

PUBLIC NOTICE OF HEARING ON THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY FOR THE SALE AND TRANSFER TO ELECTRICAL DISTRICT NO. 3 OF CERTAIN ELECTRICAL FACILITIES IN PINAL COUNTY AND THE DELETION FROM ITS CERTIFICATE OF CONVENIENCE AND NECESSITY OF CERTAIN AREAS IN PINAL COUNTY
(DOCKET NO. E-01345A-08-0426)

Summary

On August 11, 2008, Arizona Public Service Company ("APS") filed an application with the Arizona Corporation Commission ("Commission") pursuant to A.R.S. 40-285(A), for the sale of certain electrical facilities in Pinal County to Electrical District No. 3 ("ED-3") and for deletion from its certificate of Convenience and Necessity of certain areas in Pinal County. For the sole purpose of this transaction, APS has requested a waiver of Arizona Administrative Code R14-2-212(I), which considers all customer information to be confidential. The waiver requests a one-time approval for APS to provide ED-3 with customer-specific information such as customer name, address, billing rate, energy usage, etc. only from those APS customers that will be transferred to ED-3 and only upon approval of the Application. The information will continue to be held on a strictly confidential basis by ED-3 and used only for the purposes of providing electrical service. APS also requested a waiver of AAC R14-2-203(A)(2) and specific language authorizing impacted customers to remain eligible to participate in the Commission's Renewable Energy Standards ("RES") and APS' Demand Side Management ("DSM") programs up to the date on which the Commission approves APS' application for the sale of its electrical facilities.

If the application is approved, approximately 4,000 APS customers who reside in the Maricopa and Stanfield areas will be transferred to ED-3. It is important to note that existing ED-3 customers will NOT be impacted by this transition and their account information will continue to remain confidentially held by ED-3. APS has established a Web site with information regarding this application at www.aps.com/ed3 or you may call APS at (520) 421-8455 with questions or you may contact ED-3 at its website www.ed3online.org.

How You Can View or Obtain a Copy of the Application

Copies of the application are available at APS' offices, 318 N. Marshall, Casa Grande, Arizona, and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **April 2, 2009, at 10:30 a.m.**, or as soon thereafter as is practical, at the Commission's offices, 1200 West Washington Street, Hearing Room 100, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. E-01345A-08-0426 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you desire to intervene, you must file a written motion to intervene with the Commission no later than **March 18, 2009**. You must send a copy of the motion to intervene to APS or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of APS, a shareholder of APS, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene 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 March 18, 2009. 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 Commission's website 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 hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

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, Shaylin Bernal, at SBernal@azcc.gov, voice phone number (602) 542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.