

ORIGINAL

STAFF PROPOSED AMENDMENT NO. 1



0000132578

TIME/DATE PREPARED: DECEMBER 2, 2011

COMPANY: UNS ELECTRIC, INC.

AGENDA ITEM NO. \_\_\_\_\_

DOCKET NO(S). E-04204A-11-0267 OPEN MEETING DATE: DECEMBER 13 and 14, 2011

Page 16

Line 1:

INSERT New Finding of Fact:

*“Performance-Based Incentive Levels*

Upon further review, Staff believes that the caps on the commercial performance-based incentive levels should be reduced to reflect the lower incentive costs necessary at this time and to avoid a large differential between UNS’ and Staff’s proposed APS’ PBI levels. Staff now recommends setting the PBI caps at a slightly higher level than is recommended by Staff for APS in 2012, or \$0.92 per kWh for 70-200 kW systems, \$0.88 per kWh for 200-400 kW systems, and \$0.84 per kWh for 401 kW and higher systems for UNS. This results in a reduction to the PBI budget line item in Staff Option One from \$1,837,072 to \$1,786,546 and in Staff Option Two from \$1,709,178 to \$1,692,416. This represents a reduction in the budget of \$50,526 under Staff Option One and \$16,762 under Staff Option Two.”

Page 21

DELETE Lines 21-23 and REPLACE with:

“Staff recommends setting the PBI caps at \$0.92 per kWh for 70-200 kW systems, \$0.88 per kWh for 200-400 kW systems, and \$0.84 per kWh for 401 kW and higher systems for UNS. This results in a reduction to the PBI budget line item in Staff Option One from \$1,837,072 to \$1,786,546.”

Arizona Corporation Commission

DOCKETED

DEC 2 2011

DOCKETED BY *[Signature]*

AZ CORP COMMISSION  
DOCKET CONTROL

2011 DEC - 2 P 2:39

RECEIVED

<b>THIS AMENDMENT:</b>		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____

**STAFF PROPOSED AMENDMENT NO. 1**

TIME/DATE PREPARED: DECEMBER 2, 2011

COMPANY: UNS ELECTRIC, INC.

AGENDA ITEM NO. \_\_\_\_\_

DOCKET NO(S). E-04204A-11-026 OPEN MEETING DATE: DECEMBER 13 and 14, 2011

---

---

Page 24

Lines 1-3

**DELETE** Ordering Paragraph and **REPLACE** with New Ordering Paragraph:

“IT IS FURTHER ORDERED that UNS Electric shall set the commercial performance-based incentive levels for 2012 at \$0.92 per kWh for 70-200 kWh systems, \$0.88 per kWh for 200-400 kW systems, and \$0.84 per kWh for 401 kW and higher systems. This results in a reduction to the budget in Staff Option One \$50,526.”

\*\*Make All Conforming changes.

<b>THIS AMENDMENT:</b>		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____