



Grand Canyon State
Electric Cooperative Association, Inc.

Your Touchstone Energy® Cooperatives 

January 29, 2015

VIA EMAIL

Mr. Michael Gazda
Executive Director
Arizona Power Authority
1810 W. Adams St
Phoenix, AZ 85007-2679

Re: Proposed Allocation Timetable

Mr. Gazda:

On behalf of Grand Canyon State Electric Cooperative Association (“GSECA” or “Cooperatives”), I am providing the comments below in response to the Arizona Power Authority’s (“APA” or “Commission”) recent request for comments on the proposed allocation timetable. We appreciate the APA asking for input from potential stakeholders on this important question.

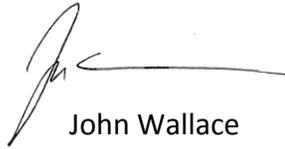
In reviewing the proposed timetables, the Cooperatives believe that the allocation process may be served well by combining some of the preferred components of each suggested path. As a general matter, the Cooperatives support a process that incorporates the greatest amount of flexibility for the APA. In addition, the process should also incorporate a mechanism that allows for the review of applications and verification of data before developing the final allocations. As observed in the allocation process of Schedule D power by the Western Area Power Administration (“Western”), the development of an allocation proposal may include errors in the consideration of data or calculation of potential allocations. The APA would be well served to incorporate an opportunity to correct any such oversights or omissions before setting forth a final allocation proposal.

The APA would also benefit from taking steps to ensure the greatest amount of transparency in the process. In particular, the APA should publicize which entities have submitted applications by the deadline. By taking this step, the Commission will define the universe of potential applicants, providing assurances that special consideration will not be afforded to applicants who fail to participate in the APA’s process in a timely manner.

Finally, in consideration of the process or timetable that the APA will utilize for the allocation process, we also urge the Commission to resolve any outstanding issues related to the rules of rehearing that have been developed but not yet approved. We stand ready to assist in support of this effort and will advocate our support for the passage of these rules when appropriate. Indeed, we believe that having the rehearing rules in place will facilitate an allocation process that will meet the statutory deadlines.

We thank the Commission for its courtesy in considering our comments. Please do not hesitate to contact us if there are any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'John Wallace', with a long horizontal line extending to the right.

John Wallace
CEO