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ARIZONA CORPORATION COMMISSION
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August 28, 2014

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

ORIGINAL

RE: Arizona Public Service Company's Demand Side Management Status Report
Docket No. E-00000U-14-0049

Pursuant to the Electric Energy Efficiency Standard, A.A.C. R14-2-2409(B)

"By September 1 of each year, an affected utility shall file a status report including a tabular summary showing the following for each current Commission-approved DSM program and DSM measure of the affected utility: 1) Semi-annual expenditures compared to original budget and 2) Participation rates."

Attached please find Arizona Public Service Company's Demand Side Management Status Report for the period January through June 2014.

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

Sincerely,

Lisa Malagon

LM/sb

cc: Brian Bozzo
Barbara Keene

Arizona Corporation Commission
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**Arizona Public Service
Company**

**Demand Side Management
Status Report**

August 28, 2014

aps

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ARIZONA PUBLIC SERVICE COMPANY

DSM STATUS REPORT:

JANUARY THROUGH JUNE 2014

Introduction

Pursuant to A.A.C. R-14-2-2409(B) Arizona Public Service ("APS") provides this status report containing a summary of expenditures and participation rates for the period January through June 2014. For informational purposes, APS also provides energy efficiency and demand response savings results for the same period.

**TABLE 1
DSM Program Expenses January – June 2014, and Annual Budget**

DSM Program	Expenditures January – June 2014	2014 Annual Budget
Residential:		
Consumer Products	\$3,474,804	\$7,524,000
Existing Homes	\$4,003,032	\$11,008,000
New Construction	\$2,281,449	\$3,151,000
Appliance Recycling	\$404,803	\$1,600,000
Conservation Behavior	\$593,642 ¹	\$1,053,000
Multi-Family	552,759	1,653,000
Shade Trees	\$110,233	\$297,000
Low Income	\$928,469	\$2,476,000
Total for Residential	\$12,349,191	\$28,762,000
Non-Residential:		
Large Existing Facilities	\$5,264,139	\$17,834,000
New Construction	\$1,041,967	\$3,478,000
Small Business	\$1,293,774	\$3,899,169
Schools	\$1,076,182	\$2,599,000
Energy Information Services	\$18,996	\$77,000
Total Non-Residential	\$8,695,058	\$27,887,169
Codes & Standards	\$39,824	\$100,000
MER	\$933,399	\$2,300,000
Performance Incentive	NA ²	\$4,634,000
EE Program Total	\$22,017,472	\$63,683,169
DR Program Total	\$488,700	\$5,216,685
DSM Total	\$22,506,172	\$68,899,854

1. Includes annual report and portal license fees paid in April 2014 for the 2014 program. APS anticipates end of year program costs to be within the 2014 budget amount.
2. APS has an Annual MWh savings goal and therefore, has not estimated the Performance Incentive for this 6-month Reporting Period. APS will report the Performance Incentive Amount in the year-end Progress Report that will be filed March 1, 2015.

ARIZONA PUBLIC SERVICE COMPANY

DSM STATUS REPORT:

JANUARY THROUGH JUNE 2014

**TABLE 2
DSM Participation Rates: January – June 2014**

DSM Program / Measure	Number of Units	Definition of Unit
Consumer Products		
CFLs	946,653	Bulbs
LEDs	6,668	Bulbs
Pool Pumps	3,229	Variable speed pumps
Existing Homes		
AC Rebates		
13-17+ SEER: Quality Install	3,848	No. of AC units
Residential Diagnostic	457	No. of AC units
Duct Test and Repair	1,837	No. of duct systems sealed
Home Performance with Energy Star		
Audits	2,076	Energy audits
Shower Heads	2,076	Shower heads
Faucet Aerators	0	Aerators
CFLs	20,760	CFLs
Duct Repair	847	Duct systems sealed
Air Sealing	9	Homes air sealed
Air Sealing and Insulation	559	Homes air sealed and insulated
New Construction		
Energy Star – Version 3	1,358	Homes
Energy Star – V3 HERS 60	338	Homes
Appliance Recycling		
Refrigerators	3,185	Refrigerators
Freezers	359	Freezers
Conservation Behavior		
	97,000	Report recipients ¹
Multi-Family		
Showerheads	3,931	Showerheads
Faucet Aerators	5,603	Faucet aerators
CFLs	35,664	CFLs
BOP1	0	Tenant dwellings
BOP2	0	Tenant dwellings
BOP3	139	Tenant dwellings
Shade Trees		
	1,886	Trees distributed

ARIZONA PUBLIC SERVICE COMPANY

DSM STATUS REPORT:

JANUARY THROUGH JUNE 2014

DSM Program / Measure	Number of Units	Definition of Unit
Low Income	191	Homes weatherized
	46	Customers receiving bill assistance
Large Existing Facilities²	660	Applications processed
New Construction²	47	Applications processed
Small Business²	448	Applications processed
Schools²	38	Applications processed
Energy Information Services	23	New Meters
Demand Response Programs		
APS Peak Solutions	1,161	Meters (0 events year-to-date)
Critical Peak Pricing	589	Meters (9 events)
Peak Time Rebates	899	Meters (4 events)
TOU Rates & Super Peak	541,897	Meters

1. Number of participants reported as of June 30, 2014. This same group of participants will be reported in APS's Annual Progress Report.
2. Non-Residential participation is tracked at the application level.

ARIZONA PUBLIC SERVICE COMPANY

DSM STATUS REPORT:

JANUARY THROUGH JUNE 2014

TABLE 3
Demand Side Management Electric Savings: January – June 2014²

DSM Program	Net Peak MW Capacity Savings	Net Annual MWh Savings	Net Lifetime¹ MWh Savings
Residential:			
Consumer Products	3.5	48,540	319,433
Existing Homes	5.2	7,968	106,045
New Construction	2.6	5,463	109,261
Appliance Recycling	0.6	4,350	26,102
Conservation Behavior	0.0 ³	12,183	12,183
Multi-Family	0.3	3,123	28,927
Shade Trees	0.1	158	4,752
Low Income	0.1	463	8,801
Total Residential	12.4	82,248	615,504
Non-Residential:			
Large Existing Facilities	9.7	54,458	683,278
New Construction	1.7	11,587	170,707
Small Business	2.4	8,819	114,874
Schools	1.3	6,228	87,924
Energy Information Services	0.9	13	65
Total Non-Residential	16.0	81,105	1,056,848
Codes & Standards ⁴	NA	NA	NA
Demand Response ⁵		18,150	
Total DSM	28.4	181,503	1,672,352

1. Refers to savings over the expected lifetime of all program measures.
2. Savings are adjusted for line losses (energy 7.0%, demand 11.7%) and a capacity reserve factor of 15%.
3. To avoid double counting of MW capacity savings for annual program participants, the demand savings for the Behavioral program will be reflected in the year-end Progress Report that will be filed March 1, 2015.
4. Savings for Codes & Standards will be provided in APS's Annual DSM Progress Report.
5. Per A.A.C. R14-2-2404(C), the credit for demand response and load management peak reductions shall not exceed 10% of the EE Standard for any year. For mid-year reporting, APS is reporting the Demand Response savings as 10% of the total annual DSM Savings to date.