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Tucson Electric Power

88 East Broadway Blvd., Post Office Box 711  
Tucson, AZ 85702

December 10, 2013

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

Re: Notice of Errata to Compliance Filing – Tucson Electric Power Company  
Decision No. 73912, Docket No. E-01933A-12-0291

On July 2, 2013, in compliance with Decision No. 73912 (June 27, 2013) (“Decision”), Tucson Electric Power Company (“TEP”) filed its Schedule of Rates and Charges, Rules and Regulations (“Rules”), and Plans of Administration, which were also posted on the TEP website on July 1, 2013. From that filing, please replace the filed Lost Fixed Cost Recovery Mechanism Plan of Administration Schedules with the enclosed, corrected Schedules. In the Schedules filed on July 2, 2013, the Lost Fixed Cost Rate calculated on Schedule 4 for the R-01 Residential Class inadvertently included the “Fixed Must-Run” unbundled component. The attached, corrected supporting schedules remove that component and reflect the correct rates. These Schedules match the Schedules attached to Decision No. 73912.

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

Sincerely,

Jessica Bryne  
Regulatory Services

Arizona Corporation Commission

DOCKETED

DEC 10 2013

cc: Julie McNeely-Kirwan, ACC  
Compliance Section, ACC

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# TUCSON ELECTRIC POWER

## LFCR SCHEDULES

Tucson Electric Power  
 Lost Fixed Cost Recovery Mechanism  
 Schedule 1: LFCR Annual Adjustment Rate (Percentage)  
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Line No.	(A) Annual Per kWh Adjustment	(B) Reference	(C) Total
<u>Energy Efficiency Related Adjustment</u>			
1	Total Lost Fixed Cost Revenue for Current Period	Sch 2, Line 13 x Sch 3, Line 55	\$ -
2	Forecast of Applicable Company's Revenues	Schedule 2, Line 1	-
3	Percentage Adjustment Applied to Customer's Bills for EE	Line 1 /Line 2	0
<u>Distributed Generation Related Adjustment</u>			
4	Total Lost Fixed Cost Revenue for Current Period	Sch 2, Line 13 x Sch 3, Line 56	\$ -
5	Forecast of Applicable Company's Revenues	Schedule 2, Line 1	-
6	Percentage Adjustment Applied to Customer's Bills for DG	Line 4 / Line 5	0

Tucson Electric Power  
Lost Fixed Cost Recovery Mechanism  
Schedule 2: LFCR Annual Incremental Cap Calculation  
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Line No.	(A) LFCR Annual Incremental Cap Calculation	(B) Reference	(C) Totals
1	Applicable Company Revenues		\$
2	Allowed Cap %		1.00%
3	Maximum Allowed Incremental Recovery	(Line 1 * Line 2)	\$ -
4	Total Lost Fixed Cost Revenue	Schedule 3, Line 57, Column C	\$ -
5	Total Deferred Balance from Previous Period	Previous Filing, Schedule 2, Line 11, Column C	-
6	Annual Interest Rate		
7	Interest Accrued on Deferred Balance	(Line 5 * Line 6)	-
8	Total Lost Fixed Cost Revenue Current Period	(Line 4 + Line 5 + Line 7)	\$ -
9	Lost Fixed Cost Revenue from Prior Period	Previous Filing, Schedule 2, Line 13, Column C	\$ -
10	Total Incremental Lost Fixed Cost Revenue for Current Year	(Line 8 - Line 9)	\$ -
11	Amount in Excess of Cap to Defer	(Line 10 - Line 3)	\$ -
12	Incremental Period Adjustment	[(Line 10 - Line 11)/ Line 1]	-
13	Total Lost Fixed Cost Revenue for Current Period	(Line 8 - Line 11)	\$ -

Tucson Electric Power  
Lost Fixed Cost Recovery Mechanism  
Schedule 3: LFCR Calculation  
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Line No.	(A) LFCR Fixed Cost Revenue Calculation	(B) Reference	(C) Totals	(D) Units
<b>Residential</b>				
<u>Energy Efficiency Savings</u>				
1	Current Period			kWh
2	% of Residential Customers choosing fixed-option		0.0%	
3	Excluded kWh reduction	(Line 1 * Line 2)	-	kWh
4	Net - Current Period	(Line 1 - Line 3)	-	kWh
5	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 6, Column C	-	kWh
6	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 6, Column C + Line 4)	-	kWh
7	Total Recoverable EE Savings	Line 6	-	kWh
8	Residential - Lost Fixed Cost Rate	Schedule 4, Line 3, Column C	\$ 0.0308	\$/kWh
9	Residential - Lost Fixed Cost Revenue Relating to EE	(Line 7 * Line 8)	\$ -	
<u>Distributed Generation</u>				
10	Current Period			kWh
11	% of Residential Customers choosing fixed-option		0.0%	
12	Excluded kWh reduction	(Line 10 * Line 11)	-	kWh
13	Net - Current Period	(Line 10 - Line 12)	-	kWh
14	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 15, Column C	-	kWh
15	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 15, Column C + Line 13)	-	kWh
16	Total Recoverable DG Savings	Line 15	-	kWh
17	Residential - Lost Fixed Cost Rate	Schedule 4, Line 3, Column C	\$ 0.0308	\$/kWh
18	Residential - Lost Fixed Cost Revenue Relating to DG	(Line 16 * Line 17)	\$ -	
<b>Small General Service</b>				
<u>Energy Efficiency Savings</u>				
19	Current Period			kWh
20	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 21, Column C	-	kWh
21	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 21, Column C + Line 19)	-	kWh
22	Total Recoverable EE Savings	Line 21	-	kWh
23	Small General Service - Lost Fixed Cost Rate	Schedule 4, Line 6, Column C	\$ 0.0314	\$/kWh
24	Small General Service - Lost Fixed Cost Revenue Relating to EE	(Line 22 * Line 23)	\$ -	
<u>Distributed Generation</u>				
25	Current Period			kWh
26	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 27, Column C	-	kWh
27	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 27, Column C + Line 25)	-	kWh
28	Total Recoverable DG Savings	Line 27	-	kWh
29	Small General Service - Lost Fixed Cost Rate	Schedule 4, Line 6, Column C	\$ 0.0314	\$/kWh
30	Small General Service - Lost Fixed Cost Revenue Relating to DG	(Line 28 * Line 29)	\$ -	

Tucson Electric Power  
Lost Fixed Cost Recovery Mechanism  
Schedule 3: LFCR Calculation  
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Line No.	(A) LFCR Fixed Cost Revenue Calculation	(B) Reference	(C) Totals	(D) Units
<b>Large General Service - Delivery Revenue - Demand</b>				
<u>Energy Efficiency Savings</u>				
31	Current Period			kW
32	Prior Period kW EE losses	Previous Filing, Schedule 3, Line 33, Column C	-	kW
33	Cumulative Recoverable kW savings	(Previous Filing, Schedule 3, Line 33, Column C + Line 31)	-	kW
34	Total Recoverable EE Savings	Line 33	-	kW
35	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 9, Column C	\$ 2.3901	\$/kW
36	Large General Service - Lost Fixed Cost Revenue Relating to EE	(Line 34 * Line 35)	\$ -	
<u>Distributed Generation</u>				
37	Current Period			kW
38	Prior Period kW DG losses	Previous Filing, Schedule 3, Line 39, Column C	-	kW
39	Cumulative Recoverable kW savings	(Previous Filing, Schedule 3, Line 39, Column C + Line 37)	-	kW
40	Total Recoverable DG Savings	Line 39	-	kW
41	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 9, Column C	\$ 2.3901	\$/kW
42	Large General Service - Lost Fixed Cost Revenue Relating to DG	(Line 40 * Line 41)	\$ -	
<b>Large General Service - Delivery Revenue</b>				
<u>Energy Efficiency Savings</u>				
43	Current Period			kWh
44	Prior Period kWh EE losses	Previous Filing, Schedule 3, Line 45, Column C	-	kWh
45	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 45, Column C + Line 43)	-	kWh
46	Total Recoverable EE Savings	Line 45	-	kWh
47	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 12, Column C	\$ 0.0042	\$/kWh
48	Large General Service - Lost Fixed Cost Revenue Relating to EE	(Line 46 * Line 47)	\$ -	
<u>Distributed Generation</u>				
49	Current Period			kWh
50	Prior Period kWh DG losses	Previous Filing, Schedule 3, Line 51, Column C	-	kWh
51	Cumulative Recoverable kWh savings	(Previous Filing, Schedule 3, Line 51, Column C + Line 49)	-	kWh
52	Total Recoverable DG Savings	Line 51	-	kWh
53	Large General Service - Lost Fixed Cost Rate	Schedule 4, Line 12, Column C	\$ 0.0042	\$/kWh
54	Large General Service - Lost Fixed Cost Revenue Relating to DG	(Line 52 * Line 53)	\$ -	
55	Total Lost Fixed Cost Revenue Related to Energy Efficiency	Sum Line 9 + 24 + 36 + 48	\$ -	
56	Total Lost Fixed Cost Revenue Related to Distributed Generation	Sum Line 18 + 30 + 42 + 54	\$ -	
57	Total Lost Fixed Cost Revenue	Sum Line 9 + 18 + 24 + 30 + 36 + 42 + 48 + 54	\$ -	

Tucson Electric Power  
 Lost Fixed Cost Recovery Mechanism  
 Schedule 4: LFCR Test Year Rate Calculation  
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Line No.	(A) LFCR Fixed Cost Calculation	(B) Reference	(C) Total
<b>Residential Customers</b>			
1	Delivery Revenue	Schedule 5, Line 5, Column F	\$ 111,739,643
2	kWh Billed	Forecasted	3,627,093,708
3	Lost Fixed Cost Rate	Line 1/Line 2	\$ 0.0308
<b>Small General Service</b>			
4	Delivery Revenue	Schedule 5, Line 8, Column F	\$ 63,186,286
5	kWh Billed	Forecasted	2,012,114,954
6	Lost Fixed Cost Rate	Line 4/Line 5	\$ 0.0314
<b>Large General Service</b>			
7	Delivery Revenue - Demand	Schedule 5, Line 13, Column F	\$ 8,172,790
8	kW Billed	Forecasted	3,419,489
9	Lost Fixed Cost Rate	Line 7/Line 8	\$ 2.3901
<b>Large General Service</b>			
10	Delivery Revenue	Schedule 5, Line 16, Column F	\$ 5,319,772
11	kWh Billed	Forecasted	1,261,678,481
12	Lost Fixed Cost Rate	Line 10/Line 11	\$ 0.0042

Tucson Electric Power  
Lost Fixed Cost Recovery Mechanism  
Schedule 5: Delivery Revenue Calculation  
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(A)	(B)	(C)	(D)	(E)	(F)	
					B x D x E	
Line No.	Rate Schedule	Adjusted Test Year Billing Determinants	Units	Delivery Charge	Demand Stability Factor	Total Delivery Revenue
1	Residential Service (R-01)	3,368,532,306	kWh	\$ 0.0314	100%	\$ 105,811,858
2	Residential Service (R-80)	116,359,255	kWh	\$ 0.0229	100%	\$ 2,664,627
3	Residential Service (R-201AN)	131,427,481	kWh	\$ 0.0230	100%	\$ 3,016,454
4	Residential Service (R-201BN)	10,774,668	kWh	\$ 0.0229	100%	\$ 246,705
5	Subtotal - kWh	3,627,093,708	kWh	\$	\$	111,739,643
6	Small General Service (GS-10)	1,888,524,435	kWh	\$ 0.0314	100%	\$ 59,326,481
7	Small General Service (SGS-76)	123,590,518	kWh	\$ 0.0312	100%	\$ 3,859,805
8	Subtotal - kWh	2,012,114,954	kWh	\$	\$	63,186,286
9	Large General Service (LGS-13) - kW	2,719,841	kW	\$ 5.13	50%	\$ 6,976,392
10	Large General Service (LGS-85) - kW	699,648	kW	\$ 3.42	50%	\$ 1,196,398
11	Subtotal - kW - Demand	3,419,489	kW	\$	\$	8,172,790
12	Large General Service (LGS-13)	1,045,063,814	kWh	\$ 0.0049	100%	\$ 5,071,019
13	Large General Service (LGS-85)	216,614,667	kWh	\$ 0.0011	100%	\$ 248,753
14	Subtotal - kWh - Delivery	1,261,678,481	kWh	\$	\$	5,319,772