

**PUBLIC NOTICE OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR APPROVAL
OF A CONCENTRATING SOLAR POWER CONTRACT DOCKET NO. E-01345A-08-0106**

On February 21, 2008, Arizona Public Service Company ("APS") filed an application with the Arizona Corporation Commission ("Commission") for approval of a Purchase Power Agreement ("Agreement") to procure renewable energy for 30 years from a proposed solar power plant ("Solana Generating Station") planned to begin operation in late 2011. This Agreement would allow APS to help satisfy the Renewable Energy Standard and Tariff Rules that were approved by the Commission on November 14, 2006, requiring 15 percent of APS' energy be provided by a renewable resource by 2025. Today the cost associated with renewable energy is generally more expensive than generation from gas, nuclear, or coal resources; however this provides increased use of more environmentally friendly resources. These rules can be viewed on the Commission website at http://www.azsos.gov/public_services/Title_14/14-02.pdf. The Solana Generating Station is a concentrating solar power plant with storage capability that would be developed by Arizona Solar One, LLC and be located near Gila Bend, Arizona if approved by the Commission. For more information on the Solana Generating Station, please visit APS' website at www.aps.com/solana.

The application is available for review during regular business hours at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007, and on the internet via the Commission's website at www.azcc.gov using the eDocket function. While the date on which the Commission will consider this matter in an Open Meeting has not yet been established, the public may submit comments to the Commission on this matter or intervene in this proceeding under Docket number E-01345A-08-0106 by contacting the Commission's offices at 602-542-4251 or 1-800-222-7000.