

**APS's Startling Confession**  
**Information & Perspective by Warren Woodward**  
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APS has been presenting what they call "Technical Conferences" for all intervenors in the APS rate case. The ostensible purpose of the meetings is to explain various aspects of APS's rate case, but the meetings are mostly just APS propaganda.

As most everyone knows, APS wants to make "demand rates" mandatory for all residential customers except those using 600 kilowatts hours or less per month (up to 7,200 kilowatt hours per year). The "demand rate" would apply between 3 pm and 8 pm weekdays, and would be based on your highest one hour average demand during that time. In other words, the most electric appliances you use during a particular hour will determine your "demand charge" for the entire month, regardless of what the rest of your demand during the month might be. Conserve all you want, but that one hour will set your "demand charge" for the month.

The rationale is that APS must have the juice available to meet your "demand" whether you are always using that amount or not. A "demand rate" is supposed to make you think twice about how you use electricity. According to demand theory, if everyone lowers their demand during peak hours then APS won't have to build more power plants and we'll all live happily every after.

One would think then, that APS would have a goal in mind as to how much they wanted to reduce overall demand during peak time -- 10%? 20%? 30%? What?

At the "Technical Conference" last Thursday, an intervenor asked what APS's goal was for reducing demand. Amazingly, the APS speaker said ***APS has no goal!***

By that confession, what APS unwittingly admitted is that their "demand rate" is not at all about reducing demand, but about increasing customers' bills by playing a sick game of "gotcha," and that APS's *real* goal is to rely on this "gotcha" charge to meet *APS's demand* for more money.

What's worse is that there are many people who simply cannot shift laundry and cooking and other essentials to different, off-peak times, and many of those same people can least afford to give greedy APS more money.

APS constantly refers to their "gotcha" charge as "rate design modernization," but monopolies ripping people off is as old as the hills.