

# New Electric Rates



**The Arizona Corporation Commission (ACC) has approved new rates for Tucson Electric Power customers that took effect on February 27, 2017.**

The monthly bills of residential customers with typical usage are expected to increase by approximately \$8.50 under the new rates, which the ACC voted to approve on Feb. 8 (Decision No. 75975, Docket Nos. E-01933A-15-0239 and E-01933A-15-0322).

The increase will cover the cost of expanded energy resources, upgraded distribution networks, new transmission lines and other facilities necessary to support safe, reliable service.

In addition to revised energy charges, the new rates include a higher Basic Service Charge of \$13 for most residential customers and \$25 for single-phase small commercial customers.

The approved rates include new pricing plans that offer additional ways to save energy and money. Residential and small commercial customers now have four options: Time-of-Use, Peak Demand, Demand Time-of-Use and Basic. Time-of-use plans charge less for consumption during off-peak periods and more during on-peak periods. Demand plans combine lower energy charges with a fee based on customers' highest hourly energy use.

Customers who select a time-of-use or demand plan will pay a reduced Basic Service Charge of \$10, an incentive designed to encourage use of the new pricing plans.

The new rates offer expanded discounts for limited-income customers who participate in the company's Lifeline program.

The approved rates also include a new monthly fee for the second meter used by customers who install new private solar arrays. That fee will be \$2.05 for residential customers and \$0.35 for small commercial customers. Customers with existing systems are exempt from this new fee.

The ACC is expected to consider other proposed changes for new users of private solar power systems later this year, including revised rates and compensation for any excess energy they produce.

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**More details about TEP's new rates are available online at [tep.com](http://tep.com) or by calling our Customer Care team at (520) 623-7711.**

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**Tucson Electric Power**

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