

PUBLIC NOTICE OF HEARING ON ARIZONA PUBLIC SERVICE COMPANY'S APPLICATION FOR A PERMANENT BASE RATE INCREASE DOCKET NUMBER E-01345A-08-0172

On March 24, 2008, Arizona Public Service Company ("APS") filed an application with the Arizona Corporation Commission ("Commission") for a permanent base rate increase. On June 2, 2008, the Company filed an amended application. The amended application seeks a \$278.2 million net increase (10.55 percent on average) in base rates. This base rate increase does not include amounts that APS would recover in customer rates under its Power Supply Adjustment mechanism. (APS has also requested that approximately \$115 million of that \$278.2 million be granted on an interim basis, subject to refund, pending a final decision by the Commission on the permanent base rate increase request, as amended. For information on the APS interim rate increase request and procedural schedule, please contact APS or the Commission's Consumer Services Section at the numbers listed below.) The Commission's Utilities Division ("Staff") is in the process of reviewing the requested permanent base rate increase and has not yet made a recommendation regarding APS' request. The Commission is not bound by the proposals made by APS, Staff, or any intervenors. The Commission will issue a Decision regarding APS' request for a permanent base rate increase following consideration of testimony and evidence presented at an evidentiary hearing.

How to View or Obtain a Copy of the Rate Proposal

The actual percentage rate increase for individual customers that would result from the amended application will vary depending upon the type and quantity of service provided. Copies of APS' amended application and proposed tariffs are available at its office, 400 N. 5th Street, Phoenix, Arizona, (602-250-2767) and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission website (www.azcc.gov) using the e-docket function.

ACC Public Comment and Evidentiary Hearing Information

The Commission will hold a **Public Comment hearing on this matter beginning March 30, 2009 at 10:00 a.m.** at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Written public comments may also be submitted via email (visit http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf for instructions), or by mailing a letter referencing Docket Number E-01345A-08-0172 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. The Commission will hold an **evidentiary hearing on this matter beginning April 2, 2009, at 10:00 a.m.** at the Commission's offices, 1200 West Washington, Phoenix, Arizona.

Intervention

The law provides for an open public evidentiary hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file an original and 13 copies of a written motion to intervene with the Commission, and must send copies of the motion to APS or its counsel and to all parties of the record in the case. The official service list may be obtained from APS or the Commission. The motion to intervene must contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor;
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer, stockholder of APS, etc.);
3. A statement certifying that a copy of the motion to intervene has been mailed to APS or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **December 1, 2008**. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the ACC's webpage at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the evidentiary hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the Public Comment hearing and making a statement on such customer's own behalf.

Contact Information

If you have questions regarding the Company's application for an interim or permanent rate increase, you may contact APS at 602-250-2767, or the Commission at 1-800-222-7000 or 602-542-4251. If you want further information on intervention or how to make public comment, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007, or at 1-800-222-7000 or 602-542-4251.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Linda Hogan, E-mail Lhogan@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.