



**RATE SCHEDULE R-TECH
RESIDENTIAL SERVICE
PILOT TECHNOLOGY RATE
TECHNOLOGY TIME-OF-USE WITH DEMAND CHARGE**

AVAILABILITY

This rate schedule is available to residential Customers with the following:

1. Two or more qualifying primary on-site technologies purchased within 90 days of the Customer enrolling in the rate; or
2. One qualifying primary on-site technology purchased within 90 days of the Customer enrolling in the rate and two or more qualifying secondary on-site technologies.

This is a pilot rate schedule. This means this rate is associated with a specific program approved by the Arizona Corporation Commission, and is available only to those Customers eligible to participate in the program. The R-Tech pilot program will test the ability and desire of participating residential Customers to reduce On-Peak energy and demand usage through multiple behind-the-meter technologies.

Qualifying technologies for the R-Tech pilot program are as follows:

1. Primary technologies:
 - a. A rooftop solar photovoltaic system. The size of the system cannot be smaller than 2 kW-dc. 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).
 - b. A chemical storage system. The size of the system cannot be smaller than 4 kWh. There is no maximum limitation for this technology.
 - c. An electric vehicle. There are no limitations for this technology.
2. Secondary technologies:
 - a. A device with a variable speed motor (such as a variable speed pool pump or a variable speed Heating, Ventilating, and Air Conditioning (HVAC) system).
 - b. A grid-interactive water heating system.
 - c. A smart thermostat.
 - d. An automated load controller.

This rate schedule is initially limited to a maximum of 10,000 residential customers as outlined in Decision No. 76295.



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DESCRIPTION

This rate has three parts: a basic service charge, a demand charge for the amount of demand (kW) averaged in a one-hour period for the month, and an energy charge for the total energy (kWh) used for the entire month. The energy charge will vary by season (summer or winter) and by the time of day that the energy is used (On-Peak or Off-Peak). The demand charge will also vary by season (summer or winter) and time of day (On-Peak or Off-Peak).

TIME PERIODS

The On-Peak time period for this residential rate schedule is 3 p.m. to 8 p.m. Monday through Friday. All other hours are Off-Peak hours.

The following holidays are also included in the Off-Peak hours:

- New Year's Day - January 1*
- Martin Luther King Day - Third Monday in January
- Presidents Day - Third Monday in February
- Cesar Chavez Day - March 31*
- Memorial Day - Last Monday in May
- Independence Day - July 4*
- Labor Day - First Monday in September
- Veterans Day - November 11*
- Thanksgiving - Fourth Thursday in November
- Christmas Eve - December 24**
- Christmas Day - December 25*
- New Year's Eve - December 31**

*If these holidays fall on a Saturday, the preceding Friday will be Off-Peak. If they fall on a Sunday, the following Monday will be Off-Peak.

**The day on which these holidays fall will be Off-Peak days.

The rate also varies by summer and winter seasons. The summer season is the May through October billing cycles and the winter season is the November through April billing cycles.



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CHARGES

This monthly bill will consist of the following charges, plus adjustments:

Bundled Charges

Basic Service Charge		\$ 0.473	per day
		Summer	Winter
On-Peak Demand Charge		\$ 19.434	\$ 13.676
Off-Peak Demand Charge	First 5 kW	\$0.000	\$0.000
	All remaining kW	\$ 6.239	\$ 6.239
On-Peak Energy Charge		\$ 0.05613	\$ 0.04653
Off-Peak Energy Charge		\$ 0.04653	\$ 0.04653

Unbundled Components of the Bundled Charges

Bundled Charges consist of the components shown below. These are not additional charges.

Basic Service Charge Components

Customer Accounts Charge	\$ 0.123	per day
Metering Charge	\$ 0.206	per day
Meter Reading Charge	\$ 0.068	per day
Billing Charge	\$ 0.076	per day

Demand Charge Components

		Summer	Winter	
On-Peak Generation Charge		\$ 13.196	\$ 7.438	per kW
Off-Peak Generation Charge	First 5 kW	\$0.000	\$0.000	per kW
	All remaining kW	\$ 0.960	\$ 0.960	per kW
On-Peak Delivery Charge		\$ 6.238	\$ 6.238	per kW
Off-Peak Delivery Charge	First 5 kW	\$0.000	\$0.000	per kW
	All remaining kW	\$ 5.279	\$ 5.279	



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Energy Charge Components

System Benefits Charge	\$ 0.00315	per kWh
Transmission Charge	\$ 0.01097	per kWh
Delivery Charge for all kWh	\$ 0.00202	per kWh

	Summer	Winter	
Generation On-Peak kWh Charge	\$ 0.03999	\$ 0.03039	per kWh
Generation Off-Peak kWh Charge	\$ 0.03039	\$ 0.03039	per kWh

The kW used to determine the On-Peak demand charge above will be the Customer’s highest amount of demand (kW) averaged in a one-hour On-Peak period for the month.

The kW used to determine the Off-Peak demand charge above will be the Customer’s highest amount of demand (kW) averaged in a one-hour Off-Peak period during the weekday (Monday through Friday), excluding holidays that may fall on a weekday.

ADJUSTMENTS

The bill will include the following adjustments:

1. The Renewable Energy Adjustment Charge, Adjustment Schedule REAC-1.
2. The Power Supply Adjustment charge, Adjustment Schedule PSA-1.
3. The Transmission Cost Adjustment charge, Adjustment Schedule TCA-1.
4. The Environmental Improvement Surcharge, Adjustment Schedule EIS.
5. The Demand Side Management Adjustment Charge, Adjustment Schedule DSMAC-1.
6. The Lost Fixed Cost Recovery adjustment charge, Adjustment Schedule LFCR.
7. The Tax Expense Adjustor Mechanism charge, Adjustment Schedule TEAM.
8. Any applicable taxes and governmental fees that are assessed on APS’s revenues, prices, sales volume, or generation volume.



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RATE RIDERS

Eligible rate riders for this rate schedule are:

RCP	Resource Comparison Proxy
EPR-2	Partial Requirements
EPR-6	Partial Requirements – Net Metering (Residential Non-Solar)
E-3	Limited income discount
E-4	Limited income medical discount
GPS-1, GPS-2, GPS-3	Green Power

SERVICE DETAILS

1. This pilot rate schedule requires the Customer to have a standard AMI meter in place.
2. Customers that self-provide some of their electrical requirements from on-site generation will be billed according to one of the Partial Requirements Service rate riders.
3. APS provides electric service under the Company’s Service Schedules. These schedules provide details about how the Company serves its Customers, and they have provisions and charges that may affect the Customer’s bill (for example, service connection charges).
4. Electric service provided will be single-phase, 60 Hertz at the Company’s standard voltages available at the Customer site. Three-phase service is required for motors of an individual rated capacity of 7½ HP or more.
5. Electric service is supplied at a single point of delivery and measured through a single meter.
6. Direct Access Customers are not eligible for this rate schedule.