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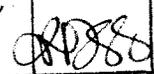
Mail Station 9708  
PO Box 53999  
Phoenix, Arizona 85072-3999

December 22, 2010

Arizona Corporation Commission  
**DOCKETED**

DEC 22 2010

Docket Control  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

DOCKETED BY 

RE: Arizona Public Service Company 2011 RES Implementation Plan  
Docket Nos. E-01345A-10-0166 and E-01345A-10-0262

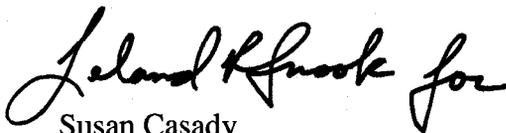
Pursuant to Decision No. 72022, dated December 10, 2010, Arizona Public Service Company ("APS") was ordered as follows:

"file tariffs in compliance with the Decision in this case within 15 days of the effective date of this Decision. The filed tariffs shall be for: a) the proposed fees associated with the system interconnection process, b) the Schools and Government proposed rates, and c) the updated REST surcharge."

Attached please find APS tariffs as referenced above.

If you have any questions regarding this information, please contact Chuck Miessner at (602)250-3081.

Sincerely,

  
Susan Casady

SC/sl  
Attachment

cc: Brian Bozzo

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2010 DEC 22 P 4: 25  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL



**SERVICE SCHEDULE 6**  
**INTERCONNECTION SERVICES AND FEES FOR NON-FERC**  
**WHOLESALE GENERATION FACILITIES**

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1. APPLICABILITY

- 1.1 The services, provisions and fees in this schedule shall apply to an entity (Developer) desiring to interconnect a generating facility to the Arizona Public Service (APS or Company) power delivery system that is not otherwise subject to the Federal Energy Regulatory Commission (FERC) interconnection processes or rules. See 18 C.F.R. § 292.306; *Western Massachusetts Electric Co.*, 61 FERC ¶61,182 at p. 61,661-62 (1992), *aff'd* 165 F.3d 922, 926 (D.C. Cir. 1999).
- 1.2 This schedule shall only apply to a Qualifying Facility as defined in 18 C.F.R. § 292.203, for which the total generation output that is transmitted to the APS power delivery system is sold directly to APS.
- 1.3 This schedule shall not apply to a generating facility that is interconnected on the load side of an APS retail customer's meter and is primarily intended to serve the customer's electricity requirements, including, for example, a net metering facility as defined in A.A.C. R14-2-2302.

2. DESCRIPTION OF SERVICES

- 2.1 Feasibility Study - APS will conduct a preliminary review of the potential impacts of the proposed generating facility on the APS power delivery system. The study will assess the expected capacity requirements of the proposed generator on the delivery system compared with the available system capacity at the point of interconnection and identify any potential overload issues for the delivery system and circuit protection devices. Additionally, this study will provide an initial assessment of the complexity and likely costs for the interconnection.
  - 2.1.1 The Developer shall identify the proposed project site location prior to commencement of the study.
  - 2.1.2 Although the Feasibility Study is optional, no system impact or cost information will be provided by APS without the study and associated fee.
- 2.2 System Impact Study - APS will conduct a full technical review of the project's impact on the APS power delivery system, including power flow, APS system protective device coordination, system protection schemes and voltage drop. This study will determine if any upgrades to APS's system are required to build and interconnect the project as designed.
  - 2.2.1 Although the System Impact Study is optional, no related information will be provided by APS without the study and fee.
- 2.3 Facilities Study - APS will conduct a comprehensive analysis of the actual construction requirements for the APS power delivery system, based on the information from the Feasibility Study and System Impact Study or equivalent information provided by the Developer or third party. The study shall provide the detailed costs of construction and milestones associated with the requirements.
  - 2.3.1 This study is required for interconnection to the Company's power delivery system.
- 2.4 All services in this schedule are distinct from any similar-termed services provided by APS under FERC interconnection processes, which are not governed by this schedule.



**SERVICE SCHEDULE 6**  
**INTERCONNECTION SERVICES AND FEES FOR NON-FERC**  
**WHOLESALE GENERATION FACILITIES**

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3. FEES

- 3.1 Feasibility Study - \$5,000 per study.
- 3.2 System Impact Study - \$15,000 per study. Fee shall be reduced to \$10,000 if a Feasibility Study has been completed by APS for the specific project.
- 3.3 Facilities Study - \$100 per hour. The total fee shall be reduced by any payments received under subsections 3.1 and 3.2 for the specific project, where the net amount shall not be less than zero.

4. PAYMENTS

- 4.1 Payments of fees under 3.1 and 3.2 will be due prior to the commencement of the study.
- 4.2 For services under 3.3, the customer shall provide a \$55,000 deposit to APS prior to the commencement of the study. At the completion of the study the customer shall pay any remaining fees above the deposit to APS or shall be refunded any excess deposit amount by APS.



**RATE SCHEDULE SGSP  
SCHOOLS AND GOVERNMENT SOLAR PROGRAM  
RIDER RATE**

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AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. The rate schedule was approved by the Arizona Corporation Commission ("ACC") in Decision No. 72022.

APPLICATION

This rate schedule shall apply to retail Standard Offer electric service for public elementary and secondary schools (K-12), including charter schools, and eligible government customers served under rate schedules E-32 S, E-32 M, E-32-L, E-32TOU S, E-32TOU M, E-32TOU L, GS-SCHOOLS M, and GS-SCHOOLS L or their successor rate schedules as approved by the ACC. All provisions of the customer's current applicable rate schedule will apply in addition to the charges and credits defined within this rate schedule. Rate Schedule SGSP may not be used in conjunction with any of the Company's partial requirements rate schedules.

Eligible government customers shall include sites that are owned and occupied by a federal, state, or local governmental entity as determined by the Company.

In addition, to be eligible for this rate schedule, the customer must be a participant in the Schools and Government Solar Program and therefore meet the program requirements including but not limited to (1) granting the Company an easement to install, own, operate and maintain a solar photovoltaic system on customer's premises and (2) meeting the technical requirements for the customer's premises.

TERM

This rate schedule shall remain in effect for a period of twenty years from its effective date unless cancelled or modified by the ACC prior to such date. Customers can discontinue participation in this rate schedule at any time without penalty.

SOLAR OPTIONS

The solar photovoltaic equipment size options available under this rate schedule shall be less than or equal to 350 kW-DC of nominal rated capacity for customers with facilities totaling 75,000 square feet or less at the site where the solar equipment is installed. For customers with facilities totaling more than 75,000 square feet the solar equipment shall be less than or equal to 550 kW-DC.

In addition, the solar equipment capacity (kW-AC) shall not be greater than 125% of the customer's connected load (kW-AC) as determined in accordance to rate schedule EPR-6 and A.A.C. R14-2-2302, nor shall the Solar Energy be more than 100% of the customer's metered kWh for the previous 12 months. Both of these limitations shall be determined at the time of initial qualification for the rate.

DETERMINATION OF SOLAR ENERGY

The Solar Energy, which is the nominal expected monthly kWh output from the photovoltaic solar equipment over time, shall be derived by multiplying the kW-DC rating of the photovoltaic equipment by an average monthly production factor (kWh-AC per kW-DC), as determined by the Company. The monthly production factor is 90 kWh-AC per kW-DC. For billing purposes, the Solar Energy in any month shall not exceed the customer's metered kWh used in computing the monthly bill. For totalized metering service provided under Service Schedule 4, the Solar Energy shall not exceed the metered kWh from the single service entrance section where the solar facility is installed.



**RATE SCHEDULE SGSP  
SCHOOLS AND GOVERNMENT SOLAR PROGRAM  
RIDER RATE**

**RATES**

The customer's monthly bill shall be calculated in accordance with their current applicable rate schedule except that:

- (1) The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the per kWh charges listed below. The Solar Charge per kWh shall remain the same for the term of this rate schedule.

Applicable Retail Rate Schedule	Solar Charge per kWh
E-32 S, E-32 M, E-32 L	\$0.09293
E-32TOU S, E-32TOU M, E-32TOU L	\$0.05855
GS-SCHOOLS M, GS-SCHOOLS L	\$0.07158

- (2) The monthly bill will be based on the Customer's total metered usage net of the Solar Energy applied to all unbundled kWh charges and adjustments in the customer's current applicable rate schedule, where the netted kWh shall not be less than zero. The netting shall be applied as follows:
  - E-32TOU S, E-32TOU M, E-32TOU L - 50% of Solar Energy shall be netted from on-peak kWh, 50% from off-peak kWh. If the net kWh is less than zero for either the on-peak or off-peak period, the remaining kWh shall be netted from the other time period, where the netted amount shall not be less than zero.
  - E-32 S, E-32 M, E-32 L - Solar Energy shall be netted from first tier kWh charges. If the netted kWh is less than zero the remaining kWh shall be netted against the second tier of kWh charges, where the netted amount shall not be less than zero.
  - GS-SCHOOLS M, GS-SCHOOLS L – Solar Energy shall be netted from the on-peak, shoulder-peak and off-peak kWh according to the following allocation:

Season	Time Period		
	On-Peak	Shoulder-Peak	Off-Peak
Summer Peak (Jun-Aug)	15.0%	35.0%	50.0%
Summer Shoulder (May, Sep & Oct)	15.0%	35.0%	50.0%
Winter (Nov-Apr)	20.0%	10.0%	70.0%

If the net kWh is less than zero in any period, the remaining kWh shall be applied first to the on-peak, and then the shoulder-peak, and the off-peak period if necessary, where the resulting kWh in any period shall not be less than zero.

- Any reductions to the monthly kWh billed under Schedule RES and Schedule EIS due to participation in green power schedules GPS-1, GPS-2, GPS-3 and Solar-3 will be capped at the customer's total metered kWh net of the Solar Energy provided in Schedule SGSP.
- The Solar Energy shall be netted against the metered kWh from the single service entrance section where the solar facility is installed and shall not be netted against metered kWh from any other metered kWh at other points of delivery at the same customer site or other sites.



**RATE SCHEDULE SGSP  
SCHOOLS AND GOVERNMENT SOLAR PROGRAM  
RIDER RATE**

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TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company's Terms and Conditions of the customer's parent rate schedule. This schedule has provisions that may affect the customer's bill.



**ADJUSTMENT SCHEDULE RES  
RENEWABLE ENERGY STANDARD**

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APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWh served in accordance with rate schedules Solar-2, Solar-3, and Adjustment Schedules GPS-1, GPS-2, and GPS-3. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh	\$0.010132	per kWh
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SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers	\$4.05	per service per month
Non-residential Customers	\$150.53	per service per month
Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months	\$451.60	per service per month

**Redline Version**



**ADJUSTMENT SCHEDULE RES  
RENEWABLE ENERGY STANDARD**

APPLICATION

The Renewable Energy Standard ("RES") Adjustor shall apply to all retail Standard Offer or Direct Access service, excluding kWhs served in accordance with rate schedules Solar-2, Solar-3, and Adjustment Schedules GPS-1, GPS-2, and GPS-3. All provisions of the customer's current applicable rate schedule will apply in addition to the RES Adjustor. From time to time, the RES program spending requirements will be evaluated and if necessary the charge and/or caps may be modified by the Commission. Any new charges/caps will be applied in billing cycle 1 beginning in the month following Commission approval in A.C.C. Decision No. 70654 and will not be prorated. Details regarding the administration of this Adjustor can be found in A.A.C. R14-2-1808. The RES Adjustor and the Demand Side Management Adjustor may be combined on the customer's bill and shown on the "Environmental Benefits Surcharge" line.

RATES

The bill shall be calculated at the following rates:

All kWh \$0.008662010132 per kWh

SURCHARGE LIMITS

The monthly total of the Renewable Energy Standard Adjustment Charge shall not exceed the following limits:

Residential Customers \$3.464.05 per service per month

Non-residential Customers \$128.70150.53 per service per month

Non-residential Customers with demand of 3,000 kW or higher per month for three consecutive months \$386.40451.60 per service per month

ARIZONA PUBLIC SERVICE COMPANY  
Phoenix, Arizona  
Filed by: David J. Rumolo  
Title: Manager, Regulation and Pricing  
Original Effective Date: May 1, 2008

A.C.C. No. 57575780  
Canceling A.C.C. No. 57185757  
Adjustment Schedule RES  
Revision No. 34  
Effective: January 1, 20102011