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Tucson Electric Power
88 East Broadway Blvd., P.O. Box 711,
Tucson, AZ 85702

April 10, 2014

Arizona Corporation Commission
DOCKETED

APR 10 2014

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

ORIGINAL

DOCKETED BY 

Re: Notice of Errata – Tucson Electric Power Company’s Annual Demand-Side Management Progress Report, Docket No. E- 00000U-14-0049

On March 3, 2014, pursuant to the Electric Energy Efficiency Standards set forth in the Arizona Administrative Code, Section R14-2-2409.A, Tucson Electric Power Company (“TEP”) submitted its annual DSM progress report for each of its Commission-approved DSM programs. In Table 5 shown on page 7 of the report, the total performance incentive for calendar year 2013 should be \$1,879,095, not the reported amount of \$1,959,391. Please replace the page 7, with the attached, corrected page 7.

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

Sincerely,

Jessica Bryne
Regulatory Services

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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cc: Barbara Keene, Utilities Division, ACC
Compliance Section, ACC

Table 5**DSM SOCIETAL BENEFITS & PERFORMANCE INCENTIVE: JANUARY – DECEMBER 2013¹**

DSM Program	Societal Benefits	Societal Costs	Net Benefits
Residential			
Low-Income Weatherization	\$221,047	\$244,101	(\$23,054)
Residential New Construction	\$8,617,676	\$2,810,583	\$5,807,093
Shade Tree Program	\$1,128,425	\$489,980	\$638,445
ENERGY STAR [®] Lighting (CFL)	\$24,659,115	\$2,957,736	\$21,701,379
Existing Home Program	\$1,618,495	\$1,057,296	\$561,199
Total for Residential	\$36,244,757	\$7,559,696	\$28,685,061
Non-Residential			
C&I Comprehensive	\$62,430,233	\$42,560,168	\$19,870,064
Small Business Direct Install	\$2,564,356	\$1,118,153	\$1,446,203
Commercial New Construction	\$2,741,008	\$1,754,096	\$986,912
Total for Non-Residential	\$67,735,597	\$45,432,418	\$22,303,179
Support Programs			
Home Energy Reports (Pilot)	\$476,609	\$304,952	\$171,657
Consumer Education & Outreach	\$692,405	\$565,287	\$127,118
Total for Support Programs	\$1,169,014	\$870,240	\$298,775
Portfolio Totals			
	\$105,149,369	\$53,862,354	\$51,287,015
Program Development, Analysis & Reporting	\$0	\$227,646	(\$227,646)
TOTAL	\$105,149,369	\$54,090,000	\$51,059,369

Performance Incentive Calculation:	
Total kWh Savings (Jul-Dec)	128,828,366
Total Net Benefits (Jul-Dec)	\$41,685,134
8% Net Benefits	\$3,334,811
Total kWh savings * \$0.0125	\$1,610,355
Performance Incentive for 2013 (Jul-Dec)	\$1,610,355

TEP's total performance incentive for calendar year 2013 is \$1,879,095.

¹ The performance incentive calculation shown is for kWh savings from July through December only. Total kWh savings include ½ of annual credit for Demand Response / Direct Load Control programs and ½ of annual credit for energy efficiency building codes, as allowed per A.A.C. R14-2-2404. The performance incentive is 8% of net benefits but capped at \$0.0125/kWh saved as approved in Commission Decision No. 73912 (June 27, 2013).