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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

KRISTIN K. MAYES - CHAIRMAN  
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PAUL NEWMAN  
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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

JUN 14 2010

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF )  
UNS GAS, INC. FOR APPROVAL OF A )  
TEMPORARY CUSTOMER CREDIT FOR THE )  
PERIOD NOVEMBER 2009 THROUGH APRIL )  
2010. )  
\_\_\_\_\_ )

DOCKET NO. G-04204A-09-0459

**REQUEST TO  
WITHDRAW MOTION**

UNS Gas, Inc. ("UNS Gas" or the "Company"), through undersigned counsel, respectfully requests to withdraw its Motion for Extension of Time or, In the Alternative, Motion to Amend Decision No. 71316 filed on May 10, 2010 in this docket. Based upon events that have occurred subsequent to the filing of the Motion, UNS Gas' overcollected Purchased Gas Adjustor ("PGA") bank balance did not reach the trigger level (zero) that would have required UNS Gas to extinguish the PGA surcredit as required by Decision No. 71316. Moreover, based on updated forecasts, it does not appear that the PGA bank balance will reach zero until later this year and certainly after July 1, 2010. Therefore, UNS Gas respectfully requests the Arizona Corporation Commission ("Commission") to grant its request to withdraw its Motion. In support of this request, UNS Gas states as follows:

On May 10, 2010, UNS Gas filed a motion to extend its PGA credit until July 1, 2010. At that time, the March 31, 2010 PGA bank balance was over-collected by just \$35,000. UNS Gas expected the PGA bank to be slightly under-collected by the end of April, thus triggering the termination of the \$0.08 per therm credit under Decision No. 71316. The timing of that termination would have occurred in close proximity to the effective date of new rates from UNS Gas's recent rate case. In order to avoid customer confusion over two events impacting their bills

1 in close proximity, UNS Gas filed the Motion in this docket to extend the credit beyond the  
2 anticipated termination date. UNS Gas believed that the proposed extension would not result in  
3 any significant under collection.

4         However, the actual April 30 bank balance (which was calculated after May 10) remained  
5 over-collected. Several factors contributed to this unanticipated bank balance. First, El Paso  
6 Natural Gas issued a \$447,000 refund to UNS Gas as a result of the recently negotiated rate case  
7 settlement. The timing of this payment and its impact on the PGA bank balance increased the  
8 over-collected amount in the bank balance between March 31 and April 30. Second, spot natural  
9 gas prices in the month of April were significantly lower than had been forecasted. Third, retail  
10 sales for April were moderately higher than forecasted due to factors such as colder than usual  
11 weather.

12         UNS Gas appreciates the Commission's prompt attention to this Docket and its support of  
13 UNS Gas's attempt to minimize customer confusion. Under Decision No. 71316, the credit was to  
14 expire the date the PGA bank balance reached zero or November 1, 2010, whichever occurred  
15 first. Given the current balance and the expectation of relatively low gas over the next several  
16 months, UNS Gas does not anticipate that the PGA bank balance will reach zero in the near future.  
17 As a result, the credit will expire sometime after July 1, 2010, but no later than November 1, 2010  
18 under the terms on Decision No. 71316. Because the PGA bank balance has not reached zero and  
19 is not anticipated to reach zero until later this year, it is no longer necessary to amend Decision  
20 71316 in order to avoid any billing confusion as contemplated by the Motion in this docket.

21         WHEREFORE, UNS Gas requests that its Motion in this docket be withdrawn and that the  
22 matter not be included on the June 29-30, 2010 Open Meeting Agenda.

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1 RESPECTFULLY SUBMITTED this 14<sup>th</sup> day of June 2010.

2 UNS GAS, INC.

3 By: 

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16 Original and 13 copies of the foregoing  
17 filed this 14<sup>th</sup> day of June 2010 with:

18 Docket Control  
19 Arizona Corporation Commission  
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22 Copy of the foregoing hand-delivered/mailed  
23 this 14<sup>th</sup> day of June 2010 to:

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