

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF
ARIZONA PUBLIC SERVICE COMPANY FOR RATE INCREASE AND
TO AMEND DECISION NO. 67744 DOCKET NUMBER E-01345A-05-0816**

On November 4, 2005, Arizona Public Service Company, ("APS") filed an application with the Arizona Corporation Commission for a permanent base rate increase of \$405 million or 19.73 percent on average, and for approval to amend Decision No. 67744. On January 31, 2006, the Company filed an amended application for a \$449.6 million increase (21.1 percent on average) in base rates. The actual percentage rate increase for individual customers will vary depending upon the type and quantity of service provided. Copies of APS' application and proposed tariffs are available at its office, 400 N. 5th Street, Phoenix, Arizona, 602/250-2708, 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.

The Commission will hold a hearing on this matter beginning **October 10, 2006 at 10:00 a.m.** at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit <http://www.azcc.gov/utility/cons/index.htm> for instructions), or by mailing a letter referencing Docket Number E-01345A-05-0816 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public 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 a written motion to intervene with the Commission, which motion should be sent to APS or its counsel and to all parties of record, and which, at the minimum, shall 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 **August 8, 2006**. For information about requesting intervention, visit the Arizona Corporation Commission's webpage at <http://www.azcc.gov/utility/forms/index.htm>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

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.

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