

PUBLIC NOTICE OF HEARING IN
PHASE 2 OF THE RATE APPLICATION
OF TUCSON ELECTRIC POWER
COMPANY REGARDING SOLAR DG
RATE DESIGN, EXPORT RATE, AND
NET METERING

Docket No. E-01933A-15-0322

Docket No. E-01933A-15-0239

Summary

On November 5, 2015, Tucson Electric Power Company ("TEP" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for a rate increase, which included proposals to modify the rate design for new residential and small commercial solar customers and changes to its net metering tariffs. The rate case was divided into two phases, with Phase 1 addressing the revenue increase and standard offer rate design, among other issues, and Phase 2 addressing rate design for solar distributed generation and net metering tariff modifications. Phase 2 was to commence following the issuance of a final order in Docket No. E-00000J-14-0023 regarding the Methodology and Valuation of Distributed Generation ("Value of DG Docket").

On January 3, 2017, the Commission issued Decision No. 75859, in the Value of DG Docket, which adopted a methodology for determining the export rate for excess generation from solar DG facilities ("RCP methodology") and addressed grandfathering existing DG customers. The Commission directed that proceedings be scheduled to incorporate the RCP methodology into currently pending rate cases.

The Commission's Utilities Division Staff and other parties to this case are in the process of reviewing and analyzing the data in order to establish the RCP rate, and will file their recommendations concerning the RCP, TEP's proposed solar DG rate design and net metering proposals. The Commission will determine the appropriate rates and rate designs based on the evidence of record in this proceeding.

THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY TEP, STAFF, OR ANY OF THE PARTIES.

How You Can View or Obtain a Copy of the Proposals

Copies of TEP's proposals in Phase 2 of the rate case proceeding will be available after March 17, 2017 at the Joel D. Valdez Main Library, 101 N. Stone Avenue, Tucson, AZ, and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson office, 400 West Congress, Suite 218, Tucson, Arizona, and on the internet via the Commission website ([/www.azcc.gov/](http://www.azcc.gov/)) using the e-Docket function, located at the bottom of the website homepage. **All documents filed in this docket are available online** (usually within 24 hours after docketing).

Public Comment and Public Hearing Information

The Commission will hold a **Public Comment Meeting** on Phase 2 issues beginning **June 26, 2017, at 10:00 a.m.**, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona, 85701.**

The Commission will hold a **Hearing** on Phase 2 issues beginning **June 28, 2017, at 10:00 a.m.**, at the Commission's offices, **Room 222, 400 West Congress, Tucson, Arizona, 85701.**

Written public comments may be submitted by mailing a letter referencing Docket Nos. E-01933A-15-0322 and E-01933A-15-0239 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.



Tucson Electric Power