

ORIGINAL



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

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AZ CORP COMMISSION  
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2017 APR 10 P 4: 25

April 10, 2017

Arizona Corporation Commission  
DOCKETED

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

APR 10 2017

DOCKETED BY  
GB

Re: *In the Matter of the Application of Tucson Electric Power Company To Reset Its Demand Side Management Surcharge - Supplemental Information in Support of Application*  
Docket No. E-01933A-17-0075

To Whom It May Concern:

On March 15, 2017, Tucson Electric Power Company ("TEP" or "Company") filed with the Arizona Corporation Commission ("Commission") the above-referenced Application. Pursuant to discussions between the Company and the Commissions Utilities Division, TEP hereby provides the attached 2017 Proposed DSM Adjuster Calculation Summary in support of its Application.

If you have any questions, please contact Debbie Lindeman at 520-918-8330

Sincerely,

Bradley S. Carroll  
Assistant General Counsel, State Regulatory

BSC/bc  
Attachment

cc: Julie McNeely-Kirwan, Utilities Division

## 2017 Proposed DSM Adjuster Calculation Summary

2017 Budget Summary	
2017 DSM Budget	\$22,970,226
Over-Collection as of 12/31/16	-\$1,377,640
2016 Performance Incentive	\$1,832,468
Subtotal	\$23,425,054
Projected Jan - June Collection at Current Rate	\$7,512,180
<b>Remaining Balance Needing to be collected from July 1 through Dec 31, 2017</b>	<b>\$15,912,874</b> A

2017 July - Dec Projected Revenue and kWh by Rate Class Based on 2016 Actual Data		
Class	2016 (JULY - DEC) RETAIL REVENUE	2016 (JULY - DEC) Retail (kWh)
Residential	\$228,801,927	2,077,376,735
Commercial	\$138,917,409	1,133,319,861
Industrial	\$86,231,356	1,059,434,340
Mining	\$15,506,876	6,865,663
Other	\$1,264,961	13,734,024
<b>Total</b>	<b>\$470,722,529</b>	<b>4,290,730,623</b> D

2017 Proposed Rates Calculated Using 2016 Actual Data	
Proposed Residential DSM Reset \$ / kWh	\$0.003709 E
Proposed Non-Residential DSM % (% of Revenues)	3.3931% F

2017 Projected DSM Collection July - Dec By Rate Class at New Rate	
Class	
Residential	\$7,704,290
Commercial	\$4,713,593
Industrial	\$2,925,908
Mining	\$526,162
Other	\$42,921
<b>Total</b>	<b>\$15,912,874</b>

Formulas:  
 E = A/D  
 F = (A-(ExB) / C)