



October 2, 2014

Sent via email

mike@powerauthority.org

Mr. Mike Gazda
Interim Executive Director
Arizona Power Authority
1810 W. Adams St.
Phoenix, AZ 85007

Re: Comments Regarding Draft Application for Post-2017 Hoover Power

Dear Mr. Gazda:

Utility Resource Services, Inc. is submitting these comments with regard to the above referenced matter on behalf of the Town of Fredonia, Arizona. We appreciate the opportunity to provide these written comments and if you have any questions with regard to these comments please call.

Section 4 –

The term “system peak day” is used to request load information. This appears to us to mean the demand (kW) associated with each class of electric customer. Most electric utilities that will be responding to the application do not demand meter their residential and small commercial electric customers. The system peak day is known for the entire electric system, but not for each individual class of customer. The APA will have to offer acceptable methodologies for utilities to determine the peak demands of each class of customer at the time of the system peak. For example, will APA allow Non-Concurrent Peak (NCP) amounts, average of energy sales over 24 hours, or only the Concurrent Peak (CP)? If this “system peak day” means energy (kWh) then the data is relatively easy to provide.

Section 7 –

We have the same comments for this section as stated above for Section 4. The APA is asking for demand data for customer classes that do not have demand meters. Again, assuming, the APA wants demand data, acceptable methodologies will have to be spelled out and more importantly be used by all the applicants so the APA has apples to apples for comparative purposes.

Section 9 –

The Town believes additional data will be needed from each applicant with regard to this Section. The Town of Fredonia incurs significant transmission losses between its load center – Fredonia and its Point of Delivery, which is Pinnacle Peak. The Town incurs significant transmission losses and thus each applicant should be required to show loads at its load center and the loads at the POD. A customer with substantial transmission losses will require a larger contract rate of delivery to meet its load than most customers who have rather minor transmission losses.

Again, we appreciate the opportunity to provide the APA with these comments and look forward to a meaningful relationship with the APA.

Respectfully submitted,



 Richard Darnall
Utility Resource Services, inc.

cc: Town of Fredonia
Town Clerk