

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS
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WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

2007 NOV 29 P 3:45
AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. G-04204A-06-0463
UNSGAS, INC. FOR THE ESTABLISHMENT OF)
JUST AND REASONABLE RATES AND)
CHARGES DESIGNED TO REALIZE A)
REASONABLE RATE OF RETURN ON THE)
FAIR VALUE OF THE PROPERTIES OF UNS)
GAS, INC. DEVOTED TO ITS OPERATIONS)
THROUGHOUT THE STATE OF ARIZONA.)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. G-04204A-06-0013
UNSGAS, INC. TO REVIEW AND REVISE ITS)
PURCHASED GAS ADJUSTOR.)

IN THE MATTER OF THE INQUIRY INTO THE) DOCKET NO. G-04204A-05-0831
PRUDENCE OF THE GAS PROCUREMENT)
PRACTICES OF UNS GAS, INC.)

**NOTICE OF FILING REVISED SCHEDULES OF RATES
AND CHARGES AND RELATED PROOF OF REVENUES
IN COMPLIANCE WITH DECISION NO. 70011**

UNSGas, Inc. ("UNSGas"), through undersigned counsel, hereby files, in compliance with Decision No. 70011: (i) its final revised schedules of rates and charges in the above captioned dockets, as well as a redline version of those revised schedules and (ii) a related proof of revenues based on the revised rates and schedules.

Arizona Corporation Commission
DOCKETED
NOV 29 2007

DOCKETED BY

ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
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PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
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1 RESPECTFULLY SUBMITTED this 29th day of November, 2007.

2 UNS Gas, Inc.

3
4
5 By 
6 Michael W. Patten
7 ROSHKA DEWULF & PATTEN, PLC.
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10 Phoenix, Arizona 85004

11 and

12 Raymond S. Heyman
13 Michelle Livengood
14 UniSource Energy Services
15 One South Church Avenue
16 Tucson, Arizona 85701

17 Attorneys for UNS Gas, Inc.

18 Original and 17 copies of the foregoing
19 filed this 29th day of November, 2007, with:

20 Docket Control
21 Arizona Corporation Commission
22 1200 West Washington Street
23 Phoenix, Arizona 85007

24 Copy of the foregoing hand-delivered
25 this 29th day of November, 2007, to:

26 Chairman Mike Gleason
27 Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Commissioner William A. Mundell
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Commissioner Jeff Hatch-Miller
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

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Proof of Revenues

UNS Gas Rates and Proof of Revenue

Class of Service	Existing Rates	Adjusted Billing Units	Current Revenues	Adjusted Proposed Revenue	New Rates	Proposed Increase	% Increase
Residential Service (R10)							
Customer Charge	7.00	1,453,515	10,174,605	12,354,878	8.50	1.50	21.43%
Delivery Charge Per Therm	0.3004	69,086,246	20,753,508	22,591,202	0.3270	0.026600	8.85%
TOTAL R10			30,928,113	34,946,080			12.99%
Residential Service Cares (R12)							
Customer Charge	7.00	66,668	466,676	466,676	7.00	0.00	0.00%
Delivery Charge Per Therm Summer	0.3004	639,056	191,972	208,971	0.3270	0.026600	8.85%
Delivery Charge Per Therm Winter	0.3004	2,133,504	640,905	377,630	0.1770	-0.123400	
TOTAL R12			1,299,553	1,053,278			
Small Volume Commercial Service (C20)							
Customer Charge	11.00	132,206	1,454,266	1,784,781	13.50	2.50	22.73%
Delivery Charge Per Therm	0.2420	29,157,287	7,056,063	7,691,838	0.2638	0.021805	9.01%
TOTAL C20			8,510,329	9,476,619			11.35%
Large Volume Commercial Service (C22) and Commercial Transportation							
Customer Charge	85.00	208	17,680	20,800	100.00	15.00	17.65%
Delivery Charge Per Therm	0.1551	3,788,950	587,666	651,037	0.1718	0.016725	10.78%
TOTAL C22			605,346	671,837			10.98%
Small Volume Industrial Service (I-30)							
Customer Charge	11.00	156	1,716	2,106	13.50	2.50	22.73%
Delivery Charge Per Therm	0.2122	511,826	108,609	120,571	0.2356	0.023371	11.01%
TOTAL I30			110,325	122,677			11.20%
Large Volume Industrial Service (I-32)							
Customer Charge	85.00	228	19,380	22,800	100.00	15.00	17.65%
Delivery Charge Per Therm	0.0864	21,610,146	1,867,117	2,058,091	0.0952	0.008837	10.23%
TOTAL I32			1,886,497	2,080,891			10.30%
Small Volume Public Authority (PA-40)							
Customer Charge	11.00	12,664	139,304	170,964	13.50	2.50	22.73%
Delivery Charge Per Therm	0.2354	5,808,366	1,367,289	1,505,847	0.2593	0.023855	10.13%
TOTAL PA40			1,506,593	1,676,811			11.30%
Large Volume Public Authority (PA-42)							
Customer Charge	85.00	104	8,840	10,400	100.00	15.00	17.65%
Delivery Charge Per Therm	0.1084	5,525,089	598,920	661,865	0.1198	0.011393	10.51%
TOTAL PA42			607,760	672,265			10.61%
Special Gas Light Service (PA-44)							
Customer Charge Lighting Group A	13.57	864	11,724	13,108	15.17	1.60	11.80%
Customer Charge Lighting Group B	16.28	3,756	61,148	68,364	18.20	1.92	11.80%
TOTAL PA44			72,872	\$81,473			11.80%
Irrigation Service (IR-60)							
Customer Charge	11.00	72	792	972	13.50	2.50	22.73%
Delivery Charge Per Therm	0.2876	86,803	24,965	27,711	0.3192	0.031639	11.00%
TOTAL IR60			25,757	28,683			11.36%
Total Revenue Requirement			\$45,553,146	\$50,810,614	\$5,257,468		11.54%

Final Schedules



UNS Gas, Inc.
Pricing Plan R-10
Residential Gas Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Subject to availability, at point of delivery, to residential gas service in individual residences and individually metered apartments when all service is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$8.50
Delivery Charge per therm @	\$0.3270

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-10
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan R-12
Customer Assistance Residential Energy Support
(C.A.R.E.S.)

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To gas service qualifying for billing under Residential Pricing Plan R-10 where the customer also has qualified for Pricing Plan R-12 as specified in the Company's plan for administration. All provisions of Pricing Plan R-10 will apply except as modified herein.

RATE

The monthly bill shall be in accordance with Pricing Plan R-10 except:

Minimum Customer Charge per month @ \$7.00

Delivery Charge: first 100 therms or less per month will be discounted by \$0.1500 per therm for the billing months of November through April.

SPECIAL CONDITIONS

1. Eligibility requirements for C.A.R.E.S. are set forth on the Company's Application and Declaration of Eligibility for Low Income Ratepayer Assistance form. Customers who desire to qualify for this pricing plan must initially make application to the Company for qualification and must provide verification to the Company that the customer's household gross income does not exceed one hundred fifty percent (150%) of the federal poverty level. Qualified customers must have an approved application form on file with the Company. Subsequent to the initial certification, the residential customer seeking to retain eligibility for the C.A.R.E.S. must provide a personal certification that the household gross income of the residential dwelling unit involved does not exceed one hundred fifty percent (150%) of the federal poverty level.
2. Samples of the existing C.A.R.E.S. participants will be re-certified every two years prior to October 1 and when a customer changes residence.
3. Eligible customers shall be billed under this pricing plan during the winter season, commencing with the next regularly scheduled billing period after the Company has received the customer's properly completed application form or re-certification.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-12
Effective: December 1, 2007
Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan R-12
Customer Assistance Residential Energy Support
(C.A.R.E.S.)

PRICING PLAN R-12 (continued)

4. Eligibility information provided by the customer on the application form may be subject to verification by the Company. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon request of the Company, shall result in removal from or ineligibility for this pricing plan.
5. Customers who wrongfully declare eligibility or fail to notify the Company when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential pricing plan.
6. It is the responsibility of the customer to notify the Company within thirty (30) days of any changes in the customer's eligibility status.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-12
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan C-20
Small Volume Commercial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all commercial customers whose primary business activity at the location served is not provided for under any other pricing plan, whose usage does not exceed 120,000 therms per year when all service is supplied at one point of delivery, and whose gas is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$13.50
Delivery Charge per therm @	\$0.2638

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: C-20
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan C-22
Large Volume Commercial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all commercial customers whose primary business activity at the location served is not provided for under any other pricing plan and whose preceding twelve (12) month usage exceeded 120,000 therms. Service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this schedule may not return for a period of twelve (12) billing periods.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00
Delivery Charge per therm @	\$0.1718

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: C-22
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan I-30
Small Volume Industrial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all customers whose gas usage does not exceed 120,000 therms per year, who are served through a single meter, and whose primary business activity at the location served is included in one of the following classifications of the North American Classification System, United States:

Sector 11. Agriculture, Forestry, Fishing and Hunting: Subsector 111. Crop Production only;
Sector 21. Mining: All Subsectors;
Sector 22. Utilities: Power Generation Subsectors only; and
Sectors 31-33. Manufacturing: All Subsectors.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$13.50
Delivery Charge per therm @	\$0.2356

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-30
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan I-32
Large Volume Industrial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all customers whose gas usage over the preceding twelve (12) months exceeded 120,000 therms, and whose primary business activity at the location served is included in one of the following classifications of the North American Classification System, United States:

- Sector 11. Agriculture, Forestry, Fishing and Hunting: Subsector 111. Crop Production only;
- Sector 21. Mining: All Subsectors;
- Sector 22. Utilities: Power Generation Subsectors only; and
- Sectors 31-33. Manufacturing: All Subsectors.

Service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this pricing plan may not return for a period of twelve (12) billing months.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00
Delivery Charge per therm @	\$0.0952

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-32
Effective: December 1, 2007
Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan I-32
Large Volume Industrial Service

PRICING PLAN I-32 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-32
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan PA-40
Small Volume Public Authority Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all facilities owned or operated by governmental agencies whose primary business activity at the location served is not provided for under any other pricing plan or special contract, whose usage does not exceed 120,000 therms per year when all service is supplied at one point of delivery and gas is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$13.50
Delivery Charge per therm @	\$0.2593

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-40
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan PA-42
Large Volume Public Authority Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all facilities owned or operated by governmental agencies whose primary business activity at the location served is not provided for under any other pricing plan or special contract. Under this pricing plan, usage over the preceding twelve (12) months must exceed 120,000 therms when all service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this pricing plan may not return for a period of twelve (12) billing months.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00
Delivery Charge per therm @	\$0.1198

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-42
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan PA-44
Special Gas Light Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the facilities served.

APPLICABILITY

To all public authority customers for the operation by the Company of gas lights for streets in which gas distribution facilities are located.

RATE

A monthly net bill at the following rates plus any adjustments incorporated in this pricing plan:

Single Orifice @	\$23.72
Double Orifice @	\$39.53
Triple Orifice @	\$54.86
Quadruple Orifice @	\$71.16

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

Lake Havasu City

Lighting Group A per light per month @	\$15.17
Lighting Group B per light per month @ (Lighting Groups defined below)	\$18.20

CONDITIONS

1. The following definitions shall apply for Lake Havasu City Gas Lights:
 - a. Lighting Group A includes those 14 lights on McCullough Boulevard between Smoketree and Lake Havasu Avenue and those 62 lights in the Lake Havasu Mobile Trailer Parks;
 - b. Lighting Group B includes those 316 lights on the Country Club Golf Course;

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-44
Effective: December 1, 2007
Page No.: 1 of 2



**UNS Gas, Inc.
Pricing Plan PA-44
Special Gas Light Service**

PRICING PLAN PA-44 (continued)

2. Contracts for gas lighting service under this pricing plan must be for a minimum term of five (5) years.
3. The cost of relocation of any gas light that is requested by the customer will be reimbursed to the Company by the customer.
4. The customer is not authorized to make any connections to gas lines serving individual gas lights or make any alteration of such lights.
5. The Company will use diligence in maintaining gas lighting service and monthly bills will not be reduced because of any gas light outage.
6. Any special contracts for public authority lighting will be based on an analysis of costs of operation, maintenance, and investment. Any contracts pursuant to this pricing plan, which provide for higher rates than set forth in this pricing plan, will be filed with the Arizona Corporation Commission for approval.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-44
Effective: December 1, 2007
Page No.: 2 of 2



**UNS Gas, Inc.
Pricing Plan IR-60
Irrigation Service**

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all irrigation customers whose primary business activity at the location served is not provided for under any other pricing plan, who operates one or more gas-fueled engines, and gas is metered through one meter.

The Company may require that gas for engine use be separately metered and billed if necessary to prevent abuse or inequity in the application of this rate.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$13.50
Delivery Charge per therm @	\$0.3192

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: IR-60
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Applicable to natural gas use by customers that qualify for service under this pricing plan according to either applicability Provision 1. or 2. below:

1. Customers whose annual requirements are greater than 10,000 therms and who in the Company's sole judgment have facilities capable of installing or using alternative fuels or energy to adequately serve their needs.
2. Customers whose requirements may be served by other natural gas suppliers at rates lower than the customer's otherwise applicable gas sales pricing plan. As a condition precedent to qualifying for service under this applicability provision, the customer must establish to the satisfaction of the Company, that bypass is economically, operationally, and physically feasible.

Any gas service rendered to customers not in conformance with the provisions of this pricing plan shall be billed at a rate equivalent to the otherwise applicable gas sales pricing plan.

RATE

The maximum service charge is the charge under the customer's otherwise applicable gas sales pricing plan.

Unless otherwise provided, the commodity charge per therm shall be determined in accordance with Condition No. 2 defined below. In no event shall the commodity charge per therm be less than the "floor" cost of gas, which is defined as the sum of (1) the weighted average commodity cost of gas purchased by the Company for system supply during the month, (2) the applicable upstream pipeline capacity charge, and (3) an amount to reflect distribution system shrinkage.

For customers qualifying for service, and if the Company is unable to serve such customer utilizing the "floor" cost of gas as set forth above, a Special Gas Procurement Agreement shall be executed and filed with the Arizona Corporation Commission ("ACC"), and the commodity charge per therm shall be determined in accordance with Condition No. 3 defined below.

With the exception of gas sales provided for under Condition No. 3, the Company shall account for sales under this pricing plan using the "floor" cost of purchased gas.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: CGS-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

PRICING PLAN CGS-1 (continued)

SUPPLIER REFUNDS

If, as a result of any final Order of the Federal Energy Regulatory Commission or the ACC that is no longer subject to judicial review, the Company receives a refund from any of its upstream pipeline transporters or suppliers which is applicable to gas sales made under this Competitive Gas Service Pricing Plan, the Company shall allocate such refund to its customers based on the terms billed during the refund period. The amount allocated to the customers served under this pricing plan shall be used to reduce such customer's gas costs.

CONDITIONS

1. Any qualified customer taking service under this pricing plan shall do so by agreement.
2. The commodity charge per therm may vary from customer to customer based on value of the service and on the customer's ability to change from one energy source to another, and may be revised from time to time as costs and conditions change. In no event shall the commodity charge per therm charged to the customer, excluding gross revenue taxes, exceed the commodity charge per therm that would have been charged under the customer's otherwise applicable gas sales pricing plan, adjusted to exclude any surcharge to amortize the balance in the Gas Cost Balancing Account.
3. A Special Gas Procurement Agreement under this pricing plan is defined herein as an agreement between the Company and an applicable customer, which enumerates the provisions whereby the Company will procure specific supplies of gas for the customer. The commodity charge per therm for Special Gas Procurement Agreement customers may vary depending on the terms and conditions of the Agreement, but in no event shall be less than the variable cost of gas procured from suppliers on behalf of the customer. A sole and separate accounting of gas purchases and sales made under Special Gas Procurement Agreements shall be maintained by the Company. The cost of gas purchases made for such customers will be excluded from the Purchased Gas Adjustment in Rider RR-1. However, the Company shall credit to Account No. 191, Unrecovered Purchased Gas Costs, all upstream pipeline capacity charges collected from the customer. (Note: Upstream pipeline capacity charges will be priced at market-based rates.)
4. All customers that qualify for service under this pricing plan because of alternate energy capability must be capable of installing adequate alternate energy facilities of equivalent capacity to those natural gas facilities served hereunder. These facilities are subject to Company inspection and verification of operating capacity and capability.
5. Any customer served under this pricing plan who returns to an otherwise applicable gas sales pricing plan shall be billed at the then currently effective pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: CGS-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

PRICING PLAN CGS-1 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: CGS-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan CNG-1
Compressed Natural Gas Service
(Separately Metered)

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Service under this pricing plan is available to any customer where the customer purchases natural gas to be used as a motor fuel. Service will be separately metered. This rate may include compression by the Company beyond normal meter sales pressure.

RATE

Customer Charge: For customers using Compressed Natural Gas for only their own vehicle(s), the customer charge is that from the otherwise applicable pricing plan. For all others, it is \$30.00 per meter per month.

Basic Cost of Service Rates: The rate will be determined by a contract between the Company and the customer. In no case will the rate be lower than the Company's cost of gas, as determined by the most recent Purchased Gas Adjustment proceeding, nor will it be higher than one hundred fifty percent (150%) of the equivalent cost of premium gasoline.

Purchased Gas Adjustment: The basic cost of service rate set forth above shall be increased or decreased by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1. The purchased gas adjustment enables the Company to increase or decrease the basic cost of service rate in order to pass on increases or decreases in the base cost of gas to customers.

CONDITIONS

1. This pricing plan does not include any road use fees or permits.
2. Customer must provide an affidavit to the Company certifying that the gas delivered will be used as motor fuel.
3. Compressor stations are subject to inspection by qualified Company personnel.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: CNG-1
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UNS Gas, Inc.
Pricing Plan EC-1
Electrical Cogeneration Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Service under this pricing plan is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing, or other purposes.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00
Delivery Charge per therm @	\$0.4488

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

CONDITIONS

1. Gas taken under this pricing plan shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this pricing plan and not for other purposes. The gas taken under this pricing plan will be separately metered.
2. This pricing plan will not be available for standby use.
3. For the purpose of this pricing plan, the annual load factor must be sixty percent (60%) or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve (12). If less than a sixty percent (60%) load factor occurs for a twelve (12) month period, the rate charged will be the rate that the customer would otherwise be served under for the months in which the annual load factor did not equal sixty percent (60%).

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District: Entire Gas Service Area

Tariff No.: EC-1
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Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan EC-1
Electrical Cogeneration Service

PRICING PLAN EC-1 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: EC-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan MISC-1
Miscellaneous Service Fees

In addition to the Pricing Plans on file and approved by the Arizona Corporation Commission for natural gas service, the following fees are also approved for the respective services listed:

Service Transfer Fee

Transfer of service from one customer to another, when meter is not turned off, per occurrence @ \$15.00

Collection Fee

When overdue payment is collected by a Company representative at the customer's premises, per occurrence @ \$20.00

Special Call Out

When a special call-out is required, the minimum charge shall be for one hour at the Company's then prevailing after hours rate for service work on the customer's premises.

Establishment of Service

During regular working hours, per occurrence @ \$25.00

When performed outside of regular working hours, per occurrence @ \$35.00

Re-establishment, Reconnection of Service for Non-Payment

During regular working hours, per occurrence @ \$45.00

When performed outside of regular working hours, occurrence @ \$55.00

Re-establishment, Reconnection of Service for Other Reasons

During regular working hours, per occurrence @ \$35.00

When performed outside of regular working hours, per occurrence @ \$45.00

Customer Requested Meter Re-Reads

When reading is correct, per occurrence @ \$15.00

Customer Requested Meter Test

When meter tests are accurate within +/- 3%, per occurrence @ \$65.00

Insufficient Funds Check (NSF)

Insufficient funds, per occurrence @ \$15.00

Multiple Attempts to Connect

When more than one failed attempt to establish service due to customer not home or facilities not ready, per occurrence @ \$15.00

Regular working hours are defined as non-holiday weekdays from 8:30 AM to 4:30 PM.

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District: Entire Gas Service Area

Tariff No.: MISC-1
Effective: December 1, 2007
Page No.: 1 of 1



**UNS Gas, Inc.
Pricing Plan NSP-1
Negotiated Sales Program**

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Available to all customers who receive service under the Company's T-1 pricing plan (Transportation of Customer-Secured Natural Gas), T-2 pricing plan (Transportation Service Using Dedicated Transmission Facilities), or special gas supply agreements approved by the Arizona Corporation Commission ("ACC") that meet the minimum transportation requirements under the T-1 or T-2 pricing plans.

Service under the Negotiated Sales Program ("NSP") will be the sale of natural gas to a transportation customer who has negotiated with the Company for the delivery of natural gas to the interconnection of the Company's distribution system and an upstream pipeline at the City Gate. NSP service will be interruptible service at the election of the Customer.

RATE

The rates to be charged for this service shall be those negotiated between the Company and each Customer.

CONDITIONS

NSP service shall be provided subject to the provision of this pricing plan, the T-1 pricing plan, the T-2 pricing plan, or special gas supply agreements approved by the ACC, as applicable.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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District: Entire Gas Service Area

Tariff No.: NSP-1
Effective: December 1, 2007
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UNS Gas, Inc.
Rider RR-1
Purchased Gas Adjustment (PGA)

APPLICABILITY

To all Company pricing plans, unless otherwise specified.

CHANGE IN RATE

UNS GAS Pricing Plans shall include a Cost of Natural Gas Charge ("CNGC") which recovers the cost of gas (natural, manufactured or in any approved form) purchased by UES on behalf of its customer. The cost of natural gas shall include all costs (demand, energy, customer-related and other) of the physical gas commodity and all costs assessed to facilitate transportation and delivery of gas on a firm basis and at an appropriate pressure (unless otherwise specified by tariff or contract) to UES, including but not limited to carrying and other costs not elsewhere recovered. The CNGC consists of the Purchased Gas Adjustment ("PGA") rate and any surcharge or credit authorized by the The Arizona Corporation Commission ("ACC") for recovery or refund of previous gas costs. The CNGC shall be subject to increases or decreases by the amount of the PGA which is based on the rolling twelve (12) month average of actual purchased gas costs and sales. The ACC has banded the PGA change so that the new PGA calculated for the month cannot be more than \$0.15 per therm different than the PGA rate in effect during any of the preceding twelve (12) months, unless authorized by the ACC.

BANK BALANCE

The Company shall maintain an account to assure that it will neither over nor under collect, except to the extent authorized, as a result of adjustment in rates determined under the operation of this pricing plan. Entries shall be made monthly to reflect the amounts paid to suppliers for gas as recorded in the Federal Energy Regulatory Commission series of accounts numbered 800 through 806, less the cost of such gas (adjusted volumes multiplied by the CNGC). Interest will be applied to over and under collected bank balances based on the three (3) month commercial financial paper rate for each month, contained in the Federal Reserve Statistical Release, H-15, or its successor publication.

MONTHLY INFORMATION FILINGS

Each month, the Company shall make a cost of gas information filing that shall include gas volumes and costs by supply source, supplier refunds, credits, billing adjustments, and lost and unaccounted for gas. Each filing shall include monthly sales revenues, volumes, and number of customers by class. The filing should also include historical summaries of actual twelve (12) month purchase gas volumes, costs and sales activity to support the computation of the monthly PGA rate, in the format required by Decision Nos. 61225 and 62994.

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District: Entire Gas Service Area

Tariff No.: RR-1
Effective: December 1, 2007
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UNS Gas, Inc.
Rider RR-1
Purchased Gas Adjustment (PGA)

RIDER RR-1 (continued)

ADDITIONAL REQUIREMENTS

Notification to the ACC is required if the PGA bank balance exceeds an over collection of \$10,000,000. The Company must file an application for an adjustment within forty-five (45) days of completing the monthly informational filing that illustrates the threshold has been exceeded or contact the ACC to discuss why a credit is not necessary at this time. If the PGA bank balance is under collected, the Company has the right to file an application with the ACC requesting a surcharge. The ACC, upon review, may authorize the balance to be amortized through the surcharge/credit as part of the CNGC for a specified period. Lost and unaccounted for gas recovery is limited to the lesser of the actual costs incurred or up to five percent (5.00%) of total annual throughput.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

Filed By: Raymond S. Heyman
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District: Entire Gas Service Area

Tariff No.: RR-1
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UNS Gas, Inc.
Pricing Plan T-1 Supplementary Information
Transportation of Customer-Secured Natural Gas

Transportation customers procure their own gas and UNS Gas, Inc. ("Company") transports it from the connection with the interstate pipeline (at the city gate) over the Company's pipeline system to the customer's facility. To qualify, customers must use a minimum of 120,000 therms per year.

The rates per therm for transportation service from the city gate to the customer's facility are as follows:

Large Volume Commercial	\$0.1718 per therm
Large Volume Industrial	\$0.0952 per therm
Large Volume Public Authority	\$0.1198 per therm

Customers must also pay for the following items:

1. Charges for lost and unaccounted for gas in accordance with Pricing Plan T-1 (Transportation of Customer-Secured Natural Gas);
2. A minimum Customer Charge of \$100 per month;
3. Telemetering equipment and a telephone line; and
4. The costs for delivery of gas to the city gate.

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Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: T-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

1. AVAILABILITY

This pricing plan is available to any qualifying Customer for transportation of natural gas by the Company from existing interconnects between the Company and upstream pipelines (herein called Receipt Point) to the Delivery Point(s) on the Company's system throughout its certificated Arizona Gas Service Area under the following conditions:

- 1.1 The Company has available capacity to render the requested service without construction of any additional facilities, except as provided by Section 8 of this pricing plan.
- 1.2 The Customer has demonstrated to the Company's satisfaction the assurance of natural gas supplies and third-party transportation agreements with quantities, and for a term compatible with the service being requested from the Company.
- 1.3 The Customer and the Company have executed a Transportation Agreement, and the Customer is to be the End-User.
- 1.4 The Customer's gas to be transported is greater than 120,000 therms per year. A Customer receiving service from the Company at multiple locations may aggregate meters with annual consumption of no less than 50,000 therms per meter to qualify for this service provided that all meter locations are served under a single entity. In addition, the annual consumption of customers that are aggregated must be greater than 120,000 therms per year.

2. APPLICABILITY

This pricing plan shall apply to gas transported by the Company for Customer pursuant to the executed service agreement.

- 2.1 The basic transportation service rendered under this pricing plan shall consist of:
 - (a) The receipt by the Company for the account of the Customer of the Customer's gas at the Receipt Point;
 - (b) The transportation of gas through the Company's gas system for the account of the Customer; and
 - (c) The delivery of gas after transportation by the Company for the account of the Customer at the Delivery Point(s).

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District: Entire Gas Service Area

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

- 2.2 Transportation: Service is firm and uninterrupted except for the following:
- (a) Curtailment in accordance with the Company's curtailment priority procedures;
 - (b) When the Company determines it has insufficient capacity on its system or from its upstream pipeline; or
 - (c) Customer's gas supply to the Company is insufficient to meet its requirement.
- 2.3 Any Customer served under this pricing plan that requests service under a sales pricing plan is ineligible to return to transportation service for a period of not less than twelve (12) months.

3. RATES

- 3.1 A discount from the following rates may be offered at the sole discretion of the Company if such discount is in the best interest of the Company and its ratepayers. The maximum amount that the Customer shall pay the Company monthly will be the sum of the following charges:

Minimum Customer Charge per Month: \$100.00 per meter

Volume Charge: An amount equal to the applicable unit transportation rate for each therm of Customer-secured gas metered and delivered to the Customer. The unit rates shall be as set forth in the currently effective Pricing Plan Summary. The volume charge will consist of the following:

- (a) An amount equal to the applicable unit sales margin for each therm as set forth in the Customer's otherwise applicable sales pricing plan for each meter. This volume charge will cover the Company's Delivery Charge as specified in the currently effective gas sales pricing plan but not including the base cost of gas specified therein. In no event will the minimum charge be less than that set forth in Section 4.1 below.
- (b) An amount to reflect lost and unaccounted for gas as determined by the differential between the gas costs on a sales basis and gas costs on a purchase basis determined in the development of the currently effective, Purchased Gas Adjustment ("PGA"), Rate Rider No. RR-1. The Company, at its sole option, may allow lost and unaccounted for gas to be paid in kind.

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District: Entire Gas Service Area

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PRICING PLAN T-1 (continued)

- (c) Any applicable imbalance charges as specified in Section 7 of this pricing plan.
- (d) Any charges from upstream pipeline transporters or suppliers which have been incurred by the Company in excess of those specified in section (c) above and are deemed by the Company to be applicable to the transportation service rendered for the Customer under these pricing plans.

4. MINIMUM CHARGE

- 4.1 The minimum charge will be the Basic Customer Charge per Month plus \$0.005 per therm.

5. ADMINISTRATIVE PROCEDURES

- 5.1 Processing Requests for Transportation Service: Requests for transportation hereunder shall be made by, and shall be deemed to be complete upon, the Customer providing the following information to the Company:
 - (a) Gas Quantities: The Maximum Daily Quantity applicable to the receipt point and the Maximum Daily Quantity applicable to each delivery point and estimated total quantities to be received and transported monthly over the delivery period should be stated individually in therms for each receipt point.
 - (b) Delivery Point(s): Point(s) of delivery by the Company to the Customer.
 - (c) Term of Service:
 - i. Date of service requested to commence;
 - ii. Date service requested to terminate, if known; and
 - iii. Minimum term for transportation service shall be twelve (12) months.
 - (d) Performance: A statement from the Customer certifying that the Customer has or will have title to the gas to be delivered to the Company for transportation and has entered into or will enter into those arrangements necessary to assure all upstream transportation will be in place prior to the commencement of service under a Transportation Agreement. The Customer's Agent, if any, must be named.



UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

Upon receipt of all of the information specified above, the Company shall prepare and tender to the Customer for execution a Transportation Agreement. If the Customer fails to execute the Transportation Agreement within thirty (30) days of the date tendered, the Customer's request shall be deemed null and void.

6. OPERATING PROCEDURES

- 6.1 Nominating and Scheduling of Gas Receipts and Deliveries: The Customer shall be responsible for contacting the upstream pipelines to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, that the Customer may designate one (1) other party to serve as his agent for such purpose.

The Customer or Customer's Agent shall be responsible for submitting nominations to the upstream pipeline and notifying the Company's designated representative in writing no later than one (1) hour prior to the upstream pipeline's nomination deadlines set forth in their FERC approved tariff. Such communication shall occur prior to the first of the month and within the month if there are changes to the nominations. The Customer is responsible for confirming the timely receipt of this information by the Company. The Company will confirm whether it has sufficient operational capacity to deliver all or a portion of the Customer's gas.

- 6.2 Operating Information and Estimates: Upon request of the Company, the Customer shall from time to time submit its best estimates of the daily, monthly and annual volumes of gas to be transported; including peak day requirements, together with such other operating data as the Company may require in order to schedule its operations.

The Company may require large Customers whose contractually allowed maximum daily quantity exceeds 10,000 therms per day, whose usage is not predictable based on weather, and whose ratio of high to low daily usage exceeds ten (10) to inform the Company within 2 hours of any initiation or termination of gas usage exceeding an hourly rate of 1,000 therms per hour.

- 6.3 Quantities: All quantities referred to in Section 6 shall be provided as dekatherms ("DTH") (one million British Thermal Units).

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District: Entire Gas Service Area

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PRICING PLAN T-1 (continued)

- 6.4 Deliverability: The Company shall not be liable for its failure to deliver gas when such failure is due to unavailability of gas supply or interruption of third party transportation services.
- 6.5 Other Operating Procedures: The Company may require additional information or enforce other operating procedures as deemed necessary in the Company's sole judgment, in order to coordinate gas volumes and the movement of gas through the upstream pipeline system to the Company's Arizona Gas Service Area. These additional operating procedures may be enforced upon verbal notice to each Customer or the Customer's Agent with twenty-four (24) hour notice of implementation.
- 6.6 Balancing: Balancing of thermally equivalent volumes of gas received and delivered shall be achieved as nearly as feasible on a daily basis, taking into account the Customer's right, subject to prior Company approval, to vary receipts and deliveries across the Company Distribution System. Customer monthly imbalances are defined as the difference between the Customer's total monthly metered quantities and the Customer's total scheduled transportation quantity. Customers are provided a monthly operating window, under which the Customer's cumulative imbalances must be within plus or minus 5 percent (+/- 5%) of the month's total of daily scheduled transportation quantities, plus any Company-approved imbalance adjustment quantity, or 10,000 therms, whichever is greater. Imbalances established in excess of the applicable monthly operating window will be subject to imbalance charges as specified in Section 7 of this pricing plan. However, if the Customer has an imbalance outside this limit and contacts the Company before the end of the last business day of the month, the Customer will have a "cure period" of an additional 30 days to bring its imbalance within the limits before any imbalance charges specified in Section 7 are applied. Customer is then ineligible for a "cure period" for the following month. If in the Company's sole good faith judgment and operating conditions permit, the Company will increase the monthly operating window. Any imbalance (plus or minus) carried forward shall be considered first through the meter during the next daily or monthly period, as applicable.
- Upon Customer request, the Company will permit electronic read-only access to the telemetering facilities described in Section 8 or provide daily meter reads each calendar day.
- 6.7 Adjustments: Periodically, volume adjustments may be made by the upstream pipelines or the Customer's agent. Therefore, actual daily volumes invoiced will be compared with daily nominated volumes. Should adjustments to the nominated volumes become necessary, such adjustments will be applied to the nomination for the month in which the volumes were delivered to the Customer for the purposes of determining the applicability of the provisions of this pricing plan.



UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

- 6.8 Customer Default: The Company shall not be required to perform or continue service on behalf of any Customer that fails to comply with the terms contained in this pricing plan and the terms of the Customer's Transportation Service Agreement with the Company. The Company shall have the right to waive any one or more specific defaults by any Customer under any provision of this pricing plan or the service agreement, provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character.
- 6.9 Operational Curtailment: The Company reserves the right to impose, at any time, any reasonable operating conditions upon the transportation of the Customer's gas which the Company, in its sole good faith judgment, deems necessary to maintain safe and efficient operation of its distribution system, or to make the operating terms and conditions of service hereunder compatible with those of its upstream pipelines. Under such circumstances, the following conditions shall apply:
- (a) Any Customer that does not comply with a notice of operational curtailment shall be subject to, in addition to any otherwise applicable charges, a penalty of \$10.00 per DTH for all unauthorized quantities during the curtailment period.
 - (b) The Company shall endeavor to provide notice of such operational curtailment forty-eight (48) hours prior to the commencement of the delivery of gas.
 - (c) Notwithstanding condition (b), the Company may impose an operational curtailment on the current gas day. In the event an operational curtailment is imposed on the current gas day, a minimum one-hour grace period will be allowed before penalties begin to apply.

7. PAYMENT FOR EXCESS QUANTITIES

- 7.1 Customers will be assessed imbalance charges if an imbalance exists in excess of the applicable monthly operating window under the conditions set forth in Section 6.6 herein. The portion of any imbalance quantity established by a Customer in excess of the applicable monthly operating window is defined as an excess imbalance quantity. The imbalance charge will be based on the Company's short term purchases, where short term purchases are defined as gas for which the price is determined in the calendar month of use. In addition to the charges payable under this pricing plan, any monthly excess quantity shall be billed as follows:

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Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

(a) Positive Excess Imbalance

A positive excess imbalance exists when the Customer's scheduled transportation quantity exceeds the Customer's metered quantity by more than the applicable monthly operating window. The excess imbalance shall be retained by the Company and eliminated after the Customer's bill is credited as follows:

- (i) The price of the positive imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's least expensive short term purchases (including all upstream pipeline fuel and variable costs) for the aggregate positive imbalance volume associated with all T-1 customers. This weighted average cost per therm will be multiplied by the Customer's positive imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Positive" column in Table 1 below.

(b) Negative Excess Imbalance

A negative excess imbalance exists when the sum of the Customer's scheduled transportation quantity is less than the metered quantity by more than the applicable monthly operating window. The excess imbalance shall be eliminated after the Customer is billed as follows:

- (i) The price of the negative imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's most expensive short term purchases (including all upstream pipeline fuel, variable and capacity costs, at a 100% load factor) for the aggregate negative imbalance volume associated with all T-1 customers. This weighted average cost per therm will be multiplied by the Customer's negative imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Negative" column in Table 1 below.

Table 1

Percentage Excess Imbalance	Positive	Negative
Equal to or less than 5%	100%	100%
Over 5% and less than or equal to 15%	90%	110%
Over 15% and less than or equal to 20%	80%	120%
Over 20% and less than or equal to 30%	70%	130%
Over 30%	60%	140%

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Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

- 7.2 Should the Customer cease to utilize transportation service under this pricing plan, the entire remaining imbalance shall be settled pursuant to Section 7.1. For purposes of this settlement, no operating window applies.
- 7.3 Under no circumstances shall Section 7.1 above be considered as giving the Customer any right to take excess quantity gas, other than as provided by Section 6.6 hereof, nor shall Section 7.1 or payment thereunder be considered as a substitute for any other remedy available to the Company against the offending Customer for failure to respect its obligation to stay within its authorized quantities.

8. FACILITY ADDITIONS

- 8.1 Any facilities which must be installed by the Company to serve the Customer will be constructed in accordance with the Rules and Regulations as approved from time to time by the Arizona Corporation Commission. Telemetering facilities on each meter will be installed at the Customer's expense. Customers requiring telemetering facilities shall provide, at the Customer's expense, a dedicated telephone line for the Company's use in communicating with the telemetering facilities and will pay any and all costs associated with that phone line. Further, any existing special surcharges or minimum bill provisions designed to recover the cost of facilities for any Customer shall remain in effect and may serve to increase maximum allowable transportation rate levels pursuant to this pricing plan.

9. THIRD PARTY CHARGES

- 9.1 The Customer shall reimburse the Company for any charges rendered or billed to the Company by its upstream pipelines and by any other upstream transporter and gas gatherers, either before or after termination of the Transportation Agreement, which the Company, in its sole good faith judgment, determines have been incurred because of the transportation of Customer's gas hereunder and should, therefore, appropriately be borne by the Customer. Such charges, whether levied in dollars or gas, may include, but shall not be limited to, standby charges or reservation fees, prepayments, applicable taxes, applicable fuel reimbursement, shrinkage, lost and unaccounted for volumes, Gas Research Institute surcharges, penalty charges and filing fees.

The Customer will reimburse the Company for all such charges incurred by the Company as rendered, irrespective of the actual quantities of natural gas delivered to the Customer.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: T-1
Effective: December 1, 2007
Page No.: 8 of 10

PRICING PLAN T-1 (continued)

10. CONDITIONS FOR CONVERTING TO T-1 SERVICE

Any qualified Customer converting from gas sales service to service under this pricing plan is subject to the following conditions and requirements:

- 10.1 T-1 service will commence at the beginning of the first calendar month following the end of five (5) days after receipt of the customer service change request.
- 10.2 Customer will be billed or credited the Customer's pro rata share of the balance in the Company's PGA bank, calculated as follows:
 - (a) Starting from the later of the month of initiation of gas sales service by the Customer, or the date of initiation of the current PGA bank, through the last month of sales service, the Customer's actual therm usage will be multiplied, on a month-by-month basis, by the difference between the Company's actual commodity cost per therm and the Gas Cost component of the Basic Cost of Service Rate adjusted for any PGA and PGA Surcharge that may be in effect from time to time;
 - (b) The sum of these monthly calculated values equals the Customer's charge or credit due for conversion to service under this pricing plan;
 - (c) Customer charge or credit will be paid in twelve (12) equal monthly payments, including interest equal to the carrying charge rate applicable to the PGA bank at the time of conversion to service under this pricing plan.
- 10.3 If a Customer converts back to a pricing plan for gas sales service while the PGA Surcharge existing at the time of the switch to T-1 service is still in effect, such Surcharge will not be applicable to the Customer's billed usage for the period it remains in effect. However, any future PGA Surcharge that may be put into effect will be applicable to the Customer's billed usage.

11. TAX CLAUSE

- 11.1 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.



UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

12. RULES AND REGULATIONS

12.1 The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

13. CONDITIONS

13.1 Transportation of Customer-owned natural gas hereunder shall be limited to natural gas of equal or higher quality than natural gas currently available from the Company's supplier(s). All gas delivered by the Company to the Customer shall be deemed to be the same quality as that gas received by the Company for transportation.

13.2 With respect to the Company's capacity to deliver gas at any particular time, the curtailment priority of any Customer served under this pricing plan shall be the same as the curtailment priority established for other Customers served pursuant to the Company's pricing plan which would otherwise be available to such Customer.

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: T-1
Effective: December 1, 2007
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**UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities**

1. AVAILABILITY

This pricing plan is only available to any qualifying Customer for transportation of natural gas by the Company from dedicated interconnects between the Company and upstream pipelines (herein called Receipt Point) to the Delivery Point(s) on the Company's transmission system throughout its certificated Arizona Gas Service Area under the following conditions:

- 1.1 The Company has or will have available capacity to render the requested service utilizing facilities dedicated to the requirements of the Customer, except as provided by Section 8 hereof;
- 1.2 The Customer has demonstrated to the Company's satisfaction the assurance of natural gas supplies and third-party transportation agreements with quantities and for a term compatible with the service being requested from the Company;
- 1.3 The Customer and the Company have executed a Transportation Agreement, and the Customer is to be the End-User;
- 1.4 The Customer's requirement for gas to be transported is greater than 1,000 therms per day or 120,000 therms per year; and
- 1.5 The Customer is not taking service through dedicated facilities under the provisions of a special contract approved by the Arizona Corporation Commission ("ACC").
- 1.6 The Customer is classified as a utility that produces electricity.

2. APPLICABILITY

This pricing plan shall apply to gas transported by the Company for Customer pursuant to the executed service agreement.

- 2.1 The basic transportation service rendered under this pricing plan shall consist of:
 - (a) The receipt by the Company for the account of the Customer of the Customer's gas at the Receipt Point;
 - (b) The transportation of gas through the Company's gas system for the account of the Customer; and
 - (c) The delivery of gas after transportation by the Company for the account of the Customer at the Delivery Point(s).

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Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: T-2
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 2.2 Transportation: Service is firm and uninterrupted except for the following:
- (a) Curtailment in accordance with the Company's curtailment priority procedures;
 - (b) When the Company determines it has insufficient capacity on its system or from its upstream pipeline; or
 - (c) Customer's gas supply to the Company is insufficient to meet its requirement.
- 2.3 Any Customer served under this pricing plan is ineligible to obtain sales service without executing a special contract approved by the ACC.

3. RATES

- 3.1 A monthly net bill at the following rates plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$100.00 per meter

Reservation Charge: An annual charge to be billed in twelve (12) equal monthly installments equal to the fully allocated costs to provide the dedicated facilities necessary to serve the Customer as described more fully in Section 3.2 below.

Volume Charge: An amount equal to the applicable unit transportation rate for each therm of Customer-secured gas metered and delivered to the Customer. The unit rates shall be as set forth in the currently effective Pricing Plan Summary. The volume charge will consist of the following:

- (a) An amount to fund the Company's low income rate program equal to the portion of the applicable unit sales margin for each therm included in rates as set forth in the Customer's otherwise applicable sales pricing plan for each meter.
- (b) An amount to reflect lost and unaccounted for gas as determined by the differential between the gas cost on a sales basis and gas cost on a purchase basis determined in the development of the currently effective Purchased Gas Adjustment ("PGA"), Rate Rider No. RR-1. The Company at its sole option may allow lost and unaccounted for gas to be paid in kind.

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Tariff No.: T-2
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- (c) Any applicable imbalance charges as specified in Section 7 of this pricing plan.
- (d) Any charges from upstream pipeline transporters or suppliers which have been incurred by the Company in excess of those specified in section (c) above and are deemed by the Company to be applicable to the transportation service rendered for the Customer under this pricing plan.

Special Surcharge: An annual charge to be computed on the basis of the twelve (12) months ending September of the prior year and billed beginning in January in equal monthly installments, computed as the sum of the following charges:

- (a) The revenue requirements for any additional investments required to provide the service requested by Customer subsequent to the establishment of the currently effective Reservation Charge,
- (b) Any non-recurring operating and maintenance expenses associated with the facilities dedicated to the Customer in the previous year, and
- (c) Any extraordinary expenses incurred by the Company on behalf of the Customer not included in (a) or (b) above.

3.2 Reservation Charge: Determined on the basis of a fully allocated cost study filed with and approved by the ACC in the context of a general rate case except when the request for service is non-coincident with a rate filing. In the latter case, the Reservation Charge will be computed by the Company including the following elements:

- (a) Return and income taxes at the rate of return approved by the ACC in the Company's last general rate case computed on the basis of the installed costs of the dedicated facilities plus an allocation of other rate base items including, as appropriate: intangible, general and common plant investment, less any applicable accumulated depreciation and deferred taxes, an allowance for working capital and materials and supplies;
- (b) Operations expense including all operating and maintenance expenses, depreciation and amortization expense, taxes other than income related to the dedicated facilities and allocated rate base;



UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- (c) Allocated indirect expense including an appropriate portion of customer accounting, sales and information, and administrative and general expenses; and
- (d) Any other allocated costs incurred either directly or indirectly to provide the requested service.

4. MINIMUM CHARGE

- 4.1 The minimum charge will be the sum of the Basic Customer Charge per Month, the monthly Reservation Charge and any monthly Special Surcharge.

5. ADMINISTRATIVE PROCEDURES

- 5.1 Processing Requests for Transportation Service: Requests for transportation hereunder shall be made by, and shall be deemed to be complete upon, the Customer providing the following information to the Company:
 - (a) Gas Quantities: The Maximum Daily Quantity applicable to the receipt point and the Maximum Daily Quantity applicable to each delivery point, and estimated total quantities to be received and transported monthly over the delivery period should be stated individually in terms for each receipt point.
 - (b) Delivery Point(s): Point(s) of delivery by the Company to the Customer.
 - (c) Term of Service:
 - i. Date service requested to commence;
 - ii. Date service requested to terminate, if known; and
 - iii. Minimum term for transportation service shall be twelve (12) months.
 - (d) Performance: A statement from the Customer certifying that the Customer has or will have title to the gas to be delivered to the Company for transportation and has entered into or will enter into those arrangements necessary to assure all upstream transportation will be in place prior to the commencement of service under a Transportation Agreement. The Customer's Agent, if any, must be named.

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District: Entire Gas Service Area

Tariff No.: T-2
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

Upon receipt of all of the information specified above, the Company shall prepare and tender to the Customer for execution a Transportation Agreement. If the Customer fails to execute the Transportation Agreement within thirty (30) days of the date tendered, the Customer's request shall be deemed null and void.

- 5.2 Construction Requirements: In the event that the Customer's request for service requires the construction of additional transmission facilities not otherwise addressed in Section 7, Extension of Lines, in the Company's current Rules and Regulations, the following additional provisions may apply:
- (a) The Company may request an advance for engineering and design services based on the Company's estimate of the anticipated costs related to the requested dedicated facilities;
 - (b) Any advance for engineering and design will be refunded to the Customer on commencement of service;
 - (c) Actual engineering and design costs will be included in the dedicated facilities' costs and recovered as a part of the Reservation Charge;
 - (d) If the dedicated facilities are not placed in service for any reason, the Company may retain the advance;
 - (e) Prior to the initiation of construction of the dedicated facilities, the Company will provide an estimate of the total costs and resulting annual costs to Customer;
 - (f) The Company shall not be liable for any differences between actual construction costs and estimated costs;
 - (g) Customer may withdraw the request for service prior to initiation of construction; and
 - (h) The Customer may request that construction cease prior to completion. However, if the dedicated facilities are not completed or placed in service, the Customer is liable for service under the terms of this pricing plan as if the facilities had been completed, based on the total construction costs expended on behalf of the Customer.

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District: Entire Gas Service Area

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

6. OPERATING PROCEDURES

- 6.1 Nominating and Scheduling of Gas Receipts and Deliveries: The Customer shall be responsible for contacting the upstream pipelines to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, that the Customer may designate one (1) other party to serve as his agent for such purpose.

The Customer or Customer's Agent shall be responsible for submitting nominations to the upstream pipeline and notifying the Company's designated representative in writing no later than one (1) hour prior to the upstream pipeline's nomination deadlines set forth in their FERC approved tariff. Such communication shall occur prior to the first of the month and within the month if there are changes to the nominations. The Customer is responsible for confirming the timely receipt of this information by the Company. The Company will confirm whether it has sufficient operational capacity to deliver all or a portion of the Customer's gas.

- 6.2 Operating Information and Estimates: Upon request of the Company, the Customer shall from time to time submit its best estimates of the daily, monthly and annual volumes of gas to be transported; including peak day requirements, together with such other operating data as the Company may require in order to schedule its operations.

The Company may require large Customers whose contractually allowed maximum daily quantity exceeds 10,000 therms per day, whose usage is not predictable based on weather, and whose ratio of high to low daily usage exceeds ten (10) to inform the Company within 2 hours of any initiation or termination of gas usage exceeding an hourly rate of 1,000 therms per hour.

- 6.3 Quantities: All quantities referred to in Section 6 shall be provided as dekatherms ("DTH") (one million British Thermal Units).
- 6.4 Deliverability: The Company shall not be liable for its failure to deliver gas when such failure is due to unavailability of gas supply or interruption of third party transportation services.

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District: Entire Gas Service Area

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

6.5 Other Operating Procedures: The Company may require additional information or enforce other operating procedures as deemed necessary in the Company's sole judgment, in order to coordinate gas volumes and the movement of gas through the upstream pipeline system to the Company's Arizona Gas Service Area. These additional operating procedures may be enforced upon verbal notice to each Customer or the Customer's Agent with twenty-four (24) hour notice of implementation.

6.6 Balancing: Balancing of thermally equivalent volumes of gas received and delivered shall be achieved as nearly as feasible on a daily basis, taking into account the Customer's right, subject to prior Company approval, to vary receipts and deliveries across the Company Distribution System. Customer monthly imbalances are defined as the difference between the Customer's total monthly metered quantities and the Customer's total scheduled transportation quantity. Customers are provided a monthly operating window, under which the Customer's cumulative imbalances must be within plus or minus 5 percent (+/- 5%) of the month's total of daily scheduled transportation quantities, plus any Company-approved imbalance adjustment quantity, or 10,000 therms, whichever is greater. Imbalances established in excess of the applicable monthly operating window will be subject to imbalance charges as specified in Section 7 of this pricing plan. However, if the Customer has an imbalance outside this limit and contacts the Company before the end of the last business day of the month, the Customer will have a "cure period" of an additional 30 days to bring its imbalance within the limits before any imbalance charges specified in Section 7 are applied. Customer is then ineligible for a "cure period" for the following month. If in the Company's sole good faith judgment and operating conditions permit, the Company will increase the monthly operating window. Any imbalance (plus or minus) carried forward shall be considered first through the meter during the next daily or monthly period, as applicable.

Upon Customer request, the Company will permit electronic read-only access to the telemetering facilities described in Section 8 or provide daily meter reads each calendar day.

6.7 Adjustments: Periodically, volume adjustments may be made by the upstream pipelines or the Customer's agent. Therefore, actual daily volumes invoiced will be compared with daily nominated volumes. Should adjustments to the nominated volumes become necessary, such adjustments will be applied to the nomination for the month in which the volumes were delivered to the Customer for the purposes of determining the applicability of the provisions of this pricing plan.

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District: Entire Gas Service Area

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 6.8 Customer Default: The Company shall not be required to perform or continue service on behalf of any Customer that fails to comply with the terms contained in this pricing plan and the terms of the Customer's Transportation Service Agreement with the Company. The Company shall have the right to waive any one or more specific defaults by any Customer under any provision of this pricing plan or the service agreement, provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character.
- 6.9 Operational Curtailment: The Company reserves the right to impose, at any time, any reasonable operating conditions upon the transportation of the Customer's gas which the Company, in its sole good faith judgment, deems necessary to maintain safe and efficient operation of its distribution system, or to make the operating terms and conditions of service hereunder compatible with those of its upstream pipelines. Under such circumstances, the following conditions shall apply:
- (a) Any Customer that does not comply with a notice of operational curtailment shall be subject to, in addition to any otherwise applicable charges, a penalty of \$10.00 per DTH for all unauthorized quantities during the curtailment period.
 - (b) The Company shall endeavor to provide notice of such operational curtailment forty-eight (48) hours prior to the commencement of the delivery of gas.
 - (c) Notwithstanding condition (b), the Company may impose an operational curtailment on the current gas day. In the event an operational curtailment is imposed on the current gas day, a minimum one-hour grace period will be allowed before penalties begin to apply.

7. PAYMENT FOR EXCESS QUANTITIES

- 7.1 Customers will be assessed imbalance charges if an imbalance exists in excess of the applicable monthly operating window under the conditions set forth in Section 6.6 herein. The portion of any imbalance quantity established by a Customer in excess of the applicable monthly operating window is defined as an excess imbalance quantity. The imbalance charge will be based on the Company's short term purchases, where short term purchases are defined as gas for which the price is determined in the calendar month of use. In addition to the charges payable under this pricing plan, any monthly excess quantity shall be billed as follows:

Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

(a) Positive Excess Imbalance

A positive excess imbalance exists when the Customer's scheduled transportation quantity exceeds the Customer's metered quantity by more than the applicable monthly operating window. The excess imbalance shall be retained by the Company and eliminated after the Customer's bill is credited as follows:

- (i) The price of the positive imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's least expensive short term purchases (including all upstream pipeline fuel and variable costs) for the aggregate positive imbalance volume associated with all T-2 customers. This weighted average cost per therm will be multiplied by the Customer's positive imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Positive" column in Table 1 below.

(b) Negative Excess Imbalance

A negative excess imbalance exists when the sum of the Customer's scheduled transportation quantity is less than the metered quantity by more than the applicable monthly operating window. The excess imbalance shall be eliminated after the Customer is billed as follows:

- (i) The price of the negative imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's most expensive short term purchases (including all upstream pipeline fuel, variable and capacity costs, at a 100% load factor) for the aggregate negative imbalance volume associated with all T-2 customers. This weighted average cost per therm will be multiplied by the Customer's negative imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Negative" column in Table 1 below.

Table 1

Percentage Excess Imbalance	Positive	Negative
Equal to or less than 5%	100%	100%
Over 5% and less than or equal to 15%	90%	110%
Over 15% and less than or equal to 20%	80%	120%
Over 20% and less than or equal to 30%	70%	130%
Over 30%	60%	140%



UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 7.2 Should the Customer cease to utilize transportation service under this pricing plan, the entire remaining imbalance shall be settled pursuant to Section 7.1. For purposes of this settlement, no operating window applies.
- 7.3 Under no circumstances shall Section 7.1 above be considered as giving the Customer any right to take excess quantity gas, other than as provided by Section 6.6 hereof, nor shall Section 7.1 or payment thereunder be considered as a substitute for any other remedy available to the Company against the offending Customer for failure to respect its obligation to stay within its authorized quantities.

8. FACILITY ADDITIONS

- 8.1 Any facilities which must be installed by the Company to serve the Customer will be constructed in accordance with the Rules of Service as approved from time to time by the ACC. Telemetering facilities on each meter will be installed at the Customer's expense. Customers requiring telemetering facilities shall provide, at the Customer's expense, a dedicated telephone line for the Company's use in communicating with the telemetering facilities and will pay any and all costs associated with that phone line. Further, any existing special surcharges or minimum bill provisions designed to recover the cost of facilities for any Customer shall remain in effect and may serve to increase maximum allowable transportation rate levels pursuant to this pricing plan.

9. THIRD PARTY CHARGES

- 9.1 The Customer shall reimburse the Company for any charges rendered or billed to the Company by its upstream pipelines and by any other upstream transporter and gas gatherers, either before or after termination of the Transportation Agreement, which the Company, in its sole good faith judgment, determines have been incurred because of the transportation of Customer's gas hereunder and should, therefore, appropriately be borne by the Customer. Such charges, whether levied in dollars or gas, may include, but shall not be limited to, standby charges or reservation fees, prepayments, applicable taxes, applicable fuel reimbursement, shrinkage, lost and unaccounted for volumes, Gas Research Institute surcharges, penalty charges, and filing fees.

The Customer will reimburse the Company for all such charges incurred by the Company as rendered, irrespective of the actual quantities of natural gas delivered to the Customer.

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District: Entire Gas Service Area

Tariff No.: T-2
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

10. CONDITIONS FOR CONVERTING TO T-2 SERVICE

Any qualified Customer converting from gas sales service to service under this pricing plan is subject to the following conditions and requirements:

- 10.1 T-2 service will commence at the beginning of the first calendar month following the end of five (5) days after receipt of the customer service change request or completion of any required facilities, whichever is later.
- 10.2 Customer will be billed or credited the Customer's pro rata share of the balance in the PGA bank accumulated while served under the Company's sales pricing plan, calculated as follows:
 - (a) Starting from the later of the month of initiation of gas sales service by the Customer, or the date of initiation of the current PGA bank, through the Customer's last month of sales service, the Customer's actual therm usage will be multiplied, on a month-by-month basis, by the difference between the Company's actual commodity cost per therm and the Gas Cost component of the Base Cost of Service Rate adjusted for any PGA and PGA Surcharge that may be in effect from time-to-time;
 - (b) The sum of these monthly calculated values equals the Customer's charge or credit due for conversion to service under this pricing plan;
 - (c) Customer charge or credit will be paid in twelve (12) equal monthly payments, including interest equal to the carrying charge rate applicable to the PGA bank at the time of conversion to service under this pricing plan.

11. TAX CLAUSE

- 11.1 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.

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

12. RULES AND REGULATIONS

12.1 The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

13. CONDITIONS

13.1 Transportation of Customer owned natural gas hereunder shall be limited to natural gas of equal or higher quality than natural gas currently available from the Company's supplier(s). All gas delivered by the Company to the Customer shall be deemed to be the same quality as that gas received by the Company for transportation.

13.2 With respect to the Company's capacity to deliver gas at any particular time, the curtailment priority of any Customer served under this pricing plan shall be the same as the curtailment priority established for other Customers served pursuant to the Company's pricing plan, which would otherwise be applicable to such Customer.

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Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: T-2
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Redlined Schedules



**UNS Gas, Inc.
Rider RR-1
Purchased Gas Adjustment (PGA)**

APPLICABILITY

To all Company pricing plans, unless otherwise specified.

CHANGE IN RATE

UNS GAS Pricing Plans shall include a Cost of Natural Gas Charge ("CNGC") which recovers the cost of gas (natural, manufactured or in any approved form) purchased by UES on behalf of its customer. The cost of natural gas shall include all costs (demand, energy, customer-related and other) of the physical gas commodity and all costs assessed to facilitate transportation and delivery of gas on a firm basis and at an appropriate pressure (unless otherwise specified by tariff or contract) to UES, including but not limited to carrying and other costs not elsewhere recovered. The CNGC consists of the Purchased Gas Adjustment ("PGA") rate and any surcharge or credit authorized by the The Arizona Corporation Commission ("ACC") for recovery or refund of previous gas costs. The CNGC shall be subject to increases or decreases by the amount of the PGA which is based on the rolling twelve (12) month average of actual purchased gas costs and sales. The ACC has banded the PGA change so that the new PGA calculated for the month cannot be more than \$0.15 per therm different than the PGA rate in effect during any of the preceding twelve (12) months, unless authorized by the ACC.

BANK BALANCE

The Company shall maintain an account to assure that it will neither over nor under collect, except to the extent authorized, as a result of adjustment in rates determined under the operation of this pricing plan. Entries shall be made monthly to reflect the amounts paid to suppliers for gas as recorded in the Federal Energy Regulatory Commission series of accounts numbered 800 through 806, less the cost of such gas (adjusted volumes multiplied by the CNGC). Interest will be applied to over and under collected bank balances based on the three (3) month commercial financial paper rate for each month, contained in the Federal Reserve Statistical Release, H-15, or its successor publication.

MONTHLY INFORMATION FILINGS

Each month, the Company shall make a cost of gas information filing that shall include gas volumes and costs by supply source, supplier refunds, credits, billing adjustments, and lost and unaccounted for gas. Each filing shall include monthly sales revenues, volumes, and number of customers by class. The filing should also include historical summaries of actual twelve (12) month purchase gas volumes, costs and sales activity to support the computation of the monthly PGA rate, in the format required by Decision Nos. 61225 and 62994.

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Deleted: specified level of embedded gas costs in their Basic Cost of Service Rate that result in a system average base cost of gas of \$0.40 per therm. In accordance with Decision Nos. 61225 and 62994, issued by the Arizona Corporation Commission ("ACC"), a monthly adjustment to the base cost of gas will be made through a change in the Purchased Gas Adjustment ("PGA")
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 Title: Senior Vice President, General Counsel
 District: Entire Gas Service Area

Tariff No.: RR-1
 Effective: December 1, 2007
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UNS Gas, Inc.
Rider RR-1
Purchased Gas Adjustment (PGA)

RIDER RR-1 (continued)

ADDITIONAL REQUIREMENTS

Notification to the ACC is required if the PGA bank balance exceeds an over collection of \$10,000,000. The Company must file an application for an adjustment within forty-five (45) days of completing the monthly informational filing that illustrates the threshold has been exceeded or contact the ACC to discuss why a credit is not necessary at this time. If the PGA bank balance is under collected, the Company has the right to file an application with the ACC requesting a surcharge. The ACC, upon review, may authorize the balance to be amortized through the surcharge/credit as part of the CNGC for a specified period. Lost and unaccounted for gas recovery is limited to the lesser of the actual costs incurred or up to five percent (5.00%) of total annual throughput.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: RR-1
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan R-10
Residential Gas Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Subject to availability, at point of delivery, to residential gas service in individual residences and individually metered apartments when all service is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$8.50

Delivery Charge per therm @ \$0.3270

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-10
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan R-12
Customer Assistance Residential Energy Support
(C.A.R.E.S.)

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To gas service qualifying for billing under Residential Pricing Plan R-10 where the customer also has qualified for Pricing Plan R-12 as specified in the Company's plan for administration. All provisions of Pricing Plan R-10 will apply except as modified herein.

RATE

The monthly bill shall be in accordance with Pricing Plan R-10 except:

Minimum Customer Charge per month @ \$7.00

Delivery Charge: first 100 therms or less per month will be discounted by \$0.1500 per therm for the billing months of November through April.

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SPECIAL CONDITIONS

1. Eligibility requirements for C.A.R.E.S. are set forth on the Company's Application and Declaration of Eligibility for Low Income Ratepayer Assistance form. Customers who desire to qualify for this pricing plan must initially make application to the Company for qualification and must provide verification to the Company that the customer's household gross income does not exceed one hundred fifty percent (150%) of the federal poverty level. Qualified customers must have an approved application form on file with the Company. Subsequent to the initial certification, the residential customer seeking to retain eligibility for the C.A.R.E.S. must provide a personal certification that the household gross income of the residential dwelling unit involved does not exceed one hundred fifty percent (150%) of the federal poverty level.
2. Samples of the existing C.A.R.E.S. participants will be re-certified every two years prior to October 1 and when a customer changes residence.
3. Eligible customers shall be billed under this pricing plan during the winter season, commencing with the next regularly scheduled billing period after the Company has received the customer's properly completed application form or re-certification.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-12
Effective: December 1, 2007
Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan R-12
Customer Assistance Residential Energy Support
(C.A.R.E.S.)

PRICING PLAN R-12 (continued)

4. Eligibility information provided by the customer on the application form may be subject to verification by the Company. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon request of the Company, shall result in removal from or ineligibility for this pricing plan.
5. Customers who wrongfully declare eligibility or fail to notify the Company when they no longer meet the eligibility requirements may be rebilled for the period of ineligibility under their otherwise applicable residential pricing plan.
6. It is the responsibility of the customer to notify the Company within thirty (30) days of any changes in the customer's eligibility status.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: R-12
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan C-20
Small Volume Commercial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all commercial customers whose primary business activity at the location served is not provided for under any other pricing plan, whose usage does not exceed 120,000 therms per year when all service is supplied at one point of delivery, and whose gas is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$13.50

Delivery Charge per therm @ \$0.2638

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: C-20
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan C-22
Large Volume Commercial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all commercial customers whose primary business activity at the location served is not provided for under any other pricing plan and whose preceding twelve (12) month usage exceeded 120,000 therms. Service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this schedule may not return for a period of twelve (12) billing periods.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$100.00

Delivery Charge per therm @ \$0.1718

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: C-22
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan I-30
Small Volume Industrial Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all customers whose gas usage does not exceed 120,000 therms per year, who are served through a single meter, and whose primary business activity at the location served is included in one of the following classifications of the North American Classification System, United States:

- Sector 11. Agriculture, Forestry, Fishing and Hunting: Subsector 111. Crop Production only;
- Sector 21. Mining: All Subsectors;
- Sector 22. Utilities: Power Generation Subsectors only; and
- Sectors 31-33. Manufacturing: All Subsectors.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$13.50
Delivery Charge per therm @	\$0.2356

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-30
Effective: December 1, 2007
Page No.: 1 of 1



**UNS Gas, Inc.
Pricing Plan I-32
Large Volume Industrial Service**

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all customers whose gas usage over the preceding twelve (12) months exceeded 120,000 therms, and whose primary business activity at the location served is included in one of the following classifications of the North American Classification System, United States:

- Sector 11. Agriculture, Forestry, Fishing and Hunting: Subsector 111. Crop Production only;
- Sector 21. Mining: All Subsectors;
- Sector 22. Utilities: Power Generation Subsectors only; and
- Sectors 31-33. Manufacturing: All Subsectors.

Service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this pricing plan may not return for a period of twelve (12) billing months.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00
Delivery Charge per therm @	\$0.0952

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-32
Effective: December 1, 2007
Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan I-32
Large Volume Industrial Service

PRICING PLAN I-32 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: I-32
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan PA-40
Small Volume Public Authority Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all facilities owned or operated by governmental agencies whose primary business activity at the location served is not provided for under any other pricing plan or special contract, whose usage does not exceed 120,000 therms per year when all service is supplied at one point of delivery and gas is metered through one meter.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$13.50

Delivery Charge per therm @ \$0.2593

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-40
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan PA-42
Large Volume Public Authority Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all facilities owned or operated by governmental agencies whose primary business activity at the location served is not provided for under any other pricing plan or special contract. Under this pricing plan, usage over the preceding twelve (12) months must exceed 120,000 therms when all service is supplied at one point of delivery and gas is metered through one meter unless the Company, at its sole discretion, chooses to provide service through multiple meters.

For new customers, their expected usage must exceed 120,000 therms per year.

Any customer transferring from this pricing plan may not return for a period of twelve (12) billing months.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$100.00

Delivery Charge per therm @ \$0.1198

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-42
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan PA-44
Special Gas Light Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the facilities served.

APPLICABILITY

To all public authority customers for the operation by the Company of gas lights for streets in which gas distribution facilities are located.

RATE

A monthly net bill at the following rates plus any adjustments incorporated in this pricing plan:

Single Orifice @	\$23.72
Double Orifice @	\$39.53
Triple Orifice @	\$54.86
Quadruple Orifice @	\$71.16

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

Lake Havasu City

Lighting Group A per light per month @	\$15.17
Lighting Group B per light per month @	\$18.20
(Lighting Groups defined below)	

CONDITIONS

1. The following definitions shall apply for Lake Havasu City Gas Lights:
 - a. Lighting Group A includes those 14 lights on McCullough Boulevard between Smoketree and Lake Havasu Avenue and those 62 lights in the Lake Havasu Mobile Trailer Parks;
 - b. Lighting Group B includes those 316 lights on the Country Club Golf Course;

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-44
Effective: December 1, 2007
Page No.: 1 of 2



UNS Gas, Inc.
Pricing Plan PA-44
Special Gas Light Service

PRICING PLAN PA-44 (continued)

2. Contracts for gas lighting service under this pricing plan must be for a minimum term of five (5) years.
3. The cost of relocation of any gas light that is requested by the customer will be reimbursed to the Company by the customer.
4. The customer is not authorized to make any connections to gas lines serving individual gas lights or make any alteration of such lights.
5. The Company will use diligence in maintaining gas lighting service and monthly bills will not be reduced because of any gas light outage.
6. Any special contracts for public authority lighting will be based on an analysis of costs of operation, maintenance, and investment. Any contracts pursuant to this pricing plan, which provide for higher rates than set forth in this pricing plan, will be filed with the Arizona Corporation Commission for approval.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: PA-44
Effective: December 1, 2007
Page No.: 2 of 2



UNS Gas, Inc.
Pricing Plan IR-60
Irrigation Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

To all irrigation customers whose primary business activity at the location served is not provided for under any other pricing plan, who operates one or more gas-fueled engines, and gas is metered through one meter.

The Company may require that gas for engine use be separately metered and billed if necessary to prevent abuse or inequity in the application of this rate.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$13.50

Delivery Charge per therm @ \$0.3192

Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Filed By: Raymond S. Heyman
Title: Senior Vice President, General Counsel
District: Entire Gas Service Area

Tariff No.: IR-60
Effective: December 1, 2007
Page No.: 1 of 1



UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Applicable to natural gas use by customers that qualify for service under this pricing plan according to either applicability Provision 1. or 2. below:

1. Customers whose annual requirements are greater than 10,000 therms and who in the Company's sole judgment have facilities capable of installing or using alternative fuels or energy to adequately serve their needs.
2. Customers whose requirements may be served by other natural gas suppliers at rates lower than the customer's otherwise applicable gas sales pricing plan. As a condition precedent to qualifying for service under this applicability provision, the customer must establish to the satisfaction of the Company, that bypass is economically, operationally, and physically feasible.

Any gas service rendered to customers not in conformance with the provisions of this pricing plan shall be billed at a rate equivalent to the otherwise applicable gas sales pricing plan.

RATE

The maximum service charge is the charge under the customer's otherwise applicable gas sales pricing plan.

Unless otherwise provided, the commodity charge per therm shall be determined in accordance with Condition No. 2 defined below. In no event shall the commodity charge per therm be less than the "floor" cost of gas, which is defined as the sum of (1) the weighted average commodity cost of gas purchased by the Company for system supply during the month, (2) the applicable upstream pipeline capacity charge, and (3) an amount to reflect distribution system shrinkage.

For customers qualifying for service, and if the Company is unable to serve such customer utilizing the "floor" cost of gas as set forth above, a Special Gas Procurement Agreement shall be executed and filed with the Arizona Corporation Commission ("ACC"), and the commodity charge per therm shall be determined in accordance with Condition No. 3 defined below.

With the exception of gas sales provided for under Condition No. 3, the Company shall account for sales under this pricing plan using the "floor" cost of purchased gas.

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Deleted: Dennis R. Nelson
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Filed By: Raymond S. Heyman
 Title: Senior Vice President, General Counsel
 District: Entire Gas Service Area

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UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

PRICING PLAN CGS-1 (continued)

SUPPLIER REFUNDS

If, as a result of any final Order of the Federal Energy Regulatory Commission or the ACC that is no longer subject to judicial review, the Company receives a refund from any of its upstream pipeline transporters or suppliers which is applicable to gas sales made under this Competitive Gas Service Pricing Plan, the Company shall allocate such refund to its customers based on the terms billed during the refund period. The amount allocated to the customers served under this pricing plan shall be used to reduce such customer's gas costs.

CONDITIONS

1. Any qualified customer taking service under this pricing plan shall do so by agreement.
2. The commodity charge per therm may vary from customer to customer based on value of the service and on the customer's ability to change from one energy source to another, and may be revised from time to time as costs and conditions change. In no event shall the commodity charge per therm charged to the customer, excluding gross revenue taxes, exceed the commodity charge per therm that would have been charged under the customer's otherwise applicable gas sales pricing plan, adjusted to exclude any surcharge to amortize the balance in the Gas Cost Balancing Account.
3. A Special Gas Procurement Agreement under this pricing plan is defined herein as an agreement between the Company and an applicable customer, which enumerates the provisions whereby the Company will procure specific supplies of gas for the customer. The commodity charge per therm for Special Gas Procurement Agreement customers may vary depending on the terms and conditions of the Agreement, but in no event shall be less than the variable cost of gas procured from suppliers on behalf of the customer. A sole and separate accounting of gas purchases and sales made under Special Gas Procurement Agreements shall be maintained by the Company. The cost of gas purchases made for such customers will be excluded from the Purchased Gas Adjustment in Rider RR-1. However, the Company shall credit to Account No. 191, Unrecovered Purchased Gas Costs, all upstream pipeline capacity charges collected from the customer. (Note: Upstream pipeline capacity charges will be priced at market-based rates.)
4. All customers that qualify for service under this pricing plan because of alternate energy capability must be capable of installing adequate alternate energy facilities of equivalent capacity to those natural gas facilities served hereunder. These facilities are subject to Company inspection and verification of operating capacity and capability.
5. Any customer served under this pricing plan who returns to an otherwise applicable gas sales pricing plan shall be billed at the then currently effective pricing plan.

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan CGS-1
Competitive Gas Service

PRICING PLAN CGS-1 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan CNG-1
Compressed Natural Gas Service
(Separately Metered)

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Service under this pricing plan is available to any customer where the customer purchases natural gas to be used as a motor fuel. Service will be separately metered. This rate may include compression by the Company beyond normal meter sales pressure.

RATE

Customer Charge: For customers using Compressed Natural Gas for only their own vehicle(s), the customer charge is that from the otherwise applicable pricing plan. For all others, it is \$30.00 per meter per month.

Basic Cost of Service Rates: The rate will be determined by a contract between the Company and the customer. In no case will the rate be lower than the Company's cost of gas, as determined by the most recent Purchased Gas Adjustment proceeding, nor will it be higher than one hundred fifty percent (150%) of the equivalent cost of premium gasoline.

Purchased Gas Adjustment: The basic cost of service rate set forth above shall be increased or decreased by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1. The purchased gas adjustment enables the Company to increase or decrease the basic cost of service rate in order to pass on increases or decreases in the base cost of gas to customers.

CONDITIONS

1. This pricing plan does not include any road use fees or permits.
2. Customer must provide an affidavit to the Company certifying that the gas delivered will be used as motor fuel.
3. Compressor stations are subject to inspection by qualified Company personnel.

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UNS Gas, Inc.
Pricing Plan CNG-1
Compressed Natural Gas Service
(Separately Metered)

PRICING PLAN CNG-1 (continued)

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.

RULES AND REGULATIONS

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Tariff No.: CNG-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan EC-1
Electrical Cogeneration Service

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Service under this pricing plan is available to any customer who enters into a contract with the Company to use natural gas for the purpose of cogeneration. Cogeneration is defined as the use of thermal energy to produce electricity with recapture of by-product heat in the form of steam, exhaust heat, etc. for industrial process use, space heating, food processing, or other purposes.

RATE

A monthly net bill at the following rate plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @	\$100.00	Deleted: 85
Delivery Charge per therm @	\$0.4488	Deleted: Basic Cost of Service Rate
<u>Cost of Natural Gas Charge ("CNGC"): This charge recovers the cost of natural gas purchased by UES on behalf of its customer. The CNGC shall be subject to increases or decreases by the amount of the purchased gas adjustment for the billing month computed in accordance with the provisions of Rider RR-1.</u>		Deleted: (Base cost of gas of \$0.4000 per therm is included in the basic cost of service rate)
		Deleted: Purchased Gas Adjustment: The basic cost of service rate set forth above
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		Deleted: The purchased gas adjustment enables the Company to increase or decrease the basic cost of service rate in order to pass on increases or decreases in the base cost of gas to customers.

CONDITIONS

- Gas taken under this pricing plan shall be used exclusively for the purpose of cogeneration as defined in the Applicability section of this pricing plan and not for other purposes. The gas taken under this pricing plan will be separately metered.
- This pricing plan will not be available for standby use.
- For the purpose of this pricing plan, the annual load factor must be sixty percent (60%) or greater. The annual load factor is defined as the customer's total annual consumption divided by the customer's peak month consumption times twelve (12). If less than a sixty percent (60%) load factor occurs for a twelve (12) month period, the rate charged will be the rate that the customer would otherwise be served under for the months in which the annual load factor did not equal sixty percent (60%).

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Tariff No.: EC-1
 Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan EC-1
Electrical Cogeneration Service

PRICING PLAN EC-1 (continued)

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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Tariff No.: EC-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan NSP-1
Negotiated Sales Program

AVAILABILITY

In all territories served by Company at all points where facilities for gas service are available to the premise served.

APPLICABILITY

Available to all customers who receive service under the Company's T-1 pricing plan (Transportation of Customer-Secured Natural Gas), T-2 pricing plan (Transportation Service Using Dedicated Transmission Facilities), or special gas supply agreements approved by the Arizona Corporation Commission ("ACC") that meet the minimum transportation requirements under the T-1 or T-2 pricing plans.

Service under the Negotiated Sales Program ("NSP") will be the sale of natural gas to a transportation customer who has negotiated with the Company for the delivery of natural gas to the interconnection of the Company's distribution system and an upstream pipeline at the City Gate. NSP service will be interruptible service at the election of the Customer.

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RATE

The rates to be charged for this service shall be those negotiated between the Company and each Customer.

CONDITIONS

NSP service shall be provided subject to the provision of this pricing plan, the T-1 pricing plan, the T-2 pricing plan, or special gas supply agreements approved by the ACC, as applicable.

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.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

1. AVAILABILITY

This pricing plan is available to any qualifying Customer for transportation of natural gas by the Company from existing interconnects between the Company and upstream pipelines (herein called Receipt Point) to the Delivery Point(s) on the Company's system throughout its certificated Arizona Gas Service Area under the following conditions:

- 1.1 The Company has available capacity to render the requested service without construction of any additional facilities, except as provided by Section 8 of this pricing plan.
- 1.2 The Customer has demonstrated to the Company's satisfaction the assurance of natural gas supplies and third-party transportation agreements with quantities, and for a term compatible with the service being requested from the Company.
- 1.3 The Customer and the Company have executed a Transportation Agreement, and the Customer is to be the End-User.
- 1.4 The Customer's gas to be transported is greater than 120,000 therms per year. A Customer receiving service from the Company at multiple locations may aggregate meters with annual consumption of no less than 50,000 therms per meter to qualify for this service provided that all meter locations are served under a single entity. In addition, the annual consumption of customers that are aggregated must be greater than 120,000 therms per year.

2. APPLICABILITY

This pricing plan shall apply to gas transported by the Company for Customer pursuant to the executed service agreement.

- 2.1 The basic transportation service rendered under this pricing plan shall consist of:
 - (a) The receipt by the Company for the account of the Customer of the Customer's gas at the Receipt Point;
 - (b) The transportation of gas through the Company's gas system for the account of the Customer; and
 - (c) The delivery of gas after transportation by the Company for the account of the Customer at the Delivery Point(s).

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

- 2.2 Transportation: Service is firm and uninterrupted except for the following:
 - (a) Curtailment in accordance with the Company's curtailment priority procedures;
 - (b) When the Company determines it has insufficient capacity on its system or from its upstream pipeline; or
 - (c) Customer's gas supply to the Company is insufficient to meet its requirement.
- 2.3 Any Customer served under this pricing plan that requests service under a sales pricing plan is ineligible to return to transportation service for a period of not less than twelve (12) months.

3. RATES

3.1 A discount from the following rates may be offered at the sole discretion of the Company if such discount is in the best interest of the Company and its ratepayers. The maximum amount that the Customer shall pay the Company monthly will be the sum of the following charges:

Minimum Customer Charge per Month: \$100.00 per meter

Volume Charge: An amount equal to the applicable unit transportation rate for each therm of Customer-secured gas metered and delivered to the Customer. The unit rates shall be as set forth in the currently effective Pricing Plan Summary. The volume charge will consist of the following:

- (a) An amount equal to the applicable unit sales margin for each therm as set forth in the Customer's otherwise applicable sales pricing plan for each meter. This volume charge will cover the Company's Delivery Charge as specified in the currently effective gas sales pricing plan but not including the base cost of gas specified therein. In no event will the minimum charge be less than that set forth in Section 4.1 below.
- (b) An amount to reflect lost and unaccounted for gas as determined by the differential between the gas costs on a sales basis and gas costs on a purchase basis determined in the development of the currently effective, Purchased Gas Adjustment ("PGA"), Rate Rider No. RR-1. The Company, at its sole option, may allow lost and unaccounted for gas to be paid in kind.

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PRICING PLAN T-1 (continued)

- (c) Any applicable imbalance charges as specified in Section 7 of this pricing plan.
- (d) Any charges from upstream pipeline transporters or suppliers which have been incurred by the Company in excess of those specified in section (c) above and are deemed by the Company to be applicable to the transportation service rendered for the Customer under these pricing plans.

4. MINIMUM CHARGE

- 4.1 The minimum charge will be the Basic Customer Charge per Month plus \$0.005 per therm.

5. ADMINISTRATIVE PROCEDURES

- 5.1 Processing Requests for Transportation Service: Requests for transportation hereunder shall be made by, and shall be deemed to be complete upon, the Customer providing the following information to the Company:

- (a) Gas Quantities: The Maximum Daily Quantity applicable to the receipt point and the Maximum Daily Quantity applicable to each delivery point and estimated total quantities to be received and transported monthly over the delivery period should be stated individually in terms for each receipt point.

- (b) Delivery Point(s): Point(s) of delivery by the Company to the Customer.

- (c) Term of Service:
 - i. Date of service requested to commence;
 - ii. Date service requested to terminate, if known; and
 - iii. Minimum term for transportation service shall be twelve (12) months.

- (d) Performance: A statement from the Customer certifying that the Customer has or will have title to the gas to be delivered to the Company for transportation and has entered into or will enter into those arrangements necessary to assure all upstream transportation will be in place prior to the commencement of service under a Transportation Agreement. The Customer's Agent, if any, must be named.

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

Upon receipt of all of the information specified above, the Company shall prepare and tender to the Customer for execution a Transportation Agreement. If the Customer fails to execute the Transportation Agreement within thirty (30) days of the date tendered, the Customer's request shall be deemed null and void.

6. OPERATING PROCEDURES

6.1 Nominating and Scheduling of Gas Receipts and Deliveries: The Customer shall be responsible for contacting the upstream pipelines to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, that the Customer may designate one (1) other party to serve as his agent for such purpose.

The Customer or Customer's Agent shall be responsible for submitting nominations to the upstream pipeline and notifying the Company's designated representative in writing no later than one (1) hour prior to the upstream pipeline's nomination deadlines set forth in their FERC approved tariff. Such communication shall occur prior to the first of the month and within the month if there are changes to the nominations. The Customer is responsible for confirming the timely receipt of this information by the Company. The Company will confirm whether it has sufficient operational capacity to deliver all or a portion of the Customer's gas.

6.2 Operating Information and Estimates: Upon request of the Company, the Customer shall from time to time submit its best estimates of the daily, monthly and annual volumes of gas to be transported; including peak day requirements, together with such other operating data as the Company may require in order to schedule its operations.

The Company may require large Customers whose contractually allowed maximum daily quantity exceeds 10,000 therms per day, whose usage is not predictable based on weather, and whose ratio of high to low daily usage exceeds ten (10) to inform the Company within 2 hours of any initiation or termination of gas usage exceeding an hourly rate of 1,000 therms per hour.

6.3 Quantities: All quantities referred to in Section 6 shall be provided as dekatherms ("DTH") (one million British Thermal Units).

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PRICING PLAN T-1 (continued)

- 6.4 **Deliverability:** The Company shall not be liable for its failure to deliver gas when such failure is due to unavailability of gas supply or interruption of third party transportation services.
- 6.5 **Other Operating Procedures:** The Company may require additional information or enforce other operating procedures as deemed necessary in the Company's sole judgment, in order to coordinate gas volumes and the movement of gas through the upstream pipeline system to the Company's Arizona Gas Service Area. These additional operating procedures may be enforced upon verbal notice to each Customer or the Customer's Agent with twenty-four (24) hour notice of implementation.
- 6.6 **Balancing:** Balancing of thermally equivalent volumes of gas received and delivered shall be achieved as nearly as feasible on a daily basis, taking into account the Customer's right, subject to prior Company approval, to vary receipts and deliveries across the Company Distribution System. Customer monthly imbalances are defined as the difference between the Customer's total monthly metered quantities and the Customer's total scheduled transportation quantity. Customers are provided a monthly operating window, under which the Customer's cumulative imbalances must be within plus or minus 5 percent (+/- 5%) of the month's total of daily scheduled transportation quantities, plus any Company-approved imbalance adjustment quantity, or 10,000 therms, whichever is greater. Imbalances established in excess of the applicable monthly operating window will be subject to imbalance charges as specified in Section 7 of this pricing plan. However, if the Customer has an imbalance outside this limit and contacts the Company before the end of the last business day of the month, the Customer will have a "cure period" of an additional 30 days to bring its imbalance within the limits before any imbalance charges specified in Section 7 are applied. Customer is then ineligible for a "cure period" for the following month. If in the Company's sole good faith judgment and operating conditions permit, the Company will increase the monthly operating window. Any imbalance (plus or minus) carried forward shall be considered first through the meter during the next daily or monthly period, as applicable.

Upon Customer request, the Company will permit electronic read-only access to the telemetering facilities described in Section 8 or provide daily meter reads each calendar day.

- 6.7 **Adjustments:** Periodically, volume adjustments may be made by the upstream pipelines or the Customer's agent. Therefore, actual daily volumes invoiced will be compared with daily nominated volumes. Should adjustments to the nominated volumes become necessary, such adjustments will be applied to the nomination for the month in which the volumes were delivered to the Customer for the purposes of determining the applicability of the provisions of this pricing plan.

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PRICING PLAN T-1 (continued)

- 6.8 Customer Default: The Company shall not be required to perform or continue service on behalf of any Customer that fails to comply with the terms contained in this pricing plan and the terms of the Customer's Transportation Service Agreement with the Company. The Company shall have the right to waive any one or more specific defaults by any Customer under any provision of this pricing plan or the service agreement, provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character.
- 6.9 Operational Curtailment: The Company reserves the right to impose, at any time, any reasonable operating conditions upon the transportation of the Customer's gas which the Company, in its sole good faith judgment, deems necessary to maintain safe and efficient operation of its distribution system, or to make the operating terms and conditions of service hereunder compatible with those of its upstream pipelines. Under such circumstances, the following conditions shall apply:
- (a) Any Customer that does not comply with a notice of operational curtailment shall be subject to, in addition to any otherwise applicable charges, a penalty of \$10.00 per DTH for all unauthorized quantities during the curtailment period.
 - (b) The Company shall endeavor to provide notice of such operational curtailment forty-eight (48) hours prior to the commencement of the delivery of gas.
 - (c) Notwithstanding condition (b), the Company may impose an operational curtailment on the current gas day. In the event an operational curtailment is imposed on the current gas day, a minimum one-hour grace period will be allowed before penalties begin to apply.

7. PAYMENT FOR EXCESS QUANTITIES

- 7.1 Customers will be assessed imbalance charges if an imbalance exists in excess of the applicable monthly operating window under the conditions set forth in Section 6.6 herein. The portion of any imbalance quantity established by a Customer in excess of the applicable monthly operating window is defined as an excess imbalance quantity. The imbalance charge will be based on the Company's short term purchases, where short term purchases are defined as gas for which the price is determined in the calendar month of use. In addition to the charges payable under this pricing plan, any monthly excess quantity shall be billed as follows:

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PRICING PLAN T-1 (continued)

(a) Positive Excess Imbalance

A positive excess imbalance exists when the Customer's scheduled transportation quantity exceeds the Customer's metered quantity by more than the applicable monthly operating window. The excess imbalance shall be retained by the Company and eliminated after the Customer's bill is credited as follows:

- (i) The price of the positive imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's least expensive short term purchases (including all upstream pipeline fuel and variable costs) for the aggregate positive imbalance volume associated with all T-1 customers. This weighted average cost per therm will be multiplied by the Customer's positive imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Positive" column in Table 1 below.

(b) Negative Excess Imbalance

A negative excess imbalance exists when the sum of the Customer's scheduled transportation quantity is less than the metered quantity by more than the applicable monthly operating window. The excess imbalance shall be eliminated after the Customer is billed as follows:

- (i) The price of the negative imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's most expensive short term purchases (including all upstream pipeline fuel, variable and capacity costs, at a 100% load factor) for the aggregate negative imbalance volume associated with all T-1 customers. This weighted average cost per therm will be multiplied by the Customer's negative imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Negative" column in Table 1 below.

Table 1

Percentage Excess Imbalance	Positive	Negative
Equal to or less than 5%	100%	100%
Over 5% and less than or equal to 15%	90%	110%
Over 15% and less than or equal to 20%	80%	120%
Over 20% and less than or equal to 30%	70%	130%
Over 30%	60%	140%

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

- 7.2 Should the Customer cease to utilize transportation service under this pricing plan, the entire remaining imbalance shall be settled pursuant to Section 7.1. For purposes of this settlement, no operating window applies.
- 7.3 Under no circumstances shall Section 7.1 above be considered as giving the Customer any right to take excess quantity gas, other than as provided by Section 6.6 hereof, nor shall Section 7.1 or payment thereunder be considered as a substitute for any other remedy available to the Company against the offending Customer for failure to respect its obligation to stay within its authorized quantities.

8. FACILITY ADDITIONS

- 8.1 Any facilities which must be installed by the Company to serve the Customer will be constructed in accordance with the Rules and Regulations as approved from time to time by the Arizona Corporation Commission. Telemetering facilities on each meter will be installed at the Customer's expense. Customers requiring telemetering facilities shall provide, at the Customer's expense, a dedicated telephone line for the Company's use in communicating with the telemetering facilities and will pay any and all costs associated with that phone line. Further, any existing special surcharges or minimum bill provisions designed to recover the cost of facilities for any Customer shall remain in effect and may serve to increase maximum allowable transportation rate levels pursuant to this pricing plan.

9. THIRD PARTY CHARGES

- 9.1 The Customer shall reimburse the Company for any charges rendered or billed to the Company by its upstream pipelines and by any other upstream transporter and gas gatherers, either before or after termination of the Transportation Agreement, which the Company, in its sole good faith judgment, determines have been incurred because of the transportation of Customer's gas hereunder and should, therefore, appropriately be borne by the Customer. Such charges, whether levied in dollars or gas, may include, but shall not be limited to, standby charges or reservation fees, prepayments, applicable taxes, applicable fuel reimbursement, shrinkage, lost and unaccounted for volumes, Gas Research Institute surcharges, penalty charges and filing fees.

The Customer will reimburse the Company for all such charges incurred by the Company as rendered, irrespective of the actual quantities of natural gas delivered to the Customer.

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

10. CONDITIONS FOR CONVERTING TO T-1 SERVICE

Any qualified Customer converting from gas sales service to service under this pricing plan is subject to the following conditions and requirements:

- 10.1 T-1 service will commence at the beginning of the first calendar month following the end of five (5) days after receipt of the customer service change request.
- 10.2 Customer will be billed or credited the Customer's pro rata share of the balance in the Company's PGA bank, calculated as follows:
 - (a) Starting from the later of the month of initiation of gas sales service by the Customer, or the date of initiation of the current PGA bank, through the last month of sales service, the Customer's actual therm usage will be multiplied, on a month-by-month basis, by the difference between the Company's actual commodity cost per therm and the Gas Cost component of the Basic Cost of Service Rate adjusted for any PGA and PGA Surcharge that may be in effect from time to time;
 - (b) The sum of these monthly calculated values equals the Customer's charge or credit due for conversion to service under this pricing plan;
 - (c) Customer charge or credit will be paid in twelve (12) equal monthly payments, including interest equal to the carrying charge rate applicable to the PGA bank at the time of conversion to service under this pricing plan.
- 10.3 If a Customer converts back to a pricing plan for gas sales service while the PGA Surcharge existing at the time of the switch to T-1 service is still in effect, such Surcharge will not be applicable to the Customer's billed usage for the period it remains in effect. However, any future PGA Surcharge that may be put into effect will be applicable to the Customer's billed usage.

11. TAX CLAUSE

- 11.1 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.

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UNS Gas, Inc.
Pricing Plan T-1
Transportation of Customer-Secured Natural Gas

PRICING PLAN T-1 (continued)

12. RULES AND REGULATIONS

12.1 The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

13. CONDITIONS

13.1 Transportation of Customer-owned natural gas hereunder shall be limited to natural gas of equal or higher quality than natural gas currently available from the Company's supplier(s). All gas delivered by the Company to the Customer shall be deemed to be the same quality as that gas received by the Company for transportation.

13.2 With respect to the Company's capacity to deliver gas at any particular time, the curtailment priority of any Customer served under this pricing plan shall be the same as the curtailment priority established for other Customers served pursuant to the Company's pricing plan which would otherwise be available to such Customer.

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Tariff No.: T-1
Effective: December 1, 2007
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UNS Gas, Inc.
Pricing Plan T-1 Supplementary Information
Transportation of Customer-Secured Natural Gas

Transportation customers procure their own gas and UNS Gas, Inc. ("Company") transports it from the connection with the interstate pipeline (at the city gate) over the Company's pipeline system to the customer's facility. To qualify, customers must use a minimum of 120,000 therms per year.

The rates per therm for transportation service from the city gate to the customer's facility are as follows:

Large Volume Commercial	\$0.1718 per therm
Large Volume Industrial	\$0.0952 per therm
Large Volume Public Authority	\$0.1198 per therm

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Customers must also pay for the following items:

1. Charges for lost and unaccounted for gas in accordance with Pricing Plan T-1 (Transportation of Customer-Secured Natural Gas);
2. A minimum Customer Charge of \$100 per month;
3. Telemetering equipment and a telephone line; and
4. The costs for delivery of gas to the city gate.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

1. AVAILABILITY

This pricing plan is only available to any qualifying Customer for transportation of natural gas by the Company from dedicated interconnects between the Company and upstream pipelines (herein called Receipt Point) to the Delivery Point(s) on the Company's transmission system throughout its certificated Arizona Gas Service Area under the following conditions:

- 1.1 The Company has or will have available capacity to render the requested service utilizing facilities dedicated to the requirements of the Customer, except as provided by Section 8 hereof;
- 1.2 The Customer has demonstrated to the Company's satisfaction the assurance of natural gas supplies and third-party transportation agreements with quantities and for a term compatible with the service being requested from the Company;
- 1.3 The Customer and the Company have executed a Transportation Agreement, and the Customer is to be the End-User;
- 1.4 The Customer's requirement for gas to be transported is greater than 1,000 therms per day or 120,000 therms per year; and
- 1.5 The Customer is not taking service through dedicated facilities under the provisions of a special contract approved by the Arizona Corporation Commission ("ACC").
- 1.6 The Customer is classified as a utility that produces electricity.

2. APPLICABILITY

This pricing plan shall apply to gas transported by the Company for Customer pursuant to the executed service agreement.

- 2.1 The basic transportation service rendered under this pricing plan shall consist of:
 - (a) The receipt by the Company for the account of the Customer of the Customer's gas at the Receipt Point;
 - (b) The transportation of gas through the Company's gas system for the account of the Customer; and
 - (c) The delivery of gas after transportation by the Company for the account of the Customer at the Delivery Point(s).

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 2.2 Transportation: Service is firm and uninterrupted except for the following:
- (a) Curtailment in accordance with the Company's curtailment priority procedures;
 - (b) When the Company determines it has insufficient capacity on its system or from its upstream pipeline; or
 - (c) Customer's gas supply to the Company is insufficient to meet its requirement.
- 2.3 Any Customer served under this pricing plan is ineligible to obtain sales service without executing a special contract approved by the ACC.

3. RATES

- 3.1 A monthly net bill at the following rates plus any adjustments incorporated in this pricing plan:

Minimum Customer Charge per month @ \$100.00 per meter

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Reservation Charge: An annual charge to be billed in twelve (12) equal monthly installments equal to the fully allocated costs to provide the dedicated facilities necessary to serve the Customer as described more fully in Section 3.2 below.

Volume Charge: An amount equal to the applicable unit transportation rate for each therm of Customer-secured gas metered and delivered to the Customer. The unit rates shall be as set forth in the currently effective Pricing Plan Summary. The volume charge will consist of the following:

- (a) An amount to fund the Company's low income rate program equal to the portion of the applicable unit sales margin for each therm included in rates as set forth in the Customer's otherwise applicable sales pricing plan for each meter.
- (b) An amount to reflect lost and unaccounted for gas as determined by the differential between the gas cost on a sales basis and gas cost on a purchase basis determined in the development of the currently effective Purchased Gas Adjustment ("PGA"), Rate Rider No. RR-1. The Company at its sole option may allow lost and unaccounted for gas to be paid in kind.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- (c) Any applicable imbalance charges as specified in Section 7 of this pricing plan.
- (d) Any charges from upstream pipeline transporters or suppliers which have been incurred by the Company in excess of those specified in section (c) above and are deemed by the Company to be applicable to the transportation service rendered for the Customer under this pricing plan.

Special Surcharge: An annual charge to be computed on the basis of the twelve (12) months ending September of the prior year and billed beginning in January in equal monthly installments, computed as the sum of the following charges:

- (a) The revenue requirements for any additional investments required to provide the service requested by Customer subsequent to the establishment of the currently effective Reservation Charge,
- (b) Any non-recurring operating and maintenance expenses associated with the facilities dedicated to the Customer in the previous year, and
- (c) Any extraordinary expenses incurred by the Company on behalf of the Customer not included in (a) or (b) above.

3.2 Reservation Charge: Determined on the basis of a fully allocated cost study filed with and approved by the ACC in the context of a general rate case except when the request for service is non-coincident with a rate filing. In the latter case, the Reservation Charge will be computed by the Company including the following elements:

- (a) Return and income taxes at the rate of return approved by the ACC in the Company's last general rate case computed on the basis of the installed costs of the dedicated facilities plus an allocation of other rate base items including, as appropriate: intangible, general and common plant investment, less any applicable accumulated depreciation and deferred taxes, an allowance for working capital and materials and supplies;
- (b) Operations expense including all operating and maintenance expenses, depreciation and amortization expense, taxes other than income related to the dedicated facilities and allocated rate base;

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- (c) Allocated indirect expense including an appropriate portion of customer accounting, sales and information, and administrative and general expenses; and
- (d) Any other allocated costs incurred either directly or indirectly to provide the requested service.

4. MINIMUM CHARGE

- 4.1 The minimum charge will be the sum of the Basic Customer Charge per Month, the monthly Reservation Charge and any monthly Special Surcharge.

5. ADMINISTRATIVE PROCEDURES

- 5.1 Processing Requests for Transportation Service: Requests for transportation hereunder shall be made by, and shall be deemed to be complete upon, the Customer providing the following information to the Company:

- (a) Gas Quantities: The Maximum Daily Quantity applicable to the receipt point and the Maximum Daily Quantity applicable to each delivery point, and estimated total quantities to be received and transported monthly over the delivery period should be stated individually in terms for each receipt point.

- (b) Delivery Point(s): Point(s) of delivery by the Company to the Customer.

- (c) Term of Service:

- i. Date service requested to commence;
- ii. Date service requested to terminate, if known; and
- iii. Minimum term for transportation service shall be twelve (12) months.

- (d) Performance: A statement from the Customer certifying that the Customer has or will have title to the gas to be delivered to the Company for transportation and has entered into or will enter into those arrangements necessary to assure all upstream transportation will be in place prior to the commencement of service under a Transportation Agreement. The Customer's Agent, if any, must be named.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

Upon receipt of all of the information specified above, the Company shall prepare and tender to the Customer for execution a Transportation Agreement. If the Customer fails to execute the Transportation Agreement within thirty (30) days of the date tendered, the Customer's request shall be deemed null and void.

5.2 Construction Requirements: In the event that the Customer's request for service requires the construction of additional transmission facilities not otherwise addressed in Section 7, Extension of Lines, in the Company's current Rules and Regulations, the following additional provisions may apply:

- (a) The Company may request an advance for engineering and design services based on the Company's estimate of the anticipated costs related to the requested dedicated facilities;
- (b) Any advance for engineering and design will be refunded to the Customer on commencement of service;
- (c) Actual engineering and design costs will be included in the dedicated facilities' costs and recovered as a part of the Reservation Charge;
- (d) If the dedicated facilities are not placed in service for any reason, the Company may retain the advance;
- (e) Prior to the initiation of construction of the dedicated facilities, the Company will provide an estimate of the total costs and resulting annual costs to Customer;
- (f) The Company shall not be liable for any differences between actual construction costs and estimated costs;
- (g) Customer may withdraw the request for service prior to initiation of construction; and
- (h) The Customer may request that construction cease prior to completion. However, if the dedicated facilities are not completed or placed in service, the Customer is liable for service under the terms of this pricing plan as if the facilities had been completed, based on the total construction costs expended on behalf of the Customer.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

6. OPERATING PROCEDURES

- 6.1 Nominating and Scheduling of Gas Receipts and Deliveries: The Customer shall be responsible for contacting the upstream pipelines to arrange for the nominating and scheduling of receipts and deliveries hereunder, provided, that the Customer may designate one (1) other party to serve as his agent for such purpose.

The Customer or Customer's Agent shall be responsible for submitting nominations to the upstream pipeline and notifying the Company's designated representative in writing no later than one (1) hour prior to the upstream pipeline's nomination deadlines set forth in their FERC approved tariff. Such communication shall occur prior to the first of the month and within the month if there are changes to the nominations. The Customer is responsible for confirming the timely receipt of this information by the Company. The Company will confirm whether it has sufficient operational capacity to deliver all or a portion of the Customer's gas.

- 6.2 Operating Information and Estimates: Upon request of the Company, the Customer shall from time to time submit its best estimates of the daily, monthly and annual volumes of gas to be transported; including peak day requirements, together with such other operating data as the Company may require in order to schedule its operations.

The Company may require large Customers whose contractually allowed maximum daily quantity exceeds 10,000 therms per day, whose usage is not predictable based on weather, and whose ratio of high to low daily usage exceeds ten (10) to inform the Company within 2 hours of any initiation or termination of gas usage exceeding an hourly rate of 1,000 therms per hour.

- 6.3 Quantities: All quantities referred to in Section 6 shall be provided as dekatherms ("DTH") (one million British Thermal Units).
- 6.4 Deliverability: The Company shall not be liable for its failure to deliver gas when such failure is due to unavailability of gas supply or interruption of third party transportation services.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 6.5 Other Operating Procedures: The Company may require additional information or enforce other operating procedures as deemed necessary in the Company's sole judgment, in order to coordinate gas volumes and the movement of gas through the upstream pipeline system to the Company's Arizona Gas Service Area. These additional operating procedures may be enforced upon verbal notice to each Customer or the Customer's Agent with twenty-four (24) hour notice of implementation.
- 6.6 Balancing: Balancing of thermally equivalent volumes of gas received and delivered shall be achieved as nearly as feasible on a daily basis, taking into account the Customer's right, subject to prior Company approval, to vary receipts and deliveries across the Company Distribution System. Customer monthly imbalances are defined as the difference between the Customer's total monthly metered quantities and the Customer's total scheduled transportation quantity. Customers are provided a monthly operating window, under which the Customer's cumulative imbalances must be within plus or minus 5 percent (+/- 5%) of the month's total of daily scheduled transportation quantities, plus any Company-approved imbalance adjustment quantity, or 10,000 therms, whichever is greater. Imbalances established in excess of the applicable monthly operating window will be subject to imbalance charges as specified in Section 7 of this pricing plan. However, if the Customer has an imbalance outside this limit and contacts the Company before the end of the last business day of the month, the Customer will have a "cure period" of an additional 30 days to bring its imbalance within the limits before any imbalance charges specified in Section 7 are applied. Customer is then ineligible for a "cure period" for the following month. If in the Company's sole good faith judgment and operating conditions permit, the Company will increase the monthly operating window. Any imbalance (plus or minus) carried forward shall be considered first through the meter during the next daily or monthly period, as applicable.
- Upon Customer request, the Company will permit electronic read-only access to the telemetering facilities described in Section 8 or provide daily meter reads each calendar day.
- 6.7 Adjustments: Periodically, volume adjustments may be made by the upstream pipelines or the Customer's agent. Therefore, actual daily volumes invoiced will be compared with daily nominated volumes. Should adjustments to the nominated volumes become necessary, such adjustments will be applied to the nomination for the month in which the volumes were delivered to the Customer for the purposes of determining the applicability of the provisions of this pricing plan.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 6.8 Customer Default: The Company shall not be required to perform or continue service on behalf of any Customer that fails to comply with the terms contained in this pricing plan and the terms of the Customer's Transportation Service Agreement with the Company. The Company shall have the right to waive any one or more specific defaults by any Customer under any provision of this pricing plan or the service agreement, provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character.
- 6.9 Operational Curtailment: The Company reserves the right to impose, at any time, any reasonable operating conditions upon the transportation of the Customer's gas which the Company, in its sole good faith judgment, deems necessary to maintain safe and efficient operation of its distribution system, or to make the operating terms and conditions of service hereunder compatible with those of its upstream pipelines. Under such circumstances, the following conditions shall apply:
- (a) Any Customer that does not comply with a notice of operational curtailment shall be subject to, in addition to any otherwise applicable charges, a penalty of \$10.00 per DTH for all unauthorized quantities during the curtailment period.
 - (b) The Company shall endeavor to provide notice of such operational curtailment forty-eight (48) hours prior to the commencement of the delivery of gas.
 - (c) Notwithstanding condition (b), the Company may impose an operational curtailment on the current gas day. In the event an operational curtailment is imposed on the current gas day, a minimum one-hour grace period will be allowed before penalties begin to apply.

7. PAYMENT FOR EXCESS QUANTITIES

- 7.1 Customers will be assessed imbalance charges if an imbalance exists in excess of the applicable monthly operating window under the conditions set forth in Section 6.6 herein. The portion of any imbalance quantity established by a Customer in excess of the applicable monthly operating window is defined as an excess imbalance quantity. The imbalance charge will be based on the Company's short term purchases, where short term purchases are defined as gas for which the price is determined in the calendar month of use. In addition to the charges payable under this pricing plan, any monthly excess quantity shall be billed as follows:

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**UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities**

PRICING PLAN T-2 (continued)

(a) Positive Excess Imbalance

A positive excess imbalance exists when the Customer's scheduled transportation quantity exceeds the Customer's metered quantity by more than the applicable monthly operating window. The excess imbalance shall be retained by the Company and eliminated after the Customer's bill is credited as follows:

- (i) The price of the positive imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's least expensive short term purchases (including all upstream pipeline fuel and variable costs) for the aggregate positive imbalance volume associated with all T-2 customers. This weighted average cost per therm will be multiplied by the Customer's positive imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Positive" column in Table 1 below.

(b) Negative Excess Imbalance

A negative excess imbalance exists when the sum of the Customer's scheduled transportation quantity is less than the metered quantity by more than the applicable monthly operating window. The excess imbalance shall be eliminated after the Customer is billed as follows:

- (i) The price of the negative imbalance gas for the applicable month shall be calculated as the weighted average cost per therm of the Company's most expensive short term purchases (including all upstream pipeline fuel, variable and capacity costs, at a 100% load factor) for the aggregate negative imbalance volume associated with all T-2 customers. This weighted average cost per therm will be multiplied by the Customer's negative imbalance volume and the percentage associated with the Customer's "Percentage Excess Imbalance" in the "Negative" column in Table 1 below.

Table 1

Percentage Excess Imbalance	Positive	Negative
Equal to or less than 5%	100%	100%
Over 5% and less than or equal to 15%	90%	110%
Over 15% and less than or equal to 20%	80%	120%
Over 20% and less than or equal to 30%	70%	130%
Over 30%	60%	140%

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

- 7.2 Should the Customer cease to utilize transportation service under this pricing plan, the entire remaining imbalance shall be settled pursuant to Section 7.1. For purposes of this settlement, no operating window applies.
- 7.3 Under no circumstances shall Section 7.1 above be considered as giving the Customer any right to take excess quantity gas, other than as provided by Section 6.6 hereof, nor shall Section 7.1 or payment thereunder be considered as a substitute for any other remedy available to the Company against the offending Customer for failure to respect its obligation to stay within its authorized quantities.

8. FACILITY ADDITIONS

- 8.1 Any facilities which must be installed by the Company to serve the Customer will be constructed in accordance with the Rules of Service as approved from time to time by the ACC. Telemetering facilities on each meter will be installed at the Customer's expense. Customers requiring telemetering facilities shall provide, at the Customer's expense, a dedicated telephone line for the Company's use in communicating with the telemetering facilities and will pay any and all costs associated with that phone line. Further, any existing special surcharges or minimum bill provisions designed to recover the cost of facilities for any Customer shall remain in effect and may serve to increase maximum allowable transportation rate levels pursuant to this pricing plan.

9. THIRD PARTY CHARGES

- 9.1 The Customer shall reimburse the Company for any charges rendered or billed to the Company by its upstream pipelines and by any other upstream transporter and gas gatherers, either before or after termination of the Transportation Agreement, which the Company, in its sole good faith judgment, determines have been incurred because of the transportation of Customer's gas hereunder and should, therefore, appropriately be borne by the Customer. Such charges, whether levied in dollars or gas, may include, but shall not be limited to, standby charges or reservation fees, prepayments, applicable taxes, applicable fuel reimbursement, shrinkage, lost and unaccounted for volumes, Gas Research Institute surcharges, penalty charges, and filing fees.

The Customer will reimburse the Company for all such charges incurred by the Company as rendered, irrespective of the actual quantities of natural gas delivered to the Customer.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

10. CONDITIONS FOR CONVERTING TO T-2 SERVICE

Any qualified Customer converting from gas sales service to service under this pricing plan is subject to the following conditions and requirements:

- 10.1 T-2 service will commence at the beginning of the first calendar month following the end of five (5) days after receipt of the customer service change request or completion of any required facilities, whichever is later.
- 10.2 Customer will be billed or credited the Customer's pro rata share of the balance in the PGA bank accumulated while served under the Company's sales pricing plan, calculated as follows:
 - (a) Starting from the later of the month of initiation of gas sales service by the Customer, or the date of initiation of the current PGA bank, through the Customer's last month of sales service, the Customer's actual therm usage will be multiplied, on a month-by-month basis, by the difference between the Company's actual commodity cost per therm and the Gas Cost component of the Base Cost of Service Rate adjusted for any PGA and PGA Surcharge that may be in effect from time-to-time;
 - (b) The sum of these monthly calculated values equals the Customer's charge or credit due for conversion to service under this pricing plan;
 - (c) Customer charge or credit will be paid in twelve (12) equal monthly payments, including interest equal to the carrying charge rate applicable to the PGA bank at the time of conversion to service under this pricing plan.

11. TAX CLAUSE

- 11.1 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.

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UNS Gas, Inc.
Pricing Plan T-2
Transportation Service Using Dedicated
Transmission Facilities

PRICING PLAN T-2 (continued)

12. RULES AND REGULATIONS

12.1 The standard Rules and Regulations of the Company as on file from time to time with the Arizona Corporation Commission shall apply where not inconsistent with this pricing plan.

13. CONDITIONS

13.1 Transportation of Customer owned natural gas hereunder shall be limited to natural gas of equal or higher quality than natural gas currently available from the Company's supplier(s). All gas delivered by the Company to the Customer shall be deemed to be the same quality as that gas received by the Company for transportation.

13.2 With respect to the Company's capacity to deliver gas at any particular time, the curtailment priority of any Customer served under this pricing plan shall be the same as the curtailment priority established for other Customers served pursuant to the Company's pricing plan, which would otherwise be applicable to such Customer.

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UNS Gas, Inc.
Pricing Plan MISC-1
Miscellaneous Service Fees

In addition to the Pricing Plans on file and approved by the Arizona Corporation Commission for natural gas service, the following fees are also approved for the respective services listed:

Service Transfer Fee

Transfer of service from one customer to another, when meter is not turned off, per occurrence @ \$15.00

Collection Fee

When overdue payment is collected by a Company representative at the customer's premises, per occurrence @ \$20.00

Special Call Out

When a special call-out is required, the minimum charge shall be for one hour at the Company's then prevailing after hours rate for service work on the customer's premises.

Establishment of Service

During regular working hours, per occurrence @ \$25.00

When performed outside of regular working hours, per occurrence @ \$35.00

Re-establishment, Reconnection of Service for Non-Payment

During regular working hours, per occurrence @ \$45.00

When performed outside of regular working hours, occurrence @ \$55.00

Re-establishment, Reconnection of Service for Other Reasons

During regular working hours, per occurrence @ \$35.00

When performed outside of regular working hours, per occurrence @ \$45.00

Customer Requested Meter Re-Reads

When reading is correct, per occurrence @ \$15.00

Customer Requested Meter Test

When meter tests are accurate within +/- 3%, per occurrence @ \$65.00

Insufficient Funds Check (NSF)

Insufficient funds, per occurrence @ \$15.00

Multiple Attempts to Connect

When more than one failed attempt to establish service due to customer not home or facilities not ready, per occurrence @ \$15.00

Regular working hours are defined as non-holiday weekdays from 8:30 AM to 4:30 PM.

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