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**SEIA** Solar Energy Industries Association  
Arizona Corporation Commission

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TO: Chairman Bitter-Smith, Commissioner Burns, Commissioner Forese, Commissioner Little, and Commissioner Stump

RE: Tucson Electric Power Company's application for approval of a new net-metering tariff (Docket No. E-01933A-15-0100) and the 2013 TEP Rate Case, (Docket No. E-01933A-12-0291)

Dear Commissioners:

The Solar Energy Industries Association (SEIA) has closely followed this proceeding and would like to share its perspective on whether it is appropriate to hear TEP's proposal outside of a rate case. SEIA<sup>1</sup> has a unique perspective on this matter since it intervened in TEP's last rate case (Docket No. E-01933A-12-0291), and was a party to the negotiated 2013 Settlement Agreement that was ultimately approved by the Commission (Decision No. 73912).

During these settlement negotiations the issue of lost revenue from DG was clearly identified, and a specific solution was adopted – the Lost Fixed Cost Recovery (LFCR) mechanism. At the time, other rate changes to address DG-related issues were considered, but ultimately not included in the 2013 Settlement Agreement.

We believe TEP's current Net Energy Metering proposal is a violation of the Settlement Agreement by attempting to revisit a single issue that was already addressed as part of the broader rate case negotiation process. If SEIA had known that TEP would attempt to re-litigate this issue outside of the rate case, we may not have signed on to the 2013 Settlement in the first place.

Therefore, we urge the Commission to defer its consideration of TEP's application until it can be properly addressed in a rate case.

<sup>1</sup> The comments contained in this filing represent the position of SEIA as an organization, but not necessarily the views of any particular member with respect to any issue.

Sincerely,

A handwritten signature in cursive script that reads "Sara Birmingham". The signature is written in black ink and is positioned below the word "Sincerely,".

Sara Birmingham  
Director of Western Policy  
Solar Energy Industries Association