## **ORIGINAL**

## STAFF PROPOSED AMENDMENT NO. 1



TIME/DATE PREPARED: November 12, 2013 @ 12:0

COMPANY: Arizona Public Service Company

AGENDA ITEM NO. 10

DOCKET NO(S). E-01345A-13-0248

**OPEN MEETING DATE: 11/13-14/13** 

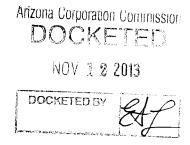
The purpose of this amendment is to clarify "grandfathering" in the context of Staff's recommendations and to change the relevant dates to December 31, 2013.

Page 20, Line 13:

Change "October" to "December"

**INSERT** new Findings of Fact at Page 20, Line 17, and renumber accordingly:

- "72. Staff believes that it is important to clarify its position on grandfathering so that all parties are clear as to the Order's intent. Staff has recommended that all residential customers who either have a DG system installed on their homes, or who submit an application and a signed contract with a solar installer to APS by December 31, 2013, should be grandfathered ("Existing DG Customers").
- 73. Staff qualifies the use of the term "grandfather" in the following manner. First, it is unrealistic to view any rate structure as permanent, thereby purporting to bind future Commissions. Any adjustment adopted today is a bridge proposal, and the Commission's review of this matter in APS's next rate case could lead to higher or lower rates or a completely different rate structure for its customers, including DG customers. If DG customers' rates were frozen, they would not be able to receive benefits (if any) of future changes or rate structures. Therefore, Staff clarifies that its use of the term "grandfather" means that the status quo for Existing DG Customers should be preserved until such time as the Commission considers this issue in APS's next rate case or in other future order of the Commission."



PECELVEN

MIS NOV 12 P 1: 42

AZ CORP COMMISSION

## \*\* Make all conforming changes

THIS AMENDMENT:  Passed Passed as amended by		
Failed	Not Offered	Withdrawn