

APS prepared to meet peak demand this summer Company makes annual presentation to ACC

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APS is prepared to provide its more than 1 million retail customers with a reliable supply of safe electricity through the year's hottest months, company officials told the Arizona Corporation Commission (ACC) Wednesday at its summer assessment briefing.

This message was part of APS' annual report to the ACC of its plans for meeting the energy needs of its customers when demand is at its peak. The presentation included forecasted summer peak, an inventory of the available resources to serve that peak, a summary of APS' implemented and planned system improvements, and the company's preparedness to respond to wildfires and other emergencies.

"We believe we're in an excellent position to meet our customers' energy needs when demand is at its highest," said **Daniel Froetscher**, General Manager, Rural Arizona Delivery. "In 2007 alone, we constructed or rebuilt almost 100 miles of transmission lines and completed a number of substation upgrades that will help ensure our customers remain comfortable when summer temperatures are the hottest."

In addition to Froetscher, **Tom Carlson**, Director, Fuels and Term Trading; and **Tom Glock**, Director, Power Operations, made presentations to the Commission.

This summer, APS has forecasted a peak of 7,202 megawatts (MW). Between its existing generation, and long-term and short-term contracts, APS has 8,485 MW of resources available to help meet summer peak. The company's 2008 peak forecast is well off APS' all-time system peak of 7,652 MW, established in 2006. This is because APS' contract to provide generation for Citizens Utilities — resulting in about 400 MW — has expired, lessening the company's total generation requirements.

Meanwhile, in Yuma, the other metropolitan load area served by APS, the company has forecasted a summer peak of 426 MW with total resources of 565 MW available.

Salt River Project and Tucson Electric Power also made presentations to the ACC.