



Large General Service Time-of-Use Storage Program

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. This program will be capped at a peak demand total of 25,000 kW for installed systems and active interconnection applications on a first come first serve basis. If 70% of the program capacity has been reached with the customers taking service under this program, prior to the Company's next general rate case filing, the Company will determine if the cost of the program is less than the system benefit it provides. If the cost is less than the benefit, the Company shall provide notice and promptly convene a meeting of the interested parties to the Company's most recent rate case filing to discuss a new customer participation level for the program. If each of the parties to that discussion agree on a new customer participation level for the program, then that level shall apply until the Commission determines the disposition of the program during the Company's next general rate case. The Company shall file a notice in the Docket to that effect and the program shall continue to be offered up to the new agreed upon customer participation level. However, if all parties cannot agree to a new customer participation level, then the Company shall file a request with the Commission to determine whether to continue, expand, or terminate the program in the Docket within 90 days of the finalization of the customer participation level change discussions. The Commission will then promptly review the program and determine if it should continue, terminate, or be adjusted. Notwithstanding, if the Company determines the cost is greater than the system benefit, then the Company shall file a request with the Commission to freeze the program until changes can be made in the Company's next general rate case.

APPLICABILITY

To applicable general services when all energy is supplied at one point of delivery and through one metered service.

Service under this rate will commence when the appropriate meter has been installed.

In the event measured kW meets or exceeds 5,000 kW twice in a rolling twelve (12) month period, the customer may be moved to the Large Power Service Time-of-Use rate as a partial requirements customer.

Customers may switch between applicable rate tariffs once in a rolling twelve month period, unless the Customer is disqualified by one of the other Applicability conditions.

To qualify for this tariff, a customer must install an energy storage system (chemical, mechanical, or thermal) that will allow the customer to offset a minimum of 20% of their measured peak demand. The determination of 20% of the measured peak demand will be based on the customers previous year's measured peak demand prior to the installation of storage facilities. If this is a new facility, then the 20% reduction amount will be determined by the Company based on the total estimated peak demand designed for the facility.

Where a power producing facility is installed, inverters must be capable of and configured to provide VAR support so that a near unity power factor (at least 95%) is maintained during operation.

Filed By: Dallas J. Dukes
Title: Vice President of Energy Programs and Pricing
District: Entire Electric Service Area

Rate: TGLGSTB
Effective: January 1, 2021
Decision No.: 77856



Not applicable to resale, breakdown, temporary, standby or auxiliary service.

CHARACTER OF SERVICE

The service shall be three-phase, 60 Hertz, primary service at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

Where the storage facility will be producing electrical energy at the customer's facility, an additional, bi-directional meter will be installed at the inverter's output of the facility's power production unit.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF BASIC SERVICE, DEMAND AND ENERGY CHARGES:

Non-Power producing Basic Service Charge (per month):	\$950.00
Power Producing Basic Service Charge (per month):	\$1,183.18

Demand Charges (per kW):	
Summer On-Peak or Remaining Hours	\$29.39
Summer Off-Peak Excess Demand	\$25.67
Shoulder On-Peak or Remaining Hours	\$25.27
Shoulder Off-Peak Excess Demand	\$23.51
Winter On-Peak or Remaining Hours	\$24.10
Winter Off-Peak Excess Demand	\$21.40

Energy Charges (per kWh):	Summer (<u>May - September</u>)	Winter (<u>December - February</u>)	Shoulder (<u>October - November, March - April</u>)
On-Peak	\$0.006050	\$0.005042	\$0.004033
Remaining	\$0.000000	\$0.000000	\$0.000000
Off-Peak	\$0.000000	\$0.000000	\$0.000000

Energy Charge is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.

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Power Supply	Summer	Winter	Shoulder
Charges (per kWh):	<u>(May – September)</u>	<u>(December – February)</u>	<u>(October-November, March-April)</u>
On-Peak	\$0.032151	\$0.028578	\$0.030364
Remaining	\$0.022871	\$0.022889	\$0.022908
Off-Peak	\$0.017861	\$0.017861	\$0.017861

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost of purchased power and fuel.

Energy exported through the utility meter will be credited at the current MCCCG Rider-3 rate.

TIME-OF-USE TIME PERIODS

Once per year on March 1st the time-of-use periods may change to reflect changing On-Peak and Off-Peak periods for the coming seasons which will take effect on May 1st. The On-Peak period will be determined as the 6 greatest average system demand hours during the previous three years by season. The Off-Peak period will be determined as the 12 lowest average system demand hours during the previous three years by season. The periods that are neither On-Peak nor Off-Peak will be Remaining Hours.

	On-Peak Hours	Off-Peak Hours	Remaining Hours
Summer (May – September)	1300-1900	2200-1000	1000-1300, 1900-2200
Winter (December – February)	0700-0800, 1700-2200	2300-0600, 1000-1600	0600-0700, 0800-1000, 1600-1700, 2200-2300
Shoulder (October – November, March – April)	1500-2100	2300-1100	1100-1500, 2100-2300

BILLING DEMAND

The monthly billing demand shall be the greatest of the following:

1. The greatest measured 15-minute interval demand read of the meter during the On-Peak or Remaining Hours of the billing period;
2. The contract capacity or 200 kW, whichever is greater

Additionally, the maximum 15 minute measured demand during the Off-Peak period of the billing period that is in excess (i.e. positive incremental amount above) of 150% of that billing period's measured On-Peak and Remaining Hours demand.

The Company reserves the right to require a Customer to install equipment to maintain an acceptable power factor at the Customer's expense.

The Company may require a written contract with a minimum contract demand and a minimum term of contract.



PRIMARY SERVICE

The above rate is subject to Primary Service and Metering. The Customer will provide the entire distribution system (including transformers) from the point of delivery to the load. The energy and demand shall be metered on primary side of transformers.

DIRECT ACCESS

A Customer's Direct Access bill will include all unbundled components except those services provided by a qualified third party. Those services may include Metering (Installation, Maintenance and/or Equipment), Meter Reading, Billing and Collection, Transmission and Generation. If any of these services are not available from a third party supplier and must be obtained from the Company, the rates for Unbundled Components set forth in this tariff will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

A charge per kWh shall, subject to FERC authorization, be applied for costs associated with the implementation of the AZISA in Arizona.

TEP STATEMENT OF CHARGES

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

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file with the Arizona Corporation Commission shall apply where not inconsistent with this rate.

ADDITIONAL NOTES

Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed pursuant to any Direct Access fee schedule authorized.



BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Basic Service Charges (per month):

Non-Power Producing:

Meter Services	\$415.47
Meter Reading	\$4.40
Billing & Collection	\$153.24
Customer Delivery	<u>\$376.89</u>
Total	\$950.00

Power Producing:

Meter Services	\$112.08
Meter Reading	\$4.52
Billing & Collection	\$349.76
Customer Delivery	<u>\$716.82</u>
Total	\$1,183.18

Demand Charges (per kW):

Distribution Delivery Summer On-peak or Remaining	\$14.23
Distribution Delivery Summer Off-peak	\$14.03
Distribution Delivery Shoulder On-peak or Remaining	\$10.11
Distribution Delivery Shoulder Off-peak	\$11.87
Distribution Delivery Winter On-peak	\$10.11
Distribution Delivery Winter Off-peak	\$12.11
Generation Capacity Summer On-peak or Remaining	\$9.40
Generation Capacity Summer Off-peak	\$5.88
Generation Capacity Shoulder On-peak or Remaining	\$9.40
Generation Capacity Shoulder Off-peak	\$5.88
Generation Capacity Winter On-peak	\$8.23
Generation Capacity Winter Off-peak	\$3.53
Fixed Must-Run Charges	\$1.79
Transmission	\$3.12
System Control & Dispatch	\$0.04
Reactive Supply and Voltage Control	\$0.16
Regulation and Frequency Response	\$0.16
Spinning Reserve Service	\$0.42
Supplemental Reserve Service	\$0.07

Energy Imbalance Service: Currently charged pursuant to the Company's OATT



Energy Charges (per kWh):	
Distribution Delivery On-peak Summer	\$0.006050
Distribution Delivery On-peak Shoulder	\$0.004033
Distribution Delivery On-peak Winter	\$0.005042
Base Power Supply Charge (per kWh):	
Summer On-peak	\$0.032151
Summer Remaining	\$0.022871
Summer Off-peak	\$0.017861
Shoulder On-peak	\$0.030364
Shoulder Remaining	\$0.022908
Shoulder Off-peak	\$0.017861
Winter On-peak	\$0.028578
Winter Remaining	\$0.022889
Winter Off-peak	\$0.017861

INFORMATIONAL FILING

Until such time that a final order is issued in TEP's next rate case, on July 1 of each year TEP will submit an informational filing in the Docket. The report will include: (i) the number of customers, both in the current year and cumulatively, that are participating in the program (including the proportion of these customers relative to the entire Large General Service Class); (ii) the total peak demand of such customers relative to the program cap of 25,000 kW; (iii) observed peak demand reductions, if any, of customers participating in this program; (iv) recommended changes, if any, to the Time-of-Use periods for this program; (v) if available, information regarding the average time to process applications from customers wishing to participate in this program; and (vi) the current year and cumulative kWh exported to the grid by these customers.