



0000139947

ORIGINAL

RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP
BRENDA BURNS

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

DEC 17 2012

DOCKETED BY *MW*

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. E-01575A-12-0264
SULPHUR SPRINGS ELECTRIC COOPERATIVE,)
INC. FOR APPROVAL OF ITS 2013 RENEWABLE)
ENERGY STANDARD TARIFF AND)
IMPLEMENTATION PLAN)

REVISIONS TO
REST BUDGET &
PUBLIC NOTICE

Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") hereby submits a revised REST budget due to a change in the funds needed for the debt service payment for the SSVEC "sun farm" project (Attachment A). A revision in the loan terms reduced the annual payments.

SSVEC also mailed the attached letter in Attachment B to all members for the reasons stated below. A copy of the letter was also posted to the SSVEC website on 12/10/12. SSVEC has also attached the certification of mailing of this letter.

When the Commission approved SSVEC's current REST plan, it was approved for 2011-12 time period because five months of 2011 had passed. At the time that the Commission approved SSVEC's plan, solar prices had fallen but were stable so SSVEC's rebates of \$2 per watt were appropriate and in line with other utilities. However, this year solar prices have decreased significantly resulting in SSVEC rebates being significantly above other utilities.

Despite the rebate disparity, SSVEC was able to still reduce the reservation list dollars and

1 wait time. SSVEC was hopeful that its 2013 plan would be considered by the Commission in
2 November or December of 2012 and requested in its application that the new rebate amounts to
3 be effective immediately. When it became apparent that its 2013 plan would not be considered
4 until the end of January 2013, SSVEC worked with Staff to develop a solution to lower its high
5 rebate amounts. PV companies from all over the state have become active in Cochise County in
6 the past several weeks and are aggressively selling solar systems which has caused SSVEC's
7 waiting list to begin to grow again.
8

9
10 Based on its discussions with Staff, SSVEC has mailed the letter in Attachment B.
11 to all of our members indicating that it plans to recommend to the Commission to make the
12 requested 2013 rebate amounts effective December 20, 2012.
13

14
15
16 RESPECTFULLY SUBMITTED this 17th day of December 2012
17 Sulphur Springs Valley Electric Cooperative, Inc.

18 By 
19 David Bane
20 Sun Watts Program Manager
21

22
23 **Original** and thirteen (13) copies filed this
17th day of December 2012, with:

24 Docket Control
25 Arizona Corporation Commission
26 1200 W. Washington,
Phoenix, AZ 85007

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26

1 **Attachment A**

(DOCKET NO. E-01575A-12-0264)

2 The funds required for debt service for the CREBs 2 loan were lower than previously estimated.

3
4 The following is the revised 2013 REST Budget.

5 Proposed 2013 REST budget

6

Estimated 2013 Collections	\$ 3,344,909
Alamo & San Simon kWh Sales	\$ 111,596
Estimated 2012 carry over	\$ 5,082
Total Budget	\$ 3,461,586

7
8
9

Loan Fund from Surcharge	\$ 125,000
Administration	\$ 200,000
Habitat for Humanity projects	\$ 15,000
Advertising	\$ 1,000
School Solar Project (CREBs 1 debt service)	\$ 750,000
SSVEC Solar Farm (CREBs 2 debt service)	\$ 350,000
SunWatts Incentives Residential	\$ 1,110,873
SunWatts Incentives Commercial	\$ 707,555
PBI Residential	\$ 101,079
PBI Commercial	\$ 101,079
	\$ 3,461,586

10
11
12
13
14
15
16 NOTE: Funds removed from the debt Service were distributed into the Incentive funds.



Sulphur Springs Valley Electric Cooperative, Inc.

A Touchstone Energy® Cooperative

SunWatts
Special-Announcement
&
Official-Notice

The SSVEC SunWatts Program currently has the highest dollar-per-watt level of Renewable Incentives in the State. With this in mind, we have proposed to the Arizona Corporation Commission (ACC), who regulates the SunWatts program that our incentive amounts be reduced to the levels listed below. The reasons for the reduction are the decrease in the cost of the solar panels and to bring our rebates/payments/maximum percent paid in line with the other utilities in the state. SSVEC is requesting that these proposed new incentive amounts be effective on December 21, 2012.

Therefore any SunWatts incentive requests (reservation forms) postmarked or received by SSVEC after 12/20/12 will receive the new incentive rate as determined by the ACC with their approval of the 2013-REST program.

This program change does not affect Members already on the reservation list.

Residential			Commercial		
Program Item	2011/2012	Proposed 2013	Program Item	2011/2012	Proposed 2013
Residential Per-Watt One-Time Incentive (OTI)	\$2,000	\$0.500	Commercial Per-Watt One-Time Incentive (OTI)	\$1,250	\$0.500
Maximum OTI percentage based on the total cost	40%	35%	Maximum OTI percentage based on the total cost	40%	35%
Performance Based Incentive (PBI) 10-Year Rate and Cap	\$0.1824 30%	\$0.0804 40%	PBI 10-year Rate and Cap	\$0.1824 30%	\$0.0804 40%
PBI 15-year Rate and Cap	\$0.1684 30%	\$0.0824 40%	PBI 15-year Rate and Cap	\$0.1684 30%	\$0.0824 40%
PBI 20-year Rate and Cap	\$0.1624 30%	\$0.0804 40%	PBI 20-year Rate and Cap	\$0.1624 30%	\$0.0804 40%
Solar Water Heating (per kWh)	\$0.700	\$0.650	Solar Water Heating (per kWh)	\$0.700	\$0.650

The SunWatts reservation forms may be found at any SSVEC office or on the SSVEC website at: <http://www.ssvec.org/renewable-energy-program/>.

Respectfully,

David Bane
 David Bane
 SunWatts Program Manager
 520-515-3472



100 West Forest Avenue
Suite G
Englewood, New Jersey 07631

201-871-1100 phone
201-871-3550 fax
www.osgbilling.com

To: Sulphur Springs Valley Electric Cooperative
Att: Wayne Crane

December 17, 2012

Subject: SunWatts Direct Mailing

This letter is to certify that Direct Mailing of the SunWatts Letter was inserted and mailed as follows:

Qty: 37,355

- 35,345 Automated
- 2,010 Non-Automated

Date Delivered to the USPS: 12/13/2012

Thank You,

Tom Prellwitz
Account Manager
OSG Billing Services
Tel: 480-345-9600 X- 581
Fax: 480-345-9601

<http://www.osgbilling.com>



20th ANNIVERSARY

Follow us on:    