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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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AZ CORP COMMISSION DOCKET CONTROL

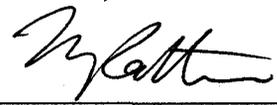
IN THE MATTER OF THE APPLICATION OF) DOCKET NO. E-04204A-09-0206
 UNS ELECTRIC, INC. FOR THE)
 ESTABLISHMENT OF JUST AND)
 REASONABLE RATES AND CHARGES) **NOTICE OF FILING PROPOSED**
 DESIGNED TO REALIZE A REASONABLE) **REVISED PUBLIC NOTICE**
 RATE OF RETURN ON THE FAIR VALUE OF)
 THE PROPERTIES OF UNS ELECTRIC, INC.) **AND**
 DEVOTED TO ITS OPERATIONS)
 THROUGHOUT THE STATE OF ARIZONA.) **REQUEST FOR ADDITIONAL**
) **TIME FOR MAILING**

UNS Electric, Inc., (the "Company") through undersigned counsel, hereby files a proposed revised public notice for approval. Attached to this filing is a redlined version of the notice showing the proposed revisions. The Company coordinated with Commission Staff in revising the form of notice set forth in the June 17, 2009 Rate Case Procedural Order in this docket and Staff does not oppose the proposed revisions to that notice.

As a result of time taken to develop the revised notice, UNS Electric also requests additional time for mailing. The Company proposes that the mailing of the bill insert begin no later than the first billing cycle in August 2009 (instead of July 2009 as set forth in the June 17, 2009 procedural order.)

RESPECTFULLY SUBMITTED this 25th day of June 2009.

UNS Electric, Inc.

By 
 Michael W. Patten
 ROSHKA DEWULF & PATTEN, PLC.
 One Arizona Center
 400 East Van Buren Street, Suite 800
 Phoenix, Arizona 85004

Arizona Corporation Commission
DOCKETED

JUN 25 2009

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Philip J. Dion
Michelle Livengood
UniSource Energy Services
One South Church Avenue
Tucson, Arizona 85702

Attorneys for UNS Electric, Inc.

Original and thirteen copies of the foregoing
filed this 25th day of June 2009, with:

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

Copy of the foregoing hand-delivered
this 15th day of June 2009, to:

Jane Rodda, Esq.
Administrative Law Judge
Hearing Division
Arizona Corporation Commission
400 West Congress
Tucson, Arizona 85701

Wesley VanCleave, Esq.
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ernest Johnson, Esq.
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By Mary Appolito

PUBLIC NOTICE OF HEARING ON THE APPLICATION
OF UNS ELECTRIC, INC.
FOR A RATE INCREASE FOR ELECTRIC SERVICE
(DOCKET NO. E-04204A-09-0206)

Summary

On April 30, 2009, UNS Electric, Inc. ("UNSE" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a rate increase for electric service in the above-captioned docket. UNSE, which markets its service under the "UniSource Energy Services" brand, is requesting an increase in its current base rates for electric service of approximately \$13,500,000, or 7.5 percent. In addition, UNSE is seeking to increase the differential between peak and non-peak rates in its Time-of-Use Tariffs and is proposing to change its low-income programs to ensure that in order to hold those of its CARES participants customers using less than 945 kilowatt-hours (kWh) per month will not be affected harmless from by the proposed increase.

The impact of the proposed base rates would combine with the effects of an anticipated June 2010 increase in the Purchased Power and Fuel Adjustment Charge (PPFAC), which is adjusted each year to reflect current energy costs. If the Company's proposal were to be adopted by the Commission in its entirety, UNSE estimates that monthly bills paid by typical residential customers using an average of 864 kWh per month would increase by \$14.66, or 18 percent, to reflect higher base rates and an increased PPFAC. Those higher bills would be approximately 7 percent lower than the average bills paid by typical UNSE residential customers before June 2009, when the PPFAC was decreased to reflect lower energy costs.

~~If the Company's proposal for its rates were to be adopted by the Commission in its entirety, the Company estimates that the annual bill (excluding charges for the Renewable Energy Standard, Demand Side Management and applicable taxes and fees) for the median residential customer using an average 681 kWh per month would be \$905.14, a decrease of \$68.47, or 7.0 percent from the annual bill of \$973.61 prior to June 2009. The projected decrease is due to the combined effect of a 21.2 percent decrease attributable to the reset of the Company's Purchased Power and Fuel Adjustor in June 2009 and its requested 18 percent increase in its base rates. The Company anticipates that in June 2010, the PPFAC would be reset again, resulting in an 18.7 percent increase in the Total Average Retail Rate, if its rates are adopted.~~

This example is for illustrative purposes only, and the actual dollar and percentage changes for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

If you have any questions concerning how the Company's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Company at 1 S. Church Ave., Suite 100, Tucson, Arizona, 85701, by phone at (520) 884-3742, or by email at corpcomm@tep.com.

~~:[COMPANY SHOULD INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].~~

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Company's rate increase proposal, and the Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Company, Staff, or any intervenors, and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from UNSE at 1 S. Church Ave., Suite 100, Tucson, Arizona; at Mohave County Library Branches at 3269 N. Burbank in Kingman, Arizona, and at 1770 N. McCulloch Blvd. in Lake Havasu City, Arizona; at the Nogales-Santa Cruz Public Library, 518 N. Grand Ave.; [COMPANY INSERT HOW AND WHERE AVAILABLE] and at the Commission's Docket Control Center at 1200 West

Washington, Phoenix, Arizona, and in its Tucson offices, 400 West Congress, Room 218, Tucson, Arizona for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning February 4, 2010, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may also be submitted by mailing a letter referencing Docket No. E-04204A-09-0206 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than September 30, 2009, and send a copy of the motion to UNS or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of UNS, a shareholder of UNS, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to UNS or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before September 30, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Guadalupe Ortiz, E-mail gortiz@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.