

ORIGINAL
COMMISSIONERS
BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

OPEN MEETING ITEM



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ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

DATE: FEBRUARY 26, 2013

DOCKET NOS.: E-01345A-10-0394, E-01345A-12-0290, E-01933A-12-0296
AND E-04204A-12-0297

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Teena Jibilian. The recommendation has been filed in the form of an Order on:

UNS ELECTRIC, INC., ARIZONA PUBLIC SERVICE COMPANY, AND TUCSON
ELECTRIC POWER COMPANY
(ORDER CORRECTING DECISION NO. 73637 *NUNC PRO TUNC*)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

MARCH 7, 2013

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

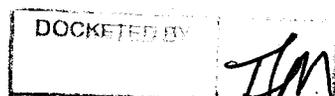
MARCH 12, 2013 AND MARCH 13, 2013

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

FEB 26 2013



Jodi A. Jerich
JODI JERICH
EXECUTIVE DIRECTOR

1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347
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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SABernal@azcc.gov.

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 BOB STUMP - Chairman
4 GARY PIERCE
5 BRENDA BURNS
6 BOB BURNS
7 SUSAN BITTER SMITH

8 IN THE MATTER OF ARIZONA PUBLIC
9 SERVICE COMPANY REQUEST FOR
10 APPROVAL OF UPDATED GREEN POWER
11 RATE SCHEDULE GPS-1, GPS-2, AND GPS-3.

DOCKET NO. E-01345A-10-0394

12 IN THE MATTER OF THE APPLICATION OF
13 ARIZONA PUBLIC SERVICE COMPANY FOR
14 APPROVAL OF ITS 2013 RENEWABLE ENERGY
15 STANDARD IMPLEMENTATION FOR RESET
16 OF RENEWABLE ENERGY ADJUSTOR.

DOCKET NO. E-01345A-12-0290

17 IN THE MATTER OF THE APPLICATION OF
18 TUCSON ELECTRIC POWER COMPANY FOR
19 APPROVAL OF ITS 2013 RENEWABLE ENERGY
20 STANDARD IMPLEMENTATION PLAN AND
21 DISTRIBUTED ENERGY ADMINISTRATIVE
22 PLAN AND REQUEST FOR RESET OF ITS
23 RENEWABLE ENERGY ADJUSTOR.

DOCKET NO. E-01933A-12-0296

24 IN THE MATTER OF THE APPLICATION
25 OF UNS ELECTRIC, INC. FOR APPROVAL
26 OF ITS 2013 RENEWABLE ENERGY
27 STANDARD IMPLEMENTATION PLAN
28 AND DISTRIBUTED ENERGY
ADMINISTRATIVE PLAN AND REQUEST
FOR RESET OF ITS RENEWABLE
ENERGY ADJUSTOR.

DOCKET NO. E-04204A-12-0297

ORDER CORRECTING DECISION
NO. 73637 NUNC PRO TUNC

Open Meeting
March 12 and 13, 2013
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1 1. On January 31, 2013, the Commission issued Decision No. 73637 in the above-
2 captioned matter.

3 2. On February 1, 2013, the Commission's Utilities Division ("Staff") filed a Request for
4 an Order *Nunc Pro Tunc* because several ordering paragraphs from Staff's Recommended Order were
5 inadvertently left in the Order instead of being deleted and/or replaced by amendments adopted at the
6 Open Meeting, and several of Chairman Stump's amended ordering paragraphs were inadvertently
7 omitted from the Order. Staff requested that a *Nunc Pro Tunc* Order be entered amending Decision
8 No. 73637 as follows:

9 (a) On Page 33, line 10, the following Ordering paragraphs from Chairman Stump's
10 Amendment No. 1 should be added:

11 "IT IS FURTHER ORDERED that the "Track and Record" proposal shall not be
12 adopted for TEP at this time.

13 "IT IS FURTHER ORDERED that the "Track and Record" proposal (as well as
14 potential alternatives thereto) should be subject to a hearing as discussed herein.";

15 (b) The current Ordering paragraph on Page 33, beginning at line 10 and ending on
16 line 14 should be deleted and replaced with the following Ordering paragraph from Chairman
17 Stump's Amendment No. 1:

18 "IT IS FURTHER ORDERED that TEP should not count toward its REST compliance
19 any 2012 renewable projects that did not receive incentives."; and

20 (c) The current Ordering paragraph on Page 33, lines 15-17, should be deleted in its
21 entirety.

22 3. On February 6, 2013, Tucson Electric Power Company ("TEP") also filed a Request
23 For An Order *Nunc Pro Tunc* to correct the omission of the new monthly Customer Class Caps
24 resulting from the budget reductions adopted by the Commission in Decision No. 73637.

25 4. On February 8, 2013, Freeport-McMoRan Copper & Gold Inc. and Arizonans for
26 Electric Choice and Competition (collectively "AECC") filed Comments in Support of TEP's
27 Request.

28 5. On February 11, 2013, Staff filed Comments in support of TEP's Request, stating that

1 Staff agrees that TEP's requested correction complies with Decision No. 73637. Staff stated that
2 TEP is awaiting an amended Decision prior to implementing the new surcharge.

3 6. In addition to the omissions identified by the parties, several other provisions
4 contained in Chairman Stump's Amendment No. 1 were not reflected in Decision No. 73637;
5 namely, additional Findings of Fact Nos. 47 and 48 on page 19, and replacement Findings of Fact
6 Nos. 86 and 87 on page 30, lines 21-27 of the Recommended Order, and which are Findings of Fact
7 Nos. 88 and 89 in Decision No. 73637.

8 7. At its January 24, 2013 Open Meeting, the Commission considered, amended and
9 voted upon a Staff Recommended Order. The Order that was signed and issued on January 31, 2013,
10 did not reflect all of the approved changes and additions to the Recommended Order. The omitted
11 amendment language and deletions from the Recommended Order as described in Staff's February 1,
12 2013 filing, and the omission of the Monthly Class Caps, as described in TEP's February 6, 2013
13 filing, as well as the omitted Findings of Fact Nos. 47 and 48, and the replacement Findings of Fact
14 Nos. 86 and 87 in Chairman Stump's Amendment No. 1, need to be corrected in order to reflect the
15 directive of the Commission at its January 24, 2013, Open Meeting.

16 CONCLUSIONS OF LAW

17 1. TEP is a public service corporation within the meaning of Article XV of the Arizona
18 Constitution.

19 2. The Commission has jurisdiction over TEP and over the subject matter of the
20 application.

21 3. Decision No. 73637 should be corrected, *nunc pro tunc*, as discussed herein.

22 ORDER

23 IT IS THEREFORE ORDERED that Decision No. 73637 is hereby corrected *Nunc Pro Tunc*
24 as follows:

25 Page 19, Line 6, insert additional Findings of Facts:

26 "47. The Commission should direct the Hearing Division to schedule a procedural
27 conference, entertain requests for intervention, hold a hearing, and prepare a Recommended
28 Opinion and Order ("ROO") for Commission consideration on the "Track and Record"

1 proposal and potential alternatives. The ROO should evaluate whether adoption of the “Track
2 and Record” proposal (or alternatives thereto) would require modifications to the REST
3 Rules.”

4 “48. As part of its Track and Record proposal, TEP proposed to count certain 2012
5 renewable projects that did not receive incentives toward TEP’s compliance requirements
6 under the REST rules. This request should be denied. Staff recognizes that TEP’s ability to
7 comply with its 2013 REST requirement could be impacted by the Commission’s acting on
8 “Track and Record” (or another potential alternative) at a later date. Therefore, TEP may file
9 with the Commission, at an appropriate time, a request for a remedy if TEP believes that its
10 ability to comply with TEP’s 2013 REST requirement has been affected.”

11 Page 26, Finding of Fact No. 65, insert after the table:

12 “However, due to the budget reductions discussed and approved herein, the Monthly Class
13 Caps (based on a REST surcharge of \$0.008000 per kWh) shall be set as follows:

14 Residential	\$3.80
15 Small Commercial	\$130
16 Large Commercial	\$1,050
17 Industrial and Mining	\$7,700
18 Public Authority	\$170
19 Lighting	\$130

20 Page 31, lines 10-16, delete Findings of Fact Nos. 88 and 89 and replace with:

21 “88. Staff recommends that the “Track and Record” proposal (as well as potential
22 alternatives thereto) should be subject to a hearing as discussed herein.

23 89. Staff recommends that the Commission deny TEP’s request to count the seven 2012
24 installations that requested net metering but that did not receive utility incentives towards
25 REST compliance.”

26 Page 32, line 2, insert “as modified” after “Staff budget option”

27 Page 33, lines 10-14 and 15-17, delete the existing ordering paragraphs and replace with:

28 “IT IS FURTHER ORDERED that the “Track and Record” proposal shall not be adopted for

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TEP at this time.

IT IS FURTHER ORDERED that the "Track and Record" proposal (as well as potential alternatives thereto) should be subject to a hearing as discussed herein."

IT IS FURTHER ORDERED that TEP should not count toward its REST compliance any 2012 renewable projects that did not receive incentives."

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____ 2013.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR: TUCSON ELECTRIC POWER COMPANY,
2 ARIZONA PUBLIC SERVICE COMPANY, AND
UNS ELECTRIC, INC.

3 DOCKET NOS.: E-01345A-10-0394, E-01345A-12-0290, E-01933A-12-
4 0296 AND E-04204A-12-0297

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