



0000147582

1 Melissa M. Krueger, AZ Bar No. 021176
2 Pinnacle West Capital Corporation
3 400 North 5th Street, MS 8695
4 Phoenix, Arizona 85004
5 Tel: (602) 250-2439
6 Fax: (602) 250-3393
7 E-Mail: Melissa.Krueger@pinnaclewest.com
8 Attorney for Arizona Public Service Company

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AZ CORP COMMISSION
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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
ROBERT L. BURNS
SUSAN BITTER SMITH

12 IN THE MATTER OF ARIZONA PUBLIC
13 SERVICE COMPANY – APPROVAL OF
14 UPDATED GREEN POWER RATE
15 SCHEDULE GPS-1, GPS-2 AND GPS-3

DOCKET NO. E-01345A-10-0394

16 IN THE MATTER OF THE APPLICATION
17 OF ARIZONA PUBLIC SERVICE
18 COMPANY FOR APPROVAL OF ITS 2013
19 RENEWABLE ENERGY STANDARD
20 IMPLEMENTATION FOR RESET OF
21 RENEWABLE ENERGY ADJUSTOR

DOCKET NO. E-01345A-12-0290

22 IN THE MATTER OF THE APPLICATION
23 TUCSON ELECTRIC POWER COMPANY
24 FOR APPROVAL OF ITS 2013
25 RENEWABLE ENERGY STANDARD
26 IMPLEMENTATION PLAN AND
27 DISTRIBUTED ENERGY
28 ADMINISTRATIVE PLAN AND
REQUEST FOR RESET OF RENEWABLE
ENERGY ADJUSTOR

DOCKET NO. E-01933A-12-0296

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

DOCKET NO. E-04204A-12-0297

Arizona Corporation Commission

DOCKETED

AUG 23 2013

DOCKETED BY

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REQUEST TO REALLOCATE PBI FUNDING

1 Arizona Public Service Company ("APS") asks the Commission for authorization
2 to reallocate approximately \$24.6 million in previously authorized, but currently
3 uncommitted, performance based incentive ("PBI") funding to its Expanded Third Party
4 Schools and Government Program ("Program"). This funding reallocation is needed to
5 fulfill the remaining approved 8.75 MWac of this Program.

6 **I. The Expanded Third Party Schools And Government Program**

7 In Decision No. 73636 (January 31, 2013), the Commission authorized APS to
8 provide PBIs to fund 18.75 MWac of third-party owned distributed generation for
9 schools and government entities in APS's service territory. The Commission approved
10 incentive levels of up to \$0.09 per kWh for 15 year projects and \$0.085 per kWh for 20
11 year projects, with individual project incentives not to exceed 40 percent of that
12 project's total cost.

13 To date, APS has awarded incentives to approximately 10 MWac of the approved
14 18.75 MWac. The incentives awarded through the required competitive solicitation
15 process, while still below the approved caps mentioned above, have not reached the
16 lower price point expected when Program lifetime PBI funding was requested; therefore,
17 the currently approved lifetime PBIs will not fully fund the remaining authorized third-
18 party Program allocation. Thus, APS now seeks authorization to reallocate \$24.6
19 million in authorized, but uncommitted, third-party PBI funds toward funding the
20 remaining approved 8.75 MWac of the Program. This reallocation will allow APS to
21 award incentives to remaining third-party projects in future nomination periods up to the
22 Program caps, if needed.

23 **II. Conclusion**

24 APS asks the Commission to allow APS to reallocate \$24.6 million of previously
25 authorized, but currently uncommitted, PBI funding to the Expanded Third Party
26 Schools and Government Program. APS requests that the Commission approve this
27 proposed PBI reallocation as soon as feasible, so that APS can continue to fund program
28

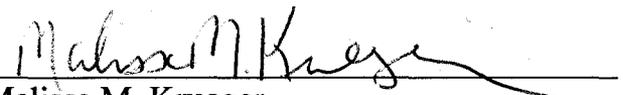
1 commitments and award incentives to the remaining third-party 8.75 MWac prior to
2 year end 2013.

3

4 RESPECTFULLY SUBMITTED this 23nd day of August 2013.

5

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By: 
Melissa M. Krueger

7

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Attorney for Arizona Public Service Company

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10 ORIGINAL and thirteen (13) copies
11 of the foregoing filed this 2nd day of
12 August 2013, with:

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Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

15

16

COPY of the foregoing mailed/delivered
this 2nd day of August 2013 to:

17

18

19

Janice Alward
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

Douglas Fant
Law Offices of Douglas V. Fant
3655 W. Anthem Way, Suite A-109
PMB 411
Anthem, AZ 85086

20

21

22

C. Webb Crockett
Fennemore Craig
3003 N. Central Avenue, Suite 2600
Phoenix, AZ 85012-2319

Lyn Farmer
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

23

24

25

Michael Neary
AriSEIA
111 West Renee Dr.
Phoenix, AZ 85027

Steve Olea
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

26

27

28

Craig Marks
Craig A. Marks, PLC
10645 N. Tatum Blvd., Suite 200-676
Phoenix, AZ 85028

Court Rich
Rose Law Group, P.C.
202 E. McDowell Road, Suite 153
Phoenix, AZ 85250

1 David Berry
2 Western Resource Advocates
3 P.O. Box 1064
4 Scottsdale, AZ 85252
5
6 Michael w. Patten
7 Roshka DeWulf & Patten PLC
8 One Arizona Center
9 400 E. Van Buren St. Suite 800
10 Phoenix, AZ 85004
11
12 Christopher D. Thomas
13 Fred E. Breedlove III
14 Squire Sanders
15 1 E. Washington, 27th Floor
16 Phoenix, AZ 85004
17
18 Kyle J. Smith
19 General Attorney
20 Office of the Judge Advocate General
21 U.S. Army Legal Service Agency
22 9275 Gunston Road
23 Fort Belvior, VA 22060-5546
24
25 Daniel Pozefsky
26 RUCO
27 1110 W. Washington St., Suite 220
28 Phoenix, AZ 85007
29
30 Rick Gilliam
31 Director of Research and Analysis
32 The Vote Solar Initiative
33 1120 Pearl Street, Suite 200
34 Boulder, CO 80302

Timothy Hogan
Arizona Center for Law in the Public
Interest
202 E. McDowell Road, Suite 153
Phoenix, AZ 85004
Kevin Koch
2333 E. 1st Street
P.O. Box 42103
Tucson, AZ 85733

Scott Wakefield
Ridenour Heinton & Lewis, P.L.L.C
201 N. Central Avenue, Suite 330
Phoenix, AZ 85004-1052

Bradley Carroll
88 E. Broadway Blvd.
MS HQE910
Tucson, AZ 85072

Annie C. Lappe
The Vote Solar Initiative
1120 Pearl Street, Suite 200
Boulder, CO 80302

Christel Dodson