

ORIGINAL

PIERCE PROPOSED AMENDMENT # 1



0000132850

DATE PREPARED: December 7, 2011

RECEIVED

COMPANY: Tucson Electric Power Company.

2011 DEC 12 P 4: 40

DOCKET NOS: E-01933A-11-0269

OPEN MEETING DATES: December 13 & 14, 2011

AZ CORP COMMISSION  
DOCKET AGENDA ITEM: U-16

**INSERT at Page 35, Line 3:**

"109. On November 2, 2011, TEP filed Exceptions to Staffs proposed order and certain Staff recommendations therein. TEP's Exceptions requested that the Commission amend the Staff recommendations regarding: 1. The recovery of certain costs for the TEP Bright Tucson Build out Plan through the REST surcharge; 2. The recovery of certain metering costs through the REST surcharge; 3. The level of UFIs for residential and commercial PV projects; 4. The level of marketing costs to be recovered through the REST surcharge; and 5. The proposed treatment of TEP's Bright Roofs Program with respect to compliance with the Commission's REST Rules. As part of its Exceptions, TEP also submitted a revised budget that reflected its requested amendments as well as revised REST surcharges and monthly billing caps.

110. We believe agree TEP's first, second and fifth Exceptions relating to cost recovery for its Bright Tucson build out plan, recovery of its metering costs, and Bright Roofs Program compliance with the REST rules, but disagree with its Exceptions relating to the level of UFIs for residential and commercial PV projects and the level of marketing costs to be recovered through the REST surcharge. We believe the UFI incentive should be set as we have laid out in this Order. We also do not believe that TEP's marketing expenses should be increased. We agree with Staff and believe that marketing renewable energy is the responsibility of the renewable energy industry. Accordingly, we will reduce TEP marketing budget to zero."

**Page 36, Line 12, DELETE**

"\$2,114,459" and INSERT "\$4,227,927."

**DELETE Page 36, Lines 14 - 16.**

**Page 36, Line 28, INSERT:**

"IT IS FURTHER ORDERED that Tucson Electric Power Company is allowed to recover \$227,982 in metering costs through the 2012 REST surcharge."

**Page 37, Line 3, DELETE "not".**

Make All Conforming Changes

Arizona Corporation Commission

DOCKETED

DEC 12 2011

<b>THIS AMENDMENT:</b>		DOCKETED BY
<input type="checkbox"/> Passed	<input checked="" type="checkbox"/> Passed as amended by	
<input type="checkbox"/> Failed	<input type="checkbox"/> Not Offered	<input type="checkbox"/> Withdrawn