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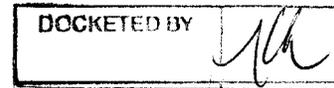
ORIGINAL

Memorandum
From the office of
Chairman Doug Little
Arizona Corporation Commission
1200 W. WASHINGTON
PHOENIX, ARIZONA
(602) 542-0745

Arizona Corporation Commission

DOCKETED

JUN 10 2016



TO: Docket Control

DATE: June 10, 2016

FROM: Chairman Doug Little's Office

SUBJECT: APS Preference Power Rider- Docket No. E-01345A-16-0056

Chairman Little's office received 1 email, with an letter attached, referencing the above Docket number, and in support of, the above docket number. The email and letter can be viewed with the above Docket Number either on the website via the eDocket link, or in Docket.

Andrea Gaston

From: Kupel, Douglas <DKupel@GLENDALEAZ.COM>
Sent: Tuesday, June 07, 2016 4:14 PM
To: Little-Web
Cc: Johnson, Craig; Stoddard, Brent; Romney, Russ; Kenneth R. Saline (krs@krsaline.com)
Subject: City of Glendale Comments: APS Preference Power Rider, Docket No: E-01345A-16-0056
Attachments: Glendale Comments ACC PPR Docket.pdf

Dear Chairman Little:

I am writing in support of the action requested in the Matter of the Application of Arizona Public Service Company for Approval of Revisions to Preference Power Rider, Schedule PPR.

An original of the attached comment letter was placed in the US mail today.

Thank you for the opportunity to submit these comments.

Feel free to get in touch if you have any questions.

dek

Douglas E. Kupel, Ph.D.

Deputy Water Services Director, City of Glendale
Plans, Programs, and Environmental Resources Divisions
7070 W Northern Avenue, Glendale, AZ 85303-1306
Office: 623.930.4112 Cell: 602.380.9900
dkupel@glendaleaz.com | www.glendaleaz.com/waterservices



June 7, 2016

via Email and USPS

Doug Little, Chairman
Arizona Corporation Commission
1200 W. Washington Street – 2nd Floor
Phoenix Arizona, 85007-2927

Subject: APS Preference Power Rider, Docket No: E-01345A-16-0056

Dear Chairman Little:

I am writing in support of the action requested in the *Matter of the Application of Arizona Public Service Company for Approval of Revisions to Preference Power Rider, Schedule PPR*. The City of Glendale ("Glendale") was awarded an allocation of hydro-electric preference power from Hoover Dam as part of the allocation process conducted by the Arizona Power Authority (APA).

In accordance with the Hoover Power Allocation Act of 2011, the Western Area Power Administration allocated a portion of Schedule "D" power to the APA for further allocation amongst statewide entities.

Under ARS §30-124(A), the APA "shall bargain for, take and receive, in its own name on behalf of the state, electric power developed from the waters of the main stream of the Colorado River," which "may be made available, allotted or allocated to the state in its sovereign capacity." APA's release of their Final Allocation Plan on July 17, 2015 fulfilled this responsibility so the APA allocations along with the federal allocations entitle Glendale to the annual use of 426 kilowatts and 930,050 kilowatt-hours of low cost, renewable hydro power for the 50 year term of the federal Hoover contracts.

Glendale intends to utilize its allocation of low-cost hydropower to offset a portion of our higher-priced energy costs that we receive as an electric retail service customer of the Arizona Public Service Company (APS). Glendale's APA allocation will be applied to city-owned, qualifying facilities, to reduce energy-related operating costs to provide real savings that can be passed on to our citizens.

City of Glendale

Oasis Water Campus * 7070 W. Northern Avenue * Glendale, Arizona 85303 * (623) 930-4100

The Preference Power Rider (PPR) is the enabling tariff that will allow Glendale to receive direct benefit of its awarded federal hydropower. Glendale's ability to receive benefit from our allocation is dependent on a bill-crediting program that provides sufficient value for the energy being exchanged. Glendale believes the PPR as filed in this docket provides that appropriate value.

In order to receive this benefit, Glendale is required to sign a Power Sales Contract with the APA. The APA must have its commitments no later than September 30, 2016 or it may jeopardize Arizona's share of Hoover Power allocated for 50 years to entities in the State of Arizona including Glendale.

It would not be prudent for Glendale to enter into a long-term agreement without a prior Decision by the Arizona Corporation Commission approving the proposed revisions to the Preference Power Rider, Schedule PPR. Therefore, Glendale would like to voice its support of the PPR, as filed, and urges the Commission to act swiftly and decisively to ensure that Glendale and its citizens can benefit from this federal program for a very long time.

Thank you for the opportunity to provide these comments. Should you have any questions, please contact me at (623) 930-4112 or via email at dkupel@glendaleaz.com.

Sincerely,



Douglas E. Kupel, Ph.D.
Deputy Water Services Director
Plans, Programs, and Environmental Resources Divisions

Cc: Craig Johnson, P.E. Glendale Water Services Director
Brent Stoddard, Intergovernmental Programs Director
Russ Romney, Glendale Deputy City Attorney
Ken Saline, K.R. Saline and Associates