ORIGINAL

0000140400

PIERCE PROPOSED AMENDMENT # 1

DATE PREPARED: November 7, 2012

RECEIVED

2012 NOV -7 P 4: 50

AZ CORP COMMISSION
DOCKET CONTROL

COMPANY: Pima Utility Company

DOCKET NOs: W-02199A-11-0329 & SW-02199A-11-0330

OPEN MEETING DATES: November 8, 2012 AGENDA ITEM: U-18

Page 29, Line 5

REPLACE lines 5 through Page 30, line 16 with the following:

"The Commission continues to evaluate the issue of recovery of income tax by pass-through entities in a generic workshop proceeding. While we decline to grant Pima authority to recover the hypothetical income tax expense that it seeks, we recognize the inequity that would ensue if the Commission subsequently allowed recovery of income tax expense for pass-through entities and Pima was unable to participate in that change of policy. Therefore, in the event that the Commission alters its policy to allow pass through entities to impute a hypothetical income tax expense, we will allow Pima the opportunity to file a motion pursuant to A.R.S. § 40-252 to amend this Order prospectively to reflect the change in policy."

Page 48, Line 1

INSERT new Ordering Paragraph:

"IT IS FURTHER ORDERED that in the event the Commission alters its policy to allow S corporation and LLC entities to impute a hypothetical income tax expense for ratemaking purposes, Pima Utility Co. may file a motion to amend this Order prospectively, and Pima Utility Co's authorized revenue requirement hereunder, pursuant to A.R.S.§ 40-252, to reflect the change in Commission policy."

Arizona Corporation Commission
DOCKETED
NOV 07 2012
DOCKETED BY

THIS AMENDMENT:

_____ Passed _____ Passed as amended by _____

_____ Failed _____ Not Offered _____ Withdrawn