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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

JUL -2 2008

DOCKETED BY MM

COMMISSIONERS

MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

2008 JUL -2 P 3:36

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE FILING BY TUCSON )
ELECTRIC POWER COMPANY TO AMEND )
DECISION NO. 62103. )

DOCKET NO. E-01933A-05-0650

IN THE MATTER OF THE APPLICATION OF )
TUCSON ELECTRIC POWER COMPANY FOR )
THE ESTABLISHMENT OF JUST AND )
REASONABLE RATES AND CHARGES )
DESIGNED TO REALIZE A REASONABLE )
RATE OF RETURN ON THE FAIR VALUE OF )
ITS OPERATIONS THROUGHOUT THE STATE )
OF ARIZONA. )

DOCKET NO. E-01933A-07-0402

NOTICE OF FILING OF REVISED
SETTLEMENT AGREEMENT
EXHIBITS
NOS. 3 AND 8.

Tucson Electric Power Company ("TEP"), through undersigned counsel, submits revisions to Exhibit Nos. 3 and 8 to the Settlement Agreement filed in these dockets on May 29, 2008. The revisions are consistent with the terms and conditions of the Settlement Agreement. They do not change the revenue requirements or the proposed base rate increase. The signatories to the Settlement Agreement have agreed to the revisions made in Exhibit Nos. 3 and 8 as attached.

The following documents are attached and incorporated herein:

Revised Exhibit 8 (clean and red-lined versions)

Revised Exhibit 3 (clean version)

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RESPECTFULLY SUBMITTED this 2<sup>nd</sup> day of July 2008.

TUCSON ELECTRIC POWER COMPANY

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Original and 15 copies of the foregoing  
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Revised

Exhibit 3

**TUCSON ELECTRIC POWER COMPANY  
SUMMARY PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

**SUMMARY PAGE**

	Residential	Commercial	Industrial	Public Authority	Lighting	Mines	TOTAL
Customers	357,254	34,743	14	35	26	2	392,074
kWhs	3,864,352,371	3,314,379,658	948,945,003	225,259,044	41,015,127	924,897,900	9,318,849,103
Current Revenues	\$347,836,625	\$308,402,277	\$58,805,533	\$16,053,066	\$4,450,206	\$45,544,537	\$781,092,244
Proposed Revenues	\$368,376,793	\$327,326,477	\$62,413,914	\$17,038,066	\$4,723,465	\$48,338,959	\$828,217,672
Percent Increase	5.9%	6.1%	6.1%	6.1%	6.1%	6.1%	6.0%

**Fuel & Purchased Power**

CLASS	TOTAL SALES (kWh)	Revenue	Avg Rate per Class	As a Percent
Residential	3,864,352,371	116,817,321	0.030229	43%
Commercial	3,314,379,658	95,220,881	0.028730	35%
Industrial	948,945,003	26,200,236	0.027610	10%
Mining	924,897,900	23,741,602	0.025669	9%
Public Authority	225,259,044	6,237,791	0.027692	2%
Lighting	41,015,127	1,058,888	0.025817	0%
<b>Total</b>	<b>9,318,849,103</b>	<b>269,276,718</b>	<b>0.028896</b>	

**TUCSON ELECTRIC POWER COMPANY  
LIFE LINE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing		Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
		Determinants	Existing Rates			
<b>RESIDENTIAL - SENIOR LIFELINE FROZEN -R0401F</b>						
1	Customers (Single-Phase)		34,147	\$4.90	\$4.90	\$167,320
2	<u>Summer</u>					
3	1st 500 kWhs	7,822,797		\$0.090921	\$0.090921	711,257
4	3,000 kWhs	5,366,439		\$0.090921	\$0.090921	487,922
	<u>Winter</u>					
5	1st 500 kWhs	5,308,943		\$0.078970	\$0.078970	419,247
6	3,000 kWhs	3,483,881		\$0.078970	\$0.078970	275,122
7	<b>TOTAL REVENUE</b>				<u>\$2,060,872</u>	<u>2,060,868</u>
8	<b>TOTAL R-0104F</b>	kWh	21,982,060			-\$4
9		Cust	2,846			
10	<b>DISCOUNT</b>					<b>-\$478,817</b>
<b>RESIDENTIAL - SENIOR LIFELINE FROZEN - R0421F</b>						
11	Customer Charge		76	\$6.86	\$6.86	\$521
12	Summer On Peak kWhs	14,396		\$0.125413	\$0.125413	\$1,805
13	Summer Off Peak kWhs	21,368		\$0.050165	\$0.050165	\$1,072
14	Winter On Peak kWhs	12,633		\$0.099018	\$0.099018	\$1,251
15	Winter Off Peak kWhs	41,013		\$0.050165	\$0.050165	\$2,057
16	<b>TOTAL REVENUE</b>				<u>\$6,707</u>	<u>6,707</u>
17						\$0
18	<b>TOTAL R-0421F</b>	kWh	89,410			
19		Cust	6			
20	<b>DISCOUNT</b>					<b>-\$1,558</b>
<b>RESIDENTIAL - SENIOR LIFELINE FROZEN - R0470F</b>						
21	Customers		122	\$6.78	\$6.78	\$827
22	Summer On Peak kWhs	12,367		\$0.184171	\$0.184171	\$2,278
23	Summer Off Peak kWhs	51,483		\$0.058160	\$0.058160	\$2,994
24	Summer Shoulder Peak kWhs	4,884		\$0.116318	\$0.116318	\$568
25	Winter On Peak kWhs	9,846		\$0.126011	\$0.126011	\$1,241
26	Winter Off Peak kWhs	34,940		\$0.043619	\$0.043619	\$1,524
27	<b>TOTAL REVENUE</b>				<u>\$9,432</u>	<u>\$9,432</u>
28						\$0
29	<b>TOTAL R-0470F</b>	kWh	113,520			
30		Cust	10			
31	<b>DISCOUNT</b>					<b>-\$2,191</b>
<b>RESIDENTIAL - LIFELINE FROZEN -R0501F</b>						
32	Customers (Single-Phase)		68,457	\$4.90	\$4.90	\$335,439
	<u>Summer</u>					
33	1st 500 kWhs	20,649,467		\$0.090921	\$0.090921	1,877,470
34	3,000 kWhs	14,165,535		\$0.090921	\$0.090921	1,287,945
	<u>Winter</u>					
35	1st 500 kWhs	14,013,765		\$0.078970	\$0.078970	1,106,667
36	3,000 kWhs	9,196,236		\$0.078970	\$0.078970	726,227
37	<b>TOTAL REVENUE</b>				<u>\$5,333,758</u>	<u>5,333,748</u>
38						-\$10
39	<b>TOTAL R-0501F</b>	kWh	58,025,003			
40		Cust	5,705			
41	<b>DISCOUNT</b>					<b>-\$509,790</b>

**TUCSON ELECTRIC POWER COMPANY  
LIFE LINE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing		Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
		Determinants	Existing Rates			
<b>RESIDENTIAL - LIFELINE FROZEN -R0521F</b>						
1	Customer Charge	209	\$6.86		\$6.86	\$1,434
2	Summer On Peak kWhs	50,261	\$0.125413		\$0.125413	\$6,303
3	Summer Off Peak kWhs	74,606	\$0.050165		\$0.050165	\$3,743
4	Winter On Peak kWhs	20,718	\$0.099018		\$0.099018	\$2,051
5	Winter Off Peak kWhs	67,265	\$0.050165		\$0.050165	\$3,374
6	<b>TOTAL REVENUE</b>			<b>\$16,906</b>		<b>16,906</b>
7						\$0
8	<b>TOTAL R-0521F</b>	kWh	212,850			
8		Cust	17			
10	<b>DISCOUNT</b>					<b>-\$1,616</b>
<b>RESIDENTIAL - LIFELINE FROZEN -R0570F</b>						
11	Customers	593	\$6.78		\$6.78	\$4,021
12	Summer On Peak kWhs	62,455	\$0.184171		\$0.184171	\$11,502
13	Summer Off Peak kWhs	259,993	\$0.058160		\$0.058160	\$15,121
14	Summer Shoulder Peak kWhs	24,664	\$0.116318		\$0.116318	\$2,869
15	Winter On Peak kWhs	49,723	\$0.126011		\$0.126011	\$6,266
16	Winter Off Peak kWhs	176,452	\$0.043619		\$0.043619	\$7,697
17	<b>TOTAL REVENUE</b>			<b>\$47,475</b>		<b>\$47,475</b>
18						\$0
19	<b>TOTAL R-0570F</b>	kWh	573,287			
20		Cust	49			
21	<b>DISCOUNT</b>					<b>-\$4,538</b>
<b>RESIDENTIAL - LIFELINE FROZEN -R05201AF</b>						
22	Customers (Single-Phase)	159	\$4.90		\$4.90	\$779
23	Mid-Summer kWhs	71,979	\$0.090920		\$0.090920	6,544
24	Remaining Summer kWhs	54,657	\$0.074191		\$0.074191	4,055
25	Winter kWhs	92,033	\$0.064440		\$0.064440	5,931
26	<b>TOTAL REVENUE</b>			<b>\$17,309</b>		<b>\$17,309</b>
27						\$0
28	<b>TOTAL R-05201AF</b>	kWh	218,670			
29		Cust	13			
30	<b>DISCOUNT</b>					<b>-\$1,654</b>
<b>RESIDENTIAL - LIFELINE FROZEN -R05201BF</b>						
31	Customers	26	\$6.78		\$6.78	\$176
32	Mid-Summer On Peak kWhs	1,890	\$0.184171		\$0.184171	\$348
33	Mid-Summer Off Peak kWhs	7,659	\$0.058160		\$0.058160	\$445
34	Mid-Summer Shoulder Peak kWhs	777	\$0.116318		\$0.116318	\$90
35	Remaining Summer On Peak kWhs	1,199	\$0.146415		\$0.146415	\$176
36	Remaining Summer Off Peak kWhs	4,878	\$0.046236		\$0.046236	\$226
37	Remaining Summer Shoulder Peak kWhs	456	\$0.092473		\$0.092473	\$42
38	Winter On Peak kWhs	3,499	\$0.100179		\$0.100179	\$351
39	Winter Off Peak kWhs	11,142	\$0.034673		\$0.034673	\$386
40	<b>TOTAL REVENUE</b>			<b>\$2,240</b>		<b>\$2,240</b>
41						\$0
42	<b>TOTAL R-05201BF</b>	kWh	31,500			
43		Cust	2			
44	<b>DISCOUNT</b>					<b>-\$214</b>

**TUCSON ELECTRIC POWER COMPANY  
LIFE LINE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing		Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
		Determinants	Existing Rates			
<b>RESIDENTIAL - LIFELINE (\$8 DISCOUNT -R0601F (FROZEN))</b>						
1	Customers (Single-Phase)		92,342	\$4.90	\$4.90	\$452,476
<i>Summer</i>						
2	1st 500 kWhs		25,447,243	\$0.090921	\$0.090921	2,313,689
3	3,000 kWhs		17,456,808	\$0.090921	\$0.090921	1,587,190
<i>Winter</i>						
4	1st 500 kWhs		17,269,776	\$0.078970	\$0.078970	1,363,794
5	3,000 kWhs		11,332,924	\$0.078970	\$0.078970	894,961
6	<b>TOTAL REVENUE</b>					<b>\$6,612,110</b>
7						<b>-\$13</b>
8	<b>TOTAL R-0601F</b>	kWh	71,506,752			
9		Cust	7,695			
10	<b>DISCOUNT</b>					<b>-\$760,937</b>
<b>RESIDENTIAL - LIFELINE (\$8 DISCOUNT -R0621F)</b>						
11	Customer Charge		277	\$6.86	\$6.86	\$1,900
12	Summer On Peak kWhs		81,686	\$0.125413	\$0.125413	\$10,244
13	Summer Off Peak kWhs		121,253	\$0.050165	\$0.050165	\$6,083
14	Winter On Peak kWhs		33,672	\$0.099018	\$0.099018	\$3,334
15	Winter Off Peak kWhs		109,322	\$0.050165	\$0.050165	\$5,484
16	<b>TOTAL REVENUE</b>					<b>\$27,046</b>
17						<b>\$0</b>
18	<b>TOTAL R-0621F</b>	kWh	345,933			
19		Cust	23			
20	<b>DISCOUNT</b>					<b>-\$3,112</b>
<b>RESIDENTIAL - LIFELINE (\$8 DISCOUNT - R0670F)</b>						
21	Customers		666	\$6.78	\$6.78	\$4,515
22	Summer On Peak kWhs		68,711	\$0.184171	\$0.184171	\$12,655
23	Summer Off Peak kWhs		286,037	\$0.058160	\$0.058160	\$16,636
24	Summer Shoulder Peak kWhs		27,135	\$0.116318	\$0.116318	\$3,156
25	Winter On Peak kWhs		54,704	\$0.126011	\$0.126011	\$6,893
26	Winter Off Peak kWhs		194,127	\$0.043619	\$0.043619	\$8,468
27	<b>TOTAL REVENUE</b>					<b>\$52,323</b>
28						<b>\$0</b>
29	<b>TOTAL R-0670F</b>	kWh	630,714			
30		Cust	56			
31	<b>DISCOUNT</b>					<b>-\$6,021</b>
<b>RESIDENTIAL - LIFELINE (\$8 DISCOUNT - R06201AF)</b>						
32	Customers (Single-Phase)		513	\$4.90	\$4.90	\$2,514
33	Mid-Summer kWhs		197,796	\$0.090920	\$0.090920	17,984
34	Remaining Summer kWhs		150,197	\$0.074191	\$0.074191	11,143
35	Winter kWhs		252,904	\$0.064440	\$0.064440	16,297
36	<b>TOTAL REVENUE</b>					<b>\$47,938</b>
37						<b>\$0</b>
38	<b>TOTAL R-06201AF</b>	kWh	600,897			
39		Cust	43			
40	<b>DISCOUNT</b>					<b>-\$5,517</b>

**TUCSON ELECTRIC POWER COMPANY  
LIFE LINE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing		Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
		Determinants	Existing Rates			
<b>RESIDENTIAL - LIFELINE (\$8 DISCOUNT - R06201BF)</b>						
1	Customers	12	\$6.78		\$6.78	\$81
2	Mid-Summer On Peak kWhs	992	\$0.184171		\$0.184171	\$183
3	Mid-Summer Off Peak kWhs	4,019	\$0.058160		\$0.058160	\$234
4	Mid-Summer Shoulder Peak kWhs	408	\$0.116318		\$0.116318	\$47
5	Remaining Summer On Peak kWhs	629	\$0.146415		\$0.146415	\$92
6	Remaining Summer Off Peak kWhs	2,560	\$0.046236		\$0.046236	\$118
7	Remaining Summer Shoulder Peak kWhs	240	\$0.092473		\$0.092473	\$22
8	Winter On Peak kWhs	1,836	\$0.100179		\$0.100179	\$184
9	Winter Off Peak kWhs	5,847	\$0.034673		\$0.034673	\$203
10	<b>TOTAL REVENUE</b>				<b>\$1,164</b>	<b>\$1,164</b>
11						\$0
12	<b>TOTAL R-06201BF</b>	kWh	16,530			
13		Cust	1			
14	<b>DISCOUNT</b>					<b>-\$134</b>
<b>RESIDENTIAL - LIFELINE MEDICAL LIFE SUPPORT -R0801F (FROZEN)</b>						
15	Customers (Single-Phase)	8,506	\$4.90		\$4.90	\$41,679
<b>Summer</b>						
16	1st 500 kWhs	3,233,238	\$0.090921		\$0.090921	293,969
17	3,000 kWhs	2,218,001	\$0.090921		\$0.090921	201,663
<b>Winter</b>						
18	1st 500 kWhs	2,194,237	\$0.078970		\$0.078970	173,279
19	3,000 kWhs	1,439,922	\$0.078970		\$0.078970	113,711
20	<b>TOTAL REVENUE</b>				<b>\$824,303</b>	<b>\$824,301</b>
21						-\$2
22	<b>TOTAL R-0801F</b>	kWh	9,085,398			
23		Cust	709			
24	<b>DISCOUNT</b>					<b>-\$226,572</b>
<b>RESIDENTIAL - LIFELINE MEDICAL LIFE SUPPORT -R0821F (FROZEN)</b>						
25	Customer Charge	67	\$6.86		\$6.86	\$460
26	Summer On Peak kWhs	16,761	\$0.125413		\$0.125413	\$2,102
27	Summer Off Peak kWhs	24,879	\$0.050165		\$0.050165	\$1,248
28	Winter On Peak kWhs	6,909	\$0.099018		\$0.099018	\$684
29	Winter Off Peak kWhs	22,431	\$0.050165		\$0.050165	\$1,125
30	<b>TOTAL REVENUE</b>				<b>\$5,619</b>	<b>\$5,619</b>
31						\$0
32	<b>TOTAL R-0821F</b>	kWh	70,980			
33		Cust	6			
34	<b>DISCOUNT</b>					<b>-\$1,544</b>
<b>RESIDENTIAL - LIFELINE MEDICAL LIFE SUPPORT -R0870F (FROZEN)</b>						
35	Customers	141	\$6.78		\$6.78	\$956
36	Summer On Peak kWhs	17,036	\$0.184171		\$0.184171	\$3,138
37	Summer Off Peak kWhs	70,919	\$0.058160		\$0.058160	\$4,125
38	Summer Shoulder Peak kWhs	6,728	\$0.116318		\$0.116318	\$783
39	Winter On Peak kWhs	13,563	\$0.126011		\$0.126011	\$1,709
40	Winter Off Peak kWhs	48,131	\$0.043619		\$0.043619	\$2,099
41	<b>TOTAL REVENUE</b>				<b>\$12,809</b>	<b>\$12,809</b>
42						\$0
43	<b>TOTAL R-0870F</b>	kWh	156,378			
44		Cust	12			
45	<b>DISCOUNT</b>					<b>-\$3,521</b>

**TUCSON ELECTRIC POWER COMPANY  
LIFE LINE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing		Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
		Determinants	Existing Rates			
<b>RESIDENTIAL - LIFELINE MEDICAL LIFE SUPPORT -R08201AF (FROZEN)</b>						
1	Customers (Single-Phase)		18	\$4.90	\$4.90	\$88
2	Mid-Summer kWhs		4,677	\$0.090920	\$0.090920	425
3	Remaining Summer kWhs		3,552	\$0.074191	\$0.074191	264
4	Winter kWhs		5,981	\$0.064440	\$0.064440	385
5	<b>TOTAL REVENUE</b>					<b>\$1,162</b>
6						\$0
7	<b>TOTAL R-08201AF</b>	kWh	14,210			
8		Cust	2			
9	<b>DISCOUNT</b>					<b>-\$320</b>
<b>RESIDENTIAL - LIFELINE SUMMARY</b>						
		<b>CUSTOMERS</b>	<b>kWh</b>		<b>DISCOUNT</b>	<b>Revenue</b>
1	LIFE LINE R01	203,452	160,599,213.00	\$14,831,056	(1,976,117)	\$12,854,940
2	LIFE LINE R21	629	719,173.00	\$56,277	(7,831)	\$48,446
3	LIFE LINE R70	1,522	1,473,899.00	\$122,040	(16,271)	\$105,768
4	LIFE LINE R201A	690	833,777.00	\$66,409	(7,491)	\$58,919
5	LIFE LINE R201B	38	48,030.00	\$3,405	(348)	\$3,057
6	<b>Annual Totals</b>	<b>206,331</b>	<b>163,674,092</b>	<b>\$15,079,187</b>	<b>(2,008,058)</b>	<b>\$13,071,130</b>
7	Average Monthly Lifeline Customers	17,194				
8	<b>TOTAL ANNUAL DISCOUNT</b>			<b>(2,008,058)</b>		<b>2,008,058</b>
9	<b>TOTAL REVENUE INCLUDING DISCOUNT</b>			<b>\$13,071,130</b>		<b>\$13,071,187</b>

TUCSON ELECTRIC POWER COMPANY  
RESIDENTIAL BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>RESIDENTIAL- R01N</b>						
1	Customers (Single-Phase)	3,899,485	\$4.90		\$7.00	\$27,296,392
2	Customer (Three-Phase)	3,804	\$12.26		\$13.00	49,452
<b>Summer</b>						
3	1st 500 kWhs	845,371,595	\$0.090921		\$0.046925	39,669,062
4	3,000 kWhs	1,263,575,096	\$0.090921		\$0.068960	87,136,139
5	3,501 kWhs and above	37,355,185	\$0.090921		\$0.088960	3,323,117
<b>Winter</b>						
6	1st 500 kWhs	794,100,459	\$0.078970		\$0.047309	37,568,099
7	3,000 kWhs	533,236,566	\$0.078970		\$0.067309	35,891,620
8	3,501 kWhs and above	6,420,049	\$0.078970		\$0.087309	560,528
9	Revenue Delivery Charges			\$231,494,079		\$231,494,408
<b>Fuel &amp; Purchased Power</b>						
10	Summer	2,146,301,876		71,252,930	\$0.033198	71,252,930
11	Winter	1,333,757,074		34,274,889	\$0.025698	34,274,889
12	<b>TOTAL REVENUE</b>			<b>\$337,021,888</b>		<b>\$337,022,227</b>
						\$329
13	<b>TOTAL R-01 -</b>	kWh	3,480,058,950			
14		Cust	325,274			
<b>RESIDENTIAL WATER HEATING - R-02 (FROZEN)</b>						
15	Customers	28,728	\$0.00		0	\$0
16	First 100 kWh Charge	2,472,456	\$7.85		\$5.10	\$146,513
17	Delivery, additional kWhs	2,788,089	\$0.054358		\$0.000000	0
18	Delivery, additional kWhs	5,260,545			0.01729800	\$90,997
19	Revenue Delivery Charges			\$237,546		\$237,510
20	Fuel & Purchased Power	5,260,545		154,913	\$0.029448	154,913
21	<b>TOTAL REVENUE</b>			<b>\$392,458</b>	<b>\$0.029448</b>	<b>\$392,422</b>
						-\$36
22	<b>TOTAL R-02</b>	kWh	5,260,545			
23		Cust				
<b>RESIDENTIAL TIME OF USE - R-21 (FROZEN)</b>						
24	Customer Charge	33,883	\$6.86		\$7.00	\$237,181
25	Summer On Peak kWhs	12,261,237	\$0.125413		\$0.101271	1,241,708
26	Summer Off Peak kWhs	18,200,250	\$0.050165		\$0.021508	391,451
27	Winter On Peak kWhs	5,047,599	\$0.099018		\$0.073292	369,949
28	Winter Off Peak kWhs	16,387,663	\$0.050165		\$0.021508	352,466
29	Revenue Delivery Charges			\$2,592,736		\$2,592,754
<b>Fuel &amp; Purchased Power</b>						
30	Summer On Peak	12,261,237		652,273	\$0.053198	652,273
31	Summer Off Peak	18,200,250		422,209	\$0.023198	422,209
32	Winter On Peak	5,047,599		205,427	\$0.040698	205,427
33	Winter Off Peak	16,387,663		339,192	\$0.020698	339,192
34	<b>TOTAL REVENUE</b>			<b>\$4,211,838</b>		<b>\$4,211,856</b>
						\$18
35	<b>TOTAL R-21</b>	kWh	51,896,749			
36		Cust	2,824			

TUCSON ELECTRIC POWER COMPANY  
RESIDENTIAL BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>RESIDENTIAL TIME OF USE - R70F (FROZEN)</b>						
1	Customers	49,226	\$6.78		\$7.00	\$344,582
2	Summer On Peak kWhs	6,828,127	\$0.184171		\$0.174747	1,193,195
3	Summer Off Peak kWhs	28,424,608	\$0.058160		\$0.041176	1,170,412
4	Summer Shoulder Peak kWhs	2,696,519	\$0.116318		\$0.102823	277,264
5	Winter On Peak kWhs	5,436,116	\$0.126011		\$0.025762	140,045
6	Winter Off Peak kWhs	19,291,152	\$0.043619		\$0.023098	445,587
7	Revenue Delivery Charges			\$3,571,056		\$3,571,085
<b>Fuel &amp; Purchased Power</b>						
8	Summer On Peak	6,828,127		380,313	\$0.055698	380,313
9	Summer Off Peak	28,424,608		659,394	\$0.023198	659,394
10	Summer Shoulder Peak	2,696,519		129,967	\$0.048198	129,967
11	Winter On Peak	5,436,116		221,239	\$0.040698	221,239
12	Winter Off Peak	19,291,152		399,288	\$0.020698	399,288
13	<b>TOTAL REVENUE</b>			<b>\$5,361,257</b>		<b>\$5,361,286</b>
14						\$29
15	<b>TOTAL R-70</b>	kWh	62,676,522			
16		Cust	4,102			
<b>SPECIAL RESIDENTIAL ELECTRIC SERVICE - R-201AF (FROZEN)</b>						
17	Customers (Single-Phase)	85,448	\$4.90		\$7.00	\$598,139
18	Mid-Summer kWhs	29,875,657	\$0.090920		\$0.066139	1,975,946
19	Remaining Summer kWhs	22,686,070	\$0.074191		\$0.044138	1,001,318
20	Winter kWhs	38,199,266	\$0.064440		\$0.033803	1,291,250
21	Revenue Delivery Charges			\$4,866,641		\$4,866,653
<b>Fuel &amp; Purchased Power</b>						
22	Mid and Remaining Summer	52,561,727		1,744,944	\$0.033198	1,744,944
24	Winter	38,199,266		981,645	\$0.025698	981,645
25	<b>TOTAL REVENUE</b>			<b>\$7,593,230</b>		<b>\$7,593,242</b>
26						\$12
27	<b>TOTAL R-201A</b>	kWh	90,760,993			
28		Cust	7,121			
<b>SPECIAL RESIDENTIAL ELECTRIC SERVICE TIME OF USE - R-201BF (FROZEN)</b>						
29	Customers	6,315	\$6.78		\$7.00	\$44,208
30	Mid-Summer On Peak kWhs	452,323	\$0.184171		\$0.166303	\$75,223
31	Mid-Summer Off Peak kWhs	1,833,284	\$0.058160		\$0.031395	\$57,566
32	Mid-Summer Shoulder Peak kWhs	186,047	\$0.116318		\$0.093043	\$17,310
33	Remaining Summer On Peak kWhs	287,033	\$0.146415		\$0.124945	\$35,863
34	Remaining Summer Off Peak kWhs	1,167,626	\$0.046236		\$0.018756	\$21,900
35	Remaining Summer Shoulder Peak kWhs	109,262	\$0.092473		\$0.067767	\$7,404
36	Winter On Peak kWhs	837,667	\$0.100179		\$0.075935	\$63,608
37	Winter Off Peak kWhs	2,667,167	\$0.034673		\$0.006499	\$17,334
38	Revenue Delivery Charges			\$340,403		\$340,407
<b>Fuel &amp; Purchased Power</b>						
39	Mid and Remaining On Peak	739,356		41,181	\$0.055698	41,181
40	Mid and Remaining Off Peak	3,000,910		69,615	\$0.023198	69,615
41	Mid and Remaining Summer Shoulder Peak	295,309		14,233	\$0.048198	14,233
42	Winter On Peak	837,667		34,091	\$0.040698	34,091
43	Winter Off Peak	2,667,167		55,205	\$0.020698	55,205
44	<b>TOTAL REVENUE</b>			<b>\$554,729</b>		<b>\$554,732</b>
45						\$3
46	<b>TOTAL R-201B</b>	kWh	7,540,408			
47		Cust	526			

TUCSON ELECTRIC POWER COMPANY  
RESIDENTIAL BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Billing Determinants	Booked Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>SPECIAL RESIDENTIAL ELECTRIC SERVICE TIME OF USE - R-201C (FROZEN)</b>						
1	Customers	2,560	\$6.78		\$7.00	\$17,921
2	Mid-Summer On Peak kWhs	134,707	\$0.184171		\$0.161981	\$21,820
3	Mid-Summer Off Peak kWhs	594,771	\$0.058160		\$0.028409	\$16,897
4	Mid-Summer Shoulder Peak kWhs	60,391	\$0.116318		\$0.090057	\$5,439
5	Remaining Summer On Peak kWhs	95,071	\$0.137207		\$0.112200	\$10,667
6	Remaining Summer Off Peak kWhs	446,067	\$0.043328		\$0.012688	\$5,660
7	Remaining Summer Shoulder Peak kWhs	44,054	\$0.086658		\$0.058618	\$2,582
8	Winter On Peak kWhs	266,218	\$0.093879		\$0.066272	\$17,643
9	Winter Off Peak kWhs	842,833	\$0.032491		\$0.001201	\$1,012
10	Revenue Delivery Charges			\$99,638		\$99,640
<b>Fuel &amp; Purchased Power</b>						
11	Mid-Summer On Peak	229,778		12,798	\$0.055698	12,798
12	Mid-Summer Off Peak	1,040,837		24,145	\$0.023198	24,145
13	Mid-Summer Shoulder Peak	104,445		5,034	\$0.048198	5,034
14	Winter On Peak	266,218		10,835	\$0.040698	10,835
15	Winter Off Peak	842,833		17,445	\$0.020698	17,445
16	<b>TOTAL REVENUE</b>			<b>\$169,895</b>		<b>\$169,897</b>
17						\$2
18	<b>TOTAL R-201C</b>	kWh	2,484,111			
19		Cust	213			
<b>RESIDENTIAL SUMMARY</b>						
20	<b>TOTAL RESIDENTIAL REVENUE</b>			<b>\$368,376,435</b>		<b>\$368,376,793</b>
21	<b>TOTAL RESIDENTIAL KWHS</b>		<b>3,864,352,371</b>			
22	<b>TOTAL RESIDENTIAL CUSTOMERS</b>		<b>357,254</b>			<b>\$357</b>

TUCSON ELECTRIC POWER COMPANY  
GENERAL SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>SMALL GENERAL SERVICE - GS-10</b>						
1	Customers (Single-Phase)	200,229	\$5.88		\$8.00	\$1,601,834
2	Customer (Three-Phase)	192,377	\$13.24		\$14.00	\$2,693,280
3	Energy First 3400 kWh per month	287,747,871	\$0.113695			
<u>Summer</u>						
4	1st 500 kWhs	80,994,098	\$0.100343		\$0.056236	\$4,554,784
5	all remaining kWhs	942,438,232	\$0.100343		\$0.085145	\$80,243,903
<u>Winter</u>						
7	1st 500 kWhs	78,781,616	\$0.093772		\$0.051252	\$4,037,715
8	all remaining kWhs	661,228,028	\$0.093772		\$0.080145	\$52,994,120
9	Revenue Delivery Charges			\$146,125,228		\$146,125,638
<u>Fuel &amp; Purchased Power</u>						
10	Summer	1,023,432,330		32,289,290	\$0.031550	32,289,290
11	Winter	740,009,644		17,924,514	\$0.024222	17,924,514
12	<b>TOTAL REVENUE</b>			<b>\$196,339,032</b>		<b>\$196,339,441</b>
13						\$409
14	<b>TOTAL GS-10</b>	kWh 1,763,441,974				
15		Cust 32,717				
<b>SMALL GENERAL SERVICE - PRS-10 - CONTRACT</b>						
16	Revenue Delivery Charges			\$23,154		\$23,154
17	Fuel & Purchased Power	211,780		6,084	0.028730	6,084
18						
19	<b>TOTAL REVENUE</b>			<b>\$29,239</b>		<b>\$29,239</b>
20						\$0
21	<b>TOTAL PRS-10</b>	kWh 211,780				
22		Cust 1				
<b>GENERAL SERVICE MOBILE HOME PARKS GS-11 (FROZEN)</b>						
23	Customers (Single-Phase)	3,948	\$5.88		\$8.00	\$31,584
24	Customer (Three-Phase)	336	\$13.24		\$14.00	4,704
25	Energy Summer	33,529,195	\$0.090921		\$0.067290	2,256,180
26	Energy Winter	26,803,344	\$0.079870		\$0.052751	1,413,903
27	Revenue Delivery Charges			\$3,705,988		\$3,706,371
28						
29	Fuel & Purchased Power	60,332,539		1,733,354	\$0.0287300	1,733,354
30	1st 100 kWhs	28,728		\$5,439,342		\$5,439,725
31						\$383
32	<b>TOTAL GS-11</b>	kWh 60,332,539				
33		Cust 357				

**TUCSON ELECTRIC POWER COMPANY  
GENERAL SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>GENERAL SERVICE TIME OF USE - GS-76 - (FROZEN)</b>						
1	Customers (Single-Phase)	4,203	\$6.78		\$8.00	\$33,627
2	Customer (Three-Phase)	7,473	\$14.14		\$14.00	104,617
3	Summer On-Peak	11,986,862	\$0.222943		\$0.207220	2,483,918
4	Summer Off-Peak	59,438,241	\$0.067853		\$0.042825	2,545,443
5	Summer Shoulder Peak	4,224,622	\$0.140551		\$0.119884	506,465
6	Winter On Peak	13,067,365	\$0.150244		\$0.130159	1,700,835
7	Winter Off Peak	48,010,642	\$0.053312		\$0.027411	1,316,020
9	Revenue Delivery Charges			\$8,690,880		\$8,690,923
	<u>Fuel &amp; Purchased Power</u>	136,727,732				
10	Summer On-Peak	16,211,484		909,837	\$0.056123	909,837
11	Summer Off-Peak	59,438,241		1,404,110	\$0.023623	1,404,110
12	Winter On Peak	13,067,365		507,131	\$0.038809	507,131
13	Winter Off Peak	48,010,642		903,032	\$0.018809	903,032
14	<b>TOTAL REVENUE</b>			<b>\$12,414,990</b>		<b>\$12,415,034</b>
15						\$43
16	<b>TOTAL GS-76</b>	kWh 136,727,732				
17		Cust 973				
<b>INTERRUPTIBLE AGRICULTURAL PUMPING GS-31</b>						
18	Summer - all kWhs	11,457,973	\$0.051500		\$0.025700	\$294,470
19	Winter - all kWhs	4,738,919	\$0.050208		\$0.024205	\$114,706
20	Revenue Delivery Charges			\$408,574		\$409,175
21						
22	<u>Fuel &amp; Purchased Power</u>	16,196,892		465,337	\$0.028730	465,337
23	<b>TOTAL REVENUE</b>			<b>\$873,911</b>		<b>\$874,512</b>
24						\$601
25	<b>TOTAL GS-31</b>	kWh 16,196,892				
26		Cust 42				
<b>LARGE GENERAL SERVICE - GS-13</b>						
27	Customer Charge	7,200	\$1,675.88		371.880	\$2,677,536
28	Summer Demand	720,000	\$0.00		10.352	\$7,453,440
29	Winter Demand	720,000	\$0.00		10.352	\$7,453,440
30	Summer Demand All Additional kW	916,524	\$6.52		10.352	\$9,487,856
31	Winter Demand All Additional kW	916,524	\$6.52		10.352	\$9,487,856
32	Summer kWhs	693,084,147	\$0.063744		0.025656	\$17,781,767
33	Winter kWhs	511,143,990	\$0.060556		0.023910	\$12,221,453
34	Revenue Delivery Charges			\$66,562,476		\$66,563,349
	<u>Fuel &amp; Purchased Power</u>		1,636,524			
35	Summer	693,084,147	1,636,524	22,562,661	0.032554	22,562,661
36	Winter	511,143,990		12,806,202	0.025054	12,806,202
37	<b>TOTAL REVENUE</b>			<b>\$101,931,338</b>		<b>\$101,932,211</b>
38						\$873
39	<b>TOTAL GS-13</b>	kWh 1,204,228,137				
40		Cust 600				
<b>PRS-13 - CONTRACT</b>						
41	Revenue Delivery Charges			\$577,959		\$577,959
42	Fuel & Purchased Power	4,759,193		136,732	0.028730	136,732
43	<b>TOTAL REVENUE</b>			<b>\$714,690</b>		<b>\$714,690</b>
44						\$0
45	<b>TOTAL PRS-13</b>	kWh 4,759,193				
46		Cust 2				

TUCSON ELECTRIC POWER COMPANY  
GENERAL SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>LARGE GENERAL SERVICE TIME OF USE - GS-85AF - FROZEN</b>						
1	Customers	372	\$98.01		371.880	\$138,339
2	Summer On-peak Demand	36,000	\$7.50		7.950	\$286,200
3	Summer Off-peak Demand				3.975	
4	Summer Shoulder-peak Demand				5.258	
5	Winter On-peak Demand	36,000	\$4.96		5.258	\$189,274
6	Winter Off-peak Demand				2.629	
7	Summer Demand All Additional kW	21,140	\$7.50		7.950	\$168,066
8	Winter Demand All Additional kW	11,970	\$4.96		5.258	\$62,940
<u>Summer</u>						
9	On Peak kWhs	6,151,695	\$0.069587		0.053290	\$327,824
10	Off Peak kWhs	29,592,895	\$0.061746		0.036667	\$1,085,083
11	Shoulder Peak kWhs	2,126,538	\$0.065667		0.044980	\$95,652
<u>Winter</u>						
12	On Peak kWhs	5,802,304	\$0.065667		0.044980	\$260,988
13	Off Peak kWhs	22,212,312	\$0.057826		0.028356	\$629,852
14	Revenue Delivery Charges			\$3,244,455		\$3,244,217
<u>Fuel &amp; Purchased Power</u>						
15	Summer On Peak kWhs	8,278,232		467,323	0.056452	467,323
16	Summer Off Peak kWhs	29,592,895		708,809	0.023952	708,809
17	Winter On Peak kWhs	5,802,304		228,268	0.039341	228,268
18	Winter Off Peak kWhs	22,212,312		429,608	0.019341	429,608
19	<b>TOTAL REVENUE</b>			<b>\$5,078,464</b>		<b>\$5,078,225</b>
20						-\$239
21	<b>TOTAL GS-85A</b>	kWh	65,885,743			
22		Cust	31			
<b>LARGE GENERAL SERVICE TIME OF USE FROZEN - GS-85F - FROZEN</b>						
23	Customers	240	\$94.60		\$371.880	\$89,251
24	Summer On-peak Demand	24,000	\$16.34		\$17.320	\$415,680
25	Summer Off-peak Demand				\$8.660	
26	Summer Shoulder-peak Demand				\$11.455	
27	Winter On-peak Demand	24,000	\$9.10		\$9.646	\$231,504
28	Winter Off-peak Demand				\$4.823	
29	Summer Demand All Additional kW	36,047	\$16.34		\$17.320	\$624,348
30	Winter Demand All Additional kW	23,889	\$9.10		\$9.646	\$230,433
<u>Summer</u>						
31	On Peak kWhs	5,748,531	\$0.104973		\$0.083765	\$481,526
32	Off Peak kWhs	27,935,990	\$0.031320		\$0.005693	\$159,040
33	Shoulder Peak kWhs	1,956,514	\$0.076808		\$0.053910	\$105,476
<u>Winter</u>						
34	On Peak kWhs	5,677,051	\$0.076808		\$0.053910	\$306,050
35	Off Peak kWhs	21,277,580	\$0.031320		\$0.005693	\$121,133
36	Revenue Delivery Charges			\$2,764,585		\$2,764,441
<u>Fuel &amp; Purchased Power</u>						
37	Summer On Peak kWhs	7,705,045		434,965	\$0.056452	434,965
38	Summer Off Peak kWhs	27,935,990		669,123	\$0.023952	669,123
39	Winter On Peak kWhs	5,677,051		223,341	\$0.039341	223,341
40	Winter Off Peak kWhs	21,277,580		411,530	\$0.019341	411,530
41	<b>TOTAL REVENUE</b>			<b>\$4,503,544</b>		<b>\$4,503,400</b>
42						-\$144
43	<b>TOTAL GS-85F</b>	kWh	62,595,666		0.140150	
44		Cust	20			
<b>TOTAL GENERAL SERVICE REVENUE</b>				<b>\$327,324,550</b>		<b>\$327,326,477</b>
<b>TOTAL GENERAL SERVICE KWHS</b>			<b>3,314,379,658</b>			
<b>TOTAL GENERAL SERVICE CUSTOMERS</b>			<b>34,743</b>			

**TUCSON ELECTRIC POWER COMPANY  
LARGE LIGHT & POWER SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>LARGE LIGHT AND POWER - LLP-14 -</b>						
1	Customer Charge	96	0.00		500.00	\$48,000
2	Demand	600,844	\$9.97		19.024	\$11,430,456
3	Demand	523,378	\$9.97		19.024	\$9,956,737
4	Summer kWhs	330,927,434	\$0.046001		0.00043300	\$143,292
5	Winter kWhs	283,169,858	\$0.043701		0.00043300	\$122,613
6	Revenue Delivery Charges			<u>\$21,701,502</u>		<u>\$21,701,098</u>
<u>Fuel &amp; Purchased Power</u>						
7	Summer	330,927,434		10,780,623	0.03257700	10,780,623
8	Winter	283,169,858		7,101,051	0.02507700	7,101,051
9	<b>TOTAL REVENUE</b>			<b><u>\$39,583,175</u></b>		<b><u>\$39,582,771</u></b>
10						-\$404
11	<b>TOTAL LLP-14</b>	kWh 614,097,291				
12		Cust 8				
<b>PRS-14 - CONTRACT</b>						
13	Revenue Delivery Charges			<u>\$5,297,811</u>		<u>\$5,297,811</u>
14	Fuel & Purchased Power	93,605,189		2,584,439	0.027610	2,584,439
15	<b>TOTAL REVENUE</b>			<b><u>\$7,882,251</u></b>		<b><u>\$7,882,251</u></b>
16						\$0
17	<b>TOTAL PRS-14</b>	kWh 93,605,189				
18		Cust 1				

**TUCSON ELECTRIC POWER COMPANY  
LARGE LIGHT & POWER SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>LARGE LIGHT AND POWER TIME OF USE - LLP-90A - FROZEN</b>						
1	Customer Charge	12			500.00	\$6,000
2	Summer On Peak kW	41,718	\$10.95		25.581	\$1,067,188
3	Summer Off Peak kW				10.581	
4	Summer Shoulder Peak kW				18.081	
5	Winter On Peak kW	41,369	\$8.99		21.581	\$892,784
6	Winter Off Peak kW				10.581	
7	Summer On Peak kWhs	4,368,214	\$0.058806		0.006203	\$27,095
8	Summer Off Peak kWhs	25,419,192	\$0.041654		0.006203	\$157,667
9	Summer Shoulder Peak kWhs	1,744,779	\$0.049005		0.006203	\$10,822
10	Winter On Peak kWhs	5,896,039	\$0.058806		0.006203	\$36,571
11	Winter Off Peak kWhs	25,100,381	\$0.041654		0.006203	\$155,690
12	Revenue Delivery Charges			\$2,353,318		\$2,353,818
<u>Fuel &amp; Purchased Power</u>						
13	Summer On Peak kWhs	6,112,993		323,885	0.052983	323,885
14	Summer Off Peak kWhs	25,419,192		520,661	0.020483	520,661
15	Winter On Peak kWhs	5,896,039		210,035	0.035623	210,035
16	Winter Off Peak kWhs	25,100,381		392,143	0.015623	392,143
17	<b>TOTAL REVENUE</b>			<b>\$3,800,042</b>		<b>\$3,800,542</b>
18						\$500
19	<b>TOTAL LLP-90A</b>	kWh 62,528,604.78				
20		Cust 1				
<b>LARGE LIGHT AND POWER TIME OF USE FROZEN LLP-90F - FROZEN</b>						
21	Customer Charge	48			500.000	\$24,000
22	Summer On Peak kW	150,506	\$20.34		25.702	\$3,868,305
23	Summer Off Peak kW				13.202	
24	Summer Shoulder Peak kW				19.452	
25	Winter On Peak kW	133,207	\$10.73		21.702	\$2,890,858
26	Winter Off Peak kW				9.202	
27	Summer On Peak kWhs	15,169,458	\$0.083541		0.000433	\$6,568
28	Summer Off Peak kWhs	77,504,261	\$0.028002		0.000433	\$33,559
29	Summer Shoulder Peak kWhs	5,686,028	\$0.042003		0.000433	\$2,462
30	Winter On Peak kWhs	16,976,026	\$0.042003		0.000433	\$7,351
31	Winter Off Peak kWhs	63,378,144	\$0.028002		0.000433	\$27,443
35	Revenue Delivery Charges			\$6,860,727		\$6,860,547
<u>Fuel &amp; Purchased Power</u>						
36	Summer On Peak kWhs	20,855,486		1,104,986	0.052983	1,104,986
37	Summer Off Peak kWhs	77,504,261		1,587,520	0.020483	1,587,520
38	Winter On Peak kWhs	16,976,026		604,737	0.035623	604,737
39	Winter Off Peak kWhs	63,378,144		990,157	0.015623	990,157
40	<b>TOTAL REVENUE</b>			<b>\$11,148,126</b>		<b>\$11,147,946</b>
41						-\$180
42	<b>TOTAL LLP-90F</b>	kWh 178,713,918				
43		Cust 4				
44	<b>TOTAL LARGE LIGHT AND POWER SERVICE REVENUE</b>			<b>\$62,413,594</b>		<b>\$62,414,179</b>
45	<b>TOTAL LARGE LIGHT AND POWER KWHS</b>	948,945,003				
46	<b>TOTAL LARGE LIGHT AND POWER CUSTOMER:</b>	14				

**TUCSON ELECTRIC POWER COMPANY  
PUBLIC AUTHORITY SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6.0% OVERALL INCREASE**

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue
<b>MUNICIPAL SERVICE PS-40</b>						
1	Energy kWh Summer	58,667,833	\$0.082463		\$0.057530000	\$3,375,160
2	Energy kWh Winter	42,694,636	\$0.078340		\$0.053159000	2,269,604
3	Revenue Delivery Charges			<u>\$5,644,692</u>		<u>\$5,644,765</u>
4	Fuel & Purchased Power					
5	Summer	58,667,833		1,891,744	\$0.032245000	1,891,744
6	Winter	42,694,636		1,056,479	\$0.024745000	1,056,479
7	<b>TOTAL REVENUE</b>			<b>\$8,592,915</b>		<b>\$8,592,988</b>
						\$73
8	<b>TOTAL PS-40</b>	kWh 101,362,469				
9		Cust 3				
<b>MUNICIPAL WATER PUMPING PS-43</b>						
10	Energy kWh Summer	33,365,680	\$0.082463		\$0.060347000	\$2,013,519
11	Energy kWh Winter	25,062,900	\$0.078340		\$0.055731000	1,396,780
12	<b>PS-45&amp;46 Interruptible Service</b>					
13	Energy kWh Summer	35,724,522	\$0.051500		\$0.027281000	974,601
14	Energy kWh Winter	29,743,473	\$0.050208		\$0.025911000	770,683
15	Revenue Delivery Charges			<u>\$5,155,606</u>		<u>\$5,155,583</u>
16	Fuel & Purchased Power					
17	Energy kWh Summer	33,365,680		996,566	\$0.029868000	996,566
18	Energy kWh Winter	25,062,900		560,607	\$0.022368000	560,607
19	<b>PS-45&amp;46 Interruptible Service</b>					
20	Energy kWh Summer	35,724,522		1,067,020	\$0.029868000	1,067,020
21	Energy kWh Winter	29,743,473		665,302	\$0.022368000	665,302
22	<b>TOTAL REVENUE</b>			<b>\$8,445,101</b>		<b>\$8,445,078</b>
23						-\$23
24	<b>TOTAL PS-43</b>	kWh 123,896,575				
		Cust 32				
25	<b>TOTAL PA SERVICE REVENUE</b>			<u><b>\$17,038,015</b></u>		<u><b>\$17,038,066</b></u>
26	<b>TOTAL PA SERVICE KWHS</b>	<b>225,259,044</b>				
27	<b>TOTAL PA SERVICE CUSTOMERS</b>	<b>35</b>				

TUCSON ELECTRIC POWER COMPANY  
LIGHTING SERVICE BUNDLED PROOF OF REVENUE  
TEST YEAR ENDED DECEMBER 31, 2006  
PER SETTLEMENT - 6% OVERALL INCREASE

Line No.	Pricing Plan	Adjusted Booked Billing Determinants	Existing Rates	Total Adjusted Revenue Requirement	Proposed Rate	Proposed Revenue	\$ Per Customer Month Fuel&PP	TOTAL \$/CUSTOMER	TOTAL ANNUAL REVENUE
<b>TRAFFIC SIGNALS AND STREET LIGHTING PS-41&amp;47</b>									
1	Deliver Charge	33,727,523	\$0.067861						
2	Revenue Delivery Charges			\$1,533,200	\$0.045505	1,534,771			
3	Fuel & Purchased Power	33,727,523		870,743	\$0.025817	870,743			
4	<b>TOTAL REVENUE</b>			<u>\$2,403,943</u>		<u>\$2,405,514</u>			
5		KWh							
6		Cust	8			\$1,571			
7									
<b>SALES ANNUAL UNITS</b>									
8	Per 100 Watt	3,615,724		\$889,979	\$7.390	\$889,017	0.776000	8.166	982,370
9	Per 250 Watt	1,456,208		\$215,187	\$11.092	\$214,963	1.940000	13.032	252,560
10	Per 400 Watt	2,112,088		\$300,912	\$17.110	\$300,588	3.104000	20.214	355,120
11	Per One Pole			\$10,225	\$2.582	\$10,225		2.582	10,225
12	Underground Service			\$671,165	\$14.014	\$671,168		14.014	671,168
13	55OH - new	8,331		\$3,729	\$7.390	\$3,725	0.427000	7.817	3,940
14	55P - new	18,250		\$8,167	\$7.390	\$8,159	0.427000	7.817	6,630
15	55UG - new	24,994		\$11,186	\$7.390	\$11,174	0.427000	7.817	11,819
16	70UG - new	52,009		\$18,288	\$7.390	\$18,268	0.543000	7.933	19,810
17		7,287,604	214,692	<u>\$2,128,837</u>		<u>2,127,277</u>			<u>0</u>
18	Revenue Delivery Charges			188,144	0.025817	188,144			
19	Fuel & Purchased Power			\$2,316,981		\$2,315,421			
20	<b>TOTAL REVENUE</b>			<u>\$2,316,981</u>		<u>\$2,315,421</u>			<u>-\$1,560</u>
21									
22									
<b>LIGHTING PS-50, PS-51, and PS-52</b>									
23	Per 100 Watt	7,287,604							
24	Per 250 Watt								
25	Per 400 Watt								
26	<b>TOTAL REVENUE</b>			<u>\$4,720,924</u>		<u>\$4,720,935</u>			
27									
28									
<b>LIGHTING SERVICE SUMMARY</b>									
26	<b>TOTAL LIGHTING SERVICE REVENUE</b>			<u>\$4,720,924</u>		<u>\$4,720,935</u>			
27	<b>TOTAL LIGHTING SERVICE REVENUE KWHS</b>	41,015,127							
28	<b>TOTAL LIGHTING SERVICE CUSTOMERS</b>	26							

Revised

Exhibit 8

**CLEAN  
VERSION**



Revised Settlement Exhibit No. 8  
**Pricing Plan LLP-14**  
**Large Light and Power Service**

AVAILABILITY

Throughout the entire area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

CHARACTER OF SERVICE

Service shall be three phase, 60 Hertz, Primary Service, and shall be supplied directly from any 46,000 volt, or higher voltage, system at a delivery voltage of not less than 13,000 volts and delivered at a single point of delivery unless otherwise specified in the contract.

PRICE SCHEDULE

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

BUNDLED STANDARD OFFER SERVICE

Customer Charge	\$500.00 per month
Demand Charge (Includes Generation Capacity):	\$19.024 per kW of Billing Demand per month
<u>Energy Charges:</u>	
Energy Charge (excluding Fuel & Purchase Power:	\$0.000433 per kWh
<u>Fuel &amp; Purchase Power</u>	
Summer, all kWhs	\$0.032577 per kWh
Winter, all kWhs	\$0.025077 per kWh

Purchased Power Fuel Adjuster Clause ("PPFAC"): The Fuel and Purchased Power Charge shall be subject to a per kWh adjustment to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

BILLING DEMAND

The billing demand shall be specified in the contract, but shall not be less than 3,000 kW. Additionally, the On-Peak billing demand shall not be less than 66.7% of the maximum On-Peak billing demand in the preceding eleven (11) months, unless otherwise specified in the contract.

PRIMARY SERVICE

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

POWER FACTOR ADJUSTMENT

The above rate is subject to a discount or a charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is above or below 90% lagging to a maximum discount of 13.0¢ per kW of billing demand per month.

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

Tariff No.: LLP-14  
Effective: PENDING  
Page No.: 1 of 3



## Pricing Plan LLP-14 Large Light and Power Service

### BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

#### Customer Charges:

Meter Services	\$300.00 per month
Meter Reading	\$025.00 per month
Billing & Collection	\$150.00 per month
Customer Delivery	\$025.00 per month

#### Demand Charges:

Generation Capacity	\$12.832 per kW per month
Fixed Must-Run	\$01.862 per kW per month
Transmission	\$03.378 per kW per month
Transmission Ancillary Services	
System Control & Dispatch	\$0.046 per kW per month
Reactive Supply and Voltage Control	\$0.180 per kW per month
Regulation and Frequency Response	\$0.175 per kW per month
Spinning Reserve Service	\$0.474 per kW per month
Supplemental Reserve Service	\$0.077 per kW per month
Energy Imbalance Service: currently charged pursuant to the Company's OATT.	

#### Energy Charges:

System Benefits	\$0.000433 per kWh
Fuel and Purchased Power:	
Summer, all kWhs	\$0.032577 per kWh
Winter, all kWhs	\$0.025077 per kWh

#### DIRECT ACCESS

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

#### FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AISA) CHARGE

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

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

Tariff No.: LLP-14  
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Page No.: 2 of 3



**Pricing Plan LLP-14  
Large Light and Power Service**

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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 and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

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

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ADDITIONAL NOTES

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

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

Tariff No.: LLP-14  
Effective: PENDING  
Page No.: 3 of 3

**REDLINED  
VERSION**



## Pricing Plan LLP-14 Large Light and Power Service

### AVAILABILITY

Throughout the entire area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

### CHARACTER OF SERVICE

Service shall be three phase, 60 Hertz, Primary Service, and shall be supplied directly from any 46,000 volt, or higher voltage, system at a delivery voltage of not less than 13,000 volts and delivered at a single point of delivery unless otherwise specified in the contract.

### PRICE SCHEDULE

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

### BUNDLED STANDARD OFFER SERVICE

Customer Charge	\$500.00 per month
Demand Charge (Includes Generation Capacity):	\$46.15519.024 per kW of Billing Demand per month
<u>Energy Charges:</u>	
Energy Charge (excluding Fuel & Purchase Power):	\$0.000433 per kWh
<u>Fuel &amp; Purchase Power</u>	
Summer, all kWhs	\$0.032577 per kWh
Winter, all kWhs	\$0.025077 per kWh

Purchased Power Fuel Adjuster Clause ("PPFAC"): The Fuel and Purchased Power Charge shall be subject to a per kWh adjustment to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

### BILLING DEMAND

The billing demand shall be specified in the contract, but shall not be less than 3,000 kW. Additionally, the On-Peak billing demand shall not be less than 66.7% of the maximum On-Peak billing demand in the preceding eleven (11) months, unless otherwise specified in the contract.

### PRIMARY SERVICE

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

### POWER FACTOR ADJUSTMENT

The above rate is subject to a discount or a charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is above or below 90% lagging to a maximum discount of 13.0¢ per kW of billing demand per month.

### BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

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

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Page No.: 1 of 3



## Pricing Plan LLP-14 Large Light and Power Service

### Customer Charges:

Meter Services	\$300.00 per month
Meter Reading	\$025.00 per month
Billing & Collection	\$150.00 per month
Customer Delivery	\$025.00 per month

### Demand Charges:

Generation Capacity ~~\$10.898~~ 12.832 per kW per month

Fixed Must-Run ~~\$01.862~~ 582 per kW per month

Transmission ~~\$02.868~~ 3.378 per kW per month

### Transmission Ancillary Services

System Control & Dispatch	\$0.04639 per kW per month
Reactive Supply and Voltage Control	\$0.18053 per kW per month
Regulation and Frequency Response	\$0.17548 per kW per month
Spinning Reserve Service	\$0.47402 per kW per month
Supplemental Reserve Service	\$0.07765 per kW per month
Energy Imbalance Service: currently charged pursuant to the Company's OATT.	

### Energy Charges:

System Benefits \$0.000433 per kWh

#### Fuel and Purchased Power:

Summer, all kWhs	\$0.032577 per kWh
Winter, all kWhs	\$0.025077 per kWh

### DIRECT ACCESS

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

### FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AISA) CHARGE

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

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Page No.: 2 of 3



**Pricing Plan LLP-14  
Large Light and Power Service**

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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 and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

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

---

ADDITIONAL NOTES

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

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Page No.: 3 of 3