

NEW APPLICATION



RE 0000176542

ORIGINAL



AZ CORP COMMISSION
DOCKET CONTROL

Tucson Electric Power
88 East Broadway Blvd., Post Office Box 711
Tucson, Arizona 85702

2017 FEB -2 A 9: 12

Melissa Morales
Regulatory Services Coordinator, Legal Services

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February 1, 2017

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

E-01933A-17-0030

Re: Tucson Electric Power Company
Docket No. E-01933A-17-_____
Application for Approval of Revised Rider R - 3 for Net Metered Customers

Tucson Electric Power Company ("TEP" or "Company") hereby submits a revised Rider R-3 Market Cost of Comparable Conventional Generation ("MCCCG") Calculation for approval by the Arizona Corporation Commission ("Commission"). Rider R-3 was last approved by the Commission in Decision No. 75511 (April 22, 2016) and sets the MCCCG to be used in conjunction with Rider-4 NM PRS, Net Metering for Certain Partial Requirements Services. TEP proposes to revise the MCCCG rate to update the anticipated avoided cost to be used for the Annual Credit for Excess Generation as defined in Rider-4 NM-PRS. A clean and redlined version of page 2 of the TEP Statement of Charges, which shows the rate, is attached.

The proposed MCCCG rate of \$0.026258 per kWh *increases* the MCCCG rate in Rider R-3, which will have the effect of increasing the Credit for Excess Generation under the Company's Rider-4 NM-PRS. This credit is calculated and applied in the customer bill produced in October (September usage) or on a customer's "Final" bill.

TEP requests that the Commission approve the revised Rider R-3 to become effect on April 1, 2015. If you have any questions, please contact me at (520) 884-3680.

Sincerely,

Melissa Morales

cc: Elijah Abinah, Director, Utilities Division
Barbara Keene, Utilities Division

Arizona Corporation Commission

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REDLINE



Tucson Electric Power

Tucson Electric Power Company

~~Tenth-Alternate Eleventh~~ Revised Sheet No.:

801-1 ~~801-1~~

Superseding ~~Ninth-Tenth~~ Revised Sheet No.: 801-1

TEP STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	\$0.001501 per kWh	May 1, 2016	75112
Rider R-2 – Demand Side Management Surcharge (DSMS) RESIDENTIAL: NON-RESIDENTIAL: FREEPORT-MCMORAN COPPER AND GOLD (25 MW and above):	\$0.001916 per kWh 1.97% Exempt	February 12, 2016	75450
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.0252040 <u>0.026258</u> per kWh	April 1, 2016 <u>Pending</u>	75111 <u>Pending</u>
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™) Solar Block Energy Rate for Residential Lifeline Discount, Rate R-06-01 Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for General Service, Rate GS-10 Solar Block Energy Rate for Large General Service, Rate LGS-13 Solar Block Energy Rate for Municipal Service, Rate PS-40	\$0.050198 per kWh \$0.050324 per kWh \$0.048475 per kWh \$0.049371 per kWh \$0.049086 per kWh	February 1, 2011	71835 ¹
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™) Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for Small General Service, Rate GS-10 Solar Block Energy Rate for Large General Service, Rate LGS-13	\$0.053463 per kWh \$0.053274 per kWh \$0.053227 per kWh	July 1, 2013	73912
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery <u>Monthly Cap</u> For Residential Customers: For Small General Service Customers: For Large General Service Customers: For Large Light & Power Customers: For Lighting Customers:	\$0.013000 per kWh <u>Monthly Cap</u> \$ 4.76 per month \$ 130.00 per month \$ 1,300.00 per month \$ 15,000.00 per month \$ 130.00 per month	May 16, 2016	75560

¹The Rider R-5 approved by Decision No. 71835 is closed for new enrollment as of July 1, 2013

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: July 1, 2013
Decision No.: 73912

CLEAN



Tucson Electric Power

Tucson Electric Power Company

Alternate Eleventh Revised Sheet No.: 801-1

Superseding Tenth Revised Sheet No.: 801-1

TEP STATEMENT OF CHARGES

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Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.026258 per kWh	Pending	Pending
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