



General Conditions

Arizona Public Service Company (APS or Company) will have no liability of obligation for claims arising out of the procedures for curtailment or interruption of electric service implemented in accordance with these guidelines or any future supplemental, amendatory or implementary guidelines or regulations established by law.

Company will endeavor to identify Customer(s) who might be classified as having either Essential or Critical loads. In the event that a Customer is dissatisfied with APS's classification of their load, the Customer may bring the matter to APS or the Arizona Corporation Commission (ACC) and request a different classification. Until a redetermination is made by APS or the ACC, the Customer's original classification for purposes of electric curtailment under this Schedule will be unaffected.

As circumstances permit, and as further discussed in APS's Electric Load Curtailment Plan, Company will endeavor to notify County emergency personnel or similar local authorities of existing or developing situations involving the curtailment or interruption of APS Customers.

1. Definitions

- 1.1 **Essential Loads** - Loads necessary to serve facilities used to protect the health and safety of the public, such as hospitals, 911 Centers, national defense installations, sewage facilities and domestic water facilities. Loads necessary to serve 911 Centers, police stations, and fire stations, which do not have independent back-up generation and require APS's electric service for operation of essential emergency equipment.
- 1.2 **Critical Loads** - That portion of the electric load of nonresidential Customers, which in the event of 100 percent curtailment of service, would cause excessive damage to equipment or material being processed, or where the interruption would create grave hazards to employees or the public.
- 1.3 **Major Use Customers/Others (With Notice)** - Those Customers having relatively large loads (over 1000 kW) or a substantial number of employees or other special circumstances that make it appropriate to schedule blackouts or curtailments differently than typical Customers. Customers who qualify as Major Use/Others (With Notice) can take 100 percent curtailment when sufficient notice is provided. These loads will be interrupted after the required notification period. "Sufficient", "required", and "appropriate" notice is that notice that APS, after consultation with the affected Customer, has determined will allow the Customer to curtail in a safe and efficient manner. The notice necessarily will vary from Customer to Customer.
- 1.4 **Others (With or Without Notice)** - All Customers not meeting the above definitions. These Customers will be interrupted (with or without notice) if voluntary curtailment measures are not sufficient to alleviate the situation.



2. **Applicable Guidelines** - For interruption or curtailment of electric service due to power supply interruptions, fuel shortage, or transmission emergency. (Also see Arizona Administrative Code R14-2-208(E), Provision of Service.)

2.1 Regulatory reliability requirements that may cause APS to shed firm customer load may include the following:

- (A) Capacity and Energy Emergency (EOP-002-3.1)
- (B) Disturbance Control Performance (BAL-002-1)
- (C) To relieve or prevent an SOL or IROL Exceedance (PEAK SOL Methodology Guideline, (TOP-008-1)
- (D) To Prevent Voltage Collapse (VAR-001-3)

2.2 In the event firm Customer load shed becomes necessary it will be done using the following method:

- (A) Circuits not classified with "Essential", "Critical", or "Major Use Customers/Others (with Notice)" Customers will be interrupted on a rotating basis. The frequency and duration of the interruptions will depend on the magnitude and nature of the power shortage. The frequency and duration of interruptions will also consider the circumstances of Major Use Customers.
- (B) Accurate records will be kept to ensure that these circuits are rotated in an equitable and technically feasible manner.
- (C) Circuits classified as "Major Use/Others (with Notice)" will be interrupted upon the giving of appropriate notice.
- (D) Customers on circuits which serve critical loads will be required to curtail the non-critical portion of their loads. Thereafter, circuits that serve critical loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as critical may be curtailed if they possess back-up generation sufficient to meet their entire load requirement. If a Customer having a critical load refuses or fails to curtail their electric consumption down to the critical load, they will not be considered to have a critical load for purposes of this Schedule.
- (E) Circuits which serve essential loads will be identified and will not be interrupted unless an area must be dropped to maintain stability of the electric system. However, loads otherwise classifiable as essential may be curtailed if they possess back-up generation sufficient to meet their entire load requirement.

2.3 Sudden Shortages of Power - In the event that time does not allow for the implementation of the Electric Curtailment Guidelines, Company may resort to its emergency operations procedures, with or without notice.

2.4 Automatic Load Shedding - In the event that there is a major electrical disturbance threatening the interconnected Southwest system with blackout conditions, emergency



devices such as under frequency load shedding, transfer tripping, etc., will be utilized to maintain the optimum system stability.

3. Electric Curtailment of Firm Wholesale Customers

- 3.1 The term "firm wholesale Customer" will be defined as those APS Customers who purchase, on a firm basis, electricity from APS for purposes of resale.
- 3.2 In any given instance where a curtailment of wholesale power deliveries is involved, and subject to any required approvals of the Federal Energy Regulatory Commission or contractual provisions to the contrary, Company shall notify its firm wholesale Customers, requesting that they curtail electric service to their retail Customers during the period that Company's system is affected by power shortages. In the event that Company is unable to obtain the cooperation of a firm wholesale Customer, it may seek an order from appropriate governmental authority requiring the firm wholesale Customer to accept a reduction of electricity deliveries proportionate to the curtailment being effected on Company's system.

4. Electric Load Curtailment Plan

- 4.1 A detailed Electric Load Curtailment Plan will be kept on file with the ACC. This plan will contain specific procedures for implementation of the above, along with the names and telephone numbers of the appropriate Company personnel to contact in the event implementation of the plan becomes necessary. The plan will be updated at least annually and become effective upon submission to the ACC.
- 4.2 APS will contact the Director, ACC Utilities Division, or their designee, as soon as practical for any curtailment or interruption of APS Customers under this Schedule 5.