

OPEN MEETING AGENDA ITEM



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Comments to Pierce Amendment #4

ORIGINAL

December 20th, 2011

Arizona Corporation Commission
DOCKETED

Company: Tucson Electric Power

DEC 20 2011

Docket # E-01933A-11-0269

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In order to clarify some of the language in Pierce Amendment #4, I would like to propose several changes or additions.

First, I feel that it will help to clarify the following sentence by stating the actual capacity reserved in 2011.

"Rather, we will cap the total amount of reserved non-residential DG capacity at 8MW, which is approximately the capacity reserved in 2011."

Second, as currently written, the amendment does not allow for a competitive process for reserving PBIs. By adopting the following language, the commission will allow the highly successful reverse auction process to continue. Although I personally feel that the PBI Legacy Cost Bucket should be set at \$4.4 Million, the following language also caps the expenditures at \$3,000,000, consistent with Chairman Pierce's Amendment.

"UFI reservations will be accepted on a first come first serve basis. PBI reservations will be accepted using the reverse auction process with a monthly allocation cap of \$80,000. If the non-residential cap referenced above is reached, or if the \$3,000,000 PBI Legacy Cost budget is reached, both the UFI and PBI programs will be suspended."

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