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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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January 27, 2015

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85001

ORIGINAL

RE: Arizona Public Service Company's Application for Authorization for the Purchase of Generating Assets from Southern California Edison;
Docket No E-01345A-10-0474

In Decision No. 73130, dated April 24, 2012, the Commission ordered that:

Arizona Public Service Company shall file each January with Docket Control, as a compliance item in this Docket, an annual status report for each preceding calendar year, of all matters related to the deferrals, and the cumulative costs thereof, with the first such report due not later than January 31, 2013.

In compliance with Decision No. 73130, APS is providing, as Attachment A, the details of the deferral balance related to the acquisition of Four Corners Units 4 and 5 and the shutdown of Four Corner Units 1-3 as of December 31, 2014. The amounts reported in this filing may differ from those reported in the Four Corners Rate Rider filed in Docket No. E-10345A-11-0224 based on the true-up of actual versus estimates and a delay in the implementation of the Rider. Please note that APS stopped deferring costs associated with the Four Corners transaction now that it is accounted for in the Rider. As a result, this will be the last report filed on the deferrals.

If you have any questions regarding this information, please contact Kelly Hauert at (602)250-2902.

Sincerely,

Lisa Malagon

LM/sb
Attachments

cc: Parties of Record

Arizona Corporation Commission
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JAN 27 2015

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Copies of the foregoing delivered/mailed this 27th
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ARIZONA PUBLIC SERVICE

Attachment A

Four Corners Deferral Balance at 12/31/2014

12/30/2013 Purchase Date of SCE's Share, Units 1-2-3 Shut Down 12/31/2013

(\$ in thousands)

	ACC
	<u>@ 96.6%</u>
Four Corner Unit 1-3 Remaining Plant Investment	\$ 28,426
Four Corner Unit 1-3 Remaining Inventory	6,043
Four Corners Unit 1-3 Net Savings - O&M	(41,739)
Four Corners Incremental O&M on Acquired Portion	62,302
Four Corners Depreciation and Accretion on Acquired Portion	7,621
Four Corners Property Taxes on Acquired Portion, net of U1-3 savings	6,214
Debt Return of Rate Base	8,352
Deferral Amortization	(278)
	<u>\$ 76,943</u>