

ORIGINAL



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PIERCE PROPOSED AMENDMENT # 3

DATE PREPARED: December 7, 2011

RECEIVED

2011 DEC 08 COMPANY: #41

Tucson Electric Power Company.

AZ CORPORATION COMMISSION  
DOCKET CONTROL  
DOCKET NOS:

E-01933A-11-0269

OPEN MEETING DATES: December 13 & 14, 2011

AGENDA ITEM: U-16

**Page 24, Line 16**

DELETE lines 16 through Page 26, Line 5 and INSERT new Findings of Fact:

“On October 28, 2011, TEP notified the Commission that as of Tuesday, October 25<sup>th</sup> TEP had received enough application to reserve all of the \$564,500 PV funding at \$0.75 per watt. Accordingly, we believe that rather than the \$1.75 per watt incentive for non-leased systems and the \$1.00 per watt incentive for leased systems proposed by TEP on July 1, 2011, the incentive should be set at \$0.75 per watt on January 1, 2012 for all residential UFI systems.”

**Page 25, Line 8**

DELETE sentence beginning “Staff is” and INSERT new Finding of Fact:

The trigger mechanism we approve for TEP shall work as follows. All PV UFIs will be reduced to \$0.60 per watt if 25% of residential PV incentive funds are reserved on or before March 31, 2012. The second trigger would, if the March 31, 2012 trigger had been reached, reduce the incentive to \$0.45 per watt if 50% of the budget is reserved prior to June 30, 2012. If the March 31, 2012 trigger has not been reached, then the second trigger would reduce the incentive to \$0.60 per watt. The third trigger would involve a step-down in the incentive if 75% of PV incentive funding is reserved on or before September 30, 2012. The incentive would then be reduced to \$0.30 per watt if both previous triggers were reached, \$0.45 per watt if one previous trigger was reached, and \$0.60 per watt if no previous triggers were reached in 2012. If all previous triggers are reached, the incentive will reduce to \$0.10 per watt if 90% of the budget is reserved on or before November 1, 2012 and to \$0.00 per watt if 100% of the budget is reserved on or before December 31, 2012. The chart below lays out how the overall trigger mechanism will work.

Arizona Corporation Commission

DOCKETED

DEC 12 2011

DOCKETED BY

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_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____	

Date of Trigger	Reservations to Activate Trigger	Incentive Level if Trigger Activated
On or before March 31, 2012	25%	\$0.60 per watt
On or before June 30, 2012	50%	\$0.60 per watt if March 31 trigger is not activated \$0.45 per watt if March 31 is activated
On or before September 30, 2012	75%	\$0.60 per watt if neither March 31 nor June 30 triggers are activated \$0.45 per watt if one 2012 trigger is activated \$0.30 per watt if two 2012 triggers are activated
On or before November 1, 2012	90%	\$0.60 per watt if no previous 2012 trigger activated \$0.45 per watt if one 2012 trigger is activated \$0.30 per watt if two 2012 triggers are activated \$0.10 per watt if three 2012 triggers activated
On or before December 31, 2012	100%	\$0.60 per watt if no previous 2012 trigger activated \$0.45 per watt if one 2012 trigger is activated \$0.30 per watt if two 2012 triggers are activated \$0.10 per watt if three 2012 triggers activated \$0.00 per watt if four previous 2012 triggers activated

Make All Conforming Changes