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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

REGISTERED

AZ CORP COMMISSION

DOCKET CONTROL

SUSAN BITTER SMITH - Chairman  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

APR 28 2015

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DOCKETED BY RC

IN THE MATTER OF TUCSON ELECTRIC  
POWER COMPANY, INC. FOR (1) APPROVAL  
OF A NET METERING TARIFF AND (2)  
PARTIAL WAIVER OF THE NET METERING  
RULES.

DOCKET NO. E-01933A-15-0100

PROCEDURAL ORDER

BY THE COMMISSION:

On March 25, 2015, Tucson Electric Power Company ("TEP" or "Company") filed an Application with the Arizona Corporation Commission ("Commission") for : (1) approval of a new net-metering tariff for future net metered customers that provides monthly bill credits for any excess energy produced from an eligible net metering facility at a "Renewable Credit Rate"<sup>1</sup> and (2) approval of a partial waiver of the Commission's Net Metering Rules ("A.A.C. R14-2-2301 *et seq.*). TEP requested that the Commission set this matter for a hearing and issue a procedural schedule that would allow the Commission to consider and approve the application at an open meeting before December 31, 2015.

On April 1, 2015, TEP filed a Supplement to Application attaching a copy of the proposed tariff.

On April 6, 2015, TEP filed a Notice of Waiver of any 30-day "time clock" that would apply to the Company's Application.

On April 14, 2015, the Commission's Utility Division ("Staff") filed a Request for Procedural Order wherein Staff argued that the issues raised by TEP's Application should be addressed in a rate case, and that the Application should be dismissed. Staff proposed a briefing schedule on its motion

<sup>1</sup> The proposed "Renewable Credit Rate" is the rate equivalent to the most recent utility scale renewable energy purchased power agreement connected to the Company's distribution system. According to the Application, the current Renewable Credit Rate would be 5.84 cents per kWh. The rate would apply to future DG Customers that qualify for the Commission's Net Metering Rules.

1 to dismiss, and requested a Procedural Conference to consider the procedural course of this matter.

2 On April 20, 2015, TEP filed a Response to Staff's Request for Procedural Order. TEP  
3 expressed the belief that although the Commission should consider its application independently of a  
4 net metering tariff filed by Trico Electric Cooperative, Inc. ("Trico"), that the matters should both be  
5 considered as soon as possible at the same Commission Open Meeting. To that aim, TEP suggested  
6 that Staff's proposed briefing schedule be accelerated, and also that since the procedural schedule for  
7 a hearing on the application was being delayed pending consideration of the motion to dismiss, that  
8 discovery should also be stayed.

9 By Procedural Order dated April 16, 2015, a Procedural Conference to discuss a briefing  
10 schedule for the motion to dismiss convened on April 27, 2015. Appearing at the Procedural  
11 Conference were TEP and UNS Electric, Inc., Kevin Koch, the Residential Utility Consumer Office  
12 ("RUCO"), the Arizona Solar Energy Industries Alliance ("AriSEIA"), The Alliance for Solar Choice  
13 ("TASC"), Vote Solar and Staff.<sup>2</sup>

14 No Party objected to the intervention of Vote Solar, and intervention was granted from the  
15 bench.

16 Various briefing scenarios and schedules were discussed during the Procedural Conference.  
17 Staff explained that because it is currently involved in several dockets involving different utilities  
18 with similar issues surrounding net metering tariffs, it believed that its proposed schedule was already  
19 fairly aggressive. The schedule adopted herein takes into account the recommendations and schedules  
20 of all parties present at the April 27, 2015 Procedural Conference, as well as the schedules being  
21 adopted in the pending net metering dockets for Trico and Arizona Public Service Company ("APS").

22 TEP requested that discovery on the application be stayed pending the disposition of the  
23 motion to dismiss. Staff believed that discovery should continue until and unless the matter is  
24 dismissed. The docket remains open and active pending consideration of the motion to dismiss, and  
25 continued discovery remains appropriate.

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28 <sup>2</sup> Vote Solar filed a request to intervene on April 22, 2015, which request had not been granted prior to the April 27, 2015  
Procedural Conference.

1 IT IS THEREFORE ORDERED that the parties shall file **Initial Briefs** on the issue of  
2 whether TEP's application should be dismissed by **May 15, 2015**.

3 IT IS FURTHER ORDERED that the parties shall file any **Response Briefs** by **May 29,**  
4 **2015**.

5 IT IS FURTHER ORDERED that a **Procedural Conference** for the purpose of **oral**  
6 **argument** shall commence on **June 10, 2015, at 10:00 a.m.**, or as soon thereafter as is practical, at  
7 the Commission's Tucson offices, **Room 222, 400 West Congress, Tucson, Arizona 85701**.

8 IT IS FURTHER ORDERED that the **request to stay discovery is denied**.

9 IT IS FURTHER ORDERED that **intervention** is granted to **Vote Solar**.

10 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
11 Communications) shall to apply to this proceeding and shall remain in effect until the Commission's  
12 Decision in this matter is final and non-appealable.

13 IT IS FURTHER ORDERED that each party to this matter may opt to receive service of all  
14 Procedural and Recommended Orders issued by the Commission's Hearing Division in this matter  
15 via e-mail rather than U.S. Mail, as permitted under A.A.C. R14-3-107(B). To exercise this option, a  
16 party shall send to [hearingsdivision@azcc.gov](mailto:hearingsdivision@azcc.gov), from the e-mail address at which the party desires to  
17 receive service, an e-mail request including the name of the party on whom service is to be made and  
18 the docket number for this matter. After a party receives an e-mail confirmation of its request from  
19 [hearingsdivision@azcc.gov](mailto:hearingsdivision@azcc.gov), the party will receive all future Procedural and Recommended Orders  
20 issued by the Hearing Division in this matter via e-mails to the address provided by the party, unless  
21 and until the party withdraws its request. Service of a document via e-mail shall be considered  
22 complete upon the sending of an e-mail containing the document to the e-mail address provided by a  
23 party, regardless of whether the party receives or reads the e-mail containing the document.

24 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
25 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

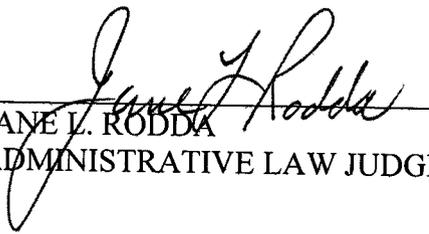
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1 DATED this 28 day of April, 2015.

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JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE

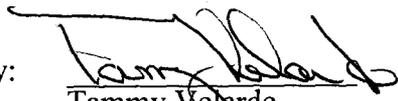
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28 <sup>3</sup> Intervention request pending.