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ORIGINAL

**Memorandum**  
From the office of  
**Chairman Doug Little**  
**Arizona Corporation Commission**  
1200 W. WASHINGTON  
PHOENIX, ARIZONA  
(602) 542-0745

TO: Docket Control

DATE: March 4, 2016

FROM: Chairman Doug Little's Office

SUBJECT: UNS Electric, Inc.: E-04204A-15-0142

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Chairman Little's office received this email and attachment referencing the above docket number. The email, attachment, and Chairman Little's reply can be viewed in Docket Control or on the website, via the eDocket link.

Arizona Corporation Commission

**DOCKETED**

MAR 04 2016

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|-------------|-----------|
| DOCKETED BY | <i>KL</i> |
|-------------|-----------|

## Andrea Gaston

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**From:** Doug Little  
**Sent:** Thursday, March 03, 2016 4:29 PM  
**To:** Daniel Bursuck  
**Subject:** Fwd: Cobb EMC demand charge  
**Attachments:** Rate Schedule - R-14 05-27-15 Final Approved Version.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Mr. Bursuck,

Since this matter is before hearing and subject to ex parte rules, I cannot comment on your email. I will direct my policy advisor to research your assertions and report back to me. I will also need to ask my executive aide to docket this email and the attachments to the UNS docket so that the record is complete.

Thank you for your input on this matter.

Best regards,

Doug

Doug Little  
Chairman  
Arizona Corporation Commission

----- Forwarded message -----  
From: "**Daniel Bursuck**" <[dhbursuck@gmail.com](mailto:dhbursuck@gmail.com)>  
Date: Thu, Mar 3, 2016 at 3:22 PM -0800  
Subject: Cobb EMC demand charge  
To: "Doug Little" <[dlittle@azcc.gov](mailto:dlittle@azcc.gov)>

Dear Chairman Little,

In the hearing today you mentioned that Cobb EMC is the only other utility in the country that offers a mandatory demand charge. This is NOT true. Cobb EMC automatically enrolls all new residential customers in a rate called "smart choice." The Smart Choice rate requires customers to pay a three-part rate. This rate includes a customer charge, an energy charge, and a peaking service energy charge. The peaking service charge is only assessed when Cobb calls a "peaking event", just as would be done in a critical peak pricing scenario. This charge is much more like a critical peak pricing charge than it is a mandatory demand charge. It is also only assessed on major event weather days in summer months, not five days a week like the UNSE mandatory demand charge. I have attached a copy of the tariff for your convenience and the record.

I urge you and the rest of the Commission to reject the UNSE residential rate proposal to impose mandatory demand charges. Mandatory demand charges limit my freedom of choice as a residential ratepayer and my ability to respond to changes in bills. This rate structure is not only confusing, it is also runs counter to other critical policy goals of electric rates such as affordability for low income customers and promoting energy efficiency. UNSE's service territory is a very limited income territory which is not the best testing ground for such a massive departure in rate structure. The evidence in the record in this case shows absolutely no evidence that low income customers will be able to lower bills under a mandatory demand charge.

Thank you for your time,

Daniel Bursuck

2925 East 17th Street

Tucson, AZ 85716

919-448-7271

[dhbursuck@gmail.com](mailto:dhbursuck@gmail.com)



**COBB ELECTRIC MEMBERSHIP CORPORATION**

**RESIDENTIAL SERVICE SCHEDULE**

**R-14**

**AVAILABILITY**

Available in all territory served by the Corporation, subject to the Corporation's Service Rules and Regulations.

**APPLICABILITY**

Applicable for all individually metered single-phase residential dwellings beginning service on or after January 1, 2016, and for all individually metered single-phase residential dwellings where a Distributed Generation Facility as defined in the Corporation's Distributed Generation Policy is installed. The capacity of individual motors served under this schedule shall not exceed seven and one-half (7.5) horsepower without consent from the Corporation.

**TYPE OF SERVICE**

Single-phase (1 phase), 60 hertz at 120/240 volts or other voltages as might be mutually agreeable.

**MONTHLY RATE**

|                         |   |                      |
|-------------------------|---|----------------------|
| Service Charge          | @ | \$ 28.00 per mo.     |
| Peaking Service Charge  |   |                      |
| First 3 kWh/hour Billed | @ | \$ 0.00 per kWh/hour |
| Over 3 kWh/hour Billed  | @ | \$ 5.55 per kWh/hour |
| Energy Charge           | @ | \$0.066570 per kWh   |

**RESIDENTIAL SERVICE SCHEDULE**

**R-14**

**PAGE 2**

**DETERMINATION OF PEAKING SERVICE KWH/HOUR BILLED**

The billing determinate for the Peaking Service Charge shall be based on the highest one-hour consumption of energy (kWh/hour) established by the member during Peak Notification Periods specified in advance by the Corporation. Peak Notification Periods will typically occur during the months of June through September on certain days when the Corporation forecasts that it will experience peak load conditions that may impact its wholesale power costs and distribution system capacity costs. Peak Notification Periods will exclude weekends and holidays.

The kWh/hour Billed shall be the member's highest one-hour kWh/hour consumption established within the Peak Notification Periods during the current and previous eleven billing months.

Until such time as the member has established a kWh/hour billing determinant during a Peak Notification Period, the kWh/hour Billed shall be the member's highest one-hour consumption of energy during the current billing month.

**MINIMUM CHARGE**

The minimum monthly charge under the above rate shall be the Service Charge plus the Peaking Service Charge plus the Wholesale Power Adjustment.

**WHOLESALE POWER ADJUSTMENT**

The above rates shall be increased or decreased subject to the provisions of the Corporation's Wholesale Power Adjustment Schedule, WP-12.

**MONTHLY BILLING PERIOD**

The kilowatt-hours billed hereunder shall be based on monthly meter readings at intervals of approximately thirty (30) days. The charges set forth in the Monthly Rate may be prorated to reflect a thirty-day billing period.

**COBB EMC**

**RESIDENTIAL SERVICE SCHEDULE**

**R-14**

**PAGE 3**

**TERMS OF PAYMENT**

Payment is due within 20 days of the billing date. If the account is not paid by the due date, a late fee specified in the Service Rules and Regulations may be added to the account. However, members who qualify shall be billed according to the provisions set forth in the Corporation's Seniors' Plan Schedule, SP-12.

**TAX ADJUSTMENT**

The member shall pay any sales, use, franchise or other tax now or hereafter applicable to the service rendered hereunder or imposed on the Corporation as a result of such service.

Effective: January 1, 2016