



AVAILABILITY

All residential Customers who can reduce the amount of energy used when called upon may volunteer to participate in this rate rider. The Customer must meet the requirements listed in the service details below.

DESCRIPTION

Critical Peak Pricing (CPP) events are specific hours within the summer months when the Company is expecting extreme temperatures, high energy (kWh) usage, high market energy costs, or is experiencing a major generation or transmission outage. Customers on this rate rider agree to use less energy during these CPP events. Energy charges during CPP events are higher than the remainder of the summer On-Peak hours, but the Customer also receives a discount for all energy used during the CPP summer months.

CHARGES

The following charge will be in addition to the On-Peak charge in the Customer’s rate schedule:

Charge for energy use during Critical Peak hours	\$0.25000	per kWh
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The following discount will apply to all non-Critical Peak hours during CPP summer months (June through September):

Energy Discount for summer non-Critical Peak hours	(\$0.012143)	per kWh
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SERVICE DETAILS

1. This rate rider requires the Customer to have a standard AMI meter in place.
2. A Customer cannot be on this CPP rate rider and another demand response program offered by the Company. Customers may participate in this rate rider and the legacy net metering rate rider, but any exported generation during a CPP event will not be applied toward hours in another CPP event.
3. Details of a CPP event are as follows:
  - a. CPP events will only be scheduled from 3 p.m. to 8 p.m., Monday through Friday in the months of June through September. CPP events will not be scheduled on holidays (Independence Day on July 4th and Labor Day on the first Monday in September).
  - b. At least 6 and no more than 18 CPP events may be called per calendar year, and each event will last for a period of five hours.



- c. Customers will be notified of a CPP event in advance. By 4:00 PM the day prior to the event, the Customer will receive a phone message, e-mail, or text message. The Customer is responsible to watch for this message.
  - d. Once noticed, a CPP event will not be cancelled.
4. All the terms and charges in the Customer's rate schedule continue to apply to electric service provided under this rider.



**RATE RIDER E-3  
RESIDENTIAL SERVICE  
ENERGY SUPPORT PROGRAM**

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AVAILABILITY

This rate rider is available to residential Customers that qualify for the Energy Support Program.

DESCRIPTION

The Energy Support Program provides a monthly bill discount for Customers with a gross monthly household income at or below 150% of the federal poverty guidelines or those receiving assistance from an APS approved limited income assistance program.

DISCOUNT

The following discount will apply to the Customer's bill, subject to the service details below:

Discount	25%	per bill
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SERVICE DETAILS

1. The discount will be deducted from the monthly bill prior to the application of taxes, regulatory assessment, and franchise fees.
2. Customers electing to pay with a credit card will receive a bill credit in the amount of their credit card fee applied to their next month's bill.
3. Customers may not receive discounts under both this rider and Rate Rider E-4 at the same time.
4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.



## RATE RIDER LEGACY E-3 RESIDENTIAL ENERGY SUPPORT PROGRAM

### AVAILABILITY

This rate rider is available to residential Customers that qualify for the solar grandfathering program and meet the requirements of the Energy Support Program.

### DESCRIPTION

The Energy Support Program provides a monthly bill discount for Customers with a gross monthly household income at or below 150% of the federal poverty guidelines or those receiving assistance from an APS approved limited income assistance program.

Eligibility for this rate rider will be frozen on September 1, 2017. This means no new Customers will be served under this rider on or after that date, and any Customer that discontinues participation in the Energy Support Program or the solar grandfathering program cannot return to this rider at a later date.

A residential Customer may remain on this rate rider for up to 20 years from the date their solar generator was interconnected to the Company's distribution grid. After that time, the Customer will not be eligible for a grandfathered solar Legacy rate or this rate rider.

### RATES

The following discounts will apply to the Customer's bill, subject to the service details below:

For bills with total energy usage of:		
0 kWh to 400 kWh	65% discount	per bill
401 kWh to 800 kWh	45% discount	per bill
801 kWh to 1200 kWh	26% discount	per bill
1201 kWh and above	\$31.75	per bill

### SERVICE DETAILS

1. The discount will be deducted from the monthly bill prior to the application of taxes, regulatory assessment, and franchise fees.
2. Customers may not receive discounts under both this rider and Rate Rider Legacy E-4 at the same time.
3. Customers who leave the grandfathering program are no longer eligible for Rate Rider Legacy E-3, but may be served under Rate Rider E-3 if the Customer continues to qualify.



**RATE RIDER LEGACY E-3  
RESIDENTIAL ENERGY SUPPORT PROGRAM**

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4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.
5. Customers electing to pay with a credit card will receive a bill credit in the amount of their credit card fee applied to their next month's bill.

FROZEN



AVAILABILITY

This rate rider is available to residential Customers that qualify for the Medical Care Equipment Support Program.

DESCRIPTION

The Medical Care Equipment Support Program provides a monthly bill discount for Customers with a gross monthly household income at or below 150% of the federal poverty guidelines or those receiving assistance from an APS approved limited income assistance program and who require qualifying life-sustaining medical equipment.

DISCOUNT

The following discount will apply to energy purchased under this rate rider:

Discount	35%	per bill
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SERVICE DETAILS

1. The discount will be deducted from the monthly bill prior to the application of taxes, regulatory assessment, and franchise fees.
2. Customers electing to pay with a credit card will receive a bill credit in the amount of their credit card fee applied to their next month's bill.
3. Customers may not receive discounts under both this rider and Rate Rider E-3 at the same time.
4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.



**RATE RIDER LEGACY E-4  
RESIDENTIAL MEDICAL CARE  
EQUIPMENT SUPPORT PROGRAM**

AVAILABILITY

This rate rider is available to residential Customers that qualify for the solar grandfathering program and meet the requirements of the Medical Care Equipment Support Program.

DESCRIPTION

The Medical Care Equipment Support Program provides a monthly bill discount for Customers with a gross monthly household income at or below 150% of the federal poverty guidelines or those receiving assistance from an APS approved limited income assistance program and who require qualifying life-sustaining medical equipment.

Eligibility for this rate rider will be frozen on September 1, 2017. This means no new Customers will be served under this rider on or after that date, and any Customer that discontinues participation in the Medical Care Equipment Support Program or the solar grandfathering program cannot return to this rider at a later date.

A residential Customer may remain on this rate rider for up to 20 years from the date their solar generator was interconnected to the Company's distribution grid. After that time, the Customer will not be eligible for a grandfathered solar Legacy rate or this rate rider.

RATES

The following discounts will apply to the Customer's bill, subject to the service details below:

For bills with total energy usage of:		
0 kWh to 800 kWh	65% discount	per bill
801 kWh to 1400 kWh	45% discount	per bill
1401 kWh to 2000 kWh	26% discount	per bill
2001 kWh and above	\$60.00	per bill

SERVICE DETAILS

1. The discount will be deducted from the monthly bill prior to the application of taxes, regulatory assessment, and franchise fees.
2. Customers may not receive discounts under both this rider and Rate Rider Legacy E-3 at the same time.
3. Customers who leave the grandfathering program are no longer eligible for Rate Rider Legacy E-4, but may be served under Rate Rider E-4 if the Customer continues to qualify.



**RATE RIDER LEGACY E-4  
RESIDENTIAL MEDICAL CARE  
EQUIPMENT SUPPORT PROGRAM**

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4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.
5. Customers electing to pay with a credit card will receive a bill credit in the amount of their credit card fee applied to their next month's bill.

FROZEN





**RATE RIDER LEGACY EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

AVAILABILITY

This rate rider is available to Customers that qualify for the residential solar grandfathering program. It may be used in conjunction with the residential Legacy rate schedules for distributed generation systems.

This rate rider is frozen effective September 1, 2017. This means a residential Customer that is already taking service under this rate rider before that date may continue service under the terms of the grandfathering program. Other residential Customers must meet the qualification requirements of the grandfathering program to take service under this schedule.

A residential Customer may remain on this rate rider for up to 20 years from the date their solar generator was interconnected to the Company's distribution grid. After that time, the residential Customer will not be eligible for a grandfathered solar Legacy rate or this rate rider. Instead, the residential Customer will be served under an applicable retail rate of their choice and Rate Rider RCP, or a subsequent replacement rider.

DESCRIPTION

This rate rider describes how the Company will bill a Customer who participates in the Company's net metering program. A partial requirements Customer has on-site generation that serves some of their electrical requirements and relies on the Company for additional electrical services. Export energy occurs when the Customer's generation is greater than their electrical load in any instant and this excess energy flows back to the Company's grid.

Under this rider, export energy (kWh) will be netted against kWh supplied by the Company during the billing month, or banked and netted on a subsequent bill if necessary.

If a Customer is served under a time-of-use rate, the export energy will be netted according to the on-peak and off-peak periods, i.e. on-peak export energy will be netted against on-peak energy from the Company and vice-versa, for all unbundled components of the rate that have time-of-use charges.

PURCHASE RATES

After the December billing cycle, any export energy that has not already been netted on a bill will be acquired by the Company in exchange for a monetary bill credit based on the following purchase rate:

\$0.02895	per kWh
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The purchase rate is based on the Company's near-term avoided costs and is revised from time to time.



**RATE RIDER LEGACY EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

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BILLING DETAILS

1. All terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.
2. If the Customer terminates electric service, the Company will issue a check for the remaining export energy at the purchase price.

RESIDENTIAL GRANDFATHERING PROGRAM

The terms and conditions for the solar grandfathering program for residential Customers are as follows:

1. Existing solar customers with systems interconnected to the Company's distribution grid prior to September 1, 2017 and otherwise qualify for this rate rider may continue service under the grandfathering program.
2. Customers who (i) submit a complete application for interconnection to the Company before September 1, 2017; (ii) include in their interconnection application a fully executed sales or lease contract for their rooftop solar system; and (iii) install their rooftop solar system and obtain approval by the appropriate Authority Having Jurisdiction within 180 days of their interconnection application, and otherwise qualify for this rate rider, may take service under the grandfathering program. If the interconnection is delayed by a third party or APS through no fault of the Customer or the Customer's installer, the Customer will have 270 days to complete their interconnection.
3. The grandfathering period will be 20 years from the customer's initial interconnection date and applies to the site where the system is located.
4. Over the term of the grandfathering period, a Customer may not increase the capacity of their grandfathered solar generation unit by more than a total of 10% or 1 kW, whichever is greater.
5. Customers may not move their solar generation unit to another site.
6. The grandfathering may be transferred to a new customer purchasing the home.
7. The Customer may remain on their current Legacy rate schedule but may not move between alternate grandfathered Legacy rate schedules.
8. The Customer will be subject to changes in annual adjustor rates including the rate structure and level.
9. Frozen Rate Rider Legacy LFCR-DG will continue to apply if applicable.



**RATE RIDER LEGACY EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

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10. A Customer may leave the grandfathering program and be served under a non-Legacy rate schedule. However, the Customer may not subsequently return to the grandfathering program at a later date.

SERVICE DETAILS

1. All terms and charges in the Customer's retail rate schedule continue to apply.
2. The Customer must have an Advanced Metering Infrastructure (AMI) meter, or equivalent, installed to measure the production from their solar generation system as well as an AMI meter for electrical service.
3. The Company provides service under this rider in accordance with its Interconnection Requirements Manual. Service terms and conditions may be included in a customer interconnection or purchase agreement.
4. A Net Metering Facility is an on-site distributed generation system that:
  - a. Provides part of the Customer's energy requirements at the site where the system is installed;
  - b. Uses renewable resources, as defined by the Arizona Corporation Commission, to generate energy; and
  - c. Is interconnected to and can operate in parallel and in phase with the Company's existing distribution system.



AVAILABILITY

This rate rider is applied to Customers that qualify for the residential solar grandfathering program and interconnected an on-site renewable distributed generation system to the Company’s distribution grid after January 1, 2014. The Legacy LFCR DG Rate Rider does not apply to residential Customers on Rate Schedules Legacy ECT-1R or Legacy ECT-2.

This rate rider is frozen beginning on September 1, 2017. This means no new Customers will be served under this rider on or after that date. This rider will apply to eligible Customers through the 20-year period from the date their solar generator was interconnected to the Company’s distribution grid. Charges shown on this schedule may change.

DESCRIPTION

This rate rider recovers a portion of the lost fixed cost revenue that results from the net metering of on-site distributed generation from certain Customers on Net Metering Rate Rider Legacy EPR-6.

CHARGES

The following charges will be applied to the monthly bill in addition to the charges in the Customer’s rate schedule:

LFCR DG Charge	\$0.700	per kW-DC of generation
Generators not registered with APS	\$3.000	per kW-DC of generation

SERVICE DETAILS

1. Monthly charges will be applied to the nameplate kW-DC power rating of the on-site distributed generation system.
2. Any Customer that does not register an on-site distributed generation system with APS through the application and interconnection process when that distributed generation system was installed will be charged the Generators not registered with APS charge.
3. All the terms and charges in the Customer’s rate schedule continue to apply to electric service provided under this rider.



AVAILABILITY

This rate rider is available to any Customer who wants to purchase energy specifically generated from renewable resources.

DESCRIPTION

This rate rider allows a Customer to purchase a specific amount of energy (kWh) from the Company that has been generated by a renewable resource. This energy is known as Green Power, and may be generated from any resource designated by the Arizona Corporation Commission as renewable.

Purchases under this rate rider are for 100 kWh blocks of Green Power per month.

CHARGES

The following charge will apply to energy purchased under this rate rider in addition to the charges in the Customer's rate schedule:

Energy Charge	\$1.02	per block of 100 kWh
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SERVICE DETAILS

1. Green Power may be generated from Company-owned renewable resources, or from a renewable resource that the Company has purchased energy from, and is delivered through the Company's distribution grid.
2. Customers subscribe to a specific number of blocks of renewable energy, each of which equal 100 kWh per block. Participation in this rate rider is limited to the Green Power available. The Company may also limit the amount of energy purchased by a single Customer to 5% of the total Green Power available.
3. Customers must subscribe to the desired number of energy blocks for a minimum of one year. If the charge for each block of energy increases during the subscription year, Customers may cancel participation in this rate rider.
4. All the terms and charges in the Customer's rate schedule continue to apply to electric service provided under this rider.
5. Customers cannot take service under more than one Green Power rate rider at the same time.



AVAILABILITY

This rate rider is available to any Customer who wants to purchase energy specifically generated from renewable resources.

DESCRIPTION

This rate rider allows a Customer to purchase a specific amount of energy (kWh) from the Company that has been generated by a renewable resource. This energy is known as Green Power, and may be generated from any resource designated by the Arizona Corporation Commission as renewable.

Purchases of Green Power under this rate rider are for a percentage of total monthly kWh.

CHARGES

The Customer may choose one of the following options under this rate rider in addition to the charges in the Customer's rate schedule:

Option 1: 100% of monthly usage is Green Power		
Energy Charge for all kWh	\$0.0102	per kWh
Option 2: 50% of monthly usage is Green Power		
Energy Charge for all kWh	\$0.0051	per kWh
Option 3: 35% of monthly usage is Green Power		
Energy Charge for all kWh	\$0.0036	per kWh
Option 4: 10% of monthly usage is Green Power		
Energy Charge for all kWh	\$0.0010	per kWh

SERVICE DETAILS

1. Green Power may be generated from Company-owned renewable resources, or from a renewable resource that the Company has purchased energy from, and is delivered through the Company's distribution grid.
2. Participation in this rate rider is limited to the Green Power available. The Company may also limit the amount of energy purchased by a single Customer to 5% of the total Green Power available.



**RATE RIDER GPS-2  
GREEN POWER PERCENT SCHEDULE**

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3. Customers must subscribe to the desired percentage of energy usage for a minimum of one year. If the energy charge increases during the subscription year, Customers may cancel participation in this rate rider.
4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.
5. Customers cannot take service under more than one Green Power rate rider at the same time.



**RATE RIDER GPS-3  
GREEN POWER BLOCK SCHEDULE  
FOR SPECIAL EVENTS**

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AVAILABILITY

This rate rider is available to any Customer who wants to purchase energy specifically generated from renewable resources.

DESCRIPTION

This rate rider allows a Customer to purchase a specific amount of energy (kWh) from the Company that has been generated by a renewable resource. This energy is known as Green Power, and may be generated from any resource designated by the Arizona Corporation Commission as renewable.

Purchases under this rate rider are for 100 kWh blocks of Green Power during a temporary special event such as concerts, sporting events, and festivals. Minimum purchase shall be \$500.00 per transaction.

CHARGES

The following charge will apply to energy purchased under this rate rider in addition to the charges in the Customer's rate schedule:

Energy Charge	\$1.02	per block of 100 kWh
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This charge will apply for the duration of the special event as requested by the Customer.

SERVICE DETAILS

1. Green Power may be generated from Company-owned renewable resources, or from a renewable resource that the Company has purchased energy from, and is delivered through the Company's distribution grid.
2. Customers request a specific number of blocks of renewable energy, each of which equal 100 kWh per block, to be used during the special event. Participation in this rate rider is limited to the Green Power available. The Company may also limit the amount of energy purchased by a single Customer to 5% of the total Green Power available.
3. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.
4. Customers cannot take service under more than one Green Power rate rider at the same time.





**RATE RIDER RCP  
PARTIAL REQUIREMENTS SERVICE FOR  
NEW ON-SITE SOLAR DISTRIBUTED GENERATION  
RESOURCE COMPARISON PROXY EXPORT RATE**

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AVAILABILITY

This rate rider is available to partial requirements customers with qualified on-site solar generation, served under an applicable residential rate. This rate rider may not be used in conjunction with a grandfathered residential Legacy rate schedule or Legacy rate rider.

DESCRIPTION

A Customer with solar generation exports power to the grid from time to time when their generation exceeds the load in their home. The Company will meter this export power on an instantaneous basis and provide a monthly bill credit based on the purchase rate in this schedule.

The purchase rates will be determined as follows:

- a. An RCP rate will be determined for each annual tranche of new DG Customers, effective September 1 each year without proration. The RCP rate may not be reduced by more than 10% each year.
- b. Each Customer's bill credit will initially be based on the RCP in effect at the time they submit an interconnection application for their system before September 1 provided that they subsequently complete the installation and obtain approval by the appropriate Authority Having Jurisdiction within 180 days of their interconnection application unless, through no fault of the Customer or the Customer's installer, the interconnection is delayed by a third party or APS. In that circumstance, the Customer will have 270 days to complete their interconnection.
- c. Each Customer's initial RCP rate will be applicable for 10 years from the time of their interconnection.
- d. After each Customer's initial 10 year period the bill credit will be based on the purchase rate in effect at that time, and may change from year to year.

Further details are provided in the Resource Comparison Proxy Plan of Administration and Arizona Corporation Commission Decisions No. 75859 and 76295.

PURCHASE RATES

The Company will provide a bill credit for the exported energy based on the following purchase rates:



**RATE RIDER RCP  
PARTIAL REQUIREMENTS SERVICE FOR  
NEW ON-SITE SOLAR DISTRIBUTED GENERATION  
RESOURCE COMPARISON PROXY EXPORT RATE**

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Tranche 2017	September 1, 2017 through September 30, 2018	\$0.12900	per kWh
Tranche 2018	October 1, 2018 through September 30, 2019	\$0.11610	per kWh
Tranche 2019	October 1, 2019 through August 31, 2020	\$0.10450	per kWh

Any bill credit in excess of the Customer's otherwise applicable monthly bill will be credited on the next monthly bill, or subsequent bills if necessary. After the Customer's December bill, a Customer may request a check for any outstanding credits from the prior year; however, if the outstanding credits exceed \$25, the Company will automatically issue a check to the Customer. Otherwise, the bill credits will carry forward to the following year.

GENERATOR REQUIREMENTS

Distributed generators must meet all of the following qualifications:

1. Electricity must be generated using solar photovoltaic panels;
2. The generator must be interconnected to the Company's distribution grid;
3. The generator must be on-site, installed behind the billing meter, and must serve the Customer's load;
4. The facility's nameplate capacity cannot be larger than the following electrical service limits:
  - a. For 200 Amp service, a maximum of 15 kW-dc.
  - b. For 400 Amp service, a maximum of 30 kW-dc.
  - c. For 600 Amp service, a maximum of 45 kW-dc.
  - d. For 800 Amp service and above, a maximum of 60 kW-dc; and
5. For systems over 10 kW-dc, the facility's nameplate capacity cannot be larger than 150% of the customer's maximum one-hour peak demand measured in AC over the prior twelve (12) months. (For example, if the customer's peak is 8 kW-ac, the maximum system size that could be installed would be 12 kW-dc).

SPECIAL CASES

1. Switching from a grandfathered legacy solar rate. A Customer may switch from a grandfathered solar Legacy rate and net metering rider to a new retail rate and the RCP rider. However, they will lose their grandfathering status and may not subsequently switch back to



**RATE RIDER RCP  
PARTIAL REQUIREMENTS SERVICE FOR  
NEW ON-SITE SOLAR DISTRIBUTED GENERATION  
RESOURCE COMPARISON PROXY EXPORT RATE**

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the grandfathered rate or net metering program. In addition, the bill credits for export energy will be based on the annual RCP rate as it changes from year to year excepting where 10 or more years are remaining in the solar grandfathering status. In such instances, the Customer will be eligible for a 10-year lock in the purchase rate then in effect at the time of the switch.

2. Increasing Capacity. If a Customer modifies their generation system to include a material increase in capacity they will no longer be eligible for the initial RCP purchase rate they locked in for ten years; rather their bill credits will be based on the current RCP rate locked in for a period of ten years minus the number of years they received service under a prior RCP rate. For purposes of this rate rider, a material increase in capacity means increasing the capacity by 10% or 1 kW, whichever is greater. Over the term of the Customer's ten year RCP lock, they may only increase their system's capacity by a total of 10% or 1 kW, whichever is greater.
3. Transferring Service. If a Customer moves to a site that is currently being served under Rate Rider RCP they will continue service under the rider with the same rate tranche. If a Customer moves their solar system to another site they will no longer be eligible for the initial 10-year lock in the RCP purchase rate; rather their bill credits will be based on the annual RCP rate as it changes from year to year.

SERVICE DETAILS

1. All terms and charges in the Customer's retail rate schedule continue to apply.
2. The Customer must have a standard Advanced Metering Infrastructure (AMI) meter installed to measure the production from their solar generation system as well as an AMI meter for electrical service.
3. The Company provides service under this rider in accordance with its Interconnection Requirements Manual. Service terms and conditions may be included in a Customer's interconnection agreement.
4. Partial Requirements Service is electric service provided to a Customer that has an on-site distributed generation system interconnected to the Company's distribution grid that is configured so that the energy generated first supplies its own electric requirements, and any excess generation (over and above its own requirements at any point in time) is then exported to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by their own generation facilities).



### AVAILABILITY

This pilot rate schedule is available to all Standard-Offer residential customers, with standard AMI metering, that meet certain eligibility requirements. The program will be capped at 5,000 customers. Customers on non-time of use rates shall comprise no more than one half of each segment of participants.

### DESCRIPTION

The subscription pilot provides customers with a flat monthly bill, based on their prior year's usage under their retail rate schedule. The monthly amount will be fixed for two years.

The pilot will consist of two groups: a standard segment and a smart thermostat segment, each capped at 2,500 customers. The smart thermostat segment will participate in a study to assess the impact resulting from APS's limited control over the smart thermostat to assist with managing monthly usage.

The Company will study the impact of the rate rider on both customer groups concerning their monthly usage, bill impacts, energy control, bill management and demand response strategies.

### CHARGES

The flat monthly amount will be derived by applying the customer's monthly billed kWh and kW units from the prior 12 months to the current charges in the applicable retail rate schedule including adjustors and averaging this amount over 12 months.

For customers in the standard segment, without a smart thermostat, 5% will be added to the charges above to set their flat bill amount.

The subscription price will be inclusive of all applicable taxes and governmental fees that are assessed on APS's revenue, prices, sales volume, or generation volume.

### ELIGIBILITY

All customers must meet the following eligibility requirements:

1. Must have at least 12 months of electric history in their current residence.
2. Must be willing to provide information and participate in on-going surveys during the pilot.

In addition, customers in the study must use Company approved equipment and agree to comply with program guidelines.



SERVICE DETAILS

1. This rate rider requires the Customer to have a standard AMI meter in place.
2. All rules, regulations, and requirements in the customer chosen base rate will still apply.
3. Customers whose energy usage substantially changes from historical consumption may be removed from the pilot at the Company's discretion.
4. The adjustor revenue will flow to each adjustor's accounting balance as the customer's contribution to that adjustment mechanism.
5. Not available to master metered customers.
6. Customer may cancel at any time but may not re-enroll in this pilot program.



**RATE RIDER AG-X  
GENERAL SERVICE  
ALTERNATIVE GENERATION**

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AVAILABILITY

This rate rider schedule is available in all territories served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate rider schedule is available for Standard Offer Customers who have an Aggregated Peak Load of 10 MW or more and are served under Rate Schedules E-34, E-35, E32-L, or E-32 TOU L. An aggregated group may also include metered accounts that are served under Rate Schedules E-32 M or E-32 TOU M, if the accounts are located on the same premises and served under the same name as an otherwise eligible Customer.

Customers must have interval metering, Advanced Metering Infrastructure, or an alternative in place at all times of service under this schedule. If the Customer does not have such metering, the Company will install the metering equipment at no additional charge. However, the customer will be responsible for providing and paying for any communication requirements associated with the meter, such as a phone line.

All provisions of the Customer's applicable rate schedule will apply in addition to this Schedule AG-X, except as modified herein. Total program participation will be limited to 200 MW of Customer load, 100 MW of which will be initially reserved for Customers with single-site peak demands of 20 MW or greater and with monthly average load factors above 70% unless not fully subscribed during the solicitation process.

DEFINITIONS

**Aggregated Peak Load:** The sum of the maximum metered kW for each of the Customer's aggregated metered accounts over the previous 12 months, as determined by the Company and measured at the Customer's meter(s) at the time of application for service under this rate rider schedule.

**Standard Generation Service:** Power provided by the Company to a retail customer in conjunction with transmission and delivery services, at terms and prices according to a retail rate schedule other than Schedule AG-X.

**Customer:** A metered account or set of aggregated metered accounts that meet the eligibility requirements for service and enrollment as an aggregated load for service, under this rate rider schedule.

**Generation Service Provider:** A third party entity that provides wholesale power to the Company on behalf of a Customer. This entity must be legally capable of selling and delivering wholesale power to the Company.



**RATE RIDER AG-X  
GENERAL SERVICE  
ALTERNATIVE GENERATION**

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Generation Service: Wholesale power delivered to APS by a Generation Service Provider.

Imbalance Energy: For each Generation Service Provider, Imbalance Energy will be calculated by the Company as the difference between the hourly delivered energy from the Generation Service Provider and the aggregated actual hourly metered load for all Customers that have selected the Generation Service Provider under this rate rider schedule.

Imbalance Service: Calculating and managing the hourly deviations in energy supply for imbalance energy.

Total Load Requirements: The Customer's hourly load including losses from the point of delivery to the Company's transmission system to the Customer's sites for the duration of the contract.

### CUSTOMER ENROLLMENT

The Company will establish an initial enrollment period during which Customers can apply for service under this rate rider schedule. If the applications for service are greater than the program maximum amount, then Customers will be selected for enrollment through a lottery process as detailed in the program guidelines, which may be revised from time-to-time during the term of this rate rider schedule. Otherwise, Customers may enroll on a first come first serve basis. After the initial lottery, if necessary, Customers who enter the program will not be required to participate in a subsequent lottery to remain in the program.

### AGGREGATION

Eligible Customers may be aggregated if they have the same corporate name, ownership, and identity. In addition, (1) an eligible franchisor Customer may be aggregated with eligible franchisees or associated corporate accounts, and (2) eligible affiliate Customers may be aggregated if they are under the same corporate ownership, even if they are operating under multiple trade names.

### DESCRIPTION OF SERVICES AND OBLIGATIONS

The Customer must apply for service under this rate rider schedule.

The Company will conduct the enrollment process in accordance with the provisions of this rate rider schedule.

The Customer must select a Generation Service Provider to provide Generation Service in accordance with the timeline specified in the program guidelines

The Company must enter into a contract with the Generation Service Provider to receive delivery and title to the power on the Customer's behalf.

The Generation Service Provider must provide to the Company on behalf of the Customer firm power sufficient to meet the Customer's Total Load Requirements for each of the specified metered accounts, and will attest in its contract with the Company that this condition is met. For



**RATE RIDER AG-X  
GENERAL SERVICE  
ALTERNATIVE GENERATION**

the purposes of this rate schedule, “firm power” refers to generation resources identified in Western System Power Pool Schedule C or a reasonable equivalent as determined by the Company.

The Company will provide transmission, delivery and network services to the Customer according to normal retail electric service.

The Company will settle with the Generation Service Provider for Imbalance Service and other relevant costs on a monthly basis according to the program guidelines.

The Generation Service Provider must bill the Company the monthly billed amounts for each customer for Generation Service and Imbalance Service according to the program guidelines.

The Company will bill the Customer for the Generation Service Provider’s charged amounts and remit the amounts to the Generation Service provider.

The Customer will be responsible for paying for the cost of the power provided by the Generation Service Provider, as specified in the contract and this rate rider schedule.

APS will not propose a deferral of unmitigated costs resulting from AG-X, if any, and APS will not request recovery of any unmitigated costs resulting from AG-X, if any, in its next rate case.

DELIVERY OF POWER TO THE COMPANY’S SYSTEM

Power provided by the Generation Service Provider must be firm power as defined above and delivered to the Company at the Palo Verde network delivery point, or other point of delivery as agreed to by the Company. The Generation Service Provider is responsible for the cost of transmission service to deliver the power to the Company’s delivery point.

SCHEDULING

The Company will serve as the scheduling coordinator. The Generation Service Provider must provide monthly schedules of hourly loads along with day-ahead hourly load deviations from the monthly schedule to the Company according to the program guidelines. Line losses, in the amount of 7%, from the point of delivery to the Customer’s sites will be either scheduled or financially settled. Line losses will be modified to reflect transmission voltage service when applicable.

IMBALANCE SERVICE

The Company will provide Imbalance Service according to the terms and provisions below:

- i. Within the range of +/- 15% each hour or +/- 2 MW, whichever is greater, GSPs would pay based on Schedule 4 of APS’s OATT which now reflects the terms of the CAISO imbalance charges.





**RATE RIDER AG-X  
GENERAL SERVICE  
ALTERNATIVE GENERATION**

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- ii. Greater than 15 % each hour or +/- 2 MW, whichever is greater, in addition to the charges in ii) GSPs would pay a penalty of \$3 per MWh.
  - iii. In addition to the imbalance provisions described above, GSPs with 20% of hourly deviations greater than 20% of the scheduled amount occurring in a calendar month will receive a notice of intent to terminate the GSP's eligibility in the program unless remedied. Imbalances of this magnitude and frequency will be deemed "Excessive." Should Excessive imbalances occur again in a subsequent month, within 12 months from the date of the notice, the GSP's eligibility may be terminated. To avoid termination, a GSP must demonstrate to APS that it is operating in good faith to match its resources to its load. In the event of GSP termination, the Customer will be required to secure a replacement GSP within 60 days, and will be subject to the terms listed in "Default of the third party generation provider".

DEFAULT OF THE THIRD PARTY GENERATION PROVIDER

In the event that the Generation Service Provider is unable to meet its contractual obligations, the Customer must notify the Company and select another Generation Service Provider within 60 days. Prior to execution of any new power contract, the Company will provide the required power to the Customer, which will be charged at the Palo Verde Peak or Off-peak ICE ("Intercontinental Exchange") Day Ahead Power prices or its successor for the power delivery date plus \$10 per MWh not to be less than \$0 per MWh or at the applicable retail rate at the Company's option. In addition, all other provisions of this rate rider schedule will continue to apply.

If the Customer is unable to select another Generation Service Provider within sixty days, the customer will automatically return to Standard Generation Service, and be subject to the conditions below.

RETURN TO COMPANY'S STANDARD GENERATION SERVICE

Customer may return to the Company's Standard Generation Service under their applicable retail rate schedule if: (1) they provide one or more years notice to the Company; or (2) if the Commission terminates the program. Absent one of these conditions, the Company will provide generation service to the Customers under the following conditions. The Company may elect to provide the customer with generation service at the Palo Verde Peak or Off-peak ICE ("Intercontinental Exchange") Day Ahead Power prices or its successor for the power delivery date plus \$10 per MWh for a period of time for the Customer to attain 1 year notice, at which time the Customer returns to the Company's Standard Generation Service under their applicable retail rate schedule. The returning customer must remain with the Company's Standard Generation Service for at least 1 year.



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RATES

All provisions, charges and adjustments in the customer's applicable retail rate schedule will continue to apply except as follows:

1. The generation charges will not apply;
2. Adjustment Schedule PSA-1 will not apply;
3. Adjustment Schedule EIS will not apply; and
4. The applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Company and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder will be applied to the Customer's bill.

Schedule AG-X charges determined and billed by the Company include:

1. A monthly administrative management fee of \$0.00180 per kWh applied to the Customer's billed kWh;
2. A monthly reserve capacity charge of \$5.5398 per kW applied to 100% of the Customer's billed kW (on-peak for Rate Schedules E-35 and E-32 TOU L);
3. Returning Customer charge, where applicable, as described herein;
4. Generation Service Provider Default charge, where applicable, as described herein.

These charges and other parameters will be re-evaluated in APS's next rate case, including whether AG-X should be evaluated as a separate customer class in the cost of service study.

Schedule AG-X Generation Service and Imbalance Service charges billed by the Company include:

1. Generation Service charges will be charged at a rate within the minimum and maximum limits as follows:
  - a. When the contract provides for pricing that reflects a specific index price, the minimum price will be the specified index minus 35% and the maximum price will be the specified index plus 35%. The determination that a contract is consistent with this provision will be based on the specified index price applicable on the date the contract is executed.



**RATE RIDER AG-X  
GENERAL SERVICE  
ALTERNATIVE GENERATION**

- b. When the contract provides for a fixed price supply for the term of the contract, the minimum price will be the generation rate of the Customer's applicable retail rate schedule minus 35%, and the maximum price will be the generation rate of the Customers applicable retail schedule plus 35%. If the Customer has more than one otherwise applicable retail rate schedule, the highest applicable retail rate schedule will be used for purposes of the consistency determination. The determination that a contract is consistent with this provision will be based on the Customer's otherwise applicable retail rate schedule in effect on the date the contract is executed.
  - c. Losses from the delivery point to the Customer's meters and charges for transmission and distribution will not be included in the Generation Service charge for purposes of determining whether the contract is consistent with the minimum and maximum price provisions of this rate rider schedule, while Capacity Reservation Charge, the Management Fee, and Imbalance Service charges will be included in the Generation Service charge for purposes of determining whether the contract is consistent with the minimum and maximum price provisions of this rate rider schedule.
2. Imbalance Service charges will be charged at a rate greater than \$0.00 per kWh and less than or equal to the rate that the Company charges the Generation Service Provider for Imbalance Service as specified herein.

CONTRACT TERM AND REQUIREMENTS

The term of the contract with the Generation Service Provider must be for not less than one year and must include termination provisions to comply with Section IV under imbalance services, as well as general termination provisions should the program be discontinued at some point in the future.

The Generation Service Provider and Customer will enter into a contract or contracts with the Company, stating the pertinent details of the transaction with the Generation Service Provider, including but not limited to the scheduling of power, location of delivery and other terms related to the Company's management of the generation resource.

CREDIT REQUIREMENTS

A Generation Service Provider or its parent company must have at least an investment grade credit rating or demonstrate creditworthiness in the form of either a 3rd-party guarantee from an investment grade rated company, surety bond, letter of credit, or cash in accordance with the Company's standard credit support rules.



**PILOT RATE RIDER AG-Y  
GENERAL SERVICE  
HOURLY MARKET PRICE SERVICE**

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GENERAL DESCRIPTION

This pilot rate rider schedule provides the customer an hourly market price signal for billing generation energy costs and credits the customer for the generation energy costs reflected on their retail rate schedule and the PSA fuel adjustor rate.

AVAILABILITY

This rate rider schedule is available in all territories served by APS ("Company") at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate rider schedule is available for Standard Offer customers who are served under retail rate schedules E-32M, E-32MTOU, E-32L, E-32LTOU, or E32L Storage Pilot. Customers must have standard metering service with Advanced Metering Infrastructure equipment.

Total program participation will be limited to 200 MW of customer load, based on the summation of average monthly peak loads for each customer. APS may expand the program limit, at its discretion, upon notification to the Arizona Corporation Commission Staff.

This rate rider may not be used in conjunction with the following rates or programs: Schedules SGSP, EPR-6, E-56, SD-1 and the aggregation discount rate option in Schedule E32-L. Customer may have on-site generation billed under Schedule EPR-2 or E-56R.

This rate rider schedule will be available from the effective date of Schedule AG-Y through APS's next general rate case at which time the program will be reviewed.

CUSTOMER ENROLLMENT

Customers will be enrolled on a first come first served basis. However, if the participation exceeds 100 MW during an initial 3-month enrollment period, the Company will assess whether a lottery will be held for the remaining program MW or whether the program limit will be expanded. Customers must execute an Electric Supply Agreement with an addendum for the AG-Y program and complete any other program requirements prior to enrollment.

HOURLY PRICES

Hourly market prices for this schedule will be derived from relevant wholesale market prices and posted on a Company website on a day ahead basis.



**PILOT RATE RIDER AG-Y  
GENERAL SERVICE  
HOURLY MARKET PRICE SERVICE**

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RATES

All provisions, charges and adjustments in the customer's applicable retail rate schedule will continue to apply except as follows:

- The unbundled generation energy costs in the retail rate will be credited on the monthly bill at the following credit rate:

Monthly credit for generation energy costs    \$ 0.03600 per kWh credit

- Adjustment Schedule PSA-1 charges will not apply;

Additional Schedule AG-Y charges include:

- The hourly prices applied to the customer's hourly metered kWh during the billing period

The rate credit specified above shall be revised in subsequent general rate case filings.

CONTRACT

The customer must execute an Electric Supply Agreement with an addendum for this rate rider.



RATE SCHEDULE CPP-GS  
CRITICAL PEAK PRICING – GENERAL SERVICE

AVAILABILITY

This rate schedule is available to all Customers served on Rate Schedules E-32 M, E-32L, E-32 TOU M, E-32 TOU L, E-34, E-35, and E-221.

DESCRIPTION

Critical Peak Pricing (CPP) events are specific hours within the summer months when the Company is expecting extreme temperatures, high energy (kWh) usage, high market energy costs, or is experiencing a major generation or transmission outage. Customers on this rate rider agree to use less energy during these CPP events. Energy charges during CPP events are higher than the remainder of the summer On-Peak hours, but the Customer also receives a discount for all other energy used during the CPP summer months.

CHARGES

The following charge is in addition to the On-Peak charge in the Customer’s rate schedule:

Charge for energy use during Critical Peak hours	\$0.25000	per kWh
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The following discount will apply to all non-Critical Peak hours during CPP Summer months (June through September):

Rate Schedule E-32 M	\$ (0.010351)	per kWh
Rate Schedule E-32 L	\$ (0.009533)	per kWh
Rate Schedule E-32 TOU M	\$ (0.009266)	per kWh
Rate Schedule E-32 TOU L	\$ (0.008680)	per kWh
Rate Schedule E-34	\$ (0.008519)	per kWh
Rate Schedule E-35	\$ (0.007396)	per kWh
Rate Schedule E-221	\$ (0.006116)	per kWh

SERVICE DETAILS

1. Eligible Customers must be able to reduce their usage during CPP events by a minimum of 200 kW. Any reduced load must have otherwise been served specifically by APS generation.
2. Eligible Customers must submit a load reduction plan, which must be approved by the Company prior to participation.



3. This rate rider requires the Customer's usage to be measured with an AMI meter.
4. A Customer cannot be on this rate rider and another demand response program offered by the Company. Customers may participate in this rate rider and the Legacy EPR-6 Rate Rider, but any exported generation during a CPP event will not be applied toward hours in another CPP event.
5. Details of a CPP event are as follows:
  - a. CPP events will only be scheduled from 3 p.m. to 8 p.m., Monday through Friday in the months of June through September. CPP events will not be scheduled on holidays (Independence Day on July 4<sup>th</sup> and Labor Day on the first Monday in September).
  - b. At least 6 and no more than 18 CPP events may be scheduled in each calendar year, and each event will last for a period of five hours.
  - c. Customers will be notified of a CPP event in advance. By 4:00 p.m. the day prior to the event, the Customer will receive a phone message, e-mail, or text message. The Customer is responsible to watch for this message.
  - d. Once noticed, a CPP event will not be cancelled.
6. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.



RATE RIDER E-36 M  
CLASSIFIED SERVICE  
STATION USE SERVICE MEDIUM

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This rate schedule is no longer available to any Customer and has been cancelled per Decision No. XXXX dated XXXX XX, XXXX.

Cancelled





**RATE RIDER EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

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AVAILABILITY

This rate rider is available to qualifying residential and non-residential partial requirements Customers with an on-site renewable distributed generation system. Residential Customers with an interconnected on-site solar photovoltaic system are not eligible for this rate rider.

DESCRIPTION

This rate rider describes how the Company will bill a Customer who participates in the Company's net metering program and exports energy through the Company's distribution grid. Export energy occurs when the Customer's generation is greater than their electrical load in any instant and this excess energy flows back to the Company's grid.

Under this rider, export energy (kWh) will be netted against kWh supplied by the Company during the billing month, or banked and netted on a subsequent bill if necessary.

If a Customer is served under a time-of-use rate, the export energy will be netted according to the on-peak and off-peak periods. On-peak export energy will be netted against on-peak energy from the Company and off-peak export energy will be netted against off-peak energy, for all unbundled components of the rate that have time-of-use charges.

PURCHASE RATES

After the December bill, any export energy that has not already been netted on a bill will be acquired by the Company in exchange for a monetary bill credit based on the following purchase rate:

\$0.02895	per kWh
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The purchase rate is based on the Company's near-term avoided costs and is revised from time to time.

BILLING DETAILS

1. All terms and charges in the Customer's rate schedule continue to apply to electric service provided under this rider.
2. If the Customer terminates electric service, the Company will issue a check for any remaining export energy at the purchase price.



**RATE RIDER EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

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GENERATOR REQUIREMENTS

Distributed generators must meet all of the following qualifications:

1. The generator must be interconnected to the Company's distribution grid;
2. The generator must be on-site, installed behind the billing meter, and must serve the Customer's load;
3. For qualifying residential facilities, the nameplate capacity cannot be larger than the following electrical service limits:
  - a. For 200 Amp service, a maximum of 15 kW-dc.
  - b. For 400 Amp service, a maximum of 30 kW-dc.
  - c. For 600 Amp service, a maximum of 45 kW-dc.
  - d. For 800 Amp service and above, a maximum of 60 kW-dc; and
4. For all qualifying residential and non-residential facilities over 10 kW-dc, the facility's nameplate capacity cannot be larger than 150% of the Customer's maximum one-hour peak demand measured in AC over the prior twelve (12) months. (For example, if the Customer's peak is 8 kW-ac, the maximum system size that could be installed would be 12 kW-dc).

SERVICE DETAILS

1. All terms and charges in the Customer's retail rate schedule continue to apply.
2. The Customer must have an Advanced Metering Infrastructure (AMI) meter, or equivalent, installed to measure the production from their solar generation system as well as an AMI meter for electrical service.
3. The Company provides service under this rider in accordance with its Interconnection Requirements Manual. Service terms and conditions may be included in a Customer interconnection agreement.
4. A Net Metering Facility is an on-site distributed generation system that:
  - a. Provides part of the Customer's energy requirements at the site where the system is installed;
  - b. Uses renewable resources, as defined by the Arizona Corporation Commission, including a fuel cell with the chemical reaction derived from renewable resources or a combined heat and power (CHP) facility as defined by A.A.C. R14-2-2302, to generate energy; and



**RATE RIDER EPR-6  
PARTIAL REQUIREMENTS SERVICE FOR  
ON-SITE RENEWABLE DISTRIBUTED GENERATION  
NET METERING**

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- c. Is interconnected to and can operate in parallel and in phase with the Company's existing distribution system.
5. Partial Requirements Service is electric service provided to a Customer that has an on-site distributed generation system interconnected to the Company's distribution grid that is configured so that the energy generated first supplies its own electric requirements, and any excess generation (over and above its own requirements at any point in time) is then exported to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by their own generation facilities).



AVAILABILITY

The Interruptible Rate Program (IRR) rate schedule is available to Customers on Rate Schedules E-34 or E-35.

Customers cannot participate in Rate Rider IRR in conjunction with other demand response programs and rate riders such as Critical Peak Pricing (CPP-GS), Peak Solutions, Power Partners, and other programs and rates that may be offered from time to time.

Participation under this schedule is subject to the availability of required metering and communication equipment compatible with the Customer’s applicable retail rate schedule and electrical service configuration and availability of the necessary load data to establish the Baseline Load. The Company will provide any required equipment.

DESCRIPTION

Rate Rider IRR is a demand response program where a Customer has the ability to choose how many hours and days per year the Customer’s energy usage can be interrupted during the summer months. The Company’s request to lower energy usage is called an event.

The Customer agrees to the amount of load reduction in an executed contract. Customers may enroll in this rider in the months of October through December in any calendar year.

TIME PERIODS

Events may occur June through September, all days of the week including holidays, from 12 noon to 8 p.m.

Customers will choose the maximum number of Events and hours per Event per Program Year from the following options:

Option	Max Hours per Event	Max Number of Events	Max Interruptible Hours
1	4	20	80
2	8	10	80

APS will not call more than one interruption event per day. APS will call at least 2 events per year. The Customer will choose either a 30-minute or 2-hour notice period. The Company will notify the Customer of an event by e-mail, cell phone, land line, text message or pager as chosen by the Customer. The Customer is responsible for receiving notification and acknowledging receipt of that notification to the Company within 15 minutes of receipt.



**RATE RIDER IRR  
EXTRA LARGE GENERAL SERVICE  
INTERRUPTIBLE RATE RIDER**

CREDITS

The Customer will receive a capacity credit and an energy credit for reducing hourly usage during all event hours. The capacity credit will be derived by multiplying the average actual interrupted demand for all events in a calendar year by the Customer by the applicable capacity credit rate. The energy credit will be derived by multiplying the energy reduced for all events in a calendar year by the Customer by the applicable energy credit rate.

The credits will be issued once a year in November through a direct payment or a bill credit, at the Company's option.

The credit rates will be revised from time to time, as approved by the Arizona Corporation Commission, but will not change during the Program Year.

All Customers participating in a five-year agreement will be subject to any revised credit rates for the calendar year, regardless of the number of years remaining on their contract.

1 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$7.975	\$0.09969	\$7.178	\$0.08972
2	\$5.995	\$0.07493	\$5.395	\$0.06745

5 Year Agreement Credit Rate:

Option	30 Minute Notice		2-Hour Notice	
	Capacity \$/kW-Yr	Energy \$/kWh	Capacity \$/kW-Yr	Energy \$/kWh
1	\$9.882	\$0.12353	\$8.894	\$0.11117
2	\$7.428	\$0.09285	\$6.685	\$0.08356

If at least 50% of the data necessary to calculate kW is available, any missing kW values will be estimated using the average of the available hourly data for a specific event. If less than 50% is available, the missing kW values will be estimated using the Customer's agreed level of load reduction in the contract.



SERVICE DETAILS

1. For any Event Year, if the Average Shortfall Demand is greater than 5% and less than or equal to 10% of the Required Interrupted Demand, the Customer will receive 50% of the capacity credit. If the Average Shortfall Demand exceeds 10% of the Required Interrupted Demand, the Customer will not receive a capacity credit. In either case, the Customer will continue to receive 100% of the energy credit. The penalty will not apply to the first Event of the Customer's first Program Year on Schedule IRR.
2. If the Customer terminates participation prior to the contract term in a five-year agreement, the Customer will pay the Company a penalty equal to the relevant Capacity Credit rate times the Required Interrupted Demand from the most recent Event Year (with a minimum of 500 kW) times the number of years remaining on the agreement. The total penalty shall be assessed at the time of termination.
3. If a Customer terminates participation prior to the contract term in a one-year or a five-year agreement, the Customer will not be allowed to participate in the rate for the two subsequent years.
4. All the terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.



## RATE RIDER SCHEDULE PPR PREFERENCE POWER RIDER

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This rate rider is for retail customers that were awarded hydro power from a federal dam. It explains how APS will deliver the power to the customer and net it off of their retail bill. This program supports Arizona's effort to take full advantage of the State's allocation of hydro-electric power from Hoover Dam, Parker Davis Dam and Glen Canyon Dam.

### APPLICATION

This Rate Schedule PPR Preference Power Rider ("Schedule PPR") is applicable to APS's ("Company") retail Standard Offer customers who receive a firm electric service allocation of preference power from the Western Area Power Administration ("WAPA"), an agency of the U.S. Department of Energy or the Arizona Power Authority ("APA"). Schedule PPR is applicable to all Preference Power allocations awarded from WAPA or APA after January 1, 2007.

Schedule PPR may be used with the following retail rate schedules: E-34, E-35, E32-L, E32-M, E32TOU-L, E32TOU-M and E-221 or successor rate schedules.

All provisions of the customer's retail rate schedule will apply in addition to Schedule PPR.

### Definitions

1. Preference Power Allotment ("Allotment", "Preference Power"): Hydro power, energy and capacity, awarded to the customer from WAPA as recorded in the Federal Register or from the Arizona Power Authority ("APA"), as specified in Electrical Supply Agreement.
2. Hydro Power: Electricity produced from generators that are run by moving water.
3. Firming Power: In any given month or year the actual amount of Preference Power that the Customer receives may be less than their Allotment. In this case the Customer is allowed to arrange for other power, up to the energy and capacity specified in the Allotment, to make up the difference.
4. Layoff Power: Preference Power purchased from, or sold to, another allottee. Layoff Power purchased from another allottee may be used as Firming Power. Any Layoff Power purchases made above the Customer's Allotment are not eligible for bill crediting under this program.

### Preference Power Program

1. APS will schedule all of the Preference Power, including any Firming Power and Layoff Power, according to APS's system requirements and manage any delivery and coordination details. Any Preference Power not scheduled by APS, or not available during the Company's desired time periods, will not be eligible for bill crediting under this program.



## RATE RIDER SCHEDULE PPR PREFERENCE POWER RIDER

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2. APS will take delivery of the Preference Power, up to the Customer's Allotment, at a delivery point specified by APS in an Electrical Supply Agreement and transport it to the Customer's business location at no additional charge above the current retail rate for power transmission and delivery. The standard delivery point for Preference Power from the Hoover Dam will be the Mead substation near Boulder City, Nevada.
3. The customer will designate one retail account, as the primary account to receive the Preference Power. The customer may also designate a back-up account in the event the load from the designated primary account falls below the Preference Power Allotment in an occasional month. If the customer's Preference Power Allotment is greater than any single account then up to three accounts may be used.
4. The customer may change their Preference Power account designations once per calendar year.
5. The amount of Preference Power including any Firming or Layoff Power will be limited to the customer's annual and seasonal Allotment. However, the Customer may schedule additional Preference Power during the summer season (March - September) and less during the winter (October - February), as long as the annual total does not exceed the Allotment.
6. The amount of the Preference Power credit will also be limited to the kWh on the Customer's monthly retail bill for the designated account(s).
7. Preference Power credits are not eligible for direct access Customers or those on rate rider AG-X.

### Bill Credit

The Customer's monthly bill will first be calculated without the Preference Power according to the Customer's standard retail rate schedule.

The Preference Power capacity and energy scheduled for the month will then be credited off of the retail capacity and energy charges for generation service based on the credit rates in this rate rider. The Preference Power energy will also be credited off of the kWh charges in Adjustment Schedule PSA-1, which are revised annually.

The credit rates include the unbundled generation capacity demand charges and energy charges consistent with APS's retail rates for medium, large and extra-large business Customers and adjusted for average system kWh line losses. The capacity demand charges in the retail rates are converted to equivalent energy (kWh) amounts based upon class billing determinants in the most recent rate case.





**RATE RIDER SCHEDULE PPR  
PREFERENCE POWER RIDER**

The credit rates will be revised from time to time to reflect changes in the retail rates as approved by the Arizona Corporation Commission.

The credit rates are based on the size of the capacity Allotment, not the specific retail rate for the designated account(s).

Preference Power Credit Rates  
(\$/kWh)  
(excluding credit for schedule PSA-1)

Preference Power Allotment	Summer	Winter
	(May - October)	(November - April)
1MW and above	0.05249	0.05249
401 kW - 999 kW	0.06166	0.04611
0 kW - 400 kW	0.06583	0.05156

Contract

Customer must enter into an “Electrical Supply Agreement for Customers with Preference Power” with the Company prior to receiving service under Schedule PPR. This agreement will specify, among other things, the Customer accounts receiving Preference Power and the amount of the Preference Power Allotment.



RATE RIDER SGSP  
SCHOOLS AND GOVERNMENT SOLAR PROGRAM

AVAILABILITY

This rate rider is available to eligible public elementary and secondary schools (K through 12) including charter schools, and eligible government customers served under rate schedules E-32 S, E-32 M, E-32 L, E-32TOU S, E-32TOU M, E-32TOU L, GS-SCHOOLS M, GS-SCHOOLS L, E-34, and E-35.

A Customer on this rate rider cannot also be on a Partial Requirements rate rider, or rate riders AG-X and AG-Y.

This rate rider will be frozen on August 19, 2017. This means no new Customers will be served under this rider after that date, and any Customer that moves to another available rate rider cannot move back to this one. Customers may remain on this rider for up to 20 years from the date an on-site distributed generation system was connected to the Company’s distribution grid.

DESCRIPTION

This rate rider provides a 20-year fixed charge for a portion of the Customer’s monthly energy usage equal to the energy produced by a Company-owned on-site solar distributed generation system that is directly connected to the Company’s distribution grid.

SOLAR ENERGY

Solar Energy, which is used in the calculation of the Solar Charge below, is the expected monthly kWh production from the Company’s solar equipment over time. The applicable Solar Energy is calculated by multiplying the kW-DC nameplate generator rating of the system by an average monthly production factor of 90 kWh-AC per kW-DC.

CHARGES

The Customer’s monthly bill will be calculated in accordance with the current applicable rate schedule except:

The monthly bill will include a Solar Charge, which is the Solar Energy multiplied by the charges listed below:

Applicable Retail Rate Schedule	Solar Charge	
E-32 S, E-32 M	\$0.07665	per kWh
E-32 L	\$0.04660	per kWh
E-32TOU S, E-32TOU M, E-32TOU L	\$0.05502	per kWh
GS-SCHOOLS M, GS-SCHOOLS L	\$0.07571	per kWh
E-34	\$0.04236	per kWh
E-35	\$0.04128	per kWh



BILLING DETAILS

1. The monthly bill will be based on the Customer’s total metered usage net of the Solar Energy, but the netted kWh shall not be less than zero. The netting will be applied as follows:

a. For Customers on Rate Schedules E-32TOU S, E-32TOU M, E-32TOU L, and E-35:

On-Peak kWh	50.0%
Off-Peak kWh	50.0%

If the net kWh is less than zero for either the On-Peak or Off-Peak period, the remaining kWh will be netted from the other time period, but the netted amount will not be less than zero.

b. For Customers on Rate Schedules E-32 S and E-32 M:

First 200 kWh per kW	60.0%
All additional kWh	40.0%

If the netted kWh is less than zero for either tier, the remaining kWh will be netted against the other kWh tier, but the netted amount will not be less than zero.

c. For Customers on Rate Schedules GS-SCHOOLS M and GS-SCHOOLS L:

Solar Energy shall be netted from the On-Peak, Shoulder-Peak and Off-Peak kWh as follows:

	On-Peak	Shoulder-Peak	Off-Peak
Summer Peak (Jun-Aug)	15.0%	35.0%	50.0%
Summer Shoulder (May, Sep & Oct)	15.0%	35.0%	50.0%
Winter (Nov-Apr)	20.0%	10.0%	70.0%

If the net kWh is less than zero in any period, the remaining kWh will be applied first to the On-Peak, then the Shoulder-Peak, and then to the Off-Peak period if necessary, but the resulting kWh in any period will not be less than zero.

d. For Customers on Rate Schedules E-32 L and E-34, Solar Energy will be netted from the total monthly kWh, but the resulting kWh will not be less than zero.



RATE RIDER SGSP  
SCHOOLS AND GOVERNMENT SOLAR PROGRAM

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2. Any reductions to the Customer's monthly kWh billed under Adjustment Schedule REAC-1 and Adjustment Schedule EIS due to participation in Green Power Rate Riders GPS-1, GPS-2, and GPS-3 will be capped at the Customer's total metered kWh net of the Solar Energy provided in this rider.
3. Solar Energy is netted against the metered kWh from the single service entrance section where the system is installed and will not be netted against metered kWh from any other points of delivery at either the same Customer site or other sites. If a Customer has totalized metering service provided under Service Schedule 4, the Solar Energy will not exceed the metered kWh from the single service entrance section where the solar facility is installed.

FROZEN



AVAILABILITY

This rate rider is available to all public elementary and secondary schools (K through 12) served under rate schedules E-32 XS, E-32 XS D, E-32 S, E-32 M, E-32 L, E-32TOU XS, E-32TOU S, E-32TOU M, E-32TOU L, GS-Schools M, and GS-Schools L.

DESCRIPTION

This rate rider provides a monthly bill discount for a public elementary and secondary (K-12) school requesting service under this rate rider.

DISCOUNT

The following discount will apply to the Customer's monthly billed kWh:

Discount	\$(0.00246)	per kWh
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SERVICE DETAILS

1. The discount will be applied to the monthly billed kWh prior to the application of taxes, regulatory assessment, and franchise fees.
2. This discount is not available to Direct Access Customers, or Customers on Rate Riders AG-X or AG-Y.
3. Customers may not receive discounts under both this rider and the E-32 L or E-32 TOU L Aggregation Discount at the same time.
4. All terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider.



**RATE RIDER EPR-2  
PARTIAL REQUIREMENTS SERVICE FOR  
QUALIFIED FACILITIES OF 100 kW OR LESS**

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AVAILABILITY

This rate rider is available to Customers with a qualifying on-site cogeneration or small power production facility with a generating nameplate capacity of 100 kW-ac or less which is interconnected to the Company's distribution grid.

DESCRIPTION

This rate rider describes how the Company will bill a Customer with an on-site Qualifying Facility (QF). A partial requirements Customer has on-site generation that serves some of their electrical needs and relies on the Company for additional electrical services. Export energy occurs when the Customer's generation is greater than their electrical load in any instant and this excess energy flows back to the Company's grid.

TIME PERIODS

The On-Peak and Off-Peak purchase rates below will be applied to the specific On-Peak and Off-Peak hours under a Customer's retail rate. If the Customer's retail rate has a Shoulder-Peak period, these hours will be credited at the On-Peak purchase rate.

The summer season is the May through October billing cycles and the winter season is the November through April billing cycles.

PURCHASE RATES

The export energy will be acquired by the Company in exchange for a credit on the Customer's monthly bill, based on the following rates for summer and winter seasons:

	Summer	Winter	
On-Peak Non-Firm Rate	\$0.02989	\$0.03040	per kWh
Off-Peak Non-Firm Rate	\$0.02897	\$0.02831	per kWh
On-Peak Firm Rate	\$0.04297	\$0.03040	per kWh
Off-Peak Firm Rate	\$0.03009	\$0.02831	per kWh

BILLING DETAILS

All terms and charges in the Customer's rate schedule continue to apply to electric service provided under this rider.



**RATE RIDER EPR-2  
PARTIAL REQUIREMENTS SERVICE FOR  
QUALIFIED FACILITIES OF 100 kW OR LESS**

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SERVICE DETAILS

1. Partial Requirements Service is electric service provided to a Customer that has an on-site distributed generation system interconnected to the Company's distribution grid that is configured so that the energy generated first supplies its own electric requirements, and any excess generation (over and above its own requirements at any point in time) is then exported to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by the Customer's own generation facilities).
2. Customers cannot combine this rate with another partial requirements rate.
3. A Qualifying Facility (QF) is a cogeneration or small power production facility which meets the requirements for QFs under 18 CFR, Chapter 1, Part 292, Subpart B of the Federal Energy Regulatory Commission requirements. To qualify for this rate rider, the QF must have a nameplate continuous output power rating of 100 kW or less.
4. Export energy equals the Customer's generation (kWh) in excess of their electricity needs at any point in time as metered by the Company. Export energy is metered and accumulated instantaneously for any part of an hour.
5. Non-Firm Power is electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided and the power can be interrupted by the Customer at any time.
6. Firm Power is power available, upon demand, at all times (except for forced outages) during the period covered by the Purchase Agreement from the Customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources.
7. Electric sales to the Company must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).
8. Power sales and services supplied by the Company to the Customer in order to meet its electric requirements will be priced at the Customer's retail rate schedule.
9. Customers served under this rate schedule must have an AMI meter that will register and accumulate the net electrical requirements of the Customer. The AMI meter will be provided at no additional cost to the Customer.
10. The Company provides service under this rider in accordance with its Interconnection Requirements Manual, which has provisions that may affect the Customer's bill. Special provisions may also be included in a Customer interconnection or purchase agreement.



**RATE RIDER E-56  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS SERVICE**

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AVAILABILITY

This rider rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and suitable voltage are adjacent to the premises served and when all applicable provisions described herein have been met.

APPLICATION

This rider rate schedule is applicable to retail Customers who obtain any part of their electric requirements from on-site generation equipment with a continuous nameplate rating of 100 kW or greater for other than emergency purposes, requiring Supplemental and Back-up or Maintenance Power and energy from the Company. Direct access Customers are not eligible for service under this rate schedule. All provisions of the Customer's applicable retail rate schedule will apply except those specifically modified herein. Total measured demand at the Customer's meter will be used to determine the applicable retail rate schedule.

DEFINITIONS

1. Back-up Contract Demand - The specified demand, in kilowatts, of Back-up Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer. The Back-up Contract Demand shall be established by agreement between Customer and Company. The level of Back-up Contract Demand shall not exceed the total output capacity of the Customer's generation facilities.
2. Back-up Power - The kW of Back-up Contract Demand supplied by the Company to the Customer. Back-up Power shall be determined for each day of the Billing Period containing on-peak hours. The kW of Back-up Power each day shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Back-up Power during the on-peak hours of the day. The Back-up Power for the Billing Period shall be the sum of the Back-up Power for each day of the Billing Period. For each fifteen-minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.
3. Billing Period - The period of approximately thirty (30) days intervening between regular successive meter reading dates. There shall be twelve (12) billing periods per year.
4. Excess Power - Excess Power is power supplied by the Company to the Customer in excess of the Total Contract Demand. The kW of Excess Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Excess Power during the Billing Period. For each fifteen-minute period, Excess Power shall equal the Measured Demand minus the Total Contract Demand but shall not be less than zero.





**RATE RIDER E-56  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS SERVICE**

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5. Maintenance Power - Electric power and energy made available by the Company to a Customer during the scheduled maintenance periods established in accordance with the provisions of this schedule to replace Back-up Power. Maintenance Power shall not exceed the Back-up Contract Demand.
6. Measured Demand - The fifteen (15) minute Demands (Power) in kilowatts as shown by or computed from the readings of the Power (Demand) meter located at the Company's point of delivery for on-peak and off-peak periods during the Billing Period.
7. Measured Energy - The electric energy in kilowatt-hours as shown by or computed from the readings of the kilowatt-hour meter located at the Company's point of delivery.
8. Supplemental Contract Demand - The specified demand in kilowatts of Supplemental Power that the Customer contracts with the Company to supply and which the Company agrees to have available for delivery to the Customer
9. Supplemental Power - The kW of Supplemental Contract Demand supplied by the Company to the Customer. The kW of Supplemental Power for the Billing Period shall be the kW for the fifteen (15) minute period of the Customer's greatest use of Supplemental Power during the Billing Period. For each fifteen-minute period, Supplemental Power shall equal the Measured Demand but shall not be less than zero nor greater than the Supplemental Contract Demand.
10. Total Contract Demand - The sum of the Supplemental Contract Demand and the Back-up Contract Demand.

DETERMINATION OF SUPPLEMENTAL AND BACKUP CONTRACT DEMAND

The Supplemental Contract and Backup Demand shall be initially established by agreement between the Customer and the Company, and shall be reset annually based on the average daily maximum Measured Demand over the six months, May through October of the most recent year.

MONTHLY RATES

The bill shall be the sum of the amounts computed below, including any applicable adjustments:

- A. Basic Service: The Basic Service and Revenue Cycle Service Charges included in the Customer's applicable General Service rate schedule will apply each month.
- B. Supplemental Power and Associated Energy: Supplemental Power and Associated Energy will be provided in accordance with the rate levels contained in the Customer's applicable General Service rate schedule, excluding the monthly Basic Service and Revenue Cycle



**RATE RIDER E-56  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS SERVICE**

Service Charges, and also excluding delivery charges associated with Back-up Contract Demand.

C. Delivery Charges: The unbundled delivery charge contained in the Customer's applicable General Service rate schedule multiplied by the amount of Back-up Contract Demand.

D. Back-up Power Charges:

Rate Schedule E-34 Customer - On-Peak:	\$ 0.661	per kW Day
Rate Schedule E-32 Customer - On-Peak:	\$ 0.134	per kW Day
During Scheduled Maintenance:	One Half (1/2) On-Peak Charge	
Off Peak:	No Charge	

On-Peak Periods:	9 a.m. to 9 p.m., weekdays
Off-Peak Periods:	All other hours

The Power Charge for Back-up Power is billed on a per day basis and is based on the fifteen (15) minute period of the Customer's greatest use of Back-up Power during on-peak hours each on-peak day. For each fifteen-minute period, Back-up Power shall equal the Measured Demand minus the Supplemental Contract Demand but shall not be less than zero nor greater than the Back-up Contract Demand.

E. Excess Power Charges:

Secondary Service:	\$ 55.948	per kW
Primary Service:	\$ 53.107	per kW
Transmission Service:	\$ 38.986	per kW

F. Back-up, Maintenance and Excess Energy: All Back-up, Maintenance, and Excess Energy shall be billed in accordance with the customer's applicable General Service rate schedule.

MAINTENANCE REQUIREMENTS

Maintenance energy shall be defined as energy supplied to Customer to replace energy normally supplied by the Customer's generator(s) during an authorized Scheduled Maintenance period.

Maintenance periods shall not exceed 30 days per generation unit during any consecutive 12-month period and must be scheduled during the non-Summer billing months, as defined in the Customer's applicable general service rate schedule. Customer shall provide Company with its planned maintenance schedule 90 days in advance of any planned maintenance in order for the Company to coordinate Customer's scheduled maintenance with that of the Company. Upon review, Company shall either approve Customer's planned maintenance schedule or notify



**RATE RIDER E-56  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS SERVICE**

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customer of alternate acceptable periods. Customer, in turn, shall notify the Company of an acceptable alternate maintenance period(s), and shall also confirm with the Company its intention to perform its planned maintenance 45 days prior to the actual commencement date of the planned maintenance period.

METERING

The Company will install, at the Customer's expense, a bi-directional meter at the point of delivery to the Customer (Supply Meter) and meter(s) at the point(s) of output from each of the Customer's generators (Generator Meter) if required. All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company.

TOTAL CONTRACT DEMAND, SUPPLEMENTAL CONTRACT DEMAND, AND BACK-UP CONTRACT DEMAND

The Customer shall contract for Total Contract Demand. This shall be the sum of the Supplemental Contract Demand and the Back-up Contract Demand. The Customer may elect to increase Total Contract Demand by increasing Supplemental Contract Demand and/or Back-up Contract Demand prospectively at any time, provided there are facilities of adequate capacity, by providing notice to the Company. Any increase in Total Contract Demand shall establish a new Total Contract Demand which shall be in effect for the term of the contract, unless superseded by subsequent increases in Total Contract Demand.

TERMINATION PROVISION

Should Customer cease to operate his generation unit(s) for 60 consecutive days during periods other than planned scheduled maintenance periods, Company reserves the option to terminate the Agreement for service under this rate schedule with Customer.

CONTRACT PERIOD

As provided in the Electric Supply Agreement between Company and Customer.

UNUSUAL UTILITY OPERATING CONDITIONS

If the Company is in need of additional power requirements due to equipment failure or other unusual conditions, the Customer may provide excess generation to Company at Company's request. The Company will pay the Customer for any energy purchased at the per kWh monthly firm purchase rate which is negotiated on a case-by-case basis.



**RATE RIDER E-56  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS SERVICE**

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TERMS AND CONDITIONS

Customer must enter into an Agreement for Interconnection and an Electric Supply Agreement which shall establish all details related to interconnection and other required service standards. Qualifying Cogeneration and Small Power Production Facilities (QFs) meeting Public Utility Regulatory Policy Act of 1978 criteria shall be permitted to sell excess power and energy subject to the provisions and rates specified in a Purchase Supply Agreement between Company and Customer. Customers who install facilities that do not meet QF standards will not have the right to sell power and energy to Company under this rate schedule. However, should Customer desire to do so, Customer may seek to enter into a new Service Agreement which would set forth the applicable purchase rates, terms and conditions for interconnection and for the sale of excess power to the Company. Rate cannot be combined with any other riders.



**RATE RIDER SCHEDULE E-56 R  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS**

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AVAILABILITY

This rate rider schedule is available to Customers with a Qualifying Renewable Facility capable of supplying all or a portion of its power requirements.

DESCRIPTION

This rate rider describes how the Company will bill Customers with an on-site Qualifying Renewable Facility requiring Supplemental and Standby Power and energy from the Company. This rate rider also describes how the Company will purchase any Excess Generation from that same Customer.

All provisions of the Customer's retail rate schedule will continue to apply except as noted below.

TIME PERIOD

For purposes of this rider the On-Peak and Off-Peak hours are as specified under a Customer's retail parent rate schedule.

The summer season is the May through October billing cycles and the winter season is the November through April billing cycles.

CHARGES

All terms and charges in the Customer's rate schedule, other than those specifically included here, continue to apply to electric service provided under this rider. The monthly bill will consist of the following charges, plus adjustments:

1. Supplemental Service:
  - a. Supplemental demand and energy will be determined and billed according to the Customer's retail rate schedule.
2. Standby Service Charges:
  - a. Standby Demand will be the simultaneous 15-minute integrated kW demand as recorded on the Generator Meter Equipment at the time the Customer's Supply Meter registers the highest 15-minute integrated kW demand during the billing month. For Customers served under a time-of-use rate, Standby Demand will be determined for the applicable on-peak and off-peak periods.



**RATE RIDER SCHEDULE E-56 R  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS**

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- b. Standby Energy will be the kWh measured on the Generator Meter Equipment during the billing month.
- c. The Standby Service charge will be the unbundled delivery demand charge contained in the Customer's retail rate schedule multiplied by the Standby Demand. For Customers served under a time-of-use rate, this amount will be calculated for the applicable on-peak and off-peak periods; plus
- d. The unbundled delivery energy charge in the Customer's retail rate schedule (if any) multiplied by the Standby Energy.
- e. If the applicable rate schedule does not have unbundled charges, standby service will be based on the demand charge in the Customer's retail rate schedule less the unbundled transmission charge in Rate Schedule E-32 L, the result multiplied by the 15 minute integrated kW measured on the Generator Meter during the Customer's monthly peak demand.

PURCHASE RATES

The Company will record and purchase the Excess Generation from the Customer at the applicable per kWh seasonal non-firm purchase rates provided in Rate Rider Schedule EPR-2.

SERVICE DETAILS

1. Definitions

- a) Qualifying Renewable Facility - A facility for the production of electricity that:
  - i. Is operated by or on behalf of the participating Customer and is located on their premises and;
  - ii. Provides part or all of the Customer's energy requirement at the site where the system is installed;
  - iii. Uses renewable resources, as defined by the Arizona Corporation Commission, to generate energy;
  - iv. Has a nameplate capacity continuous AC service rating of greater than 100 kW and;
  - v. Is interconnected with and can operate in parallel and in phase with the Company's existing distribution system.



**RATE RIDER SCHEDULE E-56 R  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS**

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- b) Partial Requirements Service - Electric service provided to a Customer that has an interconnected generator, where the generation output first supplies the Customer's electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided to the Company. The Company supplies the Customer's supplemental electric requirements (those not met by their own generation facilities).
  - c) Non-Firm Power - Electric power which is supplied by the Customer's generator at the Customer's option, where no firm guarantee is provided, and the power can be interrupted by the Customer at any time.
  - d) Excess Generation - Equals the Customer's generation (kWh) in excess of their load at any point in time as metered by the Company. Excess Generation is computed for on-peak and off-peak billing periods.
  - e) Firm Power - Electric power which is supplied by the Customer's generator with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Company's firm power sources. Firm Power will be determined in accordance with Rate Schedule EPR-2.
  - f) Generator Meter Equipment - Equipment which measures the demand and energy output of the Customer's generator. For Customers with multiple generators, such equipment will consist of one meter for each generator.
  - g) Supplemental Service - Demand and energy provided by the Company to the Customer to augment the power and energy provided by Customer's generation facility.
  - h) Supply Meter - Equipment which measures the demand and energy provided by the Company to the Customer and may also measure the excess generation flowing from the Customer generator back to the Company.
  - i) Standby Service: - Demand and energy provided by the Company to the Customer to backup the power and energy from the Customer's generation facility.
2. Supplemental Service will be provided at three phase at approximately 60 Hertz with a delivery voltage as specified in the Electric Supply Agreement.
3. The Company will install, at the Customer's expense, a bi-directional meter at the point of delivery to the Customer (Supply Meter) and a meter at each point of output from each of the Customer's generators (Generator Meter Equipment). All meters will record integrated demand and energy on the same 15- minute interval basis as specified by the Company. A bi-directional meter may not be required if the Customer cannot be served through a bidirectional meter, or if the generating capacity of the Qualifying Renewable Facility is less than 20% of the Customer's lowest billing demand over the 12 months prior to seeking



**RATE RIDER SCHEDULE E-56 R  
CLASSIFIED SERVICE  
PARTIAL REQUIREMENTS**

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enrollment in Schedule E-56R, or as otherwise determined by the Company through available information, or if the Customer agrees that they do not intend to be compensated for any Excess Generation.

4. The Company will not record or purchase Excess Generation for Customers not served with a bi-directional meter.
5. Rate cannot be combined with another partial requirements rate.
6. Customer must enter into an Interconnection Agreement with the Company.