

ORIGINAL

OPEN MEETING AGENDA ITEM



0000172384

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE - CHAIRMAN
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2016 AUG -4 P 4: 43

IN THE MATTER OF THE APPLICATION OF)
UNS ELECTRIC, INC. FOR THE)
ESTABLISHMENT OF JUST AND)
REASONABLE RATES AND CHARGES)
DESIGNED TO REALIZE A REASONABLE)
RATE OF RETURN ON THE FAIR VALUE OF)
THE PROPERTIES OF UNS ELECTRIC, INC.)
DEVOTED TO ITS OPERATIONS)
THROUGHOUT THE STATE OF ARIZONA)
AND FOR RELATED APPROVALS.)

DOCKET NO. E-04204A-15-002

**NOTICE OF FILING
ESTIMATED BILL IMPACTS**

UNS Electric, Inc., through undersigned counsel, submits the attached estimated bill impacts, based on UNS Electric's interpretation of the Recommended Opinion and Order ("ROO") and the exceptions of RUCO and Nucor. The attachments are as follows:

Page 1 of attachments sets forth estimated bill impacts for standard residential customers, CARES low-income customers and Small General Service customers resulting from the ROO, UNS Electric's Exceptions and RUCO's Exceptions.

Page 2 of the attachments sets forth the rate elements underlying the bill impacts on Page 1.

Page 3 of the attachments sets forth the estimated bill impacts for the Large Power Service class resulting from ROO, UNS Electric's Exceptions and Nucor's Exceptions.

Arizona Corporation Commission

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AUG 04 2016

DOCKETED BY [Signature]

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RESPECTFULLY SUBMITTED this 4th day of August, 2016.

UNS ELECTRIC, INC.

By 

Bradley S. Carroll
UNS Electric, Inc.
88 East Broadway, MS HQE910
P.O. Box 711
Tucson, Arizona 85702

and

Michael W. Patten
Timothy J. Sabo
Jason D. Gellman
Snell & Wilmer L.L.P.
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004

Attorneys for UNS Electric, Inc.

**Original and 13 copies of the foregoing
filed this 4th day of August 2016, with:**

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

**Copies of the foregoing hand-delivered
this 4th day of August 2016, to:**

Jane Rodda, Administrative Law Judge
Hearing Division
Arizona Corporation Commission
400 West Congress
Tucson, Arizona 85701

Brian E. Smith
Bridget A. Humphrey
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 Thomas Broderick, Director
Utilities Division
2 Arizona Corporation Commission
1200 West Washington Street
3 Phoenix, Arizona 85007

4 **Copy of the foregoing mailed and/or emailed**
5 **this 4th day of August 2016, to:**

6 Daniel Pozefsky
Residential Utility Consumer Office
7 1110 West Washington Street, Ste. 220
Phoenix, Arizona 85007
dpozefsky@azruco.com
8 **Consented To Service By Email**

9 Nucor Steel Kingman LLC
c/o Doug Adams
10 3000 W. Old Hwy 66
Kingman, Arizona 86413
11

12 Eric J. Lacey
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson Street, NW
13 8th Floor, West Tower
Washington DC 20007-5201
14 EJJ@smxblaw.com
15 **Consented To Service By Email**

16 Robert J. Metli
Munger Chadwick PLC
2398 East Camelback Road, Suite 240
17 Phoenix, Arizona 85016
rjmetli@mungerchadwick.com
18 **Consented To Service By Email**

19 Lawrence V. Robertson, Jr.
P.O. Box 1448
20 Tubac, Arizona 85646
tubaclawyer@aol.com
21

22 Court S. Rich
Rose Law Group pc
7144 E. Stetson Drive, Suite 300
23 Scottsdale, Arizona 85251
crich@roselawgroup.com
24 **Consented To Service By Email**

25

26

27

1 Thomas A. Loquvam
Melissa M. Krueger
Pinnacle West Capital Corporation
2 P.O. Box 53999, MS 8695
Phoenix, Arizona 85072-3999
3 Thomas.loquvam@pinnaclewest.com
Melissa.Krueger@pinnaclewest.com
4 **Consented To Service By Email**

5 Gregory Bernosky
Arizona Public Service Company
6 P.O. Box 53999, MS 9712
Phoenix, Arizona 85072-3999
7 gregory.bernosky@aps.com

8 Rick Gilliam
Director of Research and Analysis
9 The Vote Solar Initiative
1120 Pearl Street, Suite 200
10 Boulder, Colorado 80302
rick@votesolar.com
11 **Consented To Service By Email**

12 Briana Kobor, Program Director
Vote Solar
13 360 22nd Street, Suite 730
Oakland, CA 94612
14 briana@votesolar.com
15 **Consented To Service By Email**

16 Jill Tauber
Chinyere A. Osula
Earthjustice Washington, DC Office
17 1625 Massachusetts Avenue, NW, Suite 702
Washington, DC 20036-2212
18 jtauber@earthjustice.org
19 **Consented To Service By Email**

20 Ken Wilson
Western Resource Advocates
2260 Baseline Road, Suite 200
21 Boulder, Colorado 80302
ken.wilson@westernresources.org
22 **Consented To Service By Email**

23 Scott Wakefield
Hienton & Curry, P.L.L.C.
24 5045 N. 12th Street, Suite 110
Phoenix, Arizona 85014-3302

25 Steve W. Chriss
26 Senior Manager, Energy Regulatory Analysis
Wal-Mart Stores, Inc.
27 2011 S.E. 10th Street
Bentonville, AR 72716-0550

1 Timothy M. Hogan
Arizona Center for Law in the Public Interest
2 514 W. Roosevelt Street
Phoenix, Arizona 85003
3 thogan@aclpi.org

Consented To Service By Email

4 Michael Alan Hiatt
5 Katie Dittelberger
Earthjustice
6 633 17th Street, Suite 1600
Denver, Colorado 80202
7 mhiatt@earthjustice.com
kdittelberger@earthjustice.com

Consented To Service By Email

9 Jeff Schlegel
SWEEP Arizona Representative
10 1167 W. Samalayuca Dr.
Tucson, Arizona 85704
11 schlegelj@aol.com

12 Ellen Zuckerman
SWEEP Senior Associate
13 4231 E. Catalina Dr.
Phoenix, Arizona 85018
14 ezuckerman@swenergy.org

15 C. Webb Crockett
Patrick Black
16 Fennemore Craig, PC
2394 East Camelback Road, Suite 600
17 Phoenix, Arizona 85016
wcrockett@fclaw.com
18 pblack@fclaw.com

Consented To Service By Email

19 Kevin Higgins
20 Energy Strategies, LLC
215 South State Street, Suite 200
21 Salt Lake City, Utah 84111
khiggins@energystrat.com

22 Meghan H. Grabel
23 Osborn Maladon, PA
2929 North Central Avenue
24 Phoenix, Arizona 85012
mgrabel@omlaw.com

Consented To Service By Email

26

27

1 Gary Yaquinto, President & CEO
2 Arizona Investment Council
3 2100 North Central Avenue, Suite 210
4 Phoenix, Arizona 85004
5 gyaquinto@arizonaaic.org

6 **Consented To Service By Email**

7 Cynthia Zwick
8 Arizona Community Action Association
9 2700 North 3rd Street, Suite 3040
10 Phoenix, Arizona 85004
11 czwick@azcaa.org

12 **Consented To Service By Email**

13 Craig A. Marks
14 Craig A. Marks, PLC
15 10645 N. Tatum Blvd., Suite 200-676
16 Phoenix, Arizona 85028
17 craig.marks@azbar.org

18 **Consented To Service By Email**

19 Pat Quinn
20 President and Managing Partner
21 Arizona Utility Ratepayer Alliance
22 5521 E. Cholla Street
23 Scottsdale, Arizona 85254
24 patt.quinn47474@gmail.com

25 Jeffrey W. Crockett
26 Crockett Law Group PLLC
27 2198 East Camelback Road, Suite 305
Phoenix, Arizona 85016
jeff@jeffcrockettlaw.com

28 **Consented To Service By Email**

29 Kirby Chapman, CPA
30 Chief Financial and Administrative Officer
31 Sulphur Springs Valley Electric Cooperative, Inc.
32 311 E. Wilcox
33 Sierra Vista, Arizona 85650
34 kchapman@ssvec.com

35 **Consented To Service By Email**

36 Mark Holohan, Chairman
37 Arizona Solar Energy Industries Association
38 2122 W. Lone Cactus Dr., Suite 2
39 Phoenix, Arizona 85027

40 Garry D. Hays
41 Law Offices of Garry D. Hays, PC
42 2198 East Camelback Road, Suite 305
43 Phoenix, Arizona 85016
44 ghays@lawgdh.com

1 Vincent Nitido
Trico Electric Cooperative, Inc.
8600 West Tangerine Road
2 Marana, Arizona 85653
vnitido@trico.coop
3

4 Jason Y. Moyes
Jay I. Moyes
Moyes Sellers & Hendricks
5 1850 N. Central Ave., Suite 1100
Phoenix, Arizona 85004
6 jasonmoyes@law-msh.com
kes@drsaline.com
7 jimoyes@law-msh.com

Consented To Service By Email

8
9
10 By Jaelyn Howard
11
12
13
14
15
16
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18
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UNS Electric, Inc. Bill Impacts

Rate Class

Monthly Bill Impacts

Current Rates- Standard	
Usage	Monthly Bill
330	\$41.54
664	\$76.01
1,144	\$126.27
830	\$93.12

ROO Standard*		BSC: \$15
Transition Impact	Default TOU effective 3/17**	
\$3.88	\$5.14	
\$4.07	\$4.30	
\$3.33	\$2.33	
\$4.02	\$3.83	

UNSE Standard*		BSC: \$15
Transition Impact	Choose option effective 3/17	
\$3.95	\$5.17	
\$4.22	\$4.62	
\$3.58	\$2.80	
\$4.21	\$4.20	

RUCO Standard*		BSC: \$16
Transition Impact	Choose option effective 3/17	
\$3.33	\$6.18	
\$4.00	\$5.08	
\$3.93	\$2.29	
\$4.19	\$4.33	

Residential
Average Summer kWh: 983
Average Winter kWh: 669

360	\$30.04
607	\$56.17
990	\$90.68
753	\$69.31
830	\$76.74

\$2.66	\$3.88
\$2.57	\$3.16
\$8.06	\$7.65
\$4.66	\$4.87

\$2.74	\$3.91
\$2.71	\$3.25
\$8.29	\$7.88
\$4.84	\$5.01

\$2.16	\$4.95
\$2.42	\$3.86
\$8.47	\$7.68
\$4.71	\$5.32

CARES (low income)
Average Summer kWh: 867
Average Winter kWh: 638

350	\$49.62
561	\$72.47
1,447	\$170.69
1,131	\$135.67

BSC: \$20		BSC: \$25
\$5.93	\$9.42	
\$5.99	\$8.55	
\$6.08	\$4.69	
\$6.04	\$6.06	

BSC: \$20		BSC: \$25
\$5.93	\$9.42	
\$5.99	\$8.55	
\$6.08	\$4.69	
\$6.04	\$6.06	

Small General Service
Average Summer kWh: 1277
Average Winter kWh: 980

Notes:

Mean annual usage rows shaded.

All rates include a proposed TCA rate of \$0.00019 that will become effective upon approval of the rate case.

These impacts differ from those reflected on page 68, line 2 of the ROO because those numbers were based on Staff's proposed transition rates that contained a higher third rate tier.

TOU rates are designed to be revenue neutral and customers that decide to switch to a TOU rate have the opportunity to lower their bill by changing their usage profile.

* Monthly bills are presented with all Riders, but before taxes.

**The ROO required a mandatory movement of customers to a TOU default rate with an opportunity to opt out.

Bill Impacts - Large Power Service/Large Power Service TOU

	<u>Company A</u>	<u>Company B</u>	<u>Company C</u>	<u>Company D</u>	<u>Total</u>
Current	4.79%	4.80%	3.18%	2.65%	4.31%
<u>Proposals:</u>					
ROO	8.58%	8.88%	7.22%	0.04%	7.77%
Company	4.20%	5.17%	3.60%	3.16%	4.38%
NUCOR Proposal	10.98%	6.55%	1.36%	-18.79%	5.06%

Notes:

All impacts are calculated based on Test Year actual usage adjusted to current rates versus proposal. Customer names are redacted and only % amounts are shown to protect customer specific information.

Results based on:

Current - 100% Ratchet for both LPS and LPS-TOU customers

ROO - All LPS/LPS-TOU Customers on 4CP based on Company's interpretation

Company - LPS-TOU customers on 4CP based demand, LPS Customers on current rate design

NUCOR Proposal - Method as proposed by NUCOR, 4CP coincident with precise system peak