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ORIGINAL

Arizona Corporation Commission
DOCKETED
APR 14 2014
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April 14, 2014

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

RE: Arizona Public Service Company
2014 Summer Energy Preparedness Special Open Meeting Presentation
Docket No. E-00000F-07-0199

Attached please find Arizona Public Service Company's 2014 Summer Energy Preparedness Presentation provided at the April 10, 2014, Summer Preparedness Special Open Meeting.

If you have any questions regarding this information, please contact Gregory Bernosky at (602)250-4849.

Sincerely,

Lisa Malagon

LM/sl
Attachment

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Public Service Company
2014 Summer Readiness

Before the Arizona Corporation Commission

April 10, 2014

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Presenters

- **Jim Wilde**
  Director: Resource Planning
- **Jacob Tetlow**
  General Manager: Transmission and Distribution Operations Maintenance

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Agenda

- Loads and Resources
- Fuel Supplies
- Planned Maintenance Activities
- Emergency Preparedness & Customer Outreach
- Conclusions

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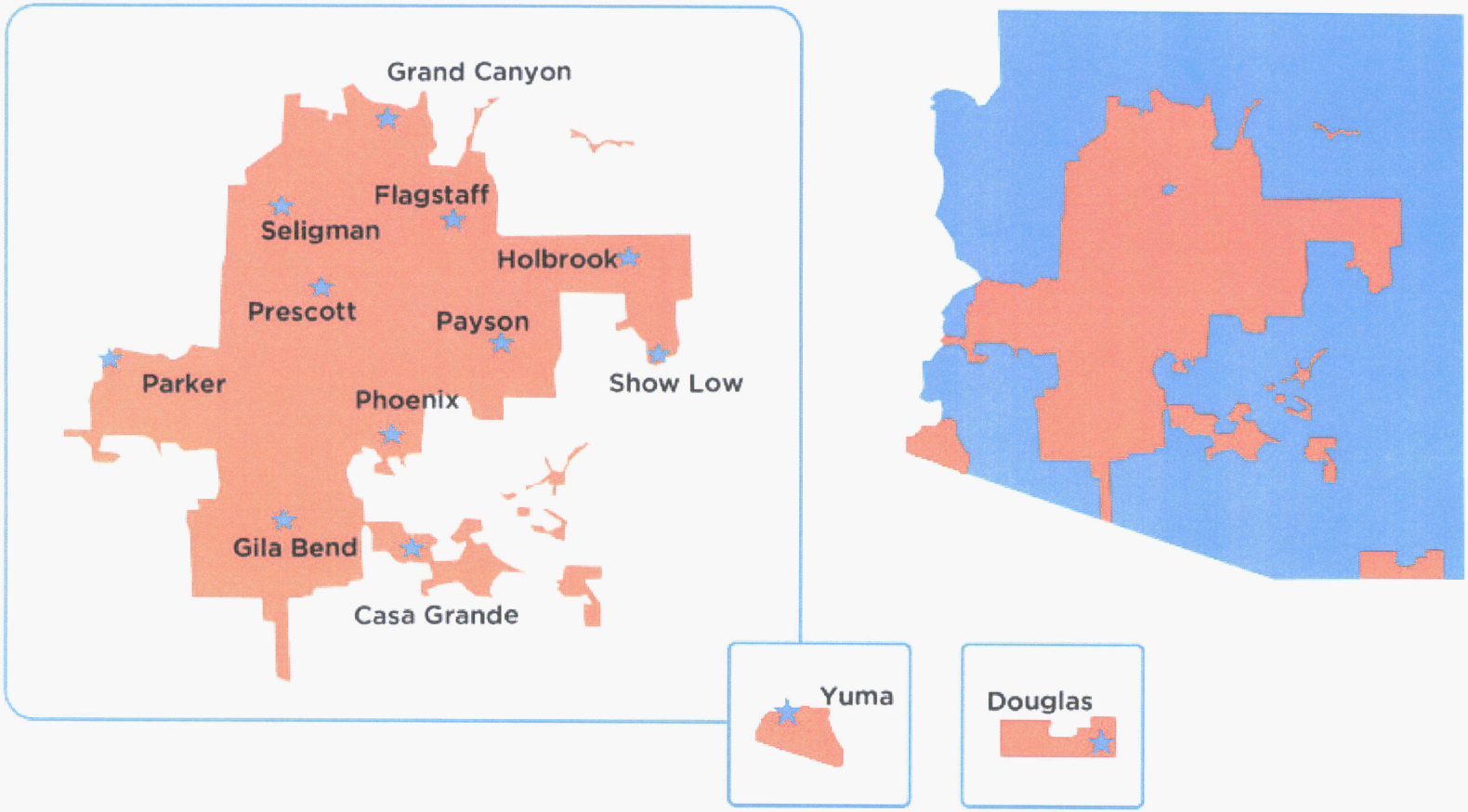
APS Service Territory



APS Service Statistics

- 11 counties
- 34,646 square miles CC&N area
- 1.2 million customers
- 424 substations
- 29,157 distribution line miles
- 5,908 transmission line miles
- 63 generation units

2014 Total Generation Resources

Fuel Source	Capacity at Peak (MW)
Nuclear	1,146
Coal	1,932
Gas Combined Cycle	1,898
Gas/Oil CT, Steam	1,253
Long-Term Contracts	2,481
Renewables (nameplate 753 MW)	476
Total	9,186

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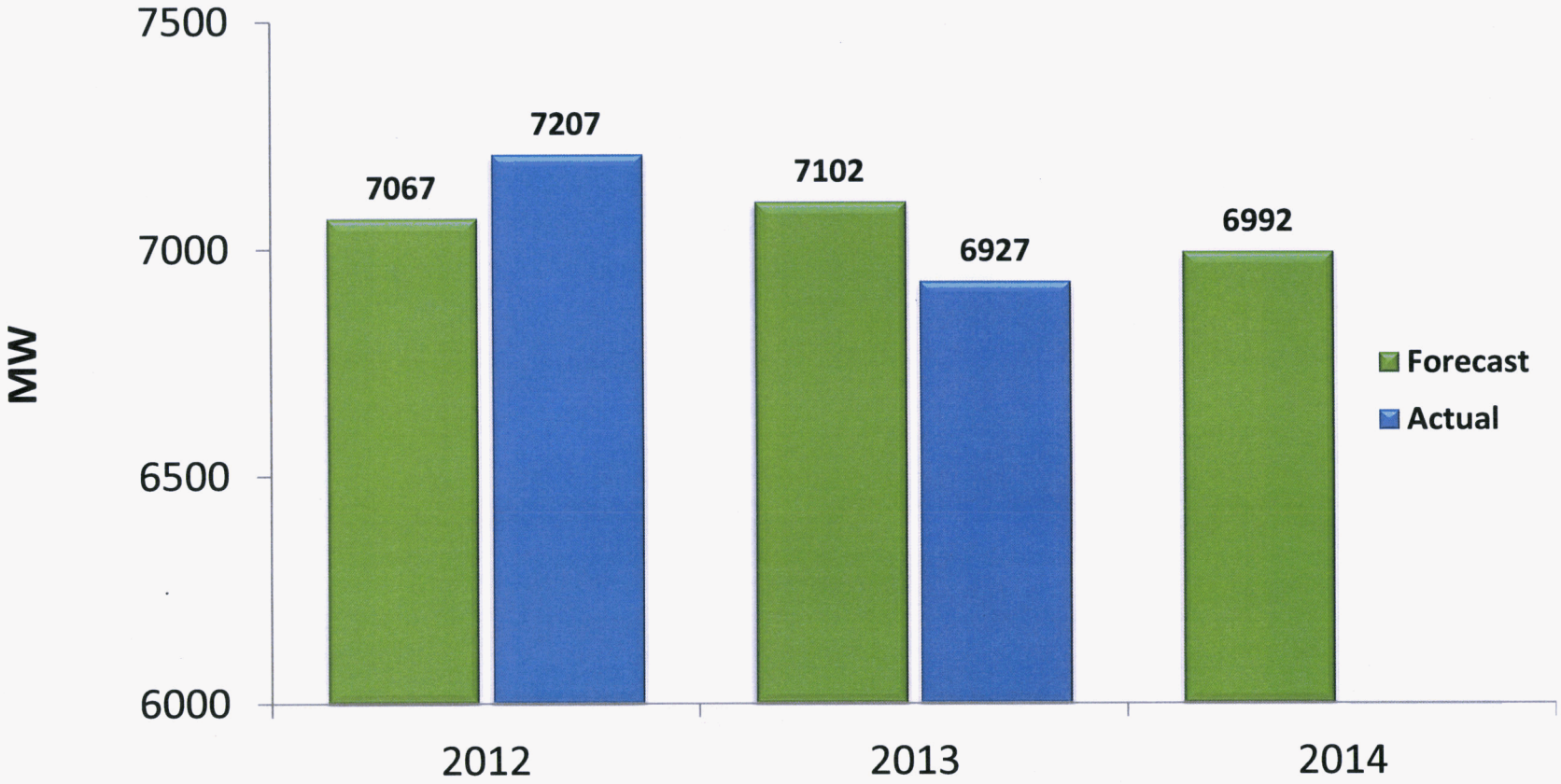
APS System Peak Demand

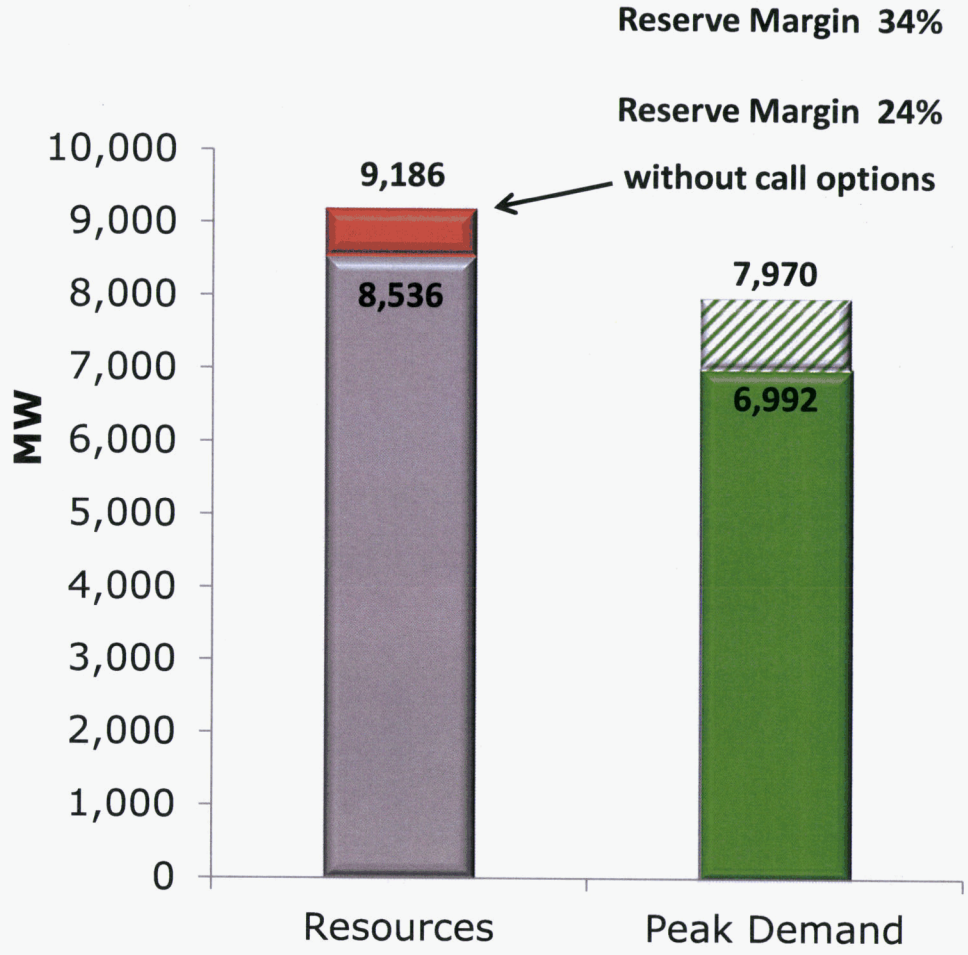


Note: 2014 forecast includes 763 MW of existing customer resources

2014 Peak Generation Resources and Demand

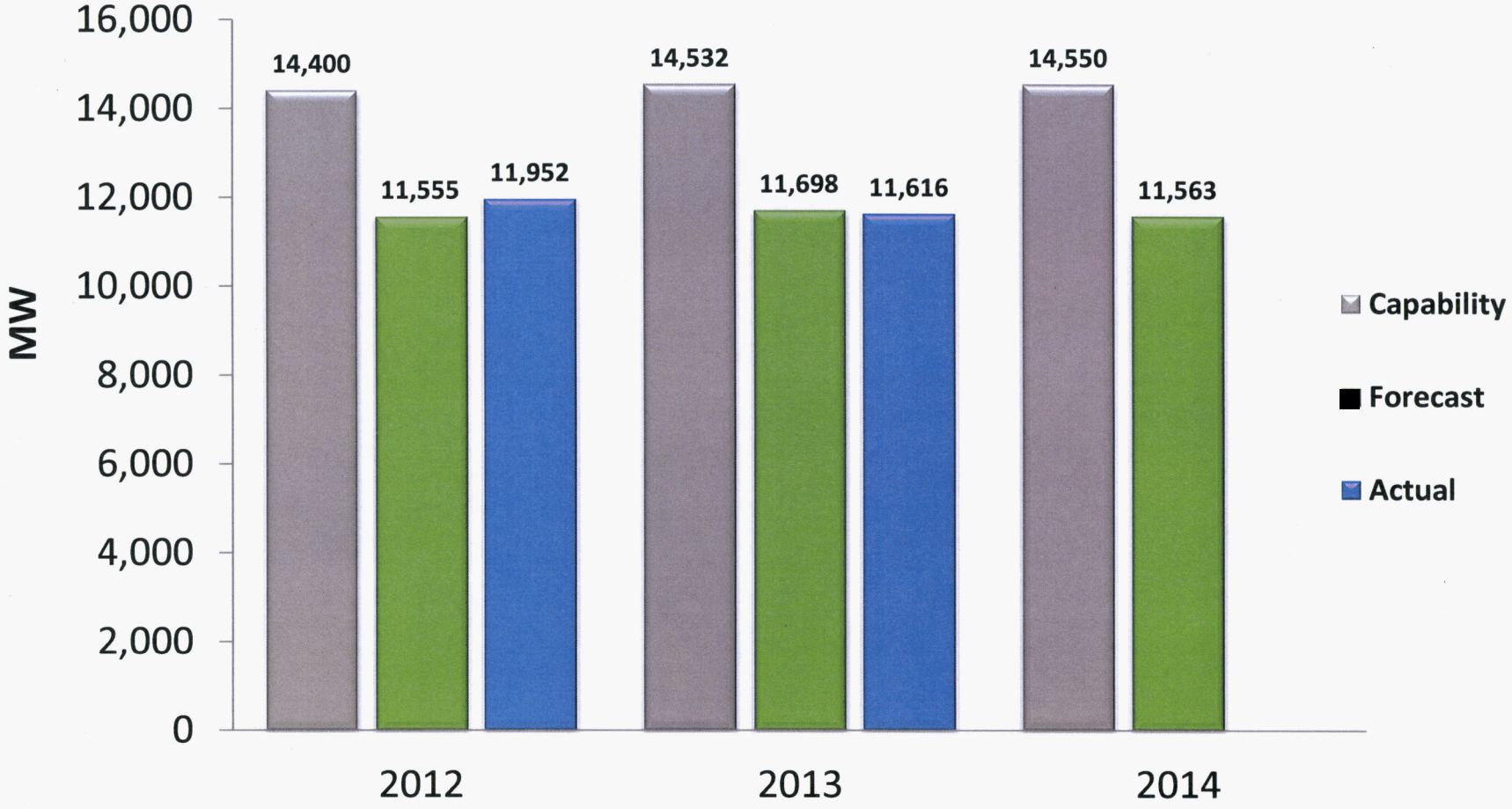
Planned reserve margin to manage uncertainties

- Load forecast uncertainties (weather, economy)
- Unplanned unit outages
- Varying levels of customer participation in mandated programs

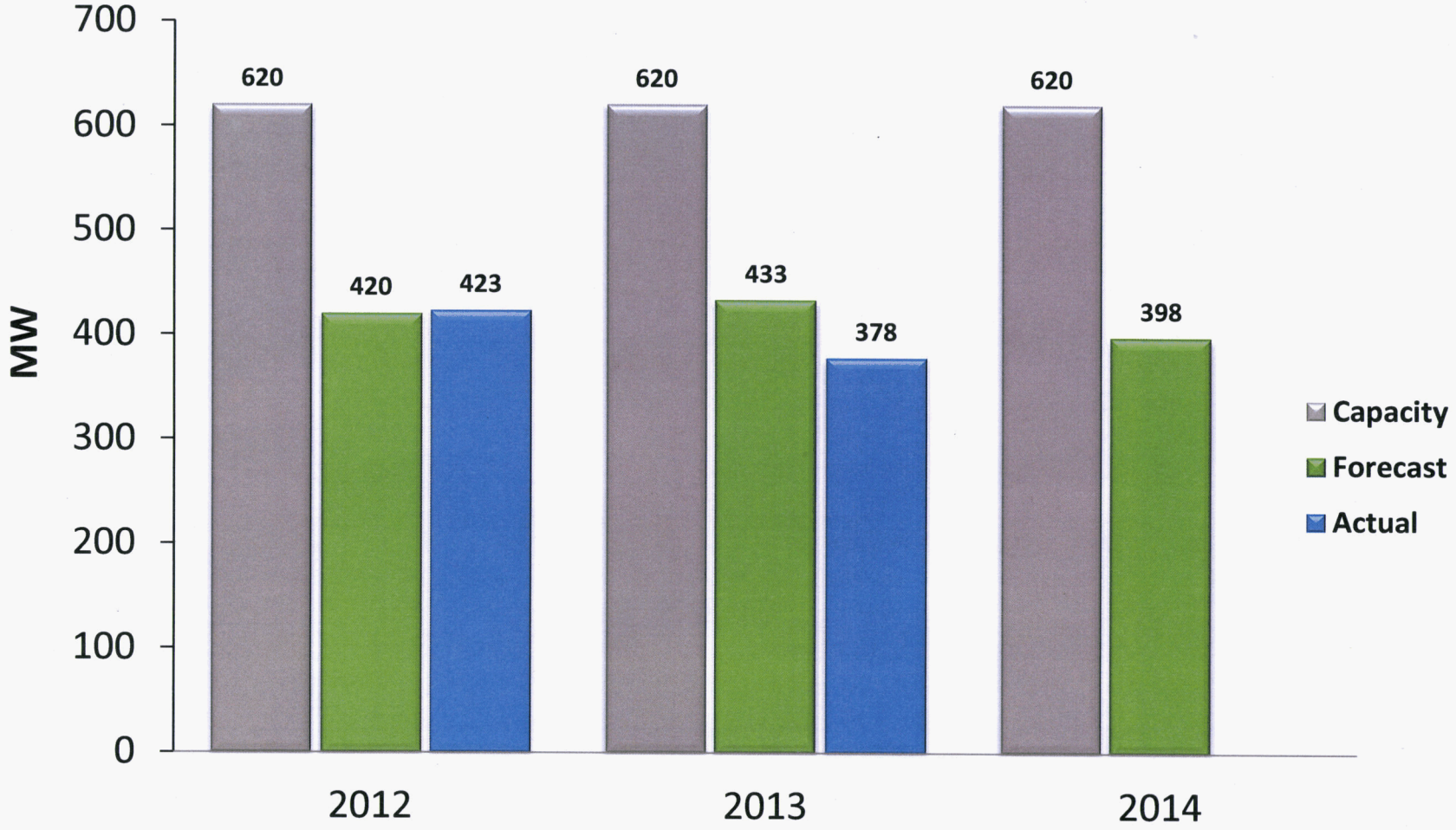


Current minimum reserve margin is 15%, or 978 MW

APS/SRP Valley Maximum Load Serving Capability



Yuma Area Maximum Load Serving Capability



Nuclear: Palo Verde

- Fuel sourced from multiple suppliers
- 100% of 2014 fuel in pipeline
  - Spring Outage, all fuel is on site
  - Fall Outage, all fuel components procured, fabrication on normal schedule
- 100% of fuel requirements contracted through 2017
- Overall station capacity factor at 91.1% in 2013

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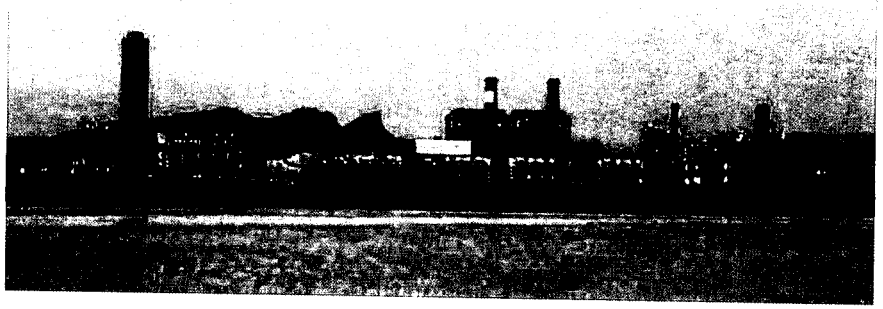
Coal Supply

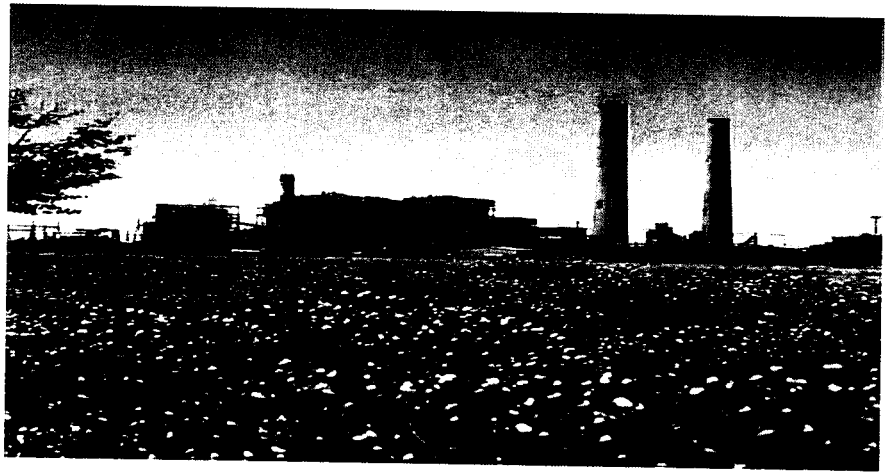
Four Corners Power Plant

- Mine-mouth plant with NTEC – Term through 2031
- BHP is mining contractor through 2016
- 120 days of reserves



Cholla Power Plant

- Fuel Source: El Segundo mine near Grants, NM
- Contract commitments in place through 2024
- 60-70 days of reserves



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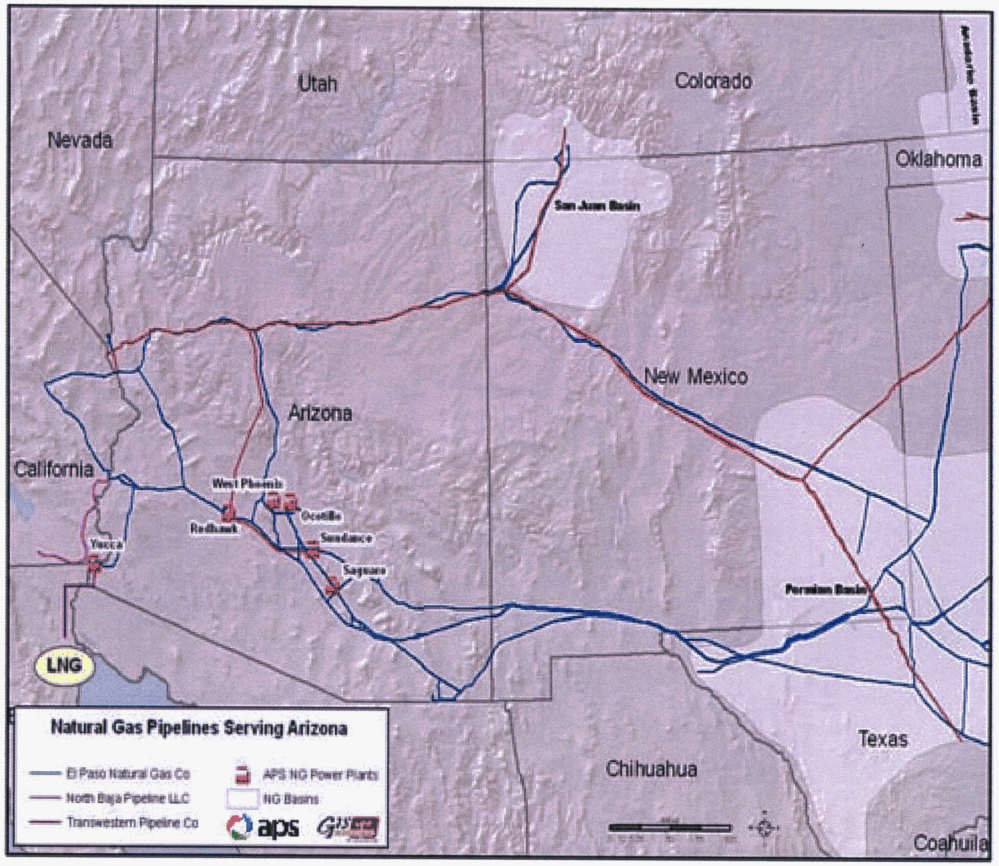
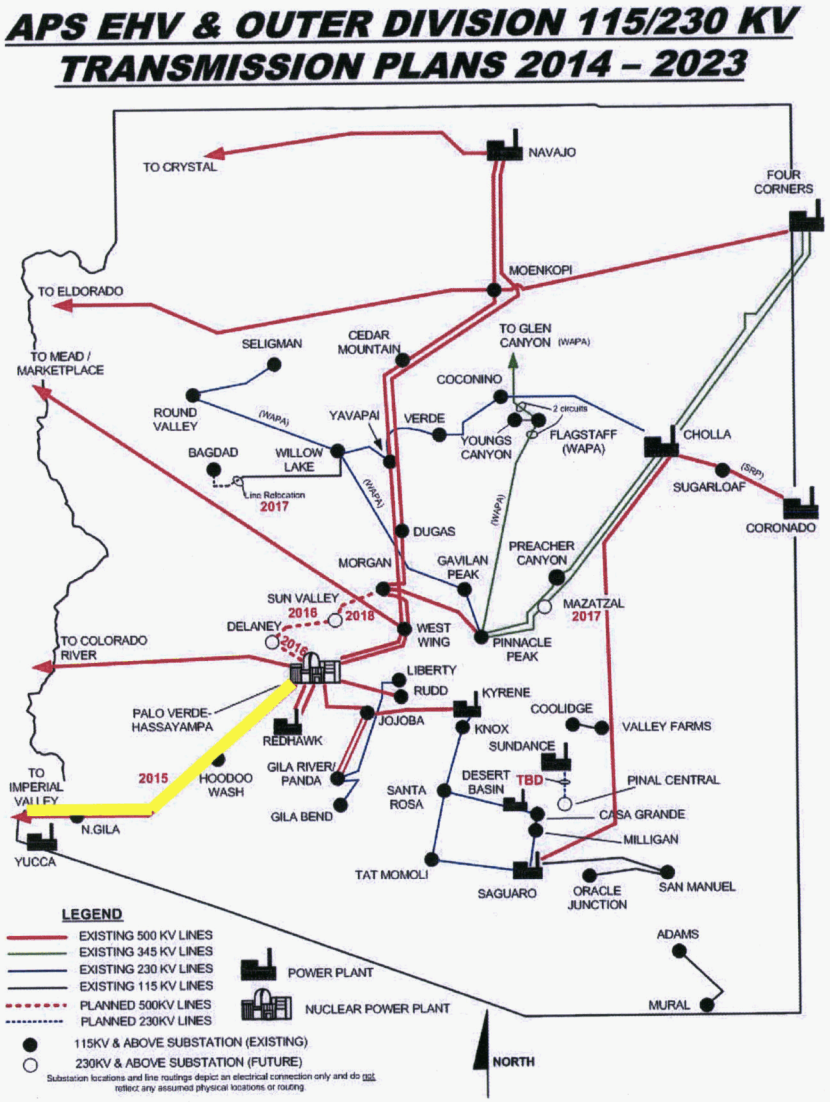
Natural Gas Supply

- APS has sufficient pipeline transportation and supply under contract to meet peak system needs
- El Paso Natural Gas supplies all APS natural gas plants
- Transwestern pipeline also supplies the APS Redhawk and Sundance power plants
- North Baja pipeline also supplies Yucca units 5 & 6
- Gas storage arrangement in West Texas contracted through May of 2015 connecting to both El Paso and TransWestern Pipelines



Transmission System



- Coordination of transmission system operations key to maintaining reliable service
- Access to markets important factor in managing supply contingencies and bringing new resources to load
- Hassayampa to North Gila (Yuma) under construction with planned service for summer 2015

Planned Reliability Activities

- Transmission / Distribution Operations & Maintenance:
  - Substation health monitoring – critical assets
  - Substation, predictive &preventative maintenance initiatives
  - Annual transmission and distribution line patrols
  - Improved situational awareness of the transmission grid within western interconnect

Vegetation Management Activities

- Vegetation Management Program
  - Patrol transmission & distribution right of way
  - APS was the first utility to receive right of way stewardship accreditation for integrated vegetation management
- Wildfire Planning
  - Annual wildfire academy pre-wildfire season meetings with five national forests
  - Strategic deployment of new devices and technologies in high fire risk areas

Emergency Preparedness & Response

- Coordination & Communications with Emergency Managers
  - AZ Dept of Emergency Management, county & municipal emergency managers, & public safety personnel
  - Cross Industry Partners: SRP, TEP, Southwest Gas
- Planning & Training Exercises
  - Statewide exercises and mock drills
  - 2013 Statewide Emergency Exercise
  - Incident Command Coordination & Training
  - Tours of critical facilities

Substation Security Update

- Long established plans in place to protect important facilities
- Working with other utilities, coordinating agencies, regulators and law enforcement to effectively respond to any threats or potential threats
- Plans in place to re-route power as needed during unplanned events

APS Customer Outreach

- Targeted communications for customers, emergency managers & public safety personnel, and community leaders

- Coordination with local emergency management organizations to establish temporary shelters and/or provide outreach for vulnerable populations (need for shelters determined by local emergency managers)

- Purchase or reimburse of dry ice and/or bagged ice (for residential customers' refrigerators and freezers)

- Medical Care Preparedness Program (life support/medical monitoring)

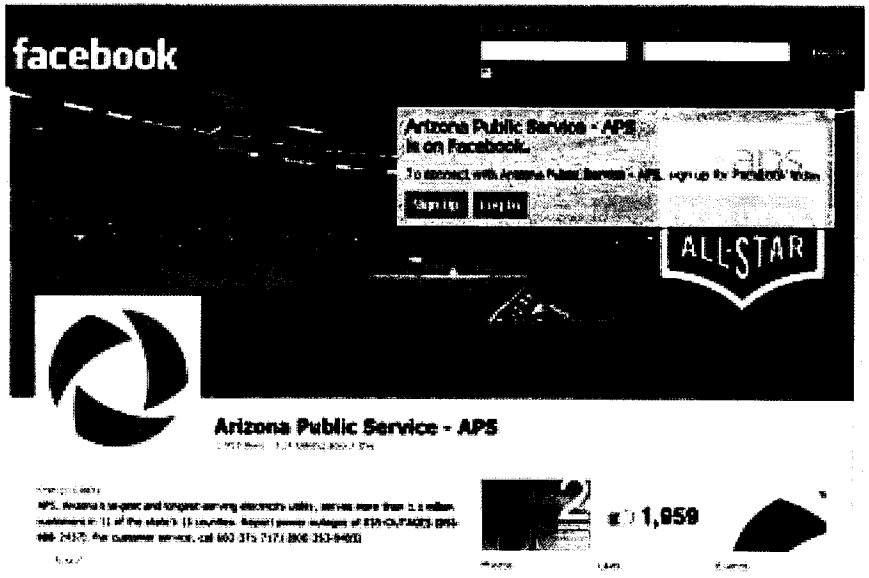
APS Customer Outage Information Sources

- Call Center staffed with live agents 24hrs, 7 days/week
  - Automated, up-front recorded outage messages updated regularly
  - Outbound customer calls when power is restored
- News media
  - APS media hotline monitored 24hrs, 7 days/week
  - Access to Arizona DPS media alert system

Social Media

- Facebook & Twitter
  - ETR's (estimated time of restoration)
  - General area affected
  - Outage cause – if and when known

https://www.facebook.com/apsfyi



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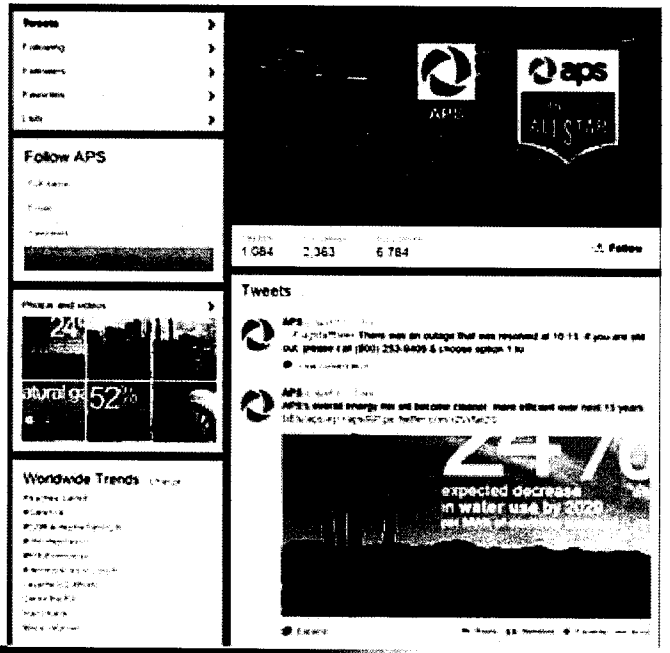

Summary

- Generation resources, fuel supplies and transmission capacity in place to meet customer demand and reserve requirements
- Maintenance efforts on track
- On going coordination, integration with external emergency planners
- Strong customer communication channels in place