

Tucson Electric Power Company

**YOU CAN DO
SOLAR TOO!**

TED BURHANS
SEPTEMBER 29, 2009



KNOW YOUR ENERGY FOOTPRINT

- **Determine your load**
- **kW and kWh**
 - kW → Speed
 - kWh → Distance traveled
- **Better technology**

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ENERGY EFFICIENCY FIRST

➤ **Rebates from TEP**

- Lighting
- HVAC
- Motors
- Refrigeration
- Air Compressors
- Custom

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WHO WE ARE...

- **Renewable Energy Program**
- **Arizona Corporation Commission**
 - “Renewable Energy Standard” mandate
 - **15% of energy portfolio by 2025**
 - Ratepayer money
 - **Renewable Energy Standard Tariff (REST)**

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APPROVED RENEWABLES

	Residential	Commercial
Biomass/Biogas	X	X
Daylighting		X
Geothermal	X	X
Small Hydro	X	X
Small Wind	X	X
Solar Electric	X	X
Solar Space Cooling	X	X
Solar H2O Heating/Space Heating	X	X
Solar Pool Heating		X

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REST PLAN HIGHLIGHTS

ACC Approved 2009

Funding Level

\$30 M

Distributed Generation (DG) Percentages

Residential

7.5% of total (\$15M)

Commercial (annual)

7.5% of total (3.7M)

Utility Scale (annual)

85% of total (\$6.7M)

Incentive Types

Residential/Small Commercial

UFI

Large Commercial

PBI

30,000,000 kWh DG target for 2009

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THINGS TO CONSIDER...

- **What size system?**
- **What is my TEP rate?**
 - Rate 10: Energy
 - Rate 13 or 14: Demand
- **How will I pay for it?**

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UP FRONT INCENTIVES (UFI)

- **\$2.50 per Watt**
 - ~\$7 per Watt installed
- **20 kW AC maximum**
 - ~27 kW DC
- **One-time payment**
- **Payment Caps**
 - 60% of all equipment/labor/financing charges

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PERFORMANCE BASED INCENTIVE (PBI)

- **Larger than 20 kW systems**
- **Payment based on generated energy**
- **Competitive bid process**
- **Terms are negotiated with TEP**
- **Purchase Power Agreements**

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WHAT DOES TEP GET?

- **Renewable Energy Credit (REC)**
 - 1 REC = 1 kWh (or equivalent)
 - Environmental rights
 - Tax advisor
- **UFI - 20 year agreement**
- **PBI - Length varies**
- **Avoided expenses**

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ON THE HORIZON...

- **2010 ACC Filing**
- **ARRA 1.6 MW Project**
- **Solar RFP**
- **5 MW Concentrated Solar Power**
- **25 MW Photo Voltaic**
- **Community Solar**

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THANK YOU!

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