



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

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.
 - b. Standby Energy will be the kWh measured on the Generator Meter Equipment during the billing month.



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- 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.
- 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).



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- 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 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. Customer must enter into an Interconnection Agreement with the Company.