



Residential Solar - Company Owned Program Frozen

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and configuration and are adjacent to the premises. Closed to any new customers unless application was approved prior to February 27, 2017.

APPLICABILITY

To all Standard Residential Customers with the legal authority to enter into a contractual agreement assigning the rights to the Company necessary to allow production of electricity on the Customer's premises using photovoltaic solar equipment as a Renewable Resource. The photovoltaic solar equipment will be owned, operated, and maintained solely by the Company.

CHARACTER OF SERVICE

The service shall be single or three-phase, 60 Hertz, and at one standard nominal voltage as determined by the Company and subject to availability at point of delivery.

RATE

A Customer will enter into a contract with the Company for a fixed rate for their total net monthly bill before taxes, assessments and other governmental charges. The fixed monthly rate will be \$16.50 per kW based on the capacity of the solar equipment necessary to meet the customer's most recent 12 month historical usage.

The Company shall provide all of the Customer's electricity requirements at the contractual fixed rate. If in any calendar year a Customer's usage exceeds 115% of the Customer's contractually established historical annual usage, the customers' fixed rate shall be recalculated based on the new annual consumption data for the most recent year.

Additionally, if in any calendar year a customer consumes less than 85% of the contractually established historical annual usage, the Customer's fixed rate shall be recalculated based on the new annual consumption data for the most recent year.

The ACC may modify the program including the fixed rate. In the event the ACC modifies the program or the fixed rate, the Customer shall have the option of continuing service subject to such modifications or terminating service at no cost or penalty as provided in the contract.



TERMS AND CONDITIONS OF SERVICE

1. For initial participation in the program, Customer must have been an active Customer of the Company in good standing at the premises for no less than 12 months.
2. Customer will enter into a contract for 25 years. Customer must remain on the Residential Solar - Company Owned Program Frozen tariff for the term of the contract. As set forth in the contract, Customer may (i) assign the contract to a purchaser of the property, in which case the purchaser will receive service under this tariff or (ii) terminate service under this tariff through a purchase provision, payment of an Exit Fee in the event of the sale of the property, or upon an ACC initiated modification in the program or fixed rate not agreed to by the Customer.
3. Customer will continue to be charged for all other applicable ACC approved charges (except for the Lost Fixed Cost Recovery charge, the Environmental Compliance Adjustor charge and the Purchased Power and Fuel Adjustment Clause charge, or other charges subsequently approved for exclusion by the ACC) and Taxes and Assessments.
4. The terms and conditions discussed herein are not applicable to any other Company residential tariffs or Riders.
5. Customer shall comply with all applicable federal, state, and local laws, regulations, ordinances and codes governing the production and/or sale of electricity.
6. A one-time Processing Fee of \$250 will be charged at the time the Customer executes the contract.
7. Customer will be subject to terms and conditions as set forth in the contract.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the TEP Statement of Charges which is available on TEP's website at www.tep.com.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this rate or the contract.

TAX CLAUSE

To the charges computed under the above rate, including any adjustments, shall be added 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.