

ORIGINAL



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Revised PIERCE PROPOSED AMENDMENT # 3

RECEIVED

DATE PREPARED: December 15, 2011

COMPANY: A II: 45 Tucson Electric Power Company.

DOCKET NUMBER: E-01933A-11-0269  
DOCKET CONTROL

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 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 50% of the budget is reserved prior to June 30, 2012, reduce the incentive by \$0.20 per Watt if the trigger level is reached within 30 days of the last trigger activation, reduce the incentive by \$0.10 per Watt if the trigger level is reached between 31 and 60 days of the last trigger activation, or \$0.05 per Watt if the trigger level is reached between 61 to 90 days of the last trigger activation.

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 PV incentive would reduce by \$0.20 per Watt if the trigger level is reached within 30 days of the last trigger activation, reduce the incentive by \$0.10 per Watt if the trigger level is reached between 31 and 60 days of the last trigger activation, or \$0.05 per Watt if the trigger level is reached between 61 to 90 days of the last trigger activation.

If 90% of the budget is reserved on or before November 1 2012, the PV incentive will reduce to \$0.20 per Watt if the existing incentive is greater than \$0.35 per Watt. If the existing incentive is less or equal to \$0.35 per Watt, the incentive will decline to \$0.10 per Watt.

<b>THIS AMENDMENT:</b>		Arizona Corporation Commission
<input type="checkbox"/> Passed	<input type="checkbox"/> Passed as amended by _____	<b>DOCKETED</b>
<input type="checkbox"/> Failed	<input type="checkbox"/> Not Offered	DEC 16 2011
	<input type="checkbox"/> Withdrawn	DOCKETED BY

The chart below lays out how the overall trigger mechanism will work.

<b>Date of Trigger</b>	<b>Reservations to Activate Trigger</b>	<b>Rules for Incentive Reductions</b>
On or before March 31, 2012	25%	\$0.60 per watt
On or before June 30, 2012	50%	If the trigger is activated within 30 days of the last trigger activation there will be a \$0.20/Watt incentive decline, 31-60 days a \$0.10/Watt incentive decline, over 60 days \$0.05/Watt incentive decline.
On or before September 30, 2012	75%	If the trigger is activated within 30 days of the last trigger activation there will be a \$0.20/Watt incentive decline, 31-60 days a \$0.10/Watt incentive decline, over 60 days \$0.05/Watt incentive decline.
On or before November 1, 2012	90%	If the existing incentive is greater than \$0.35 per Watt, the incentive will reduce to \$0.20 per Watt. If the existing incentive is less than or equal to \$0.35 the incentive will decline to \$0.10 per Watt.

Make All Conforming Changes