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AZ CORP COMMISSION  
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October 8, 2015

Arizona Corporation Commission

DOCKETED

OCT 08 2015

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

DOCKETED BY

Re: Cost of Service Summary  
APS's Application for Approval of Net Metering Cost Shift Solution  
Docket No. E-01345A-13-0248

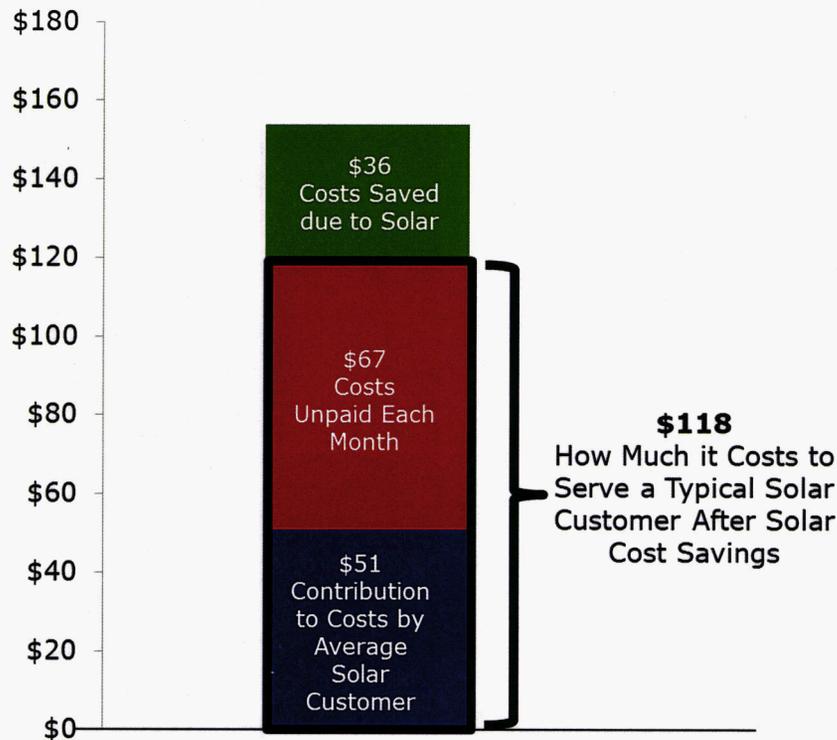
To All Parties:

During the August 18 Open Meeting, APS committed to preparing a cost of service study in connection with the Commission's consideration of the issues raised in this docket. APS submits this letter to notify the Commission that it has completed the cost of service study.

Cost of service studies show the specific costs incurred to provide electric service to customers, and how much of these costs that each customer class actually pays. All costs are considered in these studies, including those related to generation, transmission, distribution, and metering. APS prepares and files a cost of service study in each rate case, and APS prepared its study in this docket using Commission-accepted methodologies. This study is based on financial and load information from 2014, the most recent full year available.

The results, summarized in the attached documents, are consistent with APS's prior analysis. After accounting for the system savings provided by solar, APS incurs \$67 each month in costs that customers with solar do not pay under the current design of APS's rates:

**Cost of Service Results for A Typical Solar Customer**



Stated differently, customers with rooftop solar pay 36% of the cost to provide them electric service.

The conclusions of APS’s cost of service study are based on actual data. Many insist that the benefits of solar should be considered and incorporated along with the costs. APS agrees, and consistent with its analysis in 2013, has done so here. APS’s cost of service study incorporates and credits to solar customers the measurable costs that APS avoids when a customer installs rooftop solar. These savings primarily stem from reduced fuel costs and reduced reliance on infrastructure.

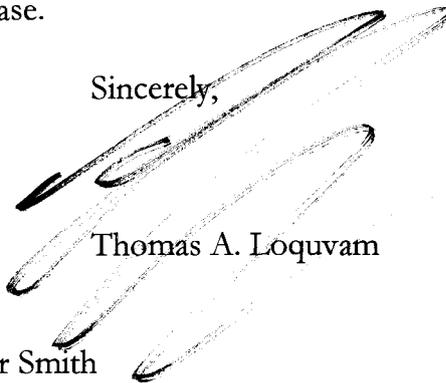
Because it is a cost of service study, however, intangible, policy-related or hypothetical future benefits—such as reduced carbon emissions, speculative reductions in future infrastructure, or societal benefits, are not included. These types of benefits are not consistent with cost-based rates, and to include hypothetical benefits in rates is a policy question.

This policy question, along with other important considerations, are part of the discussion about whether and how to consider the “value of solar” when setting cost-based rates. APS looks forward to continuing this discussion with all stakeholders, and supports Commission Staff’s recommendation that a hearing be held on the value of solar. But the value of solar is a policy issue that involves resource planning questions.

To begin the value of solar discussion with the conclusion that the value should be reflected in rates is to make the policy decision before the discussion has even begun.

The discussion regarding the value of solar, and whether this value can be obtained at a lower cost from grid-scale solar, parallels a broader discussion regarding how to modernize rate design. The place to start this broader rate design discussion is a cost of service study. APS has completed that study. At the appropriate time, APS will file its full cost of service study with accompanying testimony. APS looks forward to the Commission's deliberations on this issue and is confident that an evidentiary hearing on APS's cost of service study will establish a foundation to make meaningful progress in APS's next rate case.

Sincerely,



Thomas A. Loquvam

- c: Chairman Susan Bitter Smith
- Commissioner Bob Stump
- Commissioner Bob Burns
- Commissioner Doug Little
- Commissioner Tom Forese
- Tom Broderick
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- Parties of Record

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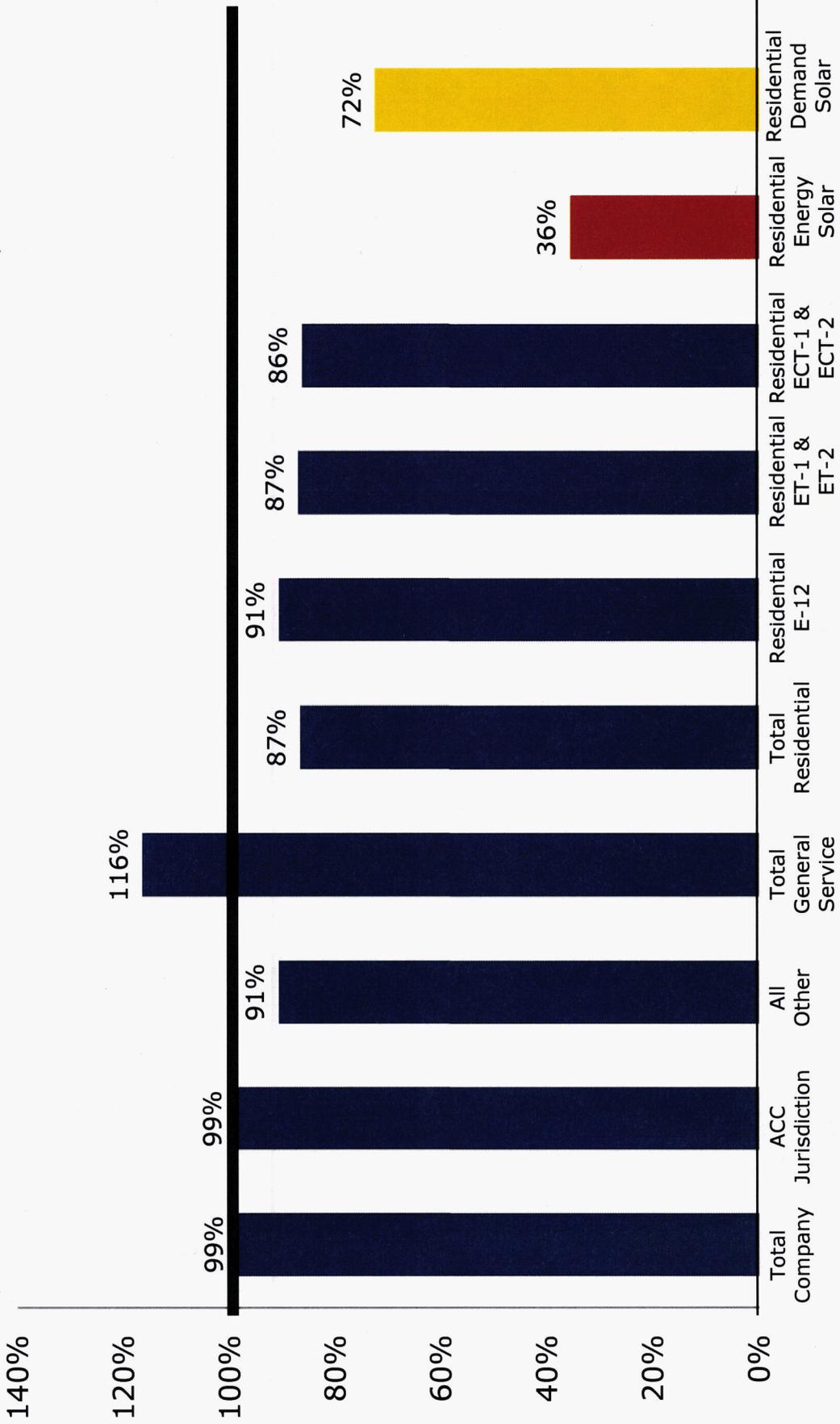
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**APS Customer Classes % of Cost to Serve**



ARIZONA PUBLIC SERVICE COMPANY  
ELECTRIC COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2014  
(\$)

Line #	2014 Cost of Service	ELECTRIC TOTAL (1)	ACC JURISDICTION (2)	ALL OTHER (3)	TOTAL RETAIL (4)	RESIDENTIAL (5)	GENERAL SERVICE (6)	E-221 (Water Pumping) (7)	STREET LIGHTING (8)	DUSK TO DAWN (9)
1	<b>SUMMARY OF RESULTS</b>									
2										
3	<b>DEVELOPMENT OF RATE BASE</b>									
4	ELECTRIC PLANT IN SERVICE	\$ 14,696,707,221	\$ 12,461,310,312	\$ 2,235,396,909	\$ 12,461,310,312	\$ 7,873,908,648	\$ 4,310,123,653	\$ 95,786,128	\$ 129,497,556	\$ 51,992,326
5	GENERAL & INTANGIBLE PLANT	1,399,767,310	1,293,230,475	106,536,835	1,293,230,475	852,085,017	1,117,936,299	11,173,933	8,027,437	4,037,789
6	LESS: RESERVE FOR DEPRECIATION	(6,173,357,275)	(5,390,237,335)	(783,119,940)	(5,390,237,335)	(3,400,040,425)	(1,880,485,209)	(45,796,324)	(46,224,142)	(17,681,235)
7	OTHER DEFERRED CREDITS	(1,225,088,587)	(1,169,199,077)	(55,889,510)	(1,169,199,077)	(707,151,484)	(441,199,733)	(12,223,376)	(9,625,086)	(1,999,398)
8	WORKING CASH	(101,350,672)	(84,517,428)	(16,833,244)	(84,517,428)	(54,258,104)	(28,376,526)	(614,571)	(906,554)	(361,674)
9	MATERIALS, SUPPLIES & PREPAYMENTS	409,194,079	387,469,477	41,725,602	387,469,477	213,464,249	146,393,612	3,737,240	2,908,959	964,417
10	REGULATORY ASSETS	(2,639,765,552)	(2,206,834,700)	(432,930,852)	(2,206,834,700)	(1,413,363,736)	(743,357,519)	(15,874,443)	(24,246,078)	(9,992,924)
11	ACCUM. DEFERRED TAXES	373,194,607	324,563,826	48,630,781	324,563,826	230,084,643	88,270,385	2,112,479	1,564,325	1,564,325
12	DECOMMISSIONING FUND	713,866,000	699,089,974	14,777,026	699,089,974	422,822,832	264,701,513	7,566,980	3,426,557	571,093
13	GAIN FROM DISP. OF PLANT	(4,887,000)	(4,785,839)	(101,161)	(4,785,839)	(2,894,570)	(1,812,100)	(23,458)	(23,458)	(3,910)
14	MISCELLANEOUS DEFERRED DEBITS	125,606,562	102,010,534	23,596,028	102,010,534	66,010,041	34,154,949	918,340	627,237	299,966
15	CUSTOMER ADVANCES	(123,052,363)	(103,193,820)	(19,858,543)	(103,193,820)	(63,518,034)	(39,346,022)	(153,279)	(175,744)	(741)
16	CUSTOMER DEPOSITS	(72,306,606)	(72,306,606)		(72,306,606)	(37,599,435)	(33,257,771)	(739,563)	(498,448)	(211,368)
17	<b>TOTAL RATE BASE</b>	<b>7,378,627,724</b>	<b>6,216,697,792</b>	<b>1,161,929,932</b>	<b>6,216,697,792</b>	<b>3,979,549,643</b>	<b>2,093,716,540</b>	<b>45,843,743</b>	<b>65,320,220</b>	<b>29,168,646</b>
18										
19	<b>DEVELOPMENT OF RETURN</b>									
20	REVENUES FROM RATES	2,895,933,742	2,828,139,997	68,793,745	2,828,139,997	1,437,421,622	1,332,634,743	28,640,752	19,973,390	8,469,490
21	OTHER ELECTRIC REVENUE	592,011,071	565,177,360	26,833,710	565,177,360	311,955,249	242,388,439	7,688,313	2,474,819	690,541
22	<b>TOTAL OPERATING REVENUES</b>	<b>3,488,944,813</b>	<b>3,393,317,357</b>	<b>95,627,455</b>	<b>3,393,317,357</b>	<b>1,749,376,871</b>	<b>1,575,023,182</b>	<b>37,309,065</b>	<b>22,448,209</b>	<b>9,160,031</b>
23										
24	<b>OPERATING EXPENSES</b>									
25	OPERATION & MAINTENANCE	1,876,691,588	2,012,076,433	(135,384,845)	2,012,076,433	1,061,535,946	911,914,839	25,764,871	10,304,703	2,556,074
26	ADMINISTRATIVE & GENERAL	219,678,783	200,092,070	18,586,713	200,092,070	132,501,024	63,974,302	1,697,758	1,270,138	648,849
27	DEPRECIATION & AMORT EXPENSE	437,911,200	384,549,577	53,361,623	384,549,577	243,678,093	132,717,114	3,113,568	3,573,852	1,466,959
28	AMORTIZATION ON GAIN	(4,233,612)	(4,146,332)	(87,280)	(4,146,332)	(2,540,326)	(1,538,461)	(44,088)	(20,114)	(3,363)
29	REGULATORY ASSETS	(31,155,535)	(31,155,535)		(31,155,535)	(19,843,483)	(11,796,663)	(337,229)	(152,708)	(25,451)
30	TAXES OTHER THAN INCOME	171,583,429	141,004,082	30,579,347	141,004,082	90,279,756	47,407,007	972,785	1,645,307	699,227
31	INCOME TAX	249,269,119	210,201,180	39,067,939	210,201,180	56,371,627	149,039,287	1,960,206	1,618,045	1,212,013
32	<b>TOTAL OPERATING EXPENSES</b>	<b>2,918,744,972</b>	<b>2,912,621,476</b>	<b>6,123,497</b>	<b>2,912,621,476</b>	<b>1,562,962,637</b>	<b>1,291,717,426</b>	<b>33,127,881</b>	<b>18,239,224</b>	<b>6,554,308</b>
33										
34	<b>OPERATING INCOME</b>	<b>\$ 570,199,841</b>	<b>\$ 480,695,882</b>	<b>\$ 89,503,959</b>	<b>\$ 480,695,882</b>	<b>\$ 186,394,234</b>	<b>\$ 283,305,756</b>	<b>\$ 4,181,184</b>	<b>\$ 4,208,985</b>	<b>\$ 2,605,723</b>
35										
36	<b>RETURN</b>									
37	RETURN	570,199,841	480,695,882	89,503,959	480,695,882	186,394,234	283,305,756	4,181,184	4,208,985	2,605,723
38	<b>RATE OF RETURN (PRESENT)</b>	<b>7.73%</b>	<b>7.73%</b>	<b>7.70%</b>	<b>7.73%</b>	<b>4.68%</b>	<b>13.53%</b>	<b>9.12%</b>	<b>6.16%</b>	<b>8.93%</b>
39										
40	<b>INDEX RATE OF RETURN (PRESENT)</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.61</b>	<b>1.76</b>	<b>1.18</b>	<b>0.80</b>	<b>1.16</b>
41										
42	<b>REVENUE REQUIREMENT @ 8.07%</b>	<b>2,938,457,565</b>	<b>2,862,651,331</b>	<b>75,806,234</b>	<b>2,862,651,331</b>	<b>1,668,025,311</b>	<b>1,144,603,209</b>	<b>28,848,821</b>	<b>22,118,576</b>	<b>8,056,413</b>
43										
44	<b>% OF TOTAL COST OF SERVICE (Line 20/Line42)</b>	<b>98.59%</b>	<b>98.79%</b>	<b>90.75%</b>	<b>98.79%</b>	<b>86.64%</b>	<b>116.43%</b>	<b>102.76%</b>	<b>90.30%</b>	<b>106.14%</b>

ARIZONA PUBLIC SERVICE COMPANY  
ELECTRIC COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2014  
(\$)

Line #	2014 Cost of Service	TOTAL GENERAL SERVICE (10)	E-20 (Church Rate) (11)	E-32 TOU (0-100KW) (12)	E-32 TOU (101-400KW) (13)	E-32 TOU (401+ KW) (14)	School TOU (15)	E-30, E-32 (0 - 100 KW) (16)	E-32 (101 - 400 KW) (17)	E-32 (401+ KW) (18)	E-34 (19)	E-35 (20)
1	<b>SUMMARY OF RESULTS</b>											
2												
3	<b>DEVELOPMENT OF RATE BASE</b>											
4	ELECTRIC PLANT IN SERVICE	\$ 4,310,123,653	\$ 35,465,034	\$ 11,035,080	\$ 20,038,100	\$ 67,819,345	\$ 57,962,188	\$ 1,632,916,352	\$ 1,017,355,664	\$ 767,997,651	\$ 230,796,405	\$ 468,737,814
5	GENERAL & INTANGIBLE PLANT	417,906,299	2,936,164	1,144,355	1,916,946	6,459,431	4,804,918	168,910,053	95,131,173	70,645,864	22,106,648	43,850,848
6	LESS: RESERVE FOR DEPRECIATION	(1,880,466,208)	(15,243,058)	(4,781,134)	(8,797,111)	(29,315,512)	(25,066,230)	(704,629,757)	(446,230,399)	(334,126,562)	(103,625,695)	(208,669,771)
7	OTHER DEFERRED CREDITS	(441,199,733)	(2,924,543)	(1,180,540)	(2,195,358)	(7,478,100)	(5,296,334)	(157,947,882)	(107,137,744)	(80,521,359)	(25,673,854)	(50,654,020)
8	WORKING CASH	(28,376,526)	(261,715)	(69,000)	(127,498)	(418,359)	(410,406)	(10,840,254)	(6,664,970)	(4,988,377)	(1,510,464)	(3,085,485)
9	MATERIALS, SUPPLIES & PREPAYMENTS	146,393,612	828,991	413,746	757,489	2,705,215	1,632,284	51,519,122	35,882,297	27,549,623	8,396,144	16,708,701
10	ACCUM. DEFERRED TAXES	(743,357,519)	(6,479,695)	(1,868,274)	(3,378,740)	(11,323,657)	(10,315,205)	(286,044,668)	(173,989,362)	(131,024,802)	(39,104,849)	(79,827,065)
11	REGULATORY ASSETS	86,270,395	716,282	242,579	355,508	1,168,922	1,023,996	40,805,765	18,405,997	13,447,478	4,023,705	8,076,673
12	DECOMMISSIONING FUND	264,701,513	2,141,598	642,478	1,264,959	4,140,423	3,640,717	91,569,008	65,247,352	48,257,342	15,990,598	31,767,037
13	GAIN FROM DISP. OF PLANT	(1,812,100)	(14,661)	(4,398)	(8,797)	(28,345)	(24,924)	(627,002)	(446,672)	(330,361)	(109,469)	(217,472)
14	MISCELLANEOUS DEFERRED DEBITS	34,154,949	226,004	94,755	160,828	549,508	383,868	13,498,701	7,877,516	5,886,741	1,837,463	3,698,566
15	CUSTOMER ADVANCES	(39,346,022)	(125,469)	(123,621)	(193,785)	(650,007)	(329,953)	(14,814,576)	(10,105,587)	(7,207,275)	(1,833,122)	(3,964,637)
16	CUSTOMER DEPOSITS	(33,257,771)	(104,611)	(104,702)	(163,820)	(549,685)	(277,326)	(12,531,157)	(9,544,916)	(6,092,303)	(1,545,426)	(3,343,825)
17	<b>TOTAL RATE BASE</b>	<b>2,093,716,540</b>	<b>17,162,329</b>	<b>5,440,336</b>	<b>9,648,724</b>	<b>33,078,978</b>	<b>27,736,904</b>	<b>811,803,703</b>	<b>486,780,348</b>	<b>369,493,640</b>	<b>109,748,124</b>	<b>222,822,454</b>
18												
19	<b>DEVELOPMENT OF RETURN</b>											
20	REVENUES FROM RATES	1,332,634,743	4,192,158	4,194,856	6,564,382	22,028,749	11,114,344	502,045,850	342,410,751	244,146,500	61,931,557	134,005,594
21	OTHER ELECTRIC REVENUE	242,388,439	1,069,414	809,770	1,189,439	3,705,644	2,360,388	99,550,621	61,544,569	39,015,468	11,288,437	21,854,687
22	<b>TOTAL OPERATING REVENUES</b>	<b>1,575,023,182</b>	<b>5,261,573</b>	<b>5,004,627</b>	<b>7,753,821</b>	<b>26,734,393</b>	<b>13,474,732</b>	<b>601,596,471</b>	<b>403,955,320</b>	<b>283,161,968</b>	<b>73,219,995</b>	<b>155,860,281</b>
23												
24	<b>OPERATING EXPENSES</b>											
25	OPERATION & MAINTENANCE	911,914,839	3,698,238	2,605,547	4,504,544	16,247,169	8,473,906	309,443,816	219,299,899	179,515,623	53,540,511	114,585,565
26	ADMINISTRATIVE & GENERAL	63,974,302	455,510	174,937	291,243	979,511	738,313	26,057,893	14,496,761	10,755,428	3,357,936	6,666,779
27	DEPRECIATION & AMORT EXPENSE	132,717,114	1,032,881	347,037	621,459	2,109,619	1,709,706	50,597,078	31,221,507	23,519,520	7,144,151	14,414,157
28	AMORTIZATION ON GAIN	(1,538,461)	(13,227)	(3,629)	(7,334)	(23,165)	(21,917)	(535,817)	(377,944)	(277,817)	(92,867)	(184,746)
29	REGULATORY ASSETS	(11,796,663)	(95,442)	(28,633)	(57,265)	(182,252)	(162,252)	(4,081,747)	(2,907,808)	(2,150,632)	(712,636)	(1,415,727)
30	TAXES OTHER THAN INCOME	47,407,007	398,742	122,153	216,576	739,177	640,296	18,412,432	11,044,532	8,370,821	2,449,924	5,012,324
31	INCOME TAX	149,039,287	(251,503)	647,410	762,148	1,976,862	551,479	71,138,839	46,666,637	21,258,270	1,883,020	4,406,132
32	<b>TOTAL OPERATING EXPENSES</b>	<b>1,291,717,426</b>	<b>5,226,200</b>	<b>3,864,822</b>	<b>6,331,370</b>	<b>21,844,872</b>	<b>11,929,532</b>	<b>471,032,486</b>	<b>319,443,808</b>	<b>240,991,214</b>	<b>67,570,038</b>	<b>143,464,465</b>
33												
34	<b>OPERATING INCOME</b>	<b>\$ 283,305,756</b>	<b>\$ 36,373</b>	<b>\$ 1,139,804</b>	<b>\$ 1,422,451</b>	<b>\$ 3,889,721</b>	<b>\$ 1,545,201</b>	<b>\$ 130,563,986</b>	<b>\$ 84,511,712</b>	<b>\$ 42,170,755</b>	<b>\$ 6,649,956</b>	<b>\$ 12,375,796</b>
35												
36	<b>RETURN</b>	<b>283,305,756</b>	<b>36,373</b>	<b>1,139,804</b>	<b>1,422,451</b>	<b>3,889,721</b>	<b>1,545,201</b>	<b>130,563,986</b>	<b>84,511,712</b>	<b>42,170,755</b>	<b>5,649,966</b>	<b>12,375,796</b>
37												
38	<b>RATE OF RETURN (PRESENT)</b>	<b>13.53%</b>	<b>0.21%</b>	<b>20.95%</b>	<b>14.74%</b>	<b>11.78%</b>	<b>5.57%</b>	<b>16.06%</b>	<b>17.36%</b>	<b>11.41%</b>	<b>5.15%</b>	<b>5.65%</b>
39												
40	<b>INDEX RATE OF RETURN (PRESENT)</b>	<b>1.75</b>	<b>0.03</b>	<b>2.71</b>	<b>1.91</b>	<b>1.52</b>	<b>0.72</b>	<b>2.08</b>	<b>2.25</b>	<b>1.48</b>	<b>0.67</b>	<b>0.72</b>
41												
42	<b>REVENUE REQUIREMENT @ 8.07%</b>	<b>1,444,603,209</b>	<b>6,409,942</b>	<b>3,042,469</b>	<b>5,505,663</b>	<b>20,022,118</b>	<b>12,264,255</b>	<b>395,071,562</b>	<b>269,034,299</b>	<b>223,833,308</b>	<b>67,204,977</b>	<b>143,224,596</b>
43												
44	<b>% OF TOTAL COST OF SERVICE (Line 20/Line42)</b>	<b>116.43%</b>	<b>65.40%</b>	<b>137.88%</b>	<b>119.23%</b>	<b>110.02%</b>	<b>90.70%</b>	<b>127.08%</b>	<b>127.75%</b>	<b>109.08%</b>	<b>92.15%</b>	<b>93.66%</b>

ARIZONA PUBLIC SERVICE COMPANY  
ELECTRIC COST OF SERVICE STUDY  
FOR THE 12 MONTHS ENDING DECEMBER 31, 2014  
(\$)

Line #	2014 Cost of Service	TOTAL RESIDENTIAL (21)	RESIDENTIAL SOLAR (ENERGY) (22)	RESIDENTIAL SOLAR (DEMAND) (23)	RESIDENTIAL E-12 (24)	RESIDENTIAL ET-1 & ET-2 (25)	RESIDENTIAL ECT-1 & ECT-2 (26)
1	<b>SUMMARY OF RESULTS</b>						
2	<b>DEVELOPMENT OF RATE BASE</b>						
3	ELECTRIC PLANT IN SERVICE	\$ 7,873,908,648	\$ 227,066,300	\$ 13,974,152	\$ 2,220,780,957	\$ 3,929,347,969	\$ 1,482,739,270
4	GENERAL & INTANGIBLE PLANT	852,085,017	23,901,280	1,377,171	278,800,684	403,251,817	144,854,065
5	LESS: RESERVE FOR DEPRECIATION	(3,400,040,425)	(97,754,814)	(6,010,997)	(968,817,303)	(1,690,871,271)	(636,466,039)
6	OTHER DEFERRED CREDITS	(707,151,494)	(20,168,625)	(1,260,897)	(204,037,048)	(348,020,690)	(133,664,223)
7	WORKING CASH	(54,258,104)	(1,573,588)	(96,661)	(15,011,121)	(27,334,068)	(10,242,645)
8	MATERIALS, SUPPLIES & PREPAYMENTS	213,464,249	6,099,954	390,204	60,090,414	105,222,632	41,661,045
9	ACCUM. DEFERRED TAXES	(1,413,363,736)	(40,813,063)	(2,496,130)	(388,947,345)	(706,454,669)	(284,652,528)
10	REGULATORY ASSETS	230,094,643	6,359,919	346,704	80,577,591	106,555,014	36,245,428
11	DECOMMISSIONING FUND	422,822,892	12,278,495	785,253	111,720,029	214,945,053	83,094,002
12	GAIN FROM DISP. OF PLANT	(2,894,570)	(84,056)	(5,376)	(764,816)	(1,471,476)	(568,847)
13	MISCELLANEOUS DEFERRED DEBITS	66,010,041	1,845,547	108,054	21,367,143	31,301,992	11,387,304
14	CUSTOMER ADVANCES	(63,518,034)	(686,180)	(84,322)	(19,174,546)	(31,437,442)	(12,185,543)
15	CUSTOMER DEPOSITS	(37,599,435)	(370,359)	(49,741)	(11,362,681)	(18,604,967)	(7,211,688)
16	<b>TOTAL RATE BASE</b>	<b>3,979,649,643</b>	<b>116,060,811</b>	<b>6,977,383</b>	<b>1,155,221,949</b>	<b>1,966,323,893</b>	<b>734,969,598</b>
17	<b>DEVELOPMENT OF RETURN</b>						
18	REVENUES FROM RATES	1,437,421,622	14,156,717	1,901,647	434,362,994	711,276,594	275,723,670
19	OTHER ELECTRIC REVENUE	311,955,249	5,574,020	446,431	93,540,065	151,316,821	61,077,912
20	<b>TOTAL OPERATING REVENUES</b>	<b>1,749,376,871</b>	<b>19,730,738</b>	<b>2,348,078</b>	<b>527,903,059</b>	<b>862,593,416</b>	<b>336,801,582</b>
21	<b>OPERATING EXPENSES</b>						
22	OPERATION & MAINTENANCE	1,061,535,946	19,172,212	1,503,007	303,128,486	522,984,567	214,747,674
23	ADMINISTRATIVE & GENERAL	132,501,024	3,699,772	213,306	43,509,755	62,650,449	22,427,742
24	DEPRECIATION & AMORT EXPENSE	243,678,093	6,975,271	425,091	71,080,821	120,157,603	45,039,307
25	AMORTIZATION ON GAIN	(2,540,326)	(73,900)	(4,703)	(669,626)	(1,295,140)	(466,957)
26	REGULATORY ASSETS	(18,843,483)	(547,202)	(34,985)	(4,978,905)	(9,579,221)	(3,703,160)
27	TAXES OTHER THAN INCOME	90,279,756	2,600,644	158,466	25,800,529	44,901,732	16,818,386
28	INCOME TAX	56,371,627	(5,870,999)	(33,522)	24,029,501	28,959,146	9,287,501
29	<b>TOTAL OPERATING EXPENSES</b>	<b>1,562,962,637</b>	<b>25,965,798</b>	<b>2,226,649</b>	<b>451,900,651</b>	<b>766,779,136</b>	<b>304,120,493</b>
30	<b>OPERATING INCOME</b>	<b>\$ 186,394,234</b>	<b>\$ (6,225,060)</b>	<b>\$ 1,214,229</b>	<b>\$ 66,002,497</b>	<b>\$ 93,814,279</b>	<b>\$ 32,681,089</b>
31	<b>RETURN</b>	<b>186,394,234</b>	<b>(6,225,060)</b>	<b>1,214,229</b>	<b>66,002,497</b>	<b>93,814,279</b>	<b>32,681,089</b>
32	<b>RATE OF RETURN (PRESENT)</b>	<b>4.69%</b>	<b>(5.36%)</b>	<b>1.74%</b>	<b>5.71%</b>	<b>4.77%</b>	<b>4.45%</b>
33	<b>INDEX RATE OF RETURN (PRESENT)</b>	<b>0.61</b>	<b>(0.69)</b>	<b>0.23</b>	<b>0.74</b>	<b>0.62</b>	<b>0.58</b>
34	<b>REVENUE REQUIREMENT @ 8.07%</b>	<b>1,669,026,311</b>	<b>39,794,627</b>	<b>2,627,926</b>	<b>479,132,655</b>	<b>817,952,180</b>	<b>319,617,925</b>
35	<b>% OF TOTAL COST OF SERVICE (Line 20/Line42)</b>	<b>86.64%</b>	<b>35.57%</b>	<b>72.36%</b>	<b>90.66%</b>	<b>86.96%</b>	<b>86.29%</b>