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ORIGINAL

OCT 10 2014

DOCKETED BY

IN THE MATTER OF THE
APPLICATION OF ARIZONA PUBLIC
SERVICE COMPANY FOR A RULING
RELATING TO ITS 2015 DEMAND
SIDE IMPLEMENTATION PLAN –
REQUEST FOR RULING ON
FREEPORT-MCMORAN COPPER &
GOLD, INC.'S REQUEST FOR
EXEMPTION FROM A.A.C. R14-2-
2401, ET. SEQ. (ENERGY
EFFICIENCY STANDARD).

DOCKET NO. E-01345A-14-0261

**COMMENTS OF FREEPORT-
MCMORAN COPPER & GOLD INC.
ON PROPOSED ORDER FOR THE
ARIZONA PUBLIC SERVICE
COMPANY'S REQUEST FOR
RULING ON FREEPORT-
MCMORAN COPPER & GOLD,
INC.'S REQUEST FOR EXEMPTION
FROM A.A.C. R14-2-2401, ET. SEQ.**

Freeport-McMoRan Copper & Gold Inc. ("Freeport") hereby files these
Comments on the Proposed Order for Arizona Public Service Company's ("APS")
request for a ruling on Freeport's Request for Exemption from A.A.C. R14-2-24-1, *et. seq.* ("Energy Efficiency Standard").

Freeport appreciates the resources, time and effort the Arizona Corporation
Commission Staff ("Staff") has devoted to the issuance of the Memorandum and
Proposed Order. Freeport supports the Proposed Order, with the exception of one of
the Staff Recommendations that appears in the Proposed Order as Paragraph 19 on page
4 at line 26 and continuing on to line 2 page 5 that requires the report of energy
efficiency activities and savings on an annual basis as verified by an independent third
party. Freeport requests that the quoted language in paragraph 19, "as verified by an
independent third party", be stricken and replaced with the following language, "to

1 provide an annual count of the number and horsepower of high efficient motors
2 installed at Bagdad, which motors operate all mining processes, thereby enabling the
3 calculation of energy savings,”.

4 To require a third party engineer to perform an energy efficiency audit on a mine
5 project would be extremely burdensome, costly and require a considerable amount of
6 time in training and instruction for individuals who conduct the audits. As an example
7 of the difficulty involved in having such individuals conduct audits, before the third
8 party engineer would be allowed on the Bagdad Mine site, the engineer would be
9 required to attend a three-day Mine Safety and Health Administration (“MSHA”)
10 training class and to receive specific site training for the Bagdad Mine.

11 Freeport understands that SWEEP supports the recommendation relating to
12 verification by an independent third party, based on EPA reporting requirements set
13 forth in the draft Clean Power Plan for existing electrical generating units. 79 F.R.
14 34830, June 18, 2014. To the extent that SWEEP’s position is based on the belief that
15 third party verification is required for demand side energy efficiency programs under
16 the draft EPA rule, such belief is incorrect. The Clean Power Plan does not mandate
17 independent third party verification.

18 Freeport filed with its Request For an Exemption, Freeport-McMoRan Copper &
19 Gold, Inc.’s Energy Efficiency Report dated March, 2014, which describes the energy
20 projects and energy savings associated with those projects.

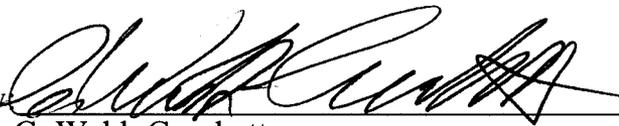
21 Freeport encourages the Commission to adopt the Proposed Order with the
22 proposed amendment set forth above.

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RESPECTFULLY SUBMITTED this 10th day of October, 2014.

FENNEMORE CRAIG, P.C.

By: 

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Patrick J. Black
Attorneys for Freeport-McMoRan Copper
& Gold Inc. and Arizonans for Electric
Choice and Competition

ORIGINAL and 13 copies filed
this 10th day of October, 2014 with:

Docket Control
Arizona Corporation Commission
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Phoenix, Arizona 85007

COPY of the foregoing hand-delivered/mailed/emailed
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