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Tucson Electric Power Company

One South Church, Post Office Box 711
Tucson, Arizona 85702

August 14, 2009

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Re: Tucson Electric Power Company's Bill Estimation Methodologies tariff
Decision No. 71233, Docket Nos. E-01933A-07-0402, E-01933A-05-0650

Tucson Electric Power Company hereby files its approved Bill Estimation Methodologies tariff in compliance and consistent with Decision No. 71233.

If you have any questions, please contact me at (520) 884-3680.

Best regards,

Jessica Bryne
Regulatory Services

Cc: Mr. Steve Olea, ACC
Ms. Janice Alward, ACC
Mr. William Musgrove, ACC
Compliance, ACC

Arizona Corporation Commission
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Bill Estimation Methodologies

A UniSource Energy Company

Tucson Electric Power Company ("TEP") regularly encounters situations in which TEP cannot obtain a complete and valid meter read. This could result from, among other reasons, the customer has not provided TEP access to the meter or has diverted energy, the meter is broken, or weather conditions have made it impossible to read the meter. No matter the cause of the need to estimate the read, the following methods are used depending on the circumstances.

Energy or Time-of-Use ("TOU") estimate with at least one year of history, same customer at same premise.

TEP would generate a bill based on customer usage from the previous year using the "PREVIOUS YEAR" formula as follows:

(IF LAST YEAR'S USAGE WAS ESTIMATED, USE "PREVIOUS MONTH" METHOD DESCRIBED BELOW.)

LAST YEAR'S USAGE FOR SAME MONTH / NUMBER OF DAYS IN BILLING PERIOD = PER DAY USAGE (FOR TIME OF USE THIS WOULD BE APPLIED TO EACH PERIOD)

PER DAY USAGE X NUMBER OF DAYS IN THIS MONTH'S CYCLE = ESTIMATED USAGE (FOR TIME OF USE THIS WOULD BE APPLIED TO EACH PERIOD)

Energy or TOU estimate with at least one year of history, new customer at premise.

TEP would generate a bill using the "TREND" formula, based on customer's usage trend as described below:

TEP's Customer Information System ("CIS") would generate a bill based on trend. Customers are assigned to a Trend area which differentiate consumption based on different geographic areas. Secondly, the customer is assigned to a Trend class which is used to differentiate consumption trends based on the type of service and type of property. An example of this would be residential, commercial, and industrial usage. Thirdly all consumption is identified using unit of measure code and a time of use code.

Within TEP's CIS, a trend record is created from each billed service. This record becomes part of a trend table. During estimation, consumption from three prior bill cycles is compared to the consumption from the same cycle in the previous month to determine a trend. This trend, plus a tolerance, is used to create a usage amount for bill estimation.

This customer's usage in previous period / AVERAGE CUSTOMER'S USAGE IN PREVIOUS PERIOD X Avg customer's usage in current period = estimated consumption for register read.

Energy or TOU estimate with less than one year of history, same customer at premise.

TEP would generate a bill based on customer usage from the previous month using the "PREVIOUS MONTH" formula as follows:

(IF LAST MONTH'S USAGE WAS ESTIMATED, USE "TREND" METHOD DESCRIBED ABOVE.)

LAST MONTHS USAGE / NUMBER OF DAYS IN BILLING PERIOD = PER DAY USAGE (FOR TIME OF USE THIS WOULD BE APPLIED TO EACH PERIOD)

PER DAY USAGE X NUMBER OF DAYS IN THIS MONTH'S CYCLE = ESTIMATED USAGE (FOR TIME OF USE THIS WOULD BE APPLIED TO EACH PERIOD)

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

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Bill Estimation Methodologies

A UniSource Energy Company

Energy or TOU estimate with less than one year of history, new customer at premise.

TEP would generate a bill based on customer's usage trend as described below:

Trend method would be used. (See above.)

Energy or TOU estimate with no history.

TEP would not generate a bill until a good meter read was acquired then use known consumption to estimate previous bills.

For accounts that have a demand billing component TEP collects interval data. This interval data is used to manually estimate demands using the following methodologies:

Demand estimate with at least one year of history, same customer at same premise.

TEP would generate a bill based on customer usage from the previous year using the following formula:

LAST YEAR'S DEMAND FOR SAME MONTH = ESTIMATED DEMAND

Demand estimate with at least one year of history, new customer at same premise.

TEP would generate a bill based on customer usage from the previous month using the following formula:

LAST MONTHS DEMAND = ESTIMATED DEMAND

Demand estimate with less than one year of history, same customer at same premise.

TEP would generate a bill based on customer usage from the previous month using the following formula:

LAST MONTHS DEMAND = ESTIMATED DEMAND

Demand estimate with less than one year of history, new customer at same premise.

TEP would generate a bill based on customer usage from the previous month using the following formula:

LAST MONTHS DEMAND = ESTIMATED DEMAND

Demand estimate with no history.

TEP would not generate a bill until a good demand read was acquired then use known demand to estimate previous bills.

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

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Effective: August 1, 2009
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