

OPEN MEETING AGENDA ITEM



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Tucson Electric Power  
88 East Broadway, Tucson, Arizona 85701  
Post Office Box 711, Tucson, Arizona 85702

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AZ CORP COMMISSION  
DOCKET CONTROL

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January 20, 2015

ORIGINAL

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

Arizona Corporation Commission  
DOCKETED

JAN 20 2015

RE: Revised Proposed Partial Requirements Tariff  
Tucson Electric Power Company  
Docket No. E-01933A-12-0291

DOCKETED BY

On October 30, 2013, Tucson Electric Power Company ("TEP") filed four proposed Partial Requirements Tariffs ("Tariffs") in compliance with Decision Nos. 73912 and 74163. Since the time of the filing, TEP has been working with Staff on the proposed Tariff. The attached revised proposed Tariff reflects discussions between the TEP and Staff and supersedes the proposed Tariffs filed on October 30, 2013.

If you have any questions regarding this information, please contact me at (520) 884-3679 or Craig Jones at (520) 884-3726.

Respectfully submitted,

Bradley S. Carroll  
Assistant General Counsel, State Regulatory

BSC:bc  
Attachment

Original and 13 copies filed with Docket Control  
cc: Service List for Docket No. E-01933A-12-0291



**Rider R-13  
Partial Requirements Service (PRS)**

AVAILABILITY

In all territories served by the Company at all points where the adjacent facilities are adequate and suitable, for all Qualifying Facilities ("QF") that have entered into a Service Agreement with the Company. This rate is not available for temporary or resale service. Customers eligible for taking service under Partial Requirements Service are those customers who are not otherwise subscribed to the Company's approved Net Metering tariff.

APPLICABILITY

To QFs operating in Partial Requirements Mode for partial requirements; supplemental power, stand-by power, and maintenance power service.

CHARACTER OF SERVICE

Electric sales to the Company must be single or three phase, 60 Hertz, at a standard voltage subject to availability at the premises. The QF will have the option to sell energy to the Company at a voltage level different from that for purchases from the Company; however, the QF will be responsible for all costs incurred to accommodate such an arrangement.

DEFINITIONS

1. Commission - Arizona Corporate Commission which has jurisdiction over this Company.
2. Energy - Electric energy which is supplied by the QF and/or Company.
3. Firm Capacity - Capacity available, upon demand, at all times (except for forced outages and scheduled maintenance) during the period covered by the Agreement from the QF with an availability factor of at least 80%, as defined by the North American Electric Reliability Corporation.
4. Full Requirements Service - Any instance whereby the Company provides all the electric requirements
5. Maintenance Power - Electric capacity and energy supplied by the Company during scheduled outages of the QF.
6. Net Energy - The total kilowatt hours ("kWh") sold to the QF by the company less the total kWhs purchased by the Company from the QF.
7. Partial Requirements Mode of Operation - A QF's generation output first goes to supply its own electric requirements with any excess energy (over and above its own requirements) then being sold to the Company. The company supplies the QF's electric requirements not met by the QF's own-generating facilities. This also may be referred to as the "parallel mode" of operation.
8. Purchase Agreement - Agreements for the purchase of electric energy and capacity from and the sale of power to the QF entered into between the Company and QF.
9. Qualifying Facilities - Cogeneration and small power production facilities where the facility's generator(s) and load are located at the same premise and that otherwise meet qualifying criteria for size, fuel use, efficiency and ownership as promulgated in 18 C.F.R., Chapter I, Part 292, Subpart B of Federal Energy Regulatory Commission regulations.
10. Supplemental Power - Electric capacity and energy supplied by the Company regularly used by the QF in addition to that which the facility generates itself.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-13  
Effective: Pending  
Decision No.: Pending



# Tucson Electric Power

## Tucson Electric Power Company

First Substitute Original Sheet No.: 804-1  
Superseding \_\_\_\_\_

11. Stand-by Power - Electric capacity and energy supplied by the Company to replace energy ordinarily generated by a facility's own generation equipment during an unscheduled outage of the facility.

### RATES FOR SALES TO QFs

#### Supplemental Service:

- A. Service Charge - The service charge shall be the basic service charge using the otherwise applicable standard offer tariff but not to be less than \$15.00 per month.
- B. Energy Charge - The energy charge shall be the energy charge (including Base Power Fuel & Purchased Power) using the otherwise applicable standard offer tariff.
- C. Demand Charge - The demand charge shall be the demand charge using the otherwise applicable standard offer tariff, or \$7.50 per kW if none is specified in the standard offer tariff, times the maximum measured Demand in the most recent 24 months used to meet only supplemental power and is not applied to total requirements.

#### Standby Service:

- A. Service Charge - The service charge shall be the basic service charge using the otherwise applicable standard offer tariff but not to be less than \$15.00 per month.
- B. Energy Charge - The energy charge shall be the energy charge (including Base Fuel & Purchased Power) using the otherwise applicable standard offer tariff plus 50%.
- C. Demand Charge - The demand charge shall be the 1.5 times the applicable standard offer tariff with a minimum of \$11.25 per kW.

#### Maintenance Service:

- A. Service Charge - The service charge shall be the basic service charge using the otherwise applicable standard offer tariff but not to be less than \$15.00 per month.
- B. Energy Charge - The energy charge shall be the energy charge (including Base Fuel & Purchased Power) using the otherwise applicable standard offer tariff.
- C. Demand Charge - The demand charge shall be the demand charge using the otherwise applicable standard offer tariff, or \$7.50 per kW if none is specified in the standard offer tariff, times the maximum measured Demand.
- D. Maintenance Service - Must be scheduled with and approved by the Company and may only be scheduled during the period October through April.

Only one service charge will be applied for each billing period.

### RATES FOR PURCHASES FROM QFs

Minimum Customer Charge per month at \$15.00 will be assessed each QF selling energy to the Company under this pricing plan. A service charge for purchases from the QF will only be charged if a service charge was not assessed for sales to the QF.

Rates for Energy purchased from the QF shall be priced at short-run avoided cost as provided in the Service Agreement applicable herein and approved by the Commission.

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Rates for Firm Capacity purchased from the QF shall be priced at long-run avoided cost based upon deferral of capacity additions indicated in Company's resource plan as provided in the Service Agreement applicable herein and approved by the Commission.

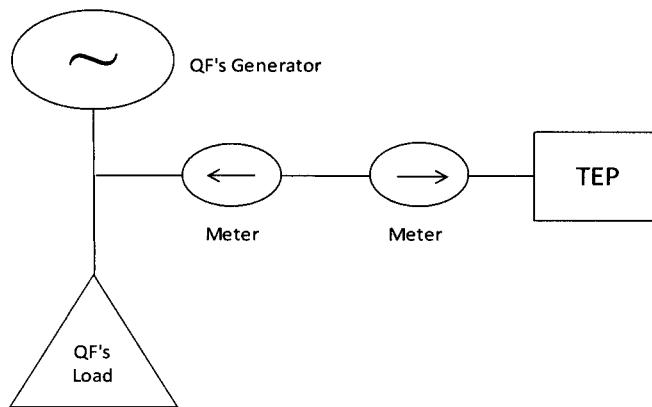
ADJUSTMENTS

All other charges specified in the applicable standard offer tariff apply for all energy purchased from the Company by the QF.

METER CONFIGURATION

As provided for in the Service Agreement. If not otherwise provided for in the Service Agreement then as follows:

If in Partial Requirements mode:



CONTRACT PERIOD

As provided for in the Service Agreement.

TERMS AND CONDITIONS

A Customer that qualifies for service for their full requirements, but now desires to install a generator shall take partial requirements service under the conditions of the tariff herein. In addition to the requirements of the Service Agreement, these conditions include:

1. Must have a demand meter installed and operating before service will be allowed. Any equipment necessary to provide partial requirement service, including equipment to measure the output of the generator(s), that would not otherwise be necessary for full requirements service must meet all Company standards and will be installed at the Customer's expense.
2. The Capacity of the Customer's installed generator(s) must be certified by the Company prior to the receipt of any partial requirements service. This certification will be done by the Company at the Customer's expense. The generating unit cannot be sized at more than 125% of the Customer's connected Capacity. If output of the Customer's generator(s) appears to increase above the certified level, the Company, at its discretion, may require recertification of the equipment. If it is confirmed that the equipment has been expanded or otherwise modified to increase its production ability, the cost of the recertification will be at the Customer's expense. If no changes were found there will be no cost to the Customer for the recertification.
3. Any unpaid balances will be subject to the standard late payment charges as provided for in the currently approved Rules and Regulations.

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First Substitute Original Sheet No.: 804-3  
Superseding \_\_\_\_\_

4. Primary Service and Metering is required for all services that have a certified kW output of the generating unit(s) greater than 300 kW.
5. The Company may require a written contract and a minimum term of contract, at its discretion.
6. Prior to construction, the Customer will contribute to the Company the total amount of the estimated interconnection construction costs directly related to distribution and transmission service. The Customer will furnish, install, and maintain incremental non-distribution system or non-transmission system equipment at their expense. The equipment must meet the standards of the Company's Electric Service Requirements.

### TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

### RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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