



**Arizona Public Service Company**  
**Qualifying Facility Application Package**

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## 1. OVERVIEW

Arizona Public Service Company (APS) is a regulated public utility that generates, transmits, and distributes electricity for sale in Arizona. APS is headquartered in Phoenix, Arizona. As Arizona’s largest and longest-serving electric company, APS generates safe, affordable, and reliable electricity for more than 1.4 million commercial and residential customers in 11 of Arizona’s 15 counties.

APS’s Qualifying Facility Process (this “Process”) sets forth the guidelines for any entity that intends to develop a Qualifying Facility (as that term is defined under the Public Utilities Regulatory Policy Act of 1978 (“PURPA”)(“QF”), with a total nameplate capacity greater than 100kW but not to exceed 80MW, in APS’s service territory. Any such entity is referred to in the Process and in this QF Application Package as the “QF Applicant.” The Process outlines the steps a QF Applicant must take to enter into an enforceable power purchase agreement with APS for the purchase of energy from its QF (a “PPA”), as well as what the QF Applicant can expect from APS. This QF Application Package contains more specific instructions on completing the QF Application (the “Application”) itself and also contains useful links to forms and documents that must be submitted as part of the Application. APS encourages all QF Applicants to carefully review the Process before completing the Application.

## 2. COMMUNICATION

All communications to APS regarding the Process, the Application, and any associated PPA discussions shall be directed to: [APSQF@aps.com](mailto:APSQF@aps.com), unless and until the QF Applicant is directed otherwise by APS.

## 3. QF APPLICATION

The QF Applicant must complete the Application, which can be found at <https://www.aps.com/qf> under Qualifying Facilities.

The QF Applicant must provide all required Application documentation back to APS at [APSQF@aps.com](mailto:APSQF@aps.com). APS will only consider QF projects that have a COD within four years (48 months) of the initial QF Application submittal date.

The Application consists of the following documents and information below:

- a. **QF Application Submittal Workbook** - The QF Applicant must complete and submit the requested information listed below, which can be found together with applicable instructions within the workbook, at <https://www.aps.com/qf> under Qualifying Facilities. The QF Application Submittal Workbook will provide APS with important information about the QF Applicant, characteristics of the QF, and project development plans.
  - Project Information ([Tab # 1](#))
  - Executive Summary ([Tab # 2](#))
  - Site Description & Control ([Tab # 3](#))
  - Credit Information ([Tab # 4](#))
  - 8760 Energy Profile and Meteorological Information ([Tab # 5](#))

- b. **Confidentiality Agreement** – The QF Applicant must submit a signed confidentiality agreement in the form which can be downloaded at <https://www.aps.com/qf> under Qualifying Facilities. Upon receipt, APS will countersign and return a fully executed copy to the QF Applicant.
- c. **FERC QF Certification** – The QF Applicant must submit a FERC Form 556 to demonstrate that the QF is a Qualifying Facility under PURPA. FERC Form 556 may be found at: <https://ferc.gov/industries-data/electric/general-information/electric-industry-forms>
- d. **Interconnection** – The proposed QF must interconnect directly to the APS system or, in the alternative, must have firm transmission for the delivery of energy from the QF to the APS system for the entire term of the PPA proposed by the QF Applicant.

*The QF Applicant must enter the APS interconnection queue process, and submit proof of the same, by the time it submits its QF Application. The QF must be able to meet the foregoing interconnection requirement no later than the proposed commercial operation date for the QF. QF Applicants are encouraged to communicate closely with the APS interconnection group to understand the interconnection parts of the development process. Interconnection-related questions should be directed in writing to: [INTERDEV@apsc.com](mailto:INTERDEV@apsc.com)*

QF Applicants are also encouraged to view the current, publicly available interconnection information for APS in APS’s Open Access Transmission Tariff (“OATT”), which can be found at: <https://www.oasis.oati.com/azps/>

- e. **Jurisdictional Filings** – The QF Applicant must submit a copy of its Application for a Certificate of Environmental Compatibility (“CEC”) filed with the Arizona Corporation Commission (“ACC”) and any applications for necessary land use permits (e.g., special use permit, building permit, grading and drainage permit), together with anticipated approval date(s) in the Application.
- f. **Site Description and Control** – The QF Applicant must submit documentation that demonstrates to APS’s satisfaction, at the time that it submits the Application, that it will have control of the site on which the QF is or will be developed, for the entire term of the PPA proposed by the QF Applicant. The ‘Site Description and Control’ (Tab # 3) in the QF Application Submittal Workbook contains more specific information about acceptable forms of demonstrable site control. In addition, the QF Applicant must provide certain survey, title, and other descriptive information about the proposed site, all as described in the ‘Site Description and Control’ (Tab # 3).
- g. **8760 Energy Profile and Meteorological Information** – The QF Applicant must utilize and submit the 8760 Energy Profile Excel worksheet found in the QF Application Submittal Workbook on (Tab # 5) to provide energy profile and meteorological information necessary for APS’s evaluation of the proposed QF.

- h. **Application Fee** – A non-refundable Application submission fee (the “Fee”) of five thousand dollars (\$5,000.00) USD must be submitted with each Application. The Fee must be made via wire transfer using the instructions below. Any costs or fees associated with such wire transfer shall be paid directly by the QF Applicant.

Company: Arizona Public Service Company  
Bank: Wells Fargo  
ABA/Routing No.: 121000248  
Account No.: 4159540921  
AR1149035555, QF Processing Fee, QF Applicant name  
***Please also add in the notes section: QF Processing Fee***

The QF Applicant must submit the completed Application, together with proof that it has submitted the Application Fee, via email to [APSQF@aps.com](mailto:APSQF@aps.com). All documents submitted to APS in connection with the Application shall become the property of APS, subject to the confidentiality obligations contained in the fully executed confidentiality agreement described above, and will not be returned to any QF Applicant.

*The QF Applicant is responsible for all of its costs incurred in connection with the preparation and submission of its Application and the negotiation and execution of any PPA that results from its participation in this Process.*

#### 4. APS REVIEW OF APPLICATION

APS will review each completed Application within forty-five (45) business days following its receipt thereof. If, during its review, APS determines that there is any missing information, it will notify the QF Applicant and request that the missing information be submitted by a specified date. Missing information may delay APS’s completion of its review beyond the aforementioned forty-five (45) business day period. Extended delays based on a significant volume of missing information may result in APS rejecting the Application and returning the Fee to the Applicant. In addition, delay or failure by the QF Applicant to provide any information requested by APS during its review may result in APS rejecting the Application and returning the Fee to the Applicant. In the event that APS rejects and Application, the Applicant would be permitted to submit a new Application, subject to all of the requirements of this Process.

Certain changes to an Application may be made by the QF Applicant during the Application review period described above; provided, however, that any such changes may delay APS’s completion of its review beyond the referenced forty-five (45) business day period. Permissible changes include:

- Capacity (MW)
- Commercial operation date
- PPA term
- 8760 energy profile
- Revised FERC Form 556

QF Applicants are encouraged to submit any changes to the foregoing information promptly upon becoming aware of the same via email to [APSQF@aps.com](mailto:APSQF@aps.com), so that they may be considered by APS during the Application review period (subject to the caveat that changes may delay APS’s review, and

significant or repeated changes that cause delay may result in APS rejecting the Application and returning the Fee to the Applicant as described above).

If other changes are requested by a QF Applicant at any time after the Application is submitted, including but not limited to:

- Technology
- QF location (site)
- Point of interconnection to APS system

then the QF Applicant must submit a new Application. In such event, APS will work with the QF Applicant to mutually agree upon whether APS will return the Fee and require that the QF Applicant submit a new fee in connection with the new Application, or whether the Fee will be retained and applied to the new Application.

Once APS completes its review, and deems the Application complete in accordance with this Section 4, APS will provide a written Notice of Commitment to Sell to the Applicant, as described in the QF Process.

## **5. QUALIFYING FACILITY DISQUALIFICATION OR WITHDRAWAL**

If at any time during the QF process, the QF Project:

- i. Is no longer a “Qualifying Facility” as that term is defined in the version of 18 CFR Part 292 in effect; or
- ii. The QF Applicant withdraws its project from the APS Interconnection Queue

Then the QF Applicant must immediately remedy the situation, if possible or provide APS with a notice of withdrawal of its Application from the Process within five (5) business days of the change. If a Commitment to Sell Form has not been executed, then APS will return the fees to the QF Applicant. The Applicant, would of course, be permitted any time thereafter to submit a new Application for the project, subject to the same Application requirements.

**Exhibit A - QF Application Submittal Checklist**

*This is a tool to support QF Applicants as they prepare the QF Application to help ensure they have completed all the required Application documents for submittal to APS via email at: [APSQF@aps.com](mailto:APSQF@aps.com)*

 <b>QF Application Submittal Checklist</b>	
<b>Required QF Application Submittal Documentation</b>	<b>Complete</b>
<b>APPLICATION FEE \$5,000:</b>  Provide documentation that the non-refundable Application submission fee (the “Fee”) of five thousand dollars (\$5,000.00 ) has been submitted (wire transfer receipt from banking institution is acceptable)	<input type="checkbox"/>
<b>Project Information:</b>  Complete Tab 1 within the "QF Application Submittal Workbook"	<input type="checkbox"/>
<b>EXECUTIVE SUMMARY:</b>  Complete Tab 2 within the "QF Application Submittal Workbook"	<input type="checkbox"/>
<b>SITE DESCRIPTION &amp; CONTROL:</b>  Complete Tab 3 within the "QF Application Submittal Workbook"  Provide acceptable documentation that demonstrable site control of the site on which the QF is or will be developed, for the entire term of the PPA proposed by the QF Applicant	<input type="checkbox"/>
<b>CREDIT INFORMATION:</b>  Complete Tab 4 within the "QF Application Submittal Workbook"	<input type="checkbox"/>
<b>8760 ENERGY PROFILE AND METEROLOGICAL INFORMATION:</b>  Complete the 8760 project profile Excel worksheet found on Tab 5 within the "QF Application Submittal Workbook"	<input type="checkbox"/>
<b>CONFIDENTIALITY AGREEMENT:</b>  Submit signed confidentiality agreement	<input type="checkbox"/>
<b>FERC QF CERTIFICATION:</b>  Submit a FERC 556 form which demonstrates that the QF is a Qualifying Facility under PURPA	<input type="checkbox"/>
<b>INTERCONNECTION:</b>  Submit documentation that the QF Applicant has entered the APS interconnection queue process	<input type="checkbox"/>
<b>Jurisdictional Filings:</b>  Submit a copy of the QF Applicant's application for a Certificate of Environmental Compatibility (“CEC”) filed with the Arizona Corporation Commission (“ACC”) and any applications for necessary land use permits (e.g., special use permit, building permit, grading and drainage permit), together with anticipated approval date(s).	<input type="checkbox"/>