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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS **DOCKETED**

SUSAN BITTER SMITH - CHAIRMAN

BOB STUMP

BOB BURNS

DOUG LITTLE

TOM FORESE

JUL 24 2015

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AZ CORP COMMISSION  
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DOCKET NO. E-01773A-12-0305

IN THE MATTER OF THE APPLICATION OF ARIZONA ELECTRIC POWER COOPERATIVE, INC. TO DETERMINE THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON AND TO APPROVE RATES DESIGNED TO DEVELOP SUCH RETURN.

**STAFF'S REQUEST FOR PROCEDURAL CONFERENCE**

**PROCEDURAL BACKGROUND**

On July 5, 2012, Arizona Electric Power Cooperative, Inc. ("AEP CO") filed with the Arizona Corporation Commission ("Commission") an application for a rate decrease. Intervention was granted to Trico Electric Cooperative, Inc., Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC"), and Mohave Electric Cooperative, Inc. ("MEC").

Following a hearing on the rate application, on October 25, 2013, the Commission issued Decision No. 74 173. Among other things, Decision No. 74173 ordered the record in this case to be held open until April 30, 2014, for the limited purpose of allowing AEP CO, after collaborating with the Commission's Utilities Division ("Staff"), to file for Commission approval a proposed Environmental Compliance Adjustment Rider ("ECAR") and plan of administration fully addressing the technical points raised by Staff in the rate proceeding. Decision No. 74173 also ordered AEP CO, if it chose to file an ECAR application, to provide notice of its filing to the retail customers of its Members, in a form acceptable to Staff.

On April 30, 2014, AEP CO filed in this docket an Application for Approval of the ECAR Plan of Administration and Tariff ("ECAR Application"). On September 19, 2014, a Procedural Order was issued setting filing dates for a Staff Report and AEP CO's Response to the Staff Report. On October 17, 2014, Staff filed a Staff Report on the ECAR Application. Staff recommended approval of the ECAR, but recommended against AEP CO's proposal that chemical operating expenses be included in the ECAR surcharge.

1 On November 13, 2014, AEPCO filed a Response to the Staff Report on the ECAR  
2 Application. On January 14, 2015, a Recommended Order on the ECAR Application was docketed.  
3 The Recommended Order included approval of the ECAR and Plan of Administration, but did not  
4 approve AEPCO's requested inclusion of chemical operating expenses as eligible for recovery  
5 through the ECAR surcharge.

6 On January 22, 2015, AEPCO filed a Request for Procedural Conference and Postponement  
7 of Commission Consideration Re ECAR. AEPCO requested that the Commission postpone  
8 consideration of the ECAR Application until after a hearing is held, and that a procedural conference  
9 be held for the purpose of scheduling a hearing on contested issues in the ECAR Application.

10 On May 7, 2015, a Procedural Order was issued setting the matter for hearing on August 24,  
11 2015, at 10:00 a.m. and setting the following schedule:

- 12 • Pre-hearing conference - August 21, 2015
- 13 • AEPCO's direct testimony and associated exhibits - June 19, 2015
- 14 • Staff's direct testimony and associated exhibits - July 31, 2015
- 15 • Intervenors' direct testimony and associated exhibits - August 14, 2015
- 16 • AEPCO's rebuttal testimony and associated exhibits - August 19, 2015
- 17 • Objections to pre-filed testimony or exhibits - August 21, 2015 (the prehearing  
18 Conference)

19 AEPCO was further directed to provide public notice of the hearing to be published in  
20 newsletters published by its Class A Member Cooperatives as soon as possible, and prior to July 17,  
21 2015, or to mail a copy of the above notice to all retail customers of its Class A Member  
22 Cooperatives either as a bill insert in their July 2015 billings, or as a separate mailing by July 17,  
23 2015. AEPCO filed its Affidavits of Publication and/or Mailing on July 21, 2015. AEPCO also filed  
24 its Direct Testimony on June 19, 2015.

25 **REQUEST FOR PROCEDURAL CONFERENCE**

26 Staff's witness in this matter has been called for jury duty and selected as a juror in a criminal  
27 case in the Maricopa County Superior Court, requiring her to be absent from her employment for the  
28 better part of the past three weeks. While her jury service is now complete, she has been unable to

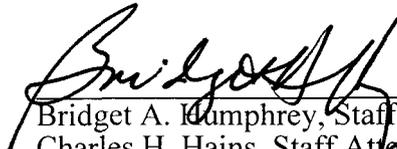
1 prepare her testimony in this matter and has also developed a backlog of her required tasks in many  
2 other matters assigned to her. As a result Staff requests and AEPCO has agreed to the scheduling of a  
3 procedural conference for the purpose of discussing extension of the time by which Staff must file its  
4 Direct Testimony herein, which extension will necessarily delay the hearing in this matter and require  
5 rescheduling of all deadlines in this case.

6 Staff requests that the schedule of filings and the presentation of evidence at hearing be  
7 extended as set forth below. Staff further requests that the hearing date of August 24, 2015, be  
8 retained and utilized as the time for public comment. The proposed schedule is:

- 9 • Staff's direct testimony and associated exhibits - August 21, 2015
- 10 • Intervenors' direct testimony and associated exhibits - September 4, 2015
- 11 • AEPCO's rebuttal testimony and associated exhibits - September 17, 2015
- 12 • Pre-hearing conference - September 18, 2015
- 13 • Objections to pre-filed testimony or exhibits – September 18, 2015 (the Prehearing  
14 Conference)
- 15 • Hearing – September 29, 2015, with additional days of September 30 and October 1,  
16 2015, if necessary.

17 Staff has conferred with AEPCO and AEPCO agrees that a Procedural Conference should be  
18 scheduled. Both parties are available the week of July 27, 2015.

19 RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of July, 2015.

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1 Original and thirteen (13) copies  
2 of the foregoing filed this  
24<sup>th</sup> day of July, 2015 with:

3 Docket Control  
4 Arizona Corporation Commission  
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6 Copies of the foregoing were emailed and/or  
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