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BEFORE THE ARIZONA CORPORATE COMMISSION

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**COMMISSIONERS**  
GARY PIERCE - CHAIRMAN  
BOB STUMP  
SANDRA D. KENNEDY  
PAUL NEWMAN  
BRENDA BURNS

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CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF )	DOCKET NO. E-01933A-12-0291
TUCSON ELECTRIC POWER COMPANY FOR )	
THE ESTABLISHMENT OF JUST AND )	
REASONABLE RATES AND CHARGES )	<b>NOTICE OF FILING</b>
DESIGNED TO REALIZE A REASONABLE )	<b>AFFIDAVIT OF MAILING</b>
RATE OF RETURN ON THE FAIR VALUE OF )	
ITS OPERATIONS THROUGHOUT THE STATE )	
OF ARIZONA )	

Pursuant to the September 6, 2012 Rate Case Procedural Order, Tucson Electric Power Company ("TEP"), through its undersigned counsel, hereby submits the attached affidavit of mailing the public notice as a bill insert. The bill insert was placed in TEP's customers' bills beginning on October 2, 2012 and ending on October 31, 2012.

RESPECTFULLY SUBMITTED this 6<sup>th</sup> day of November 2012.

TUCSON ELECTRIC POWER COMPANY

By   
Michael W. Patten  
Roshka DeWulf & Patten, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004

and

Bradley S. Carroll  
Tucson Electric Power Company  
88 E. Broadway Blvd., MS HQE910  
P.O. Box 711  
Tucson, Arizona 85702

Attorneys for Tucson Electric Power Company

Arizona Corporation Commission  
DOCKETED

NOV 06 2012

DOCKETED BY 

1 Original and 13 copies of the foregoing  
2 filed this 6<sup>th</sup> day of November 2012 with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington Street  
6 Phoenix, Arizona 85007

7 Copies of the foregoing hand-delivered/mailed  
8 this 6<sup>th</sup> day of November 2012 to the following:

9 Jane Rodda, Administrative Law Judge  
10 Hearing Division  
11 Arizona Corporation Commission  
12 400 West Congress  
13 Tucson, Arizona 85701

14 Robin R. Mitchell  
15 Charles H. Hains  
16 Brian E. Smith  
17 Legal Division  
18 Arizona Corporation Commission  
19 1200 West Washington Street  
20 Phoenix, Arizona 85007

21 Steve Olea, Director  
22 Utilities Division  
23 Arizona Corporation Commission  
24 1200 West Washington Street  
25 Phoenix, Arizona 85007

26 Copies of the foregoing emailed  
27 this 6<sup>th</sup> day of November 2012 to the following:

Daniel Pozefsky, Chief Counsel  
Residential Utility Consumer Office  
11 10 West Washington, Suite 220  
Phoenix, Arizona 85007

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33 Phoenix, Arizona 85072  
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43 202 E. McDowell road, Suite 153  
44 Phoenix, Arizona 85004  
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3 1167 W. Samalayuca Drive  
4 Tucson, Arizona 85704

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5 Sierra Club Environmental Law Program  
6 85 Second Street, 2nd Floor  
7 San Francisco, California 94105

7 Terrance A. Spann  
8 General  
9 Attorney-Regulatory Law Office (JALS-RL/IP)  
10 U. S. Army Legal Services Agency  
11 9275 Gunston Rd  
12 Fort Belvoir, VA 22060

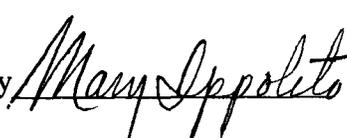
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12 Neidlinger & Associates  
13 3020 N. 17th Drive  
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17 Gary Yaquinto, President & CEO  
18 Arizona Investment Council  
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20 Annie C. Lappe  
21 The Vote Solar Initiative  
22 1120 Pearl Street, Suite 200  
23 Boulder, Colorado 80302

22 Rick Gilliam  
23 Director of Research and Analysis  
24 The Vote Solar Initiative  
25 1120 Pearl Street, Suite 200  
26 Boulder, Colorado 80302

26  
27 By 



# **PUBLIC NOTICE OF HEARING ON THE APPLICATION** **OF TUCSON ELECTRIC POWER COMPANY** **FOR A PERMANENT BASE RATE INCREASE** **(DOCKET NO. E-01933A-12-0291)**

## **Summary**

On July 2, 2012, Tucson Electric Power Company ("TEP") filed an Application with the Arizona Corporation Commission ("Commission") for a permanent base rate increase. The Application seeks a \$127.7 million increase in non-fuel base rates. As a result of this Application, the current monthly bill for the average residential customer, using 812 kWh per month, would increase by \$10.65 or 12.5 %, from \$85.17 to \$95.82. The actual bill impact for individual customers that would result from the Application will vary depending upon the type and quantity of service provided.

In addition, TEP's Application seeks to establish: (i) a lost fixed-cost recovery mechanism related to energy efficiency and distributed renewable generation requirements; and (ii) an environmental compliance cost-recovery mechanism. TEP also is requesting elimination of certain rate options, modification to its rate design, including the structure of its Purchased Power and Fuel Adjustment Clause, and is proposing a new approach to funding cost-effective demand-side management and energy efficiency programs.

The Commission's Utilities Division ("Staff") is in the process of reviewing and analyzing the Application and has not yet made a recommendation regarding TEP's request. The Commission will issue a Decision regarding TEP's Application following consideration of testimony and evidence presented at an evidentiary hearing. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY TEP, STAFF, OR ANY INTERVENORS, AND THE FINAL RATES APPROVED BY THE COMMISSION MAY BE HIGHER OR LOWER THAN THE RATES REQUESTED BY TEP OR RECOMMENDED BY OTHER PARTIES.**

## **How You Can View or Obtain a Copy of the Rate Proposal**

Copies of the Application are available on the Internet via TEP's website ([www.tep.com](http://www.tep.com)), at the Joel D. Valdez Main Library at 101 N. Stone, Tucson, Arizona, 85701, at the Commission's offices at 400 W. Congress, Room 218, Tucson, Arizona, 85701 or 1200 West Washington, Phoenix, Arizona, 85007 for public inspection during regular business hours, and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using e-Docket function.

## **Arizona Corporation Commission Public Hearing Information**

**THE COMMISSION WILL HOLD A HEARING ON THIS MATTER BEGINNING ON MARCH 6, 2013, AT 10:00 A.M., OR AS SOON THEREAFTER AS PRACTICAL IN THE COMMISSION'S OFFICES, ROOM NO. 222, 400 W. CONGRESS, TUCSON, ARIZONA.**

**PUBLIC COMMENTS WILL BE TAKEN ON MARCH 4, 2013 AT 5:30 P.M. AT THE COMMISSION'S OFFICES, ROOM NO. 222, 400 W. CONGRESS, TUCSON, ARIZONA.**

Written public comments may be submitted by mailing a letter referencing Docket No. E-01933A-12-0291 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Commission's Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

### **About Intervention**

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than February 15, 2013, and send a copy of the motion to TEP or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of TEP, a shareholder of TEP, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to TEP or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before February 15, 2013. All parties must comply with Arizona Supreme Court Rules 31 and 38 and A.R.S. §40-243 with respect to the practice of law. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, e-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice phone number (602)-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

### **Who to Contact if you have Questions**

For further information on the TEP rate increase request and procedural schedule, please contact TEP at (520) 884-3742 or the Commission's Consumer Services Section at (520) 628-6550, (602) 542-4251, or 1 (800) 222-7000.