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September 25, 2012

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: Arizona Public Service Company's 2010 Test Year Rate Case
Docket No. E-01345A-11-0224

Attached please find Arizona Public Service Company's Lost Fixed Cost Recovery ("LFCR") Plan of Administration which replaces the previous filing dated June 29, 2012.

If you have any questions regarding this information, please contact Zachary Fryer at (602)250-4167.

Sincerely,

Jeffrey W. Johnson

JJ/cd
Attachment

cc: Barbara Keene

Arizona Corporation Commission

DOCKETED

SEP 25 2012





**Lost Fixed Cost Recovery (“LFCR”)
Plan of Administration**

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1. General Description

This document describes the plan of administration for the LFCR mechanism approved for Arizona Public Service Company (“APS” or “Company”) by the Arizona Corporation Commission (“ACC”) on May 24, 2012 in Decision No. 73183. The LFCR mechanism provides for the recovery of lost fixed costs, as measured by revenue, associated with the amount of energy efficiency (“EE”) savings and distributed generation (“DG”) that is authorized by the Commission and determined to have occurred. Costs to be recovered through the LFCR include the portion of transmission costs included in base rates and a portion of distribution costs, other than what is already recovered by (1) the Basic Service Charge and (2) 50% of demand revenues associated with distribution and the base rate portion of transmission.

2. Definitions

Applicable Company Revenues – The amount of revenue generated by sales to retail customers, for all applicable rate schedules, less the amount of revenue attributable to sales to Opt-Out residential customers.

Current Period – The most recent adjustment year, i.e. rate effective year.

Demand Stability Factor – Fifty percent of distribution and transmission demand-based revenue produced by base rates.

DG Savings – The amount of MWh sales reduced by DG. APS shall use statistical verification, output profile, or meter data for DG systems until December 31, 2014. Beginning January 2015, APS shall only use meter data to calculate DG system savings. Each year, APS will use actual data through September and forecast data for the remainder of the calendar year to calculate the savings. The calculation of DG Savings will consist of the following by class:

1. **Current Period:** The annual energy production (MWh) produced by the cumulative total of DG installations since the effective date of APS’s most recent general rate case.
2. **Excluded MWh Production:** The reduction of recoverable DG Savings calculated as follows: (1) for residential Opt-Out customers by either, dividing the number of Opt-Out residential customers by the total number of residential customers and multiplying that result by total residential DG Savings or using actual metered production, and (2) for commercial and industrial customers, by subtracting the amount of DG produced by customers on Excluded Rate Schedules.



PLAN OF ADMINISTRATION LOST FIXED COST RECOVERY

3. **True-Up Prior Period:** The reconciliation of APS's forecast data of DG sales reductions for the three months in the Prior Period to verified DG sales reductions in the Prior Period.

Distribution Revenue – The amount determined at the conclusion of a rate case by multiplying both residential and general service adjusted test year billing determinants (kW and kWh) by their approved delivery charges. Any demand (kW) based delivery revenue will be reduced by the Demand Stability Factor.

EE Programs – Any program approved in APS's annual implementation plan.

EE Savings – The amount of sales, expressed in MWh, reduced by EE as demonstrated by the Measurement, Evaluation, and Reporting ("MER") conducted for EE programs. EE Savings shall be pro-rated for the number of days that new base rates are in effect during the initial implementation of the LFCR. The calculation of EE Savings will consist of the following by class:

1. **Cumulative Verified:** The cumulative total MWh reduction as determined by the MER using the effective date of APS's most recent general rate case as a starting point.
2. **Current Period:** The annual EE related sales reductions (MWh). Each year, APS will use actual MER data through September and forecast data for the remainder of the year to calculate savings.
3. **Excluded MWh reduction:** The reduction of recoverable EE Savings calculated as follows: (1) for residential Opt-Out customers by, dividing the number of Opt-Out residential customers by the total number of residential customers and multiplying that result by Current Period Savings, and (2) for commercial and industrial customers, by subtracting the amount of EE Savings actually achieved by customers on Excluded Rate Schedules.
4. **True-Up Prior Period:** The reconciliation of APS's forecast data of EE sales reductions for the three months in the Prior Period to verified EE sales reductions in the Prior Period.

Excluded Rate Schedules – The LFCR mechanism shall not apply to large general service customers taking service under rate schedules E-32 L, E-32 L TOU, E-34, E-35 and E-36 XL, or to unmetered General Service customers under E-30 and lighting schedules.

LFCR Adjustment – An amount calculated by dividing Lost Fixed Cost Revenue by the Applicable Company Revenues. This adjustment percentage will be applied to all customer bills, excluding both those that have chosen to Opt-Out and those on Excluded Rate Schedules.

LFCR Balancing Account – An account to track the difference between allowed Lost Fixed Cost Revenue and actual amounts billed by the Company through the LFCR adjustment. The balancing account will be reflected in Schedule 2 of the LFCR Compliance Report and shall be calculated by taking the Total Lost Fixed Cost Revenue from Prior Period less the amount billed through the LFCR for the most recent calendar year at the time of filing.



PLAN OF ADMINISTRATION LOST FIXED COST RECOVERY

Lost Fixed Cost Rate – A rate determined at the conclusion of a rate case by taking the sum of allowed Distribution Revenue and base rate Transmission Revenue for each rate class and dividing each by their respective class adjusted test year kWh billing determinants.

Lost Fixed Cost Revenue – The amount of fixed costs not recovered by the utility because of EE and DG during the period. This amount is calculated by multiplying the Lost Fixed Cost Rate by Recoverable MWh Savings, by rate class.

Opt-Out – The rate schedule choice for residential customers to opt out of the LFCR in the form of an optional BSC. The number of Opt-Out customers will be expressed as the annual average number of customers “Opting-Out” over the Current Period. The LFCR mechanism shall not be applied to residential customers who choose the Opt-Out provision. This rate will be made available to customers at the time of the first LFCR adjustment.

Prior Period – The 12 months preceding the Current Period.

Recoverable MWh Savings – The sum of EE Savings and DG Savings by rate class.

Total Fixed Revenue – The total of Transmission Revenue and Distribution Revenue by Class.

Transmission Revenue – The amount of revenue determined at the conclusion of a general rate case by multiplying both residential and general service adjusted test year billing determinants (kW and kWh) by the approved base rate transmission charge within their respective rate schedules. Any demand (kW) base rate Transmission Revenue will be reduced by the Demand Stability Factor.

3. LFCR Annual Incremental Cap

The LFCR Adjustment will be subject to an annual 1% year over year cap based on Applicable Company Revenues. If the annual LFCR Adjustment results in a surcharge and the annual incremental increase exceeds 1% of Applicable Company Revenues, any amount in excess of the 1% cap will be deferred for collection until the first future adjustment period in which including such costs would not cause the annual increase to exceed the 1% cap. The one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15 or its successor publication will be applied annually to any deferred balance. The interest rate shall be adjusted annually and shall be that annual rate applicable to the first business day of the calendar year.

4. Filing and Procedural Deadlines

APS will file the calculated Annual LFCR Adjustment, including all Compliance Reports, with the Commission for the previous year by January 15th. The new LFCR Adjustment will not go into effect until approved by the Commission.

5. Compliance Reports

APS will provide comprehensive compliance reports to Staff and the Residential Utility Consumer Office. The information contained in the Compliance Reports will consist of the following schedules:



**PLAN OF ADMINISTRATION
LOST FIXED COST RECOVERY**

- Schedule 1: LFCR Annual Adjustment Percentage
- Schedule 2: LFCR Annual Incremental Cap Calculation
- Schedule 3: LFCR Calculation
- Schedule 4: LFCR Test Year Rate Calculation
- Schedule 5: Distribution and Transmission Revenue Calculation – General Service
- Schedule 6: Distribution and Transmission Revenue Calculation – Residential

Schedules 1 through 6, attached hereto, will be submitted with APS's annual compliance filing.

Arizona Public Service Company
 Lost Fixed Cost Recovery Mechanism
 Schedule 1: LFCR Annual Adjustment Percentage
 (\$000)

Line No.	(A) Annual Percentage Adjustment	(B) Reference	(C) Total
1.	Total Lost Fixed Cost Revenue for Current Period	Schedule 2, Line 15	\$ -
2.	Applicable Company Revenues	Schedule 2, Line 1	-
3.	% Applied to Customer's Bills	(Line 1 / Line 2)	0.0000%

Note: For the Current Period, the full revenue per customer decoupling mechanism that was proposed in APS's June 1, 2011 rate application (including all customers and offering no residential Opt-Out alternative) would have resulted in a total revenue adjustment of \$X and average customer bill impact of Y%.

Arizona Public Service Company
Lost Fixed Cost Recovery Mechanism
Schedule 2: LFCR Annual Incremental Cap Calculation
(\$000)

Line No.	(A) LFCR Annual Incremental Cap Calculation	(B) Reference	(C) Totals
1.	Applicable Company Revenues		\$ -
2.	Allowed Cap %		1.00%
3.	Maximum Allowed Incremental Recovery	(Line 1 * Line 2)	\$ -
4.	Total Lost Fixed Cost Revenue	Schedule 3, Line 38, Column C Previous Filing, Schedule 2, Line 13, Column C	\$ -
5.	Total Deferred Balance from Previous Period		-
6.	Annual Interest Rate		0.00%
7.	Interest Accrued on Deferred Balance	(Line 5 * Line 6)	-
8.	Total Lost Fixed Cost Revenue Current Period	(Line 4 + Line 5 + Line 7)	\$ -
9.	Lost Fixed Cost Revenue from Prior Period	Previous Filing, Schedule 2, Line 15, Column C	\$ -
10.	Lost Fixed Cost Revenue - Billed ¹		\$ -
11.	LFCR Balancing Account	(Line 9 - Line 10)	\$ -
12.	Total Incremental Lost Fixed Cost Revenue for Current Year	(Line 8 - Line 9 + Line 11)	\$ -
13.	Amount in Excess of Cap to Defer	(Line 12 - Line 3)	\$ -
14.	Incremental Period Adjustment as %	[(Line 12 - Line 13) / Line 1]	0.00%
15.	Total Lost Fixed Cost Revenue for Current Period	(Line 8 + Line 11 - Line 13)	\$ -

¹Amount billed to customers for the 12 calendar months of 20XX

Arizona Public Service Company
Lost Fixed Cost Recovery Mechanism
Schedule 3: LFCR Calculation
(\$000)

Line No.	(A) Lost Fixed Cost Revenue Calculation	(B) Reference	(C) Totals	(D) Units
Residential				
Energy Efficiency Savings				
1.	Current Period		-	MWh
2.	% of Residential Customers on Opt-Out		0.0%	
3.	Excluded MWh reduction	(Line 1 * Line 2)	-	MWh
4.	Net - Current Period	(Line 1 - Line 3)	-	MWh
5.	Prior Period	Previous Filing, Schedule 3, Line 4, Column C	-	MWh
6.	Verified - Prior Period		-	MWh
7.	True-Up Prior Period	(Line 6 - Line 5)	-	MWh
8.	Cumulative Verified	(Previous Filing, Schedule 3, Line 8, Column C + Line 6)	-	MWh
9.	Total Recoverable EE Savings	(Line 4 + Line 7 + Line 8)	-	MWh
Distributed Generation Savings				
10.	Current Period		-	MWh
11.	Excluded MWh Production		-	MWh
12.	Net - Current Period	(Line 10 - Line 11)	-	MWh
13.	Prior Period	Previous Filing, Schedule 3, Line 12, Column C	-	MWh
14.	Verified - Prior Period		-	MWh
15.	True-Up Prior Period	(Line 14 - Line 13)	-	MWh
16.	Total Recoverable DG Savings	(Line 12 + Line 15)	-	MWh
17.	Total Recoverable MWh Savings	(Line 9 + Line 16)	-	MWh
18.	Residential - Lost Fixed Cost Rate	Schedule 4, Line 5, Column C	\$ 0.031111	\$/kWh
19.	Residential - Lost Fixed Cost Revenue	(Line 17 * Line 18)	\$ -	
C&I				
Energy Efficiency Savings				
20.	Current Period		-	MWh
21.	Excluded MWh reduction		-	MWh
22.	Net - Current Period	(Line 20 - Line 21)	-	MWh
23.	Prior Period	Previous Filing, Schedule 3, Line 22, Column C	-	MWh
24.	Verified - Prior Period		-	MWh
25.	True-Up Prior Period	(Line 24 - Line 23)	-	MWh
26.	Cumulative Verified	(Previous Filing, Schedule 3, Line 26, Column C + Line 24)	-	MWh
27.	Total Recoverable EE Savings	(Line 22 + Line 25 + Line 26)	-	MWh
Distributed Generation Savings				
28.	Current Period		-	MWh
29.	MWh DG Savings from Rate Schedules Excluded from LFCR		-	MWh
30.	Net - Current Period	(Line 28 - Line 29)	-	MWh
31.	Prior Period	Previous Filing, Schedule 3, Line 30, Column C	-	MWh
32.	Verified - Prior Period		-	MWh
33.	True-Up Prior Period	(Line 32 - Line 31)	-	MWh
34.	Total Recoverable DG Savings	(Line 30 + Line 33)	-	MWh
35.	Total Recoverable MWh Savings	(Line 27 + Line 34)	-	MWh
36.	C&I - Lost Fixed Cost Rate	Schedule 4, Line 10, Column C	\$ 0.023190	\$/kWh
37.	C&I - Lost Fixed Cost Revenue	(Line 35 * Line 36)	\$ -	
38.	Total Lost Fixed Cost Revenue	(Line 19 + Line 37)	\$ -	

Arizona Public Service Company
Lost Fixed Cost Recovery Mechanism
Schedule 4: LFCR Test Year Rate Calculation
(\$000)

Line No.	(A) Lost Fixed Cost Rate Calculation	(B) Reference	(C) Total
Residential Customers			
1.	Distribution Revenue	Schedule 6, Line 13, Column H	\$ 326,735
2.	Transmission Revenue	Schedule 6, Line 13, Column I	\$ 65,572
3.	Total Fixed Revenue	(Line 1 + Line 2)	\$ 392,307
Schedule 6, Line 12, Column C /			
4.	MWh Billed	1,000	12,610,002
5.	Lost Fixed Cost Rate	(Line 3 / Line 4)	\$ 0.031111
C & I Customers			
6.	Distribution Revenue	Schedule 5, Line 13, Column H	\$ 155,931
7.	Transmission Revenue	Schedule 5, Line 13, Column I	\$ 23,093
8.	Total Fixed Revenue	(Line 6 + Line 7)	\$ 179,024
Schedule 5, Line 12, Column C /			
9.	MWh Billed	1,000	7,719,982
10.	Lost Fixed Cost Rate	(Line 8 / Line 9)	\$ 0.023190

Arizona Public Service Company
 Lost Fixed Cost Recovery Mechanism
 Schedule 5: Distribution and Transmission Revenue Calculation
 General Service

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
Line No.	Rate Schedule	Tariff Component	Adjusted Test Year Billing Determinants	Units	Delivery Charge	Transmission Charge	Demand Stability Factor	C*E*(I-G) Distribution Revenue	C*F*(I-G) Transmission Revenue	H+I Total Revenue
1.	E-32 XS	Summer Secondary								
2.		Delivery (1st 5000 kWh per mo.)	684,456,061	kWh	\$ 0.04175	\$ 0.00424	0%	\$ 28,576,041	\$ 2,902,094	\$ 31,478,135
3.		Delivery (over 5000 kWh per mo.)	74,299,892	kWh	\$ 0.01310	\$ 0.00424	0%	\$ 973,329	\$ 315,032	\$ 1,288,361
4.		Summer Primary								
5.		Delivery (1st 5000 kWh per mo.)	208,510	kWh	\$ 0.03847	\$ 0.00424	0%	\$ 8,021	\$ 884	\$ 8,905
6.		Delivery (over 5000 kWh per mo.)	57,060	kWh	\$ 0.00983	\$ 0.00424	0%	\$ 561	\$ 242	\$ 803
7.		Winter Secondary								
8.		Delivery (1st 5000 kWh per mo.)	593,445,292	kWh	\$ 0.04168	\$ 0.00424	0%	\$ 24,734,800	\$ 2,516,208	\$ 27,251,008
9.		Delivery (over 5000 kWh per mo.)	66,031,288	kWh	\$ 0.01303	\$ 0.00424	0%	\$ 860,388	\$ 279,973	\$ 1,140,361
10.		Winter Primary								
11.		Delivery (1st 5000 kWh per mo.)	289,917	kWh	\$ 0.03837	\$ 0.00424	0%	\$ 11,124	\$ 1,229	\$ 12,353
12.		Delivery (over 5000 kWh per mo.)	153,071	kWh	\$ 0.00974	\$ 0.00424	0%	\$ 1,491	\$ 649	\$ 2,140
13.		Sub Total		kWh						
14.			1,418,941,091	kWh				\$ 55,165,755	\$ 6,016,311	\$ 61,182,066
15.	E-32 S	Secondary								
16.		Delivery 1st 100 kW	8,124,000	kWh	\$ 8.243	\$ 1.585	50%	\$ 33,483,066	\$ 6,438,270	\$ 39,921,336
17.		Delivery All Additional kW	655,000	kWh	\$ 3.629	\$ 1.585	50%	\$ 1,188,498	\$ 519,088	\$ 1,707,586
18.		Delivery - All kWh	2,541,774,000	kWh	\$ 0.00423	\$ -	0%	\$ 10,751,704	\$ -	\$ 10,751,704
19.		Primary								
20.		Delivery 1st 100 kW	15,000	kWh	\$ 7.531	\$ 1.585	50%	\$ 56,483	\$ 11,888	\$ 68,371
21.		Delivery All Additional kW	46,000	kWh	\$ 2.917	\$ 1.585	50%	\$ 67,091	\$ 36,455	\$ 103,546
22.		Delivery - All kWh	10,298,000	kWh	\$ 0.00423	\$ -	0%	\$ 43,180	\$ -	\$ 43,180
23.		Sub Total		kWh				\$ 34,795,138	\$ 7,005,701	\$ 41,800,839
24.			2,551,982,000	kWh				\$ 10,794,884	\$ -	\$ 10,794,884
25.	E-32 M	Secondary								
26.		Delivery 1st 100 kW	4,680,000	kWh	\$ 8.650	\$ 1.585	50%	\$ 20,241,000	\$ 3,708,900	\$ 23,949,900
27.		Delivery All Additional kW	4,562,000	kWh	\$ 3.800	\$ 1.585	50%	\$ 8,667,800	\$ 3,615,385	\$ 12,283,185
28.		Delivery - All kWh	3,243,059,000	kWh	\$ 0.00649	\$ -	0%	\$ 21,047,453	\$ -	\$ 21,047,453
29.		Primary								
30.		Delivery 1st 100 kW	33,000	kWh	\$ 7.903	\$ 1.585	50%	\$ 130,400	\$ 26,153	\$ 156,553
31.		Delivery All Additional kW	60,000	kWh	\$ 3.110	\$ 1.585	50%	\$ 93,300	\$ 47,550	\$ 140,850
32.		Delivery - All kWh	36,483,000	kWh	\$ 0.00649	\$ -	0%	\$ 236,775	\$ -	\$ 236,775
33.		Transmission								
34.		Delivery 1st 100 kW	-	kWh	\$ 5.783	\$ 1.585	50%	\$ -	\$ -	\$ -
35.		Delivery All Additional kW	-	kWh	\$ 0.934	\$ 1.585	50%	\$ -	\$ -	\$ -
36.		Delivery - All kWh	-	kWh	\$ 0.00649	\$ -	0%	\$ -	\$ -	\$ -
37.		Sub Total		kWh				\$ 29,132,500	\$ 7,397,988	\$ 36,530,488
38.			3,279,542,000	kWh				\$ 21,284,228	\$ -	\$ 21,284,228
39.	E-32 TOU XS	Summer Secondary								
40.		Delivery On Pk (1st 5000 kWh per mo.)	628,000	kWh	\$ 0.05065	\$ 0.00424	0%	\$ 31,808	\$ 2,663	\$ 34,471
41.		Delivery - All additional kWh	-	kWh	\$ 0.01316	\$ 0.00424	0%	\$ -	\$ -	\$ -
42.		Delivery Off Pk (1st 5000 kWh per mo.)	1,553,000	kWh	\$ 0.04174	\$ 0.00424	0%	\$ 64,822	\$ 6,585	\$ 71,407
43.		Delivery - All additional kWh	85,000	kWh	\$ 0.00962	\$ 0.00424	0%	\$ 818	\$ 360	\$ 1,178
44.		Summer Primary								
45.		Delivery On Pk (1st 5000 kWh per mo.)	-	kWh	\$ 0.04730	\$ 0.00424	0%	\$ -	\$ -	\$ -
46.		Delivery - All additional kWh	-	kWh	\$ 0.00902	\$ 0.00424	0%	\$ -	\$ -	\$ -
47.		Delivery Off Pk (1st 5000 kWh per mo.)	-	kWh	\$ 0.03838	\$ 0.00424	0%	\$ -	\$ -	\$ -
48.		Delivery - All additional kWh	-	kWh	\$ 0.00627	\$ 0.00424	0%	\$ -	\$ -	\$ -
49.		Winter Secondary								
50.		Delivery On Pk (1st 5000 kWh per mo.)	647,000	kWh	\$ 0.05057	\$ 0.00424	0%	\$ 32,719	\$ 2,743	\$ 35,462
51.		Delivery - All additional kWh	3,000	kWh	\$ 0.01304	\$ 0.00424	0%	\$ 39	\$ 13	\$ 52
52.		Delivery Off Pk (1st 5000 kWh per mo.)	1,604,000	kWh	\$ 0.04164	\$ 0.00424	0%	\$ 66,791	\$ 6,801	\$ 73,592
53.		Delivery - All additional kWh	89,000	kWh	\$ 0.00954	\$ 0.00424	0%	\$ 849	\$ 377	\$ 1,226
54.		Winter Primary								
55.		Delivery On Pk (1st 5000 kWh per mo.)	-	kWh	\$ 0.04721	\$ 0.00424	0%	\$ -	\$ -	\$ -
56.		Delivery - All additional kWh	-	kWh	\$ 0.00890	\$ 0.00424	0%	\$ -	\$ -	\$ -
57.		Delivery Off Pk (1st 5000 kWh per mo.)	-	kWh	\$ 0.03829	\$ 0.00424	0%	\$ -	\$ -	\$ -
58.		Delivery - All additional kWh	-	kWh	\$ 0.00618	\$ 0.00424	0%	\$ -	\$ -	\$ -
59.		Sub Total		kWh				\$ 197,846	\$ 19,542	\$ 217,388
60.			4,609,000	kWh				\$ -	\$ -	\$ -
61.	E-32 TOU S	Secondary								
62.		On Pk 1st 100 kW	94,000	kWh	\$ 5.775	\$ 1.585	50%	\$ 271,425	\$ 74,495	\$ 345,920
63.		On Pk all add kW	13,000	kWh	\$ 1.185	\$ 1.585	50%	\$ 7,703	\$ 10,303	\$ 18,006
64.		Off Pk 1st 100 kW	100,000	kWh	\$ 2.842	\$ 1.585	50%	\$ 142,100	\$ 79,250	\$ 221,350
65.		Off Pk all add kW	24,000	kWh	\$ 0.412	\$ 1.585	50%	\$ 4,944	\$ 19,020	\$ 23,964
66.		Primary								
67.		On Pk 1st 100 kW	-	kWh	\$ 5.317	\$ 1.585	50%	\$ -	\$ -	\$ -
68.		On Pk all add kW	-	kWh	\$ 1.117	\$ 1.585	50%	\$ -	\$ -	\$ -
69.		Off Pk 1st 100 kW	1,000	kWh	\$ 2.267	\$ 1.585	50%	\$ 1,134	\$ 793	\$ 1,927
70.		Off Pk all add kW	2,000	kWh	\$ 0.333	\$ 1.585	50%	\$ 333	\$ 1,585	\$ 1,918
71.		Sub Total		kWh				\$ 427,639	\$ 185,446	\$ 613,085
72.			41,567,000	kWh				\$ -	\$ -	\$ -
73.	E-32 TOU M	Secondary								
74.		On Pk 1st 100 kW	84,000	kWh	\$ 8.318	\$ 1.585	50%	\$ 349,356	\$ 66,570	\$ 415,926
75.		On Pk all add kW	72,000	kWh	\$ 3.165	\$ 1.585	50%	\$ 113,940	\$ 57,060	\$ 171,000
76.		Off Pk 1st 100 kW	86,000	kWh	\$ 3.894	\$ 1.585	50%	\$ 167,442	\$ 68,155	\$ 235,597
77.		Off Pk all add kW	89,000	kWh	\$ 1.165	\$ 1.585	50%	\$ 51,843	\$ 70,533	\$ 122,376
78.		Delivery - All kWh	69,937,000	kWh	\$ 0.00910	\$ -	0%	\$ 636,427	\$ -	\$ 636,427
79.		Primary								
80.		On Pk 1st 100 kW	-	kWh	\$ 7.803	\$ 1.585	50%	\$ -	\$ -	\$ -
81.		On Pk all add kW	-	kWh	\$ 3.088	\$ 1.585	50%	\$ -	\$ -	\$ -
82.		Off Pk 1st 100 kW	-	kWh	\$ 3.248	\$ 1.585	50%	\$ -	\$ -	\$ -
83.		Off Pk all add kW	-	kWh	\$ 1.076	\$ 1.585	50%	\$ -	\$ -	\$ -
84.		Delivery - All kWh	-	kWh	\$ 0.00910	\$ -	0%	\$ -	\$ -	\$ -
85.		Transmission								
86.		On Pk 1st 100 kW	-	kWh	\$ 6.882	\$ 1.585	50%	\$ -	\$ -	\$ -
87.		On Pk all add kW	-	kWh	\$ 2.771	\$ 1.585	50%	\$ -	\$ -	\$ -

Arizona Public Service Company
 Lost Fixed Cost Recovery Mechanism
 Schedule 5: Distribution and Transmission Revenue Calculation
 General Service

86.		Off Pk 1st 100 kW		\$ 2,519	\$ 1,585	50%	\$ -	\$ -	\$ -
87.		Off Pk all add kW		\$ 0,956	\$ 1,585	50%	\$ -	\$ -	\$ -
		Delivery - All kWh		\$ 0,00919	\$ -	0%	\$ -	\$ -	\$ -
88.		Sub Total		331,000 kW			\$ 682,581.00	\$ 262,318.00	\$ 944,899.00
89.				69,937,000 kWh			\$ 636,427.00	\$ -	\$ 636,427.00
90.	E-20								
91.						50%	\$ -	\$ -	\$ -
92.				36,664,000		0%	\$ -	\$ -	\$ -
93.		Sub Total		- kW			\$ -	\$ -	\$ -
94.				36,664,000 kWh			\$ 871,742	\$ 247,348	\$ 1,119,090
95.	E-36 M	Summer Secondary							
96.		Delivery (1st 5000 kWh per mo.)		\$ 0,04175	\$ 0,00424	0%	\$ -	\$ -	\$ -
97.		Delivery (over 5000 kWh per mo.)		\$ 0,01310	\$ 0,00424	0%	\$ -	\$ -	\$ -
98.		Summer Primary							
99.		Delivery (1st 5000 kWh per mo.)		\$ 0,03847	\$ 0,00424	0%	\$ -	\$ -	\$ -
100.		Delivery (over 5000 kWh per mo.)		\$ 0,00983	\$ 0,00424	0%	\$ -	\$ -	\$ -
101.		Winter Secondary							
102.		Delivery (1st 5000 kWh per mo.)		\$ 0,04168	\$ 0,00424	0%	\$ -	\$ -	\$ -
103.		Delivery (over 5000 kWh per mo.)		\$ 0,01303	\$ 0,00424	0%	\$ -	\$ -	\$ -
104.		Winter Primary							
105.		Delivery (1st 5000 kWh per mo.)		\$ 0,03837	\$ 0,00424	0%	\$ -	\$ -	\$ -
106.		Delivery (over 5000 kWh per mo.)		\$ 0,00974	\$ 0,00424	0%	\$ -	\$ -	\$ -
107.		Secondary							
108.		Delivery 1st 100 kW		\$ 15,068	\$ 1,585	50%	\$ -	\$ -	\$ -
109.		Delivery All Additional kW		\$ 8,186	\$ 1,585	50%	\$ -	\$ -	\$ -
110.		Delivery - All kWh		\$ 0,00011	\$ -	0%	\$ -	\$ -	\$ -
111.		Primary							
112.		Delivery 1st 100 kW		\$ 13,010	\$ 1,585	50%	\$ -	\$ -	\$ -
113.		Delivery All Additional kW		\$ 7,128	\$ 1,585	50%	\$ -	\$ -	\$ -
114.		Delivery - All kWh		\$ 0,00011	\$ -	0%	\$ -	\$ -	\$ -
115.		Transmission							
116.		Delivery 1st 100 kW		\$ 8,203	\$ 1,585	50%	\$ -	\$ -	\$ -
117.		Delivery All Additional kW		\$ 3,024	\$ 1,585	50%	\$ -	\$ -	\$ -
118.		Delivery - All kWh		\$ 0,00011	\$ -	0%	\$ -	\$ -	\$ -
119.		Sub Total		- kW			\$ -	\$ -	\$ -
120.				- kWh			\$ -	\$ -	\$ -
121.	E-67								
122.						50%	\$ -	\$ -	\$ -
123.				3,432,000		0%	\$ -	\$ -	\$ -
124.		Sub Total		- kW			\$ -	\$ -	\$ -
125.				3,432,000 kWh			\$ 98,092	\$ 4,671	\$ 102,763
126.	E-221								
127.						50%	\$ -	\$ -	\$ -
128.				291,231,000		0%	\$ -	\$ -	\$ -
129.		Sub Total		- kW			\$ -	\$ -	\$ -
130.				291,231,000 kWh			\$ 1,844,426	\$ 1,953,946	\$ 3,798,372
131.	E-221 8T								
132.						50%	\$ -	\$ -	\$ -
133.				22,077,000		0%	\$ -	\$ -	\$ -
134.		Sub Total		- kW			\$ -	\$ -	\$ -
135.				22,077,000 kWh			\$ -	\$ -	\$ -
136.	GS-Schools M	Secondary							
137.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
138.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
139.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
140.		Primary							
141.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
142.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
143.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
144.		Transmission							
145.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
146.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
147.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
148.		Sub Total		- kW			\$ -	\$ -	\$ -
149.				- kWh			\$ -	\$ -	\$ -
150.	GS-Schools L	Secondary							
151.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
152.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
153.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
154.		Primary							
155.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
156.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
157.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
158.		Transmission							
159.		Delivery 1st 100 kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
160.		Delivery All Additional kW		\$ -	\$ -	50%	\$ -	\$ -	\$ -
161.		Delivery - All kWh		\$ -	\$ -	0%	\$ -	\$ -	\$ -
162.		Sub Total		- kW			\$ -	\$ -	\$ -
163.				- kWh			\$ -	\$ -	\$ -
164.	Total kW			18,740,000 kW			\$ 65,037,858	\$ 14,851,453	\$ 79,889,311
165.	Total kWh			7,719,982,091 kWh			\$ 90,893,400	\$ 8,241,818	\$ 99,135,218
166.	Total						\$ 155,931,258	\$ 23,093,271	\$ 179,024,529

Arizona Public Service Company
 Lost Fixed Cost Recovery Mechanism
 Schedule 6: Distribution and Transmission Revenue Calculation
 Residential

Line No.	(A) Rate Schedule	(B) Tariff Component	(C) Adjusted Test Year Billing Determinants	(D) Units	(E) Delivery Charge	(F) Transmission Charge	(G) Demand Stability Factor	(H) C*E*(1-G) Distribution Revenue	(I) C*F*(1-G) Transmission Revenue	(J) H+I Total Revenue
1.	E-12									
2.				kW	\$	\$	50%	\$	\$	\$
3.			4,026,662,000	kWh	\$ 0.02700	\$ 0.00520	0%	\$ 108,719,874	\$ 20,938,642	\$ 129,658,516
4.		Sub Total	-	kW				\$	\$	\$
5.			4,026,662,000	kWh				\$ 108,719,874	\$ 20,938,642	\$ 129,658,516
6.	ET-1									
7.				kW	\$	\$	50%	\$	\$	\$
8.			4,344,033,000	kWh	\$ 0.02700	\$ 0.00520	0%	\$ 117,288,891	\$ 22,588,972	\$ 139,877,863
9.		Sub Total	-	kW				\$	\$	\$
10.			4,344,033,000	kWh				\$ 117,288,891	\$ 22,588,972	\$ 139,877,863
11.	ET-2									
12.				kW	\$	\$	50%	\$	\$	\$
13.			1,919,486,000	kWh	\$ 0.02700	\$ 0.00520	0%	\$ 51,826,122	\$ 9,981,327	\$ 61,807,449
14.		Sub Total	-	kW				\$	\$	\$
15.			1,919,486,000	kWh				\$ 51,826,122	\$ 9,981,327	\$ 61,807,449
16.	ECT-1R									
17.	Summer		2,618,000	kW	\$ 3.90000	\$	50%	\$ 5,105,100	\$	\$ 5,105,100
18.			751,315,000	kWh	\$ 0.01540	\$ 0.00520	0%	\$ 11,570,251	\$ 3,906,838	\$ 15,477,089
19.		Winter	1,754,000	kW	\$ 2.30000	\$	50%	\$ 2,017,100	\$	\$ 2,017,100
20.			467,580,000	kWh	\$ 0.01700	\$ 0.00520	0%	\$ 7,948,860	\$ 2,431,416	\$ 10,380,276
21.		Sub Total	4,372,000	kW				\$ 7,122,200	\$	\$ 7,122,200
22.			1,218,895,000	kWh				\$ 19,519,111	\$ 6,338,254	\$ 25,857,365
23.	ECT-2									
24.	Summer		2,036,000	kW	\$ 4.50000	\$	50%	\$ 4,581,000	\$	\$ 4,581,000
25.			690,590,000	kWh	\$ 0.01400	\$ 0.00520	0%	\$ 9,668,260	\$ 3,591,068	\$ 13,259,328
26.		Winter	1,216,000	kW	\$ 2.40000	\$	50%	\$ 1,459,200	\$	\$ 1,459,200
27.			408,035,000	kWh	\$ 0.01590	\$ 0.00520	0%	\$ 6,487,757	\$ 2,121,782	\$ 8,609,539
28.		Sub Total	3,252,000	kW				\$ 6,040,200	\$	\$ 6,040,200
29.			1,098,625,000	kWh				\$ 16,156,017	\$ 5,712,850	\$ 21,868,867
30.	ET-SP									
31.				kW	\$	\$	50%	\$	\$	\$
32.			2,301,000	kWh	\$ 0.02700	\$ 0.00520	0%	\$ 62,127	\$ 11,965	\$ 74,092
33.		Sub Total	-	kW				\$	\$	\$
34.			2,301,000	kWh				\$ 62,127	\$ 11,965	\$ 74,092
35.	ET-EV									
36.										
37.										
38.					\$	\$	50%	\$	\$	\$
39.					\$ 0.02700	\$ 0.00520	0%	\$	\$	\$
40.		Sub Total	-	kW				\$	\$	\$
41.			-	kWh				\$	\$	\$
42.	Total kW		7,624,000	kW				\$ 13,162,400	\$	\$ 13,162,400
43.	Total kWh		12,610,002,000	kWh				\$ 313,572,142	\$ 65,572,010	\$ 379,144,152
44.	Total							\$ 326,734,542	\$ 65,572,010	\$ 392,306,552