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BEFORE THE ARIZONA CORPORATION COMMISSION

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DOCKET CONTROL

Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. E-04204A-15-0142
UNS ELECTRIC, INC. FOR THE)	
ESTABLISHMENT OF JUST AND)	
REASONABLE RATES AND CHARGES)	UNS ELECTRIC'S OPPOSITION
DESIGNED TO REALIZE A REASONABLE)	TO SUN CITY HOMEOWNER'S
RATE OF RETURN ON THE FAIR VALUE OF)	ASSOCIATION APPLICATION
THE PROPERTIES OF UNS ELECTRIC, INC.)	FOR LEAVE TO INTERVENE
DEVOTED TO ITS OPERATIONS)	
THROUGHOUT THE STATE OF ARIZONA)	
AND FOR RELATED APPROVALS.)	

UN~~S~~ Electric, Inc. ("UN~~S~~ Electric"), through undersigned counsel, responds in opposition to the Application for Leave to Intervene ("Application") filed by the Sun City Homeowner's Association ("Association") on January 29, 2016. The Association's Application should be denied for the following reasons:

1. It is untimely – the intervention deadline was October 15, 2015;
2. The Association is not directly and substantially affected by these proceedings because the Association and its members have no nexus whatsoever to UNS Electric and its service areas in Santa Cruz and Mohave Counties; and
3. Several Intervenors already represent residential customers and adding another party to this case may result in duplication and inordinate delay.

To the extent the Association has concerns about this docket, it can submit public comment.

I. This case is far removed from Sun City.

Pursuant to A.A.C. R14-3-105(A), intervention is limited to parties "directly and substantially affected by the proceedings." The Association's Application does not claim that the

1 Association is “directly and substantially affected” by this case; nor would there be any basis for
2 such a claim. Indeed, Sun City is located over 100 miles from UNS Electric’s service territory.
3 For example, Sun City is approximately 168 miles from Kingman and 201 miles from Nogales.
4 The Association does not allege that it—or its members—are customers of UNS Electric, do
5 business with UNS Electric, extend credit to UNS Electric, invest debt or equity capital in UNS
6 Electric or have any other direct interest in this case.

7 The Association has no connection to UNS Electric. Instead, the Association expresses
8 concern with APS. The Application states:

9 “This cases has suddenly become of interest to Arizona Public Service Company
10 (“APS”) and thus a number of parties such [as] SCHOA, which represents the
11 interest of the customer/ratepayer. This interest stems from the dramatic changes
12 in policy recently proposed by UNSE, Staff, and APS, as well as heightened
13 awareness regarding the ultimate possible negative consequences that a precedent-
14 setting decision in the UNSE proceeding could impose in the upcoming APS rate
15 case scheduled to be filed in June 2016. Also of note, is the APS intervention in
16 the UNSE rate case and the APS filing of major direct testimony and sponsoring of
17 an expert witness in the rate case proceeding of another utility, which is highly
18 unusual.”

19 It thus appears that the Association is concerned about APS, not UNS Electric. APS filed its
20 intervention application in this docket on June 11, 2015. APS is not “suddenly” interested in this
21 docket.

22 Moreover, APS recently filed its Notice of Intent to File a Rate Case (Docket No. E-
23 01345A-16-0036). The Association’s concerns with APS are better addressed to APS in that
24 docket. Rate cases of one utility do not create binding precedent for another utility, and the
25 Association (if it timely applies to intervene) will have a full opportunity to participate in the APS
26 rate case.

27 **II. The Association’s Application is untimely.**

The June 22, 2015 Procedural Order in this docket provides that “all motions to intervene
must be filed **on or before October 15, 2015.**” (Emphasis in original). The Association’s

1 Application was filed on January 29, 2016, a full 106 days after the deadline. The Association's
2 Application does not explain why this deadline should be disregarded.

3 The Application states that this case has "suddenly" become of interest to the Association
4 due to "dramatic changes in policy recently proposed UNSE, Staff, and APS" as well as APS's
5 supposedly "highly unusual" participation in this case. It is common for electric utilities to
6 intervene in each other's cases. Arizona's electric utilities have a myriad of interests—they sell
7 and buy wholesale power and transmission services from each other, and it is common for there to
8 be multiple utility owners of power plants, substations and transmission lines. For these reasons,
9 electric utilities commonly participate in rate cases for other electric utilities. In fact, Trico
10 Electric Cooperative and Sulphur Springs Valley Electric Cooperative are Intervenor in this
11 docket. APS's participation in this docket is not unusual.

12 Nor is there anything "sudden" about the issue of three-part rates in this case. As the
13 January 29, 2016 Procedural Order explains, the "fact that rate design was going to be a major
14 issue in the UNSE rate case has been known since before the Company filed its application in May
15 2015." (Page 3, lines 23-24.) UNS Electric's January 27, 2016 Opposition to AURA's Motion to
16 Extend Procedural Schedule demonstrates at length how the issue of three-part rates has been
17 discussed by numerous parties with varied interests throughout this case.

18 **III. Ratepayer interests are already well represented.**

19 A wide range of Intervenor are participating in this case. There are already 18 active
20 Intervenor in this case, including RUCO, which represents the interests of residential ratepayers
21 which comprise the Association.


22 This wide selection of Intervenor ensures that all viewpoints will be heard. Allowing late
23 intervention to the Association—and thus adding a 19th party—would unduly delay, further
24 complicate the hearing and potentially widen its scope. It also potentially opens the door to other
25 extremely tardy intervention requests.

1 **IV. Conclusion.**

2 The Association's intervention request must be denied. The Association is not a customer
3 of UNS Electric, and it does not do business with UNS Electric. The Association is located over
4 100 miles from UNS Electric's service territory, and the Association has no connection to UNS
5 Electric whatsoever. The rate design issues mentioned by the Association have been well known
6 for many months. Finally, the Application was filed 106 days after the intervention deadline
7 without a demonstration of good cause for the lateness

8 RESPECTFULLY SUBMITTED this 2nd day of February, 2016.

9
10 UNS ELECTRIC, INC.

11 By 

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26 **Original and 13 copies of the foregoing**
27 **filed this 2nd day of February, with:**

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1 **Copies of the foregoing hand-delivered**
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