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AZ CORP COMMISSION
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Lisa Malagon
Leader
Federal and State Compliance

Mail Station 9712
PO Box 53999
Phoenix, Arizona 85072-3999
Tel 602-250-5671
Elisa.Malagon@aps.com

April 15, 2015

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: Arizona Public Service Company (APS or Company)
Quarterly Report - Net Metering Docket No. E-01345A-13-0248

On December 3, 2013, the Commission issued Decision No. 74202 that approved a \$0.70/kW monthly interim adjustment charge ("LFCR-DG Charge") for residential distributed generation (DG) systems installed on and after January 1, 2014.

The Commission stated that the LFCR-DG Charge may be periodically adjusted, and the Company is required to provide quarterly DG statistics intended to reflect ongoing market penetration of DG systems in the APS service territory:

IT IS FURTHER ORDERED that Arizona Public Service Company shall file quarterly reports as discussed herein, with the first report due April 15, 2014. At a minimum, the report shall include the number of DG installations per month, size of the installations by kW, and the amount collected each month through the interim LFCR DG adjustment. (Decision No. 74202, page 29 line 17.)

First quarter 2015 statistics are attached in Tables 1 and 2.

If you have any questions regarding this information, please call Gregory Bernosky at (602)250-4849.

Sincerely,

Lisa Malagon

LM/bgs

cc: Steve Olea
Terri Ford
Brian Bozzo

Arizona Corporation Commission
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TABLE 1
 MONTHLY DG STATISTICS FOR 2015
 FOR SYSTEMS SUBJECT TO THE LFCR-DG ADJUSTMENT

	January 2015	February 2015	March 2015
Total Number of Installations	565	708	438
< 5kW	106	109	90
5 to 6.5kW	132	165	102
6.5 to 10kW	228	272	174
> 10kW	99	162	72
Total Number of kW Installed	4,189	5,601	3,206

Notes to Table 1: Certain installations are not subject to the LFCR-DG charge: systems reserved and/or connected to the grid prior to January 1, 2014 under the system grandfathering provisions in Decision No. 74202, and customers served under the Company's Rate Schedule ECT-2.

Table 1 reflects installations subject to the LFCR-DG charge at the time of installation. Subsequent changes in rate plans or removal of solar systems are not reflected.

TABLE 2
 CUMULATIVE DG BILLING STATISTICS FOR Q1 2015
 FOR SYSTEMS SUBJECT TO THE LFCR-DG ADJUSTMENT

	January 2015	February 2015	March 2015
Number of accounts billed LFCR-DG	4,910	5,735	6,246
Amount billed through LFCR-DG	\$23,181	\$26,766	\$30,247

Notes to Table 2: Billed number of accounts may not be reflective of the total number of installed accounts due to billing cycle variances.

Includes LFCR-DG eligible installations from 2014.