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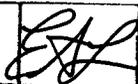
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ARIZONA CORP COMMISSION
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IN THE MATTER OF THE APPLICATION OF) DOCKET NO. E-01933A-13-0224
TUCSON ELECTRIC POWER COMPANY FOR) NOTICE OF FILING COMPLIANCE
APPROVAL OF ITS 2014 RENEWABLE) ENERGY STANDARD IMPLEMENTATION)
PLAN AND DISTRIBUTED ENERGY) ADMINISTRATIVE PLAN AND REQUEST FOR)
RESET OF RENEWABLE ENERGY ADJUSTOR)

Tucson Electric Power Company ("TEP" or the "Company"), through undersigned counsel, submits its proposed plan of administration for a voluntary solar contribution program for consideration by the Arizona Corporation Commission in compliance with Decision No. 74165 (October 25, 2013).

RESPECTFULLY SUBMITTED this 7th day of January 2014.

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1 Original and 13 copies of the foregoing
filed this 7th day of January 2014 with:

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5 Copies of the foregoing hand-delivered/mailed
this 7th day of January 2014 to the following:

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**Tucson Electric Power Company
Voluntary Solar Contribution Program
Plan of Administration**

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1. GENERAL DESCRIPTION

The Voluntary Solar Contribution Program (“VSCP”) is a program designed to allow TEP customers the opportunity to support solar rooftop distributed energy projects by voluntarily contributing additional funds, above and beyond the mandatory Renewable Energy Standards & Tariff (REST) surcharge. These funds shall be used for the sole purpose of providing Up Front Incentives (UFI) for residential and non-residential solar distributed projects.

This document describes the plan for administering the VSCP as required by the Arizona Corporation Commission (“Commission”) for Tucson Electric Power Company (“TEP” or the “Company”) in Decision No. 74165 (October 25, 2013). The VSCP provides for the establishment of a voluntary customer contribution program whereby any TEP customer, whose account is current and in good standing, may make regular or one-time monetary contributions to support solar rooftop distributed energy projects. This POA describes the application of the VSCP.

2. DEFINITIONS

Customer – Any entity who has an active account with TEP, and whose account is in good standing.

3. ELIGIBLE CUSTOMERS AND FUND COLLECTION

The VSCP shall be made available to all TEP customers whose account is current and in good standing (no delinquent balances), with no outstanding charges owed to the Company. All funds collected through the VSCP shall be designated into two categories, consistent with the Distributed Generation requirements as outlined in the Arizona Renewable Energy Standard & Tariff, A.A.C R14-2-1801 to -1816: residential and non-residential.

1. All funds collected by residential Customers who participate in the VSCP shall be designated for use under the Company’s residential distributed generation program, as approved by the Commission in the Company’s most recent annual renewable energy implementation plan.
2. All funds collected by non-residential customers who participate in the VSCP shall be designated for use under the Company’s non-residential distributed generation Program, as approved by the Commission in the Company’s most recent annual renewable energy implementation plan.

4. ACCOUNTING

The Company shall establish separate business accounts for contributions associated with both the residential and non-residential voluntary contribution programs respectively.

5. BILLING

Each customer may make voluntary contributions through either of the following methods:

1. TEP Bill Method - Reoccurring monthly charges in an amount specified by the customer, which may set up through the company's Customer Service department. The customer's monthly will reflect the monthly allocation designated for the VSCP.
2. One-time Payment Method – Customer may elect to make one-time contribution either through a customer service representative or by designating a specified amount with any monthly bill payment. TEP shall provide the Customer a receipt of the one-time voluntary contribution.

6. DISTRIBUTION OF FUNDS

1. Funds associated with residential and non-residential accounts shall be distributed in accordance with the programs and funding levels as set by the Commission in the Company's annual renewable energy implementation plan. Funds collected through residential customers may be allocated only to residential programs, and funds collected through non-residential customers may be used only for non-residential programs.
2. In the event the Commission does not approve UFI's for the Company's residential or non-residential program in any given annual renewable energy implementation plan, the Company shall provide the Commission with recommendations on how to designate the funds for the following year; which may include funding specific DG programs or installations, low-income specific incentives, and distribution feeder-circuit specific incentives.

7. FILING AND REPORTING DEADLINES

The Company shall file semi-annual reports with the Commission, due on July 31 and January 31 of each year, which contain the following information:

1. Number of customers enrolled in the VSCP by customer class.
2. Ending balance in each account
3. Funds collected during the reporting period.
4. Funds distributed and reserved during the reporting period.
5. Marketing Expenses
6. Analysis of program effectiveness

8. MARKETING

The Company shall use reasonable and prudent marketing measures to promote the Company's VSCP. These measures may include bill inserts, radio and television advertisements, billboards, and other promotional methods. The Company shall provide an estimated budget of marketing expenses in each annual renewable energy implementation plan.

All marketing costs associated with the VSCP shall be recovered from the residential and non-residential accounts associated with the VSCP.

9. VERIFICATION AND AUDIT

The amounts charged through the VSCP will be subject to periodic audit to assure their completeness and accuracy and to assure that all costs associated with the VSCP were incurred reasonably and prudently. The Commission may, after notice and opportunity for hearing, make such adjustments to existing balances or to already recovered amounts as it finds necessary to correct any accounting or calculation errors or to address any costs found to be unreasonable or imprudent. Such adjustments shall be credited to the following year's annual renewable energy implementation plan budget.

10. OTHER ALLOWABLE COSTS

There will be no other allowable costs without preapproval from the Commission in an Order.

11. EFFECTIVE VSCP YEAR

The effective VSCP Year will be the calendar year (from January 1 through December 31) and consistent with the Company's annual renewable energy implementation plan.