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**Tucson Electric Power Company** RECEIVED

88 E. Broadway Blvd., Post Office Box 711  
Tucson, Arizona 85702

2012 JAN 20 P 1:05

January 20, 2012

ALL COPIES COMPLETED  
DOCKET CONTROL

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Re: Notice of Filing – Tucson Electric Power Company’s REST-TS1 and REST-TS2  
Docket No. E-01933A-11-0269, Decision No. 72736 (January 13, 2012)

Tucson Electric Power Company (“TEP”) hereby files the Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery in compliance and consistent with Arizona Corporation Commission Decision No. 72736. TEP also files a revised Customer Self-Directed Renewable Energy Option REST-TS2 Renewable Energy Standard Tariff. The revisions to the REST TS-2 tariff are administrative in nature; it contains no substantive changes. Clean and redlined versions of the tariffs are attached.

If you have any questions, please contact me at (520) 884-3680.

Best regards,

Jessica Bryne  
Regulatory Services

Cc: Compliance Section, ACC

Arizona Corporation Commission  
DOCKETED

JAN 20 2012

DOCKETED BY

**CLEAN**



## Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery

A UniSource Energy Company

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### APPLICABILITY

Mandatory, non-bypassable surcharge applied to all energy consumed by all customers throughout Company's entire electric service area.

### RATES

For all energy billed which is supplied by the Company to the customer, the price shall be \$0.007182 per kWh of metered monthly energy consumption on all kWh consumed per meter that month up to and including a monthly cap of:

For Residential customers:	\$3.15 per month
For Small Commercial customers:	\$130.00 per month
For Large Commercial customers:	\$810.00 per month
For Industrial customers:	\$5,500.00 per month
For Public Authority	\$140.00 per month
For Lighting	\$130.00 per month

### Notes:

1. A Large Commercial customer is one with monthly demand greater or equal to 200 kW but less than 3,000 kW.
2. An Industrial customer is one with monthly demand equal to or greater than 3,000 kW.
3. For non-metered services, the lesser of the load profile or otherwise estimated kWh required to provide the service in question, or the service's contract
4. kWh shall be used in the calculation of the surcharge.

This charge will be a line item on customer bills reading "Renewable Energy Standard Tariff."

### RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

### TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Tariff No.: REST-TS1  
Effective: January 16, 2012  
Page No.: 1 of 1



**Customer Self-Directed Renewable Energy Option  
REST-TS2  
Renewable Energy Standard Tariff**

A UniSource Energy Company

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AVAILABILITY

Open to all Eligible Customers as defined at A.A.C. R14-02-1801.H.

APPLICABILITY

Any Eligible Customer that applies to the Company under this program and receives approval shall participate at its option.

PARTICIPATION PROCESS

An Eligible Customer seeking to participate shall submit to the Company a written application that describes the Distributed Renewable Energy (DRE) resources or facilities that it proposes to install and the estimated costs of the project. The Company shall have sixty (60) calendar days to evaluate and respond in writing to the Eligible Customer, either accepting or declining the project. If accepted, the Customer shall be reimbursed up to the actual dollar amounts of customer surcharge paid under the REST-TS1 Tariff in any calendar year in which DRE facilities are installed as part of the accepted project. To qualify for such funds, the Customer shall provide at least half of the funding necessary to complete the project described in the accepted application, and shall provide the Company with sufficient and reasonable written documentation of the project's costs. Customer shall submit their application prior to May 1 of a given year to apply for funding in the following calendar year.

FACILITIES INSTALLED

The maintenance and repair of the facilities installed by a Customer under this program shall be the responsibility of the Customer following completion of the project. In order to be accepted by the Company for reimbursement purposes, the project shall, at a minimum, conform to the Company's System Qualification standards on file with the Commission. (REST Implementation Plan, Renewable Energy Credit Purchase Program – RECPP, Distributed Generation Interconnection Requirements, Net Metering Tariff, Company's Interconnection Manual)

PAYMENTS AND CREDITS

All funds reimbursed by the Company to the Customer for installation of approved DRE facilities shall be paid on an annual basis no later than March 30<sup>th</sup> of each calendar year. All Renewable Energy Credits derived from a project, including generation and Extra Credit Multipliers, shall become the property of the Company and shall be applied towards the Company's Annual Renewable Energy Requirement as defined in A.A.C. R14-2-1801.B.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

RELATED SCHEDULES

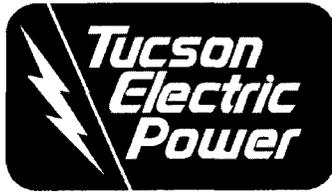
- REST-TS1 - Renewable Energy Program Expense Recovery

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Tariff No.: REST-TS2  
Effective: January 16, 2012  
Page No.: 1 of 1

**REDLINED**



Renewable Energy Standard and Tariff Surcharge
REST-TS1
Renewable Energy Program Expense Recovery

A UniSource Energy Company

APPLICABILITY

Mandatory, non-bypassable surcharge applied to all energy consumed by all customers throughout Company's entire electric service area.

RATES

For all energy billed which is supplied by the Company to the customer, the price shall be \$0.007182424 per kWh of metered monthly energy consumption on all kWh consumed per meter that month up to and including a monthly cap of:

Table with 2 columns: Customer Type and Rate. Rows include Residential, Small Commercial, Large Commercial, Industrial, Public Authority, and Lighting.

Notes:

- 1. A Large Commercial customer is one with monthly demand greater or equal to 200 kW but less than 3,000 kW.
2. An Industrial customer is one with monthly demand equal to or greater than 3,000 kW.
3. For non-metered services, the lesser of the load profile or otherwise estimated kWh required to provide the service in question, or the service's contract
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TAX CLAUSE

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Filed By: Kentton C. Grant/ Raymond S. Heyman
Title: Vice President of Finance and Rates/ Senior Vice President
District: Entire Electric Service Area

Tariff No.: REST-TS1
Effective: January 16, 2012
Page No.: 1 of 1



## Customer Self-Directed Renewable Energy Option REST-TS2 Renewable Energy Standard Tariff

A UniSource Energy Company

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### AVAILABILITY

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### RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

### RELATED SCHEDULES

- REST-TS1 - Renewable Energy Program Expense Recovery

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Filed By: ~~Kentton C. Grant~~ Raymond S. Heyman  
Title: ~~Vice President of Finance and Rates~~ Senior Vice President  
District: Entire Electric Service Area

Tariff No.: REST-TS2  
Effective: January 16, 2014~~2~~  
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