly bill during June through September must be \$150 or greater. Customers participating in Option D must own a qualifying smart phone, personal digital assistant or computer with required broadband service.

Customers participating in Option E must have an AMI remote disconnect function and may not participate in rider rate schedules CPP-RES, GPS-1, GPS-2, Solar-3, EPR-2, EPR-6 and E-4, or direct debit and budget billing programs. Option E shall only be available to customers for which pre-payment is a reasonable and appropriate option. Eligible customers shall be provided the rules and requirements of Pre-pay Energy Service and must confirm their full understanding of this information prior to enrolling in the service. In addition, the Company shall ensure that appropriate protections are in place for elderly and low-income customers. Customers enrolled in the Company's Medical Care Preparedness Program, may not participate in this offering.



EXPERIMENTAL SERVICE SCHEDULE 16 HOME ENERGY INFORMATION PILOT

DESCRIPTION OF SERVICES

Option A – Critical Peak Pricing with Customer Energy Control Device

Company shall provide a device in the customer's home that enables the customer to control their home energy usage to provide an automated response to critical peak pricing under Schedule CPP-RES. APS shall communicate to device to activate the customer's pre-programmed response during critical events. Customer may override the response.

Option B – In-home Energy Information Display

Company shall provide a device in the customer's home that displays various energy usage and cost information.

Option C - Smart Thermostat or Control Switch with APS Direct Load Control of Air-conditioner

The Company will install a smart thermostat or control switch in the customer's home that will allow the Company to modify the thermostat settings through a remote signal in order to reduce the customer's energy usage during hours of extremely high electrical demand, high temperature, major generation or transmission outage, energy market disruptions, or other critical events.

Customer agrees to have a smart thermostat control device or switch installed in their home at Company expense and to allow the Company to remotely control their thermostat setting during high summer peak hours in accordance with the Direct Load Control Program Guidelines, which may be revised by the Company from time-to-time during the pilot program with notification to the customer.

Option D – Qualifying Smart Phone, Personal Digital Assistant and Computer Energy Information

Company shall provide an application for the customer's qualifying smart phone, personal digital assistant, or computer that will provide energy cost and usage information.

Option E – Pre-pay Energy Service

The Company provides customers a billing option, feedback on energy usage, and energy conservation information to enable participants to better understand and manage their energy consumption, costs, and payments.

The customer periodically pre-pays an amount towards their electric service in lieu of paying a monthly bill. The Company provides the customer with updated energy usage, cost, and account balance information to assist them in managing their energy dollars. The Company alerts the customer when their account balance falls below a threshold level. Customer agrees to the provisions of pre-pay service provided in the Pre-pay Energy Service Program Guidelines, which may be revised by the Company from time-to-time with notification to the customer. The Company shall solicit a minimum of 600 participants to study the impact of pre-pay service on their monthly energy consumption. The sample will be adequate to reliably represent low income and elderly customer segments.



EXPERIMENTAL SERVICE SCHEDULE 16 HOME ENERGY INFORMATION PILOT

(DESCRIPTION OF SERVICES, Con't...)

Participants of Pre-pay Energy Service will not receive written notice of disconnection. Therefore, A.A.C. R14-2-211 is waived for this service. However, the Company's existing disconnection protections with respect to extreme weather events shall apply to this service. Pre-pay Energy Service shall be provided according to the terms and conditions of Service Schedule 1 and the Pre-pay Energy Service Program Guidelines. In case of a conflict, the provisions of the Pre-pay Energy Service Program Guidelines shall apply.

TERMS AND CONDITIONS

1. The customer agrees to have the specified device or application installed in their home, smart phone, personal digital assistant or computer, as applicable, at Company expense.
2. The Company may substitute other smart devices in lieu of or in addition to a smart thermostat or in-home device as agreed to by the customer.
3. The customer may be required to sign a participant agreement as applicable.
4. The customer agrees to participate in marketing research conducted as part of the pilot program.
5. Customer may keep the device or application, as applicable, at the end of the program if they participate through December 31, 2012.
6. For customers who continue participation in the pilot program through December 31, 2012, the Company shall provide a home energy audit, or comparable offering, at no expense to the customer. For Option E, the energy audit, or comparable offering, will be limited to the customers who are solicited by APS to study their monthly energy impacts.
7. If customer discontinues participation prior to December 31, 2012, the Company shall remove the device or application, as applicable, at Company expense.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

The following TERMS AND CONDITIONS and any changes authorized by law will apply to Standard Offer and Direct Access services made available by Arizona Public Service Company (Company), under the established rate or rates authorized by law and currently applicable at time of sale.

Definitions

- a. Applicant means a person requesting the utility to supply electric service. [A.A.C. R14-2-201-(2)]
- b. Application means a request to the utility for electric service, as distinguished from an inquiry as to the availability or charges for such service. [A.A.C. R14-2-201-(3)]
- c. Billing Month means the period between any two regular readings of the utility's Meters at approximately 30 day intervals. [A.A.C. R14-2-201-(5)]
- d. Billing Period means the time interval between two consecutive Meter readings that are taken for billing purposes. [A.A.C. R14-2-201-(6)]
- e. Customer means the person or entity in whose name service is rendered, as evidenced by the signature on the Application or contract for that service, or by the receipt and/or payment of bills regularly issued in his name regardless of the identity of the actual user of the service. [A.A.C. R14-2-201-(9)]
- f. Delinquent Bill means a bill in which current electric charges are considered past due. (15 calendar days after the statement date.)
- g. Demand means the rate at which power is delivered during any specified period of time. Demand may be expressed in kilowatts, kilovolt-amperes, or other suitable units. [A.A.C. R14-2-201-(12)]
- h. Distribution Lines means the utility lines operated at distribution voltage which are constructed along public roadways or other bona fide rights-of-way, including Easements on Customer's property. [A.A.C. R-14-2-201-(13)]
- i. Easement means a property owner grants the right to use land they own ("Grantor") to another party. An easement gives Company the right to have Company lines on property not owned by the Company. This allows Company to construct, replace, repair, operate and maintain electrical equipment for the safe transmission and distribution of electricity. The Grantor may continue to use the land along the easement within certain limitations.
- j. Landlord Automatic Transfer of Service Agreement is a legal contract established between the customer (landlord) and Company, which provides continuous service to the landlord between tenants without incurring a service establishment charge to the landlord.
- k. Master meter means a meter used for measuring or recording the flow of electricity that has passed through it at a single location where said electricity is distributed to tenants or occupants for their individual usage. [A.A.C. R14-2-201(23)]
- l. Meter means the instrument used for measuring and indicating or recording the flow of electricity that has passed through it. [A.A.C. R14-2-201(25)]

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Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
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**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- m. Meter tampering means a situation where a meter has been altered or bypassed without prior written authorization from Company. Common examples are meter bypassing, use of magnets to slow the meter recording, and broken meter seals. [A.A.C. R14-2-201(26)]
- n. Minimum charge means the amount the customer must pay for the availability of electric service, including an amount of usage, as specified in the utility's tariffs. [A.A.C. R14-2-201(27)]
- o. Point of delivery or delivery point means the point where facilities owned, leased, or under license by a customer connects to the utility's facilities. [A.A.C. R14-2-201(31)]
- p. Service establishment charge means the charge for establishing a new account.
- q. Tariffs mean the documents filed with the Arizona Corporation Commission which list the services and products offered by the utility and which set forth the terms and conditions and a schedule of the rates and charges, for those services and products. [A.A.C. R14-2-201(42)]

Statement of Charges

<u>Description</u>	<u>Charge</u>	<u>Reference</u>
<u>Residential Service Establishment Charge</u>	<u>\$25.00</u>	<u>2.2</u>
<u>Non-Residential Service Establishment Charge</u>	<u>\$35.00</u>	<u>2.2</u>
<u>Trip Charge</u>	<u>\$16.00</u>	<u>2.2.1</u>
<u>After hours Charge</u>	<u>\$75.00</u>	<u>2.2.2</u>
<u>Same Day Connect Charge</u>	<u>\$75.00</u>	<u>2.2.3</u>
<u>Non-standard Connect Charge</u>	<u>\$75.00 per crew per hour</u>	<u>2.2.4</u>
<u>Direct Access Request</u>	<u>\$10.00</u>	<u>2.3</u>
<u>Dishonored Payment Fee</u>	<u>\$15.00</u>	<u>4.4.1</u>
<u>Field Call Charge</u>	<u>\$15.00</u>	<u>4.5.1</u>
<u>Overhead Reconnection Charge</u>	<u>\$96.50</u>	<u>4.5.2</u>
<u>Underground Reconnection Charge</u>	<u>\$115.00</u>	<u>4.5.2</u>
<u>Lock Ring Key Charge</u>	<u>\$70.00</u>	<u>6.2.2</u>
<u>Joint Site meeting for removal of Company Equipment</u>	<u>\$62.00 per site per first half hour. Additional charge per hour for site meeting over one half hour</u>	<u>6.2.3</u>

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**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

	will be \$53.00 per hour.	
<u>Meter Reread</u>	\$16.50	6.4.4 & 6.4.5
<u>Meter test in shop</u>	\$30.00	6.5
<u>Meter test at site</u>	\$50.00	6.5
<u>Electronically Transmitted Payment Discount</u>	-\$0.48	4.3.3

1. General

- 1.1 Services will be supplied in accordance with these Terms and Conditions and any changes required by law, and such applicable rate or rates as may from time to time be authorized by law. However, in the case of the Customer whose service requirements are of unusual size or characteristics, additional or special contract arrangements may be required.
- 1.2 These Terms and Conditions shall be considered a part of all rate schedules, except where specifically changed by a written agreement.
- 1.3 In case of a conflict between any provision of a rate schedule and these Terms and Conditions, the provisions of the rate schedule shall apply.

2. Establishment of Service

- 2.1 Application for Service - Customers requesting service may be required to appear at Company's place of business to produce proof of identity and/or sign Company's standard form of Application for service or a contract before service is supplied by Company.
 - 2.1.1 In the absence of a signed Application or contract for service, the supplying of Standard Offer and/or Direct Access services by Company and acceptance thereof by the Customer shall be deemed to constitute a service agreement by and between Company and the Customer for delivery of, acceptance of, and payment for service, subject to Company's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, Company shall have the right to collect the full amount owed Company from any one of the ~~applicants~~ Customers.
- 2.2 Service Establishment and Customer Request for Special Service Charge - A Service Establishment Charge of \$25.00 for residential and \$35.00 non-residential plus any applicable tax adjustment will be assessed each time Company is requested to establish, reconnect or re-establish electric service to the Customer's Delivery Point, or to make a special read without a disconnect and calculate a bill for a partial month

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**SERVICE SCHEDULE 1
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- 2.2.1 The Ceustomer will additionally be required to pay a trip charge of \$16.00 when an authorized Company representative travels to the Ceustomer's site and is unable to complete the Ceustomer's requested services due to lack of access to the Ppoint of Delivery.
- 2.2.2 The Ceustomer will additionally be required to pay an after-hours charge of \$75.00 if the Ceustomer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established after 5:00 p.m. on a day other than the day of request.
- 2.2.3 The Ceustomer will additionally be required to pay a same day connect charge of \$75.00 if the Ceustomer requests service, as defined in A.A.C. R14-2-203.D.3, be established, reconnected, or re-established on the same business day the request is being made, and Company agrees to work the request on the same business day of the request. This will be charged regardless of the time the order may be worked by Company on that day. Company may, where no additional costs are incurred by Company, waive the same day fee.
- 2.2.4 The Ceustomer will additionally be required to pay \$75.00 per crew person per hour when Ceustomer requests services that do not meet the definition of service establishment as defined in A.A.C. R14-2-203.D.3 (such as Customer requested outages for maintenance and metering equipment installations which include instrument transformers) ~~but excluding the cost of meters, maintenance or planned outages, etc.)~~ that require the availability of Company representatives ~~employees~~ after hours, on a weekend day, or on a Company holiday. The number of ~~employees~~ representatives utilized by Company in fulfilling such requests shall be at the sole discretion of Company. Customers will be given notice of estimated charges prior to the work being performed.

Company holidays are New Year's Day, Martin Luther King, Jr. Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, The Day After Thanksgiving, and Christmas Day.

- 2.2.5 Company may waive the Service Establishment Charge where:
- 2.2.5.1 No field trip is required because Applicant accepts responsibility for energy billed and not yet paid and the change is effective with the last Mmeter read and Mmeter read date billed.
- 2.2.5.2 Applicant has an active Landlord Automatic Transfer of Service Agreement on file with Company. This service agreement is for property owners that have established credit with Company and provides for continuous service to the landlord between tenants.
- 2.2.5.3 Where multiple connects are performed during the same site visit, in the same Applicant name, at the same address, for the same class of service, Company will assess the Service Establishment Charge once for every two Delivery Points.

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STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.3 Direct Access Service Request (DASR) - A Direct Access Service Request charge of \$10.00 plus any applicable tax adjustment will be assessed to the Electric Service Provider (ESP) submitting the DASR each time Company processes a Request (RQ) type DASR as specified in Company's Schedule 10, Terms and Conditions for Direct Access.
- 2.4 Grounds for Refusal of Service - Company may refuse to connect or reconnect Standard Offer or Direct Access service if any of the following conditions exist:
- 2.4.1 The Applicant has an outstanding amount due with Company for the same class of service and is unwilling to make payment arrangements that are acceptable to Company.
 - 2.4.2 A condition exists which in Company's judgment is unsafe or hazardous.
 - 2.4.3 The Applicant has failed to meet the security deposit requirements set forth by Company as specified under Section 2.5 or 2.6 hereof.
 - 2.4.4 The Applicant is known to be in violation of Company's Tariff.
 - 2.4.5 The Applicant fails to furnish such funds, service, equipment, and/or rights-of-way or Easements required to serve the Applicant and which have been specified by Company as a condition for providing service.
 - 2.4.6 The Applicant falsifies his or her identity for the purpose of obtaining service.
 - 2.4.7 Service is already being provided at the address for which the Applicant is requesting service.
 - 2.4.8 Residential service is requested by an Applicant and a prior Customer, who will be living at the subject address, with the applicant owes a delinquent bill from the same or a prior residential service address.
 - 2.4.9 Service is requested by an The Applicant, and a prior Customer who will be an actual user of the service at the subject address is acting as an agent for a prior customer who is deriving benefits of the service and who owes a delinquent bill for the same class of service from the same or a prior service address.
 - 2.4.10 The Applicant has failed to obtain all required permits and/or inspections indicating that the Applicant's facilities comply with local construction and safety codes.
- 2.5 Establishment of Credit or Security Deposit
- 2.5.1 Residential Establishment of Credit - Company shall not require a security deposit from a new Applicant for service at a primary and/or secondary residence if the Applicant is able to meet any of the following requirements:
 - 2.5.1.1 The Applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.5.1.2 Company receives an acceptable credit rating, as determined by Company, for the Applicant from a credit rating agency utilized by Company.
- 2.5.1.3 The Applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received within six (6) months of the current date which states that the Applicant had a timely payment history for the prior twelve (12) consecutive months at the time of service discontinuation.
- 2.5.1.4 In lieu of a security deposit, Company receives deposit guarantee notification from a social or governmental agency acceptable to Company or a surety bond as security for Company in a sum equal to the required deposit.
- 2.5.1.5 Where three or more additional residential services are requested, Company may require Customer to establish or reestablish a security deposit.

2.5.2 Residential Establishment of Credit or Security Deposit - When credit cannot be established as provided for in Section 2.5.1 hereof or when it is determined that the Applicant left an unpaid final bill owing to another utility company, the Applicant will be required to:

- 2.5.2.1 Place a cash deposit to secure payment of bills for service as prescribed herein, or
- 2.5.2.2 Provide a surety bond acceptable to Company in an amount equal to the required security deposit.

2.5.3 Non-residential Establishment of Security Deposit - All non-residential Applicants will be required to place a cash deposit to secure payment of bills for service as prescribed herein, unless:

- 2.5.3.1 The Applicant has had service of a comparable nature with Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months or disconnected for nonpayment.
- 2.5.3.2 The Applicant provides a non-cash security deposit in the form of a Surety Bond, Irrevocable Letter of Credit, or Assignment of Monies in an amount equal to the required security deposit.

2.6 Establishment or Reestablishment of Security Deposit

2.6.1 Residential - Company may require a residential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for non-payment during the last twelve (12) months.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.6.2 Non-residential - Company may require a non-residential Customer to establish or re-establish a security deposit if the Customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or if the Customer has been disconnected for non-payment during the last twelve (12) months, or when the Customer's financial condition may jeopardize the payment of their bill, as determined by Company based on the results of using a credit scoring worksheet. Company will inform all Customers of the Arizona Corporation Commission's complaint process should the Customer dispute the deposit based on the financial data.
- 2.7 Security Deposits – Once it is determined that a security deposit is required, the following will apply:
- 2.7.1 Security deposits may be required for each service location.
- 2.7.2 Company reserves the right to increase or decrease security deposit amounts applicable to the services being provided by Company in accordance with this section:
- 2.7.2.1 If the Customer chooses to change from Standard Offer to Direct Access services, the deposit may be decreased by an amount which reflects that portion of the Customer's service being provided by a Load Serving ESP. However if the Load Serving ESP is providing ESP Consolidated Billing pursuant to Company's Schedule 10 Section 7, the entire deposit will be credited to the Customer's account; or,
- 2.7.2.2 If the Customer chooses to change from Direct Access to Standard Offer service, the requested deposit amount may be increased by an amount pursuant to Section 2.5, which reflects that Company is providing bundled electric service.
- 2.7.2.3 If the Customer's average consumption increases: by more than ten (10) percent for residential accounts or five (5) percent for nonresidential accounts within a twelve (12) consecutive month period and credit has not been established, an additional security deposit may, at Company's option, be required.
- 2.7.3 Customer security deposits shall not preclude Company from terminating an agreement for service or suspending service for any failure in the performance of Customer obligation under the agreement for service.
- 2.7.4 Cash deposits held by Company six (6) months/183 days or longer shall earn interest from the date the deposit was collected at the established one year Treasury Constant Maturities rate, effective on the first business day of each year, as published on the Federal Reserve Website. Deposits on inactive accounts are applied to the final bill when all service options become inactive, and the balance, if any, is refunded to the Customer of record within thirty (30) days. For refunds resulting from the Customer changing from Standard Offer to Direct Access, the difference in the deposit amounts will be applied to the Customer's account.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 2.7.5 If the Customer terminates all service with Company, the security deposit may be credited to the Customer's final bill.
- 2.7.6 Residential security deposits shall not exceed the higher amount of either one (1) time the Customer's maximum monthly bill or two (2) times the Customer's average monthly bill as estimated by Company for the services being provided by Company.
- 2.7.6.1 Deposits or other instruments of credit will automatically expire or be credited or returned to the Customers account after twelve (12) consecutive months of service, provided the Customer has not been delinquent more than twice, unless Customer has filed bankruptcy in the last twelve (12) months.
- 2.7.7 Non-residential security deposits shall not exceed two and one-half (2-1/2) times the Customer's maximum monthly billing as estimated by Company for the service being provided by Company.
- 2.7.7.1 Deposits and non-cash deposits on file with Company will be reviewed after twenty-four (24) months of service and will be returned provided the Customer has not been delinquent more than twice in the payment of bills or disconnected for non-payment during the previous twelve (12) consecutive months unless the Customer's financial condition warrants extension of the security deposit.

2.8 Line Extensions - Service requests - Installations requiring Company to extend or upgrade its facilities in order to establish service will be made in accordance with Company's Service Schedule #3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.

2.9 Customer--Specific Information - Customer-specific information shall not be released without specific prior written Customer authorization unless the information is requested by law enforcement or other public agency, or is requested by the Arizona Corporation Commission or its staff, or is reasonably required for legitimate account collection activities, or is necessary to provide efficient, effective, safe, or reliable service to the Customer. Customer-specific information may be provided to suppliers of goods or services under contract with Company if:

2.9.1 Such goods or services will assist Company in providing efficient, effective, safe, or reliable service; and

2.9.2 Such contract includes a requirement that the information be kept confidential and is only used to fulfill the supplier's obligations to Company.

3. Rates

3.1 Rate Information - Company shall provide, in accordance with A.A.C. R14-2-204, a copy of any rate schedule applicable to that Customer for the requested type of service. In addition, Company shall notify its Customers of any changes in Company Tariffs affecting those Customers.

3.2 Rate Selection - The Customer's service characteristics and service requirements determine the selection of applicable rate schedule. If the Customer is receiving bundled service, Company will

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
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Service Schedule 1
Revision No. 3435
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**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

use reasonable care in initially establishing service to the Customer under the most advantageous rate schedule applicable to the Customer. However, because of varying Customer usage patterns and other reasons beyond its reasonable knowledge or control, Company cannot guarantee that the most economic applicable rate will be applied. Company will not make any refunds in any instances where it is determined that the Customer would have paid less for service had the Customer been billed on an alternate applicable rate or provision of that rate.

- 3.3 Optional Rates – Certain optional rate schedules applicable to certain classes of service allow the Customer the option to select the rate schedule to be effective initially or after service has been established. Billing under the alternate rate will become effective from the next regularly scheduled Mmeter reading, after the appropriate metering equipment is installed. No further rate schedule changes, however, may be made within the succeeding twelve (12)-month period. Where the rate schedule or contract pursuant to which the Customer is provided service specifies a term, the Customer may not exercise its option to select an alternate rate schedule until expiration of that term.
- 3.4 Direct Access service will be effective upon the next Mmeter read date if DASR is processed fifteen (15) calendar days prior to that read date and the appropriate metering equipment is in place. If a DASR is made less than fifteen (15) days prior to the next regular read date the effective date will be at the next Mmeter read date thereafter. The above timeframes are applicable for Customers changing their selection of Electric Service Providers or for Customers returning to Standard Offer service.
- 3.5 Any Customer that selects Direct Access service may return to Standard Offer service in accordance with the rules, regulations, and orders of the Arizona Corporation Commission. However, such Customer will not be eligible for Direct Access service for the succeeding twelve (12) month period. If a Customer returning to Standard Offer, in accordance with the rules, regulations and orders of the Commission, was not given the required notification in accordance with the rules and regulations of the Commission by their Load Serving ESP of its intent to cease providing competitive services then the above provision will only apply if the Customer fails to select another ESP within sixty (60) days of returning to Standard Offer service.

4. Billing and Collection

- 4.1 Customer Service Installation and Billing - Service B**illing** P**eriods** normally consist of approximately thirty (30) days unless designated otherwise under rate schedules, through contractual agreement, or at Company option.
- 4.1.1 Company normally Meters and bills each site separately; however, at Customer's request, adjacent and contiguous sites (not separated by private or public property or right of way), and operated as one integral unit under the same name and as a part of the same business, ~~will~~ may at Company's option be considered a single site as specified in Company's Schedule 4, Totalized Metering of Multiple Service Entrance Sections at a Single Site for Standard Offer and Direct Access Service.
- 4.1.2 The Customer's service installation will normally be arranged to accept only one type of service at one P**oint of D**elivery to enable service measurement through one Mmeter. If the Customer requires more than one type of service, or total service cannot be

ARIZONA PUBLIC SERVICE COMPANY
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Service Schedule 1
Revision No. 3435
Effective: January 1, 2010XXXX



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

measured through one Mmeter according to Company's regular practice, separate Mmeters will be used and separate billing rendered for the service measured by each Mmeter.

4.2 Collection Policy - The following collection policy shall apply to all Customer accounts:

4.2.1 All bills rendered by Company are due and payable no later than -fifteen (15) calendar days from the billing date. Any payment not received within this time frame will be considered delinquent. All delinquent bills for which payment has not been received shall be subject to the provisions of Company's termination procedure. Company reserves the right to suspend or terminate the Customer's service for non-payment of any Arizona Corporation Commission approved charges. All delinquent charges will be subject to a late charge at the rate of eighteen percent (18%) per annum.

4.2.2 If the Customer, as defined in A.A.C. R 14-2-201.9, has two or more services with Company and one or more of such services is terminated for any reason leaving an outstanding bill and the Customer is unwilling to make payment arrangements that are acceptable to Company, Company shall be entitled to transfer the balance due on the terminated service to any other active account of the Customer for the same class of service. The failure of the Customer to pay the active account shall result in the suspension or termination of service thereunder.

4.2.3 Unpaid charges incurred prior to the Customer selecting Direct Access will not delay the Customer's request for Direct Access. These charges remain the responsibility of the Customer to pay. Normal collection activity, including discontinuing service, may be followed for failure to pay.

4.2.4 All unpaid delinquent final bills may be referred to a collection agency for collection.

4.2.4.1 If collection agency referral is warranted for collection of unpaid final bills, Customer will be responsible for associated collection agency fees incurred.

4.3 Responsibility for Payment of Bills

4.3.1 The Customer is responsible for the payment of bills until service is ordered discontinued and Company has had reasonable time to secure a final Mmeter reading for those services involving energy usage, or if non-metered services are involved until Company has had reasonable time to process the disconnect request.

4.3.2 When an error is found to exist in the billing rendered to the Customer, Company may correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of the applicable statute of limitations from the date the error is discovered. Schedule 8 (Bill Estimation) shall be applied when Company cannot obtain a complete and valid Mmeter read. Situations that result in an estimated Mmeter read include inclement weather, lack



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

of access to a Customer's Meter, energy diversion, labor unavailability and equipment malfunction.

4.3.2.1 Refunds or credits to Customers resulting from overbillings will be made promptly upon discovery by Company.

4.3.2.2 Corrected charges for underbillings shall be billed to the Customer who shall be given an equal length of time such as number of months underbilled to pay the backbill without late payment penalties, unless there is evidence of Meter Tampering or energy diversion.

4.3.2.3 Except as specified below, corrected charges for underbillings shall be limited to three (3) month for residential accounts and six (6) months for non-residential accounts.

4.3.2.3.1 Where the account is billed on a special contract or non-metered rate, corrected charges for underbillings shall be billed in accordance with the contract or rate schedule requirements and is not limited to three or six months as applicable.

4.3.2.3.2 Where service has been established but no bills have been rendered, corrected charges for underbillings shall go back to the date service was established.

4.3.2.3.3 Where there is evidence of Meter Tampering or energy diversions, corrected charges for underbillings shall go back to the date Meter Tampering or energy diversions began, as determined by Company.

4.3.2.3.4 Where lack of access to the Meter (caused by the Customer) has resulted in estimated bills, corrected charges for underbillings shall go back to the Billing Month of the last Company obtained Meter read date.

4.3.2.3.5 Where actual Customer usage can be determined without estimating reads, corrected charges for underbillings are not limited to three or six months, as applicable. In no event shall such rebilling exceed the applicable statute of limitations.

4.3.2.4 Company may forgo billing and collection of corrected charges for an underbilling if Company believes the cost of billing and collecting the underbilling would not justify pursuing the underbill.

4.3.3 Where Company is responsible for rendering the Customer's bill, Company will provide a monthly incentive of \$0.48 per Customer to Customers who elect to pay their bills using the Company's electronically transmitted payment options AutoPay, SurePay or similar programs.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 4.4 Dishonored Payments - If Company is notified by the Customer's financial institution that they will not honor a payment tendered by the Customer for payment of any bill, Company may require the Customer to make payment in cash, by money order, certified or cashier's check, or other means which guarantee the Customer's payment to Company.
- 4.4.1 The Customer will be charged a fee of \$15.00 for each instance where the Customer tenders payment of a bill with a payment that is not honored by the Customer's financial institution.
- 4.4.2 The tender of a dishonored payment shall in no way (i) relieve the Customer of the obligation to render payment to Company under the original terms of the bill, or (ii) defer Company's right to terminate service for nonpayment of bills.
- 4.4.3 Where the Customer has tendered two (2) or more dishonored payments in the past twelve (12) consecutive months, Company may require the Customer to make payment in cash, money order or cashier's check for the next twelve (12) consecutive months.
- 4.5 Termination Process Charges
- 4.5.1 Company will require payment of a Field Call Charge of \$15.00 when an authorized Company representative travels to the Customer's site to accept payment on a delinquent account, notify of service termination, make payment arrangements or terminate the service. This charge will only be applied for field calls resulting from the termination process.
- 4.5.2 If a termination is required at the pole, a reconnection charge of \$96.50 will be required; if the termination is in underground equipment, the reconnection charge will be \$115.00.
- 4.5.3 To avoid termination of service, the Customer will make payment in full, including any necessary deposit in accordance with Section 2.5 hereof or make payment arrangements satisfactory to Company.

5. Service Responsibilities of Company and Customer

- 5.1 Service Voltage - Company will deliver electric service to the designated Point of Delivery, as specified in Section 6.3 of this Schedule, at the standard voltages specified in the Electric Service Requirements Manual published by Company and as specified in A.A.C. R14-2-208.F. Company may deliver service for special Applications at higher voltages, with prior approval from Company's Engineering Department and in accordance with Company's Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services filed with the Arizona Corporation Commission.
- 5.2 Responsibility: Use of Service or Apparatus
- 5.2.1 The Customer shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the services being provided by Company or the use thereof on the Customer's side of the Point of

ARIZONA PUBLIC SERVICE COMPANY
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Canceling A.C.C. No. 56995765
Service Schedule 1
Revision No. 3435
Effective: January 1, 2010XXXX



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

Delivery. Company shall have the right to suspend or terminate service in the event Company should learn of service use by the Customer under hazardous conditions.

5.2.2 The Customer shall exercise all reasonable care to prevent loss or damage to Company property installed on the Customer's site for the purpose of supplying service to the Customer.

5.2.3 The Customer shall be responsible for payment for loss or damage to Company property on the Customer's site arising from neglect, carelessness or misuse and shall reimburse Company for the cost of necessary repairs or replacements.
~~5.2.3~~

5.2.4 The Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering with, tampering with, or by-passing the Meter.

5.2.5 The Customer shall be responsible for notifying Company of any failure in Company's equipment.

5.3 Service Interruptions: Limitations on Liability of Company

5.3.1 Company shall not be liable to the Customer for any damages occasioned by Load Serving ESP's equipment or failure to perform, fluctuations, interruptions or curtailment of electric service, except where due to Company's willful misconduct or gross negligence. Company may, without incurring any liability therefore, suspend the Customer's electric service for periods reasonably required to permit Company to accomplish repairs to or changes in any of Company's facilities. The Customer needs to protect their own sensitive equipment from harm caused by variations or interruptions in power supply.

5.3.2 In the event of a national emergency or local disaster resulting in disruption of normal service, Company may, in the public interest and on behalf of Electric Service Providers or Company, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.

5.4 Company Access to Customer Sites

5.4.1 Company's authorized agents shall have satisfactory unassisted twenty-four (24) hour a day, seven (7) days a week access to Company's equipment located on Customer's sites for the purpose of repair, maintenance, and service restoration work that Company may need to perform.

5.4.2 Company's authorized agents shall have satisfactory unassisted access to the Customer's sites at all reasonable hours to install, inspect, read, repair or remove its Meters or to install, operate or maintain other Company property, to verify that Customer is in compliance with its obligations, or to inspect and determine the connected electrical load.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

If, after six (6) months (not necessarily consecutive) of good faith efforts by Company to work with the Customer, Company in its opinion does not have satisfactory unassisted access to the Meter, then Company shall have sufficient cause for termination of service or denial of any rate options where, in Company's opinion, access is required. The remedy for unassisted access will be at Company discretion and may include the installation by Company of a specialized Meter. If such specialized Meter is installed, the Customer will be billed the difference between the otherwise applicable Meter for their rate and the specialized Meter plus the cost incurred to install the specialized Meter as a one-time charge and any reoccurring incremental costs. If service is terminated as a result of failure to provide unassisted access, Company verification of unassisted access may be required before service is restored. Written termination notice is required prior to disconnecting service under this section.

5.5 Easements

5.5.1 All suitable Easements or rights-of-way required by Company for any portion of an extension to serve a Customer, which is either on sites owned, leased or otherwise controlled by the Customer or developer, or other property required for the extension, shall be furnished in Company's name by the Customer without cost to or condemnation by Company and in reasonable time to meet proposed service requirements. All Easements or rights-of-way granted to, or obtained on behalf of Company shall contain such terms and conditions as are acceptable to Company.

5.5.2 When Company discovers that the Customer or the Customer's agent is performing work, has constructed facilities, or has allowed vegetation to grow, adjacent to or within an Easement or right-of-way or Company-owned equipment, and such work, construction, vegetation or facility poses a hazard or is in violation of federal, state, or local laws, ordinances, statutes, rules or regulations, or significantly interferes with Company's safe use, operation or maintenance of, or access to, equipment or facilities, Company shall notify the Customer or the Customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction, interference or violation at the Customer's expense. Company will notify the Customer in writing of the violations.

5.6 Load Characteristics - The Customer shall exercise reasonable care to ensure that the electrical characteristics of its load, such as deviation from sine wave form (a minimum standard is IEEE 519) or unusual short interval fluctuations in Demand, shall not impair service to other Customers or interfere with operation of telephone, television, or other communication facilities. Customer shall meet power factor requirements as specified on applicable rate schedules.

6. Metering and Metering Equipment

6.1 Customer Equipment - The Customer shall install and maintain all wiring and equipment beyond the Point of Delivery except for Company's Meters and special equipment. The Customer's entire installation must conform to all applicable construction standards and safety codes and the Customer must furnish an inspection or permit if required by law or by Company. In circumstances where a clearance is not required by law, Company may require Customer to execute a Letter In-Lieu of Electrical Clearance.

ARIZONA PUBLIC SERVICE COMPANY
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A.C.C. No. 5765XXXX
Canceling A.C.C. No. 56905765
Service Schedule 1
Revision No. 3435
Effective: January 1, 2010XXXX



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

6.1.1 The Customer shall provide, in accordance with Company's current service standards and/or Electric Service Requirements Manual, at no expense to Company, and close to the Point of Delivery, a sufficient and suitable space acceptable to Company's agent for the installation, accessibility and maintenance of Company's metering equipment. A current version of the Electric Service Requirements Manual is available on-line at <http://esp.apsc.com/resource/metering.asp>.

6.1.2 Where a Customer requests, and Company approves, a special Meter reading device or communications services or devices to accommodate the Customer's needs, the cost for such additional equipment and usage fees shall be the responsibility of the Customer.

6.2 Company Equipment

6.2.1 A Meter Service Provider (MSP) or its authorized agents may remove Company's metering equipment pursuant to Company's Schedule 10. Meters not returned to Company or returned damaged will result in charge to the MSP of the replacement costs, plus an administration fee of fifteen percent (15%), less five (5) years depreciation.

6.2.2 Company will lease lock ring keys to MSP's and/or their agents authorized to remove Company Meters pursuant to the terms and conditions of Company's Schedule 10 at a refundable charge of \$70.00 per key. The charge will not be refunded if a key is lost, stolen, or damaged. If Company must replace ten percent (10%) of the issued keys within any twelve (12) month period due to loss by the MSP's agent, Company may, rather than leasing additional lock ring keys, require the MSP to arrange for a joint meeting. All lock ring keys must be returned to Company within five (5) working days if the MSP and/or its authorized agents are:

- 1) No longer permitted to remove Company Meters pursuant to conditions of Company's Schedule 10;
- 2) No longer authorized by the Arizona Corporation Commission to provide services; or
- 3) The ESP Agreement has been terminated.

6.2.3 If the MSP, the Customer, and/or its agent request a joint site meeting for removal of Company metering and associated equipment and/or lock ring, a base charge will be assessed of \$62.00 per site. Company may assess an additional charge of \$53.00 per hour for joint site meetings that exceed thirty (30) minutes. If Company must temporarily replace the MSP's Meter and/or associated metering equipment during emergency situations or to restore power to a Customer, the above charges may apply.

6.3 Service Connections - Company is not required to install and maintain any lines and equipment on the Customer's side of the Point of Delivery except its Meter.

6.3.1 For overhead service, the Point of Delivery shall be where Company's service conductors terminate at the Customer's weatherhead or bus rider.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 6.3.2 For underground service, the Ppoint of Delivery shall be where Company's service conductors terminate in the Customer's or development's service equipment. The Customer shall furnish, install and maintain any risers, raceways and/or termination cabinet necessary for the installation of Company's underground service conductors.
- 6.3.3 For special Applications where service is provided at voltages higher than the standard voltages specified in the Electric Service Requirements Manual, Company and Customer shall mutually agree upon the designated Ppoint of Delivery.
- 6.3.4 For the mutual protection of the Customer and Company, only authorized employees or agents of Company or the Load Serving ESP are permitted to make and energize the connection between Company's service wires and the Customer's service entrance conductors. Such employees carry Company issued identification which they will show on request.
- 6.4 Masuring Customer Service - All the energy sold to the Customer will be measured by commercially acceptable measuring devices by Company (or the Meter Reading Service Provider (MRSP) pursuant to the terms and conditions of Company's Schedule 10). Where energy and, if applicable, Demand is estimated by Company, estimation will be in accordance with Company's bill estimation procedures approved by the Arizona Corporation Commission. Where it is impractical to Mmeter loads, such as street lighting, security lighting, or special installations, consumption will be determined by Company.
- 6.4.1 For Standard Offer Customers, or where Company is the MRSP, the readings of the Mmeter will be conclusive as to the amount of electric power supplied to the Customer unless there is evidence of Mmeter Tampering or energy diversion, or unless a test reveals the Mmeter is in error by more than plus or minus three percent (3%).
- 6.4.2 If there is evidence of Mmeter Tampering or energy diversion, the Customer, person or entity demonstrated to have tampered with the Mmeter and/or benefited from the tampering or diversion will be billed for the estimated energy and, if applicable, Demand, for the period in which the energy diversion took place. Additionally, where there is evidence of Mmeter Tampering, energy diversion, or by-passing the Mmeter, the Customer, person or entity demonstrated to have tampered with the Mmeter and/or diverted energy will also be charged the cost of the investigation as determined by Company.
- 6.4.3 If after testing, a Mmeter is found to be more than three percent (3%) in error, either fast or slow, proper correction shall be made of previous readings and adjusted bills shall be rendered or adjusted billing information will be provided to the MRSP.
- 6.4.3.1 Customer will be billed, in accordance with Section 4.3.2, for the estimated energy and Demand that would have registered had the Mmeter been operating properly.
- 6.4.4 Where Company is the MRSP, Company will, at the request of the Customer or the ESP, reread the customer's Mmeter within ten (10) working days after such request by the



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

Customer. The cost of such rereads is \$16.50 and may be charged to the Customer or the ESP, provided that the original reading was not in error.

6.4.5 Where the ESP is the MSP or MRSP, and the ESP and/or its' agent fails to provide the Mmeter data to Company pursuant to Company's Schedule 10 Section 8.16, Meter Reading Data Obligations, Company may, at its option, obtain the data, or may estimate the billing determinants. The charge for such reread is \$16.50 and may be charged to the ESP.

6.5 Meter Testing - Company tests its Mmeters regularly in accordance with a Mmeter testing and maintenance program as approved by the Arizona Corporation Commission. Company will, however, individually test a Company owned/maintained Mmeter upon Customer or ESP request. If the Mmeter is found to be within the plus or minus three percent (3%) limit, Company may charge the Customer or the ESP \$30.00 for the Mmeter test if the Mmeter is removed from the site and tested in the meter shop, and \$50.00 if the Mmeter remains on site and is tested in the field.

6.6 Master Metering

6.6.1 Mobile Home Parks - Company shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by Company.

6.6.2 Residential Apartment Complexes - Company shall refuse service to all new construction of apartment complexes and condominiums which are Mmaster Mmetered. This section is not applicable to Senior Care/Nursing Centers registered with the State of Arizona with independent living units which provide packaged services such as housing, food, and nursing care.

6.6.3 Multi-Unit Residential High Rise Developments (developments consisting of apartments, condominiums or townhouse developments built with four or more floors, usually using elevators for accessing floors) - Company will allow Mmaster Mmetering for residential units where the residential units are privately owned, provided the building will be served by a centralized heating, ventilation and/or air conditioning system, and each residential unit shall be individually sub-metered and responsible for energy consumption of that unit.

6.6.3.1 Sub-metering shall be provided and maintained by the builder or homeowners association.

6.6.3.2 Responsibility and methodology for determining each unit's energy billing shall be clearly specified in the original bylaws of the homeowners association, a copy of which must be provided to Company prior to Company providing the initial extension.

7. Termination of Service

7.1 With Notice - Company may without liability for injury or damage, and without making a personal visit to the site, disconnect service to any Customer for any of the reasons stated below,

ARIZONA PUBLIC SERVICE COMPANY
Phoenix, Arizona
Filed by: David J. Rumolo
Title: Manager, Regulation and Pricing
Original Effective Date: December 1951

A.C.C. No. 5765XXXX
Canceling A.C.C. No. 56905765
Service Schedule 1
Revision No. 3435
Effective: January 1, 2010XXXX



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

provided Company has met the notice requirements established by the Arizona Corporation Commission:

- 7.1.1 A Customer violation of any of the applicable rules of the Arizona Corporation Commission or Company Tariffs.
- 7.1.2 ~~7.1.2~~ Failure of the Customer to pay a Delinquent Bill for services provided by Company.
 - 7.1.2.1 Additional notice will not be provided when Customer makes payments to -avoid/stop non-payment disconnection with a dishonored payment. Prior to reconnection of service, repayment of those funds and all other delinquent amounts will be required in cash, money order, or certified funds.
 - 7.1.2.2 Additional notice will not be provided when Customer pays to reconnect service with a dishonored payment. Prior to reconnection of service, payment of those funds and all other delinquent amounts will be required in cash, money order or certified funds.
- 7.1.3 The Customer's breach of a written contract for service.
- 7.1.4 Failure of the Customer to comply with Company's deposit requirements.
- 7.1.5 Failure of the Customer to provide Company with satisfactory and unassisted access to Company's equipment.
- 7.1.6 When necessary to comply with an order of any governmental agency having jurisdiction.
- 7.1.7 Failure of a prior Customer to pay a Delinquent Bill for utility services where the prior Customer continues to reside on the premises.
- 7.1.8 Failure to provide or retain rights-of-way or Easements necessary to serve the Customer.
- 7.1.9 Company learns of the existence of any condition in Section 2.4, Grounds For Refusal of Service.
- 7.2 Without Notice - Company may without liability for injury or damage disconnect service to any Customer without advance notice under any of the following conditions:
 - 7.2.1 Company observes, or has evidence of, a hazard to the health or safety of persons or property.



**SERVICE SCHEDULE 1
TERMS AND CONDITIONS FOR
STANDARD OFFER AND DIRECT ACCESS
SERVICES**

- 7.2.2 Company has evidence of Mmeter Ttampering or fraud.
- 7.2.3 Company has evidence of unauthorized resale or use of electric service.
- 7.2.4 Failure of the Customer to comply with the curtailment procedures imposed by Company during a supply shortage.
- ~~7.2.5 Customer made payments to avoid/stop non payment disconnection with a dishonored payment. Prior to reconnection of service, repayment of those funds and all other delinquent amounts will be required in cash, money order, or certified funds.~~
- ~~7.2.6 Customer paid to reconnect service with a dishonored payment. Prior to reconnection of service, payment of those funds and all other delinquent amounts will be required in cash, money order or certified funds.~~
- 7.3 Restoration of Service - Company shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of Company.
- 8. Removal of Facilities - Upon termination of service, Company may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the Customer, and Company shall be under no further obligation to serve the Customer.
- 9. Successors and Assigns - Agreements for Service shall be binding upon and for the benefit of the successors and assigns of the Customer and Company, but no assignments by the Customer shall be effective until the Customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by Company.
- 10. Warranty - THERE ARE NO UNDERSTANDINGS, AGREEMENTS, REPRESENTATIONS, OR WARRANTIES, EXPRESS OR IMPLIED (INCLUDING WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), NOT SPECIFIED HEREIN OR IN THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION CONCERNING THE SALE AND DELIVERY OF SERVICES BY COMPANY TO THE CUSTOMER. THESE TERMS AND CONDITIONS AND THE APPLICABLE RULES OF THE ARIZONA CORPORATION COMMISSION STATE THE ENTIRE OBLIGATION OF COMPANY IN CONNECTION WITH SUCH SALES AND DELIVERIES.

Line No.	(A) Customer Classification and Current Rate Designation	(B) Average Number of Customers	(C) Adjusted MWh Sales	(D) Average Annual kWh Usage per Customer [(C) x 1000] / (B)	(E) Base Revenues under Present Rates ¹ (\$000)	(F) Proposed Rate Designation	(G) Base Revenues (\$000)		(H) Proposed Revenue ² (\$000)	(I) Total Revenue (\$000)	(K) Change - Base Rates		Line No.
							Revenues	Revenues			Amount (\$000)	% (I)/(E)	
1	Residential												
2	E-12	485,397	4,016,662	8,296	493,366	E-12	492,128	492,128	492,128	(1,239)	-0.25%	1	
3	ET-1	293,620	4,344,033	14,795	480,986	ET-1	481,107	481,107	481,107	121	0.03%	2	
4	ET-2	123,038	1,919,486	15,601	266,039	ET-2	266,179	266,179	266,179	140	0.05%	3	
5	ECT-1R	39,448	1,400,862	35,512	107,426	ECT-1R	107,541	107,541	107,541	115	0.11%	4	
6	ECT-1R	48,378	1,404,939	29,041	122,096	ECT-1R	122,199	122,199	122,199	103	0.08%	5	
7	ET-SP	108	2,301	21,306	221	ET-SP	221	221	221		0.00%	6	
8	Total Residential	985,989	13,093,283	13,231	1,470,134	Total Residential	1,469,375	1,469,375	1,469,375	(760)	-0.05%	7	
9	General Service												
10	E-20	328	36,664	111,780	3,886	E-20	3,912	3,912	3,912	26	0.67%	11	
11	E-30	4,644	6,349	1,367	1,406	E-30	1,407	1,407	1,407	1	0.07%	12	
14	E-40	1	-	-	1	See note 9	-	-	-	-	-	13	
15	E-32 XS	82,396	1,418,941	17,221	199,177	E-32 XS	203,014	203,014	203,014	3,837	1.93%	14	
16	E-32 S	29,411	2,551,983	86,770	290,021	E-32 S	292,939	292,939	292,939	2,918	1.01%	15	
17	E-32 M	4,425	3,279,542	741,139	317,315	E-32 M	317,809	317,809	317,809	494	0.16%	16	
18	E-32 L	1,035	3,647,139	3,523,806	303,798	E-32 L	301,465	301,465	301,465	(2,333)	-0.77%	17	
19	E-32 TOU XS	78	4,609	59,090	633	E-32 TOU XS	644	644	644	11	1.74%	18	
20	E-32 TOU S	219	41,567	189,804	4,454	E-32 TOU S	4,484	4,484	4,484	30	0.67%	19	
21	E-32 TOU M	73	69,937	956,041	6,385	E-32 TOU M	6,374	6,374	6,374	(11)	-0.17%	20	
22	E-32 TOU L	47	295,614	6,289,660	22,917	E-32 TOU L	22,625	22,625	22,625	(292)	-1.27%	21	
23	E-34	36	1,086,047	30,167,972	80,597	E-34	79,328	79,328	79,328	(1,269)	-1.57%	22	
24	E-35	29	1,672,369	57,702,379	112,009	E-35	109,345	109,345	109,345	(2,664)	-2.38%	23	
25	Total General Service	122,722	14,111,761	114,990	1,347,599	Total General Service	1,343,246	1,343,246	1,343,246	(4,353)	-0.32%	24	
26	Irrigation and Water Pumping												
27	Irrigation and Water Pumping	1,450	313,308	216,074	26,669	Irrigation and Water Pumping	26,681	26,681	26,681	12	0.04%	25	
28	Outdoor Lighting												
29	E-58	624	33,212	53,224	10,107	E-58	10,107	10,107	10,107	-	0.00%	26	
30	E-59	289	93,502	319,119	9,701	E-59	9,701	9,701	9,701	-	0.00%	27	
31	Contract 12	41	11,496	280,390	1,013	Contract 12	1,013	1,013	1,013	-	0.00%	28	
32	E-67	181	3,432	18,961	178	E-67	178	178	178	-	0.00%	29	
33	Total Outdoor Lighting	1,139	141,642	124,356	20,999	Total Outdoor Lighting	20,999	20,999	20,999	-	0.00%	30	
34	Dusk to Dawn Lighting												
35	Dusk to Dawn Lighting	See Note 5	24,613	See Note 5	8,457	Dusk to Dawn Lighting	8,457	8,457	8,457	-	0.00%	31	
36	Total Sales to Ultimate Retail Customers	1,115,300	27,689,607	24,827	2,868,858	Total Sales to Ultimate Retail Customers	2,868,858	2,868,858	2,868,858	-	0.00%	32	
37													
38													

NOTES TO SCHEDULE:

- Base Revenues under Present Rates reflect adjusted test year revenues based on rates established in Decision No. 71448.
- Share the Light Rate Schedules are included in Rate Schedule E-58.
- Rider rate schedules are included in the "Parent" rate schedules listed on schedule H-2 as applicable. Riders include: E-4, CPP-RES, CMPW-01, E-53, E-54, RSP, PPR, CPP-GS, Solar-2, Solar-3, GPS-1, GPS-2, GPS-3, EPR-2, EPR-3, EPR-4, E-56, and SC-5.
- Rate Schedule E-36 is not included as proposed price changes are market-related.
- Dusk to Dawn Lighting customers are included in residential and general service counts as this service is included on each customer's primary billing.
- Transmission revenues based on OATT charges effective during test year.
- Rate Schedules GS Schools M, GS Schools L have no revenue or customers.
- Rate E-40 proposed revenue is reflected in E-32 M
- Excludes 144,149 MWh of revenue credits, total sales with revenue credits = 27,833,756 MWh

Supporting Schedules:
 N/A