

ORIGINAL

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UniSourceEnergy
SERVICES

October 1, 2010

Steve Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

OCT 1 2010

Re: Docket No. E-04204A-06-0783, Decision No. 70360

DOCKETED BY	<i>[Signature]</i>
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Mr. Olea,

Pursuant to Decision No. 70360 (May 27, 2008) UNS Electric, Inc. ("UNS Electric") is required to submit semi-annual Demand-Side Management ("DSM") program progress reports on April 1st and October 1st of each year in accordance with Arizona Corporation Commission Staff's recommendations. Enclosed please find UNS Electric's Semi-Annual DSM Program Progress Report for the reporting period of January 1, 2010 through June 30, 2010. The marketing materials for the reported DSM programs are being filed directly with Commission Staff on the attached CD.

Also enclosed is an additional copy that the Company requests you to date-stamp and return in the self-addressed, stamped envelope for our files.

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

Sincerely,

Jessica Bryne

Jessica Bryne
Regulatory Services

Enclosures: Report and CD

cc: Docket Control, ACC (w/o CD)
Julie McNeely-Kirwan, ACC (with CD)
Compliance, ACC (w/o CD)
Shannon Kanlan, ACC (w/o CD)

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UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

This progress report includes the following information for all UNS Electric, Inc. ("UNS Electric" or "Company") Demand-Side Management ("DSM") programs that were in place during this reporting period, including programs for residential, non-residential, and low-income customers:

- brief description of the programs;
- program modifications;
- program goals, objectives, and savings targets;
- levels of participation;
- description of evaluation and monitoring activities and results;
- kW, kWh, and therm savings;
- problems encountered and proposed solutions;
- costs incurred during the reporting period disaggregated by type of cost, such as administrative costs, rebates, and monitoring;
- findings from all research projects;
- terminated programs; and
- other significant information.

A summary of all DSM program expenses is provided in Table 1; program energy savings are provided in Table 2; societal benefits are provided in Table 3; lifetime environmental savings are provided in Table 4; and program savings and expenses since inception are provided for all programs in Table 5.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

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UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Table 1
DSM PROGRAM EXPENSES: JANUARY - JUNE 2010

DSM Program	Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
Residential Programs							
Low-Income Weatherization	\$ 17,211	\$ 711	\$ -	\$ 1,985	\$ 750	\$ 1,717	\$ 22,374
Energy Smart Homes	\$ 3,600	\$ 154	\$ 700	\$ 50,949	\$ 8,811	\$ 5,337	\$ 69,551
Shade Tree Program	\$ 1,545	\$ 118	\$ -	\$ 1,715	\$ 5,695	\$ 754	\$ 9,825
ENERGY STAR® Lighting (CFL)	\$ 116,209	\$ -	\$ -	\$ 52,527	\$ 4,840	\$ 14,425	\$ 188,002
Efficient Home Cooling	\$ 40,850	\$ 1,638	\$ 231	\$ 9,460	\$ 20,980	\$ 6,080	\$ 79,238
Total for Residential Programs	\$ 179,415	\$ 2,619	\$ 931	\$ 116,635	\$ 41,077	\$ 28,312	\$ 368,990
Support Programs							
Education & Outreach Programs	\$ -	\$ -	\$ 40,748	\$ 1,722	\$ -	\$ 3,529	\$ 45,997
Total for Support Programs	\$ -	\$ -	\$ 40,748	\$ 1,722	\$ -	\$ 3,529	\$ 45,997
Commercial Programs							
Commercial Facilities Efficiency	\$ 116,084	\$ 585	\$ 2,427	\$ 26,033	\$ -	\$ 12,061	\$ 157,189
Total for Commercial Programs	\$ 116,084	\$ 585	\$ 2,427	\$ 26,033	\$ -	\$ 12,061	\$ 157,189
Portfolio Totals	\$ 295,499	\$ 3,204	\$ 44,104	\$ 144,390	\$ 41,077	\$ 43,903	\$ 572,176

Program Costs	\$ 572,176
Measurement, Evaluation & Research (MER)	\$ 108,017
Baseline Study	\$ 38,767
TOTAL	\$ 718,960

Definitions

Rebates & Incentives – total amount spent on customer rebates, incentives, and payments made to agencies for installation of low-income weatherization measures.

Training and Technical Assistance – total amount spent on energy-efficiency training and technical assistance.

Consumer Education – total dollars used to support general consumer education about energy-efficiency improvements.

Program Implementation – program delivery costs associated with implementing the program – includes implementation contractor (“IC”) labor and overhead costs, as well as other direct program delivery costs.

Program Marketing – includes all expenses related to marketing the program and increasing DSM consumer awareness (direct program marketing costs as opposed to general consumer education).

Planning and Administration – costs to plan, develop, and administer programs – includes management of program budgets, oversight of the request for proposal (“RFP”) process, IC program development, program coordination, and general overhead expenses.

Measurement, Evaluation, and Research (“MER”) – identification of current baseline efficiency levels and the market potential of DSM measures; process evaluations; verification of installed energy-efficient measures; tracking of savings; and identification of additional energy-efficiency research. Costs include the development of a database to track participation and savings.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Table 2

DSM ENERGY SAVINGS: JANUARY – JUNE 2010

Program	Capacity Savings MW	Annual MWh Savings	Annual Therm Savings	Lifetime MWh Savings	Lifetime Therm Savings
Low-income Weatherization	0.00	82	840	1,438	14,700
Energy Smart Homes	0.02	9	57	284	1,700
Shade Tree	0.00	25	0	496	0
ENERGY STAR® Lighting (CFL)	0.32	3,974	0	38,884	0
Efficient Home Cooling	0.04	85	0	1,281	0
Commercial Facilities Efficiency	0.25	940	0	16,843	0
Portfolio Totals	0.63	5,116	897	59,226	16,400

Table 3

DSM SOCIETAL BENEFITS: JANUARY – JUNE 2010

DSM Program	Program Cost	Societal Benefits	Societal Costs	Net Benefits
Residential				
Low-income Weatherization ¹	\$ 22,374	\$ 22,374	\$ 22,374	\$ -
Energy Smart Homes	\$ 69,551	\$ 40,032	\$ 76,932	\$ (36,900)
Shade Tree	\$ 9,825	\$ 23,942	\$ 9,928	\$ 14,013
ENERGY STAR® Lighting (CFL)	\$ 188,002	\$ 1,103,159	\$ 294,296	\$ 808,863
Efficient Home Cooling	\$ 79,238	\$ 107,337	\$ 220,817	\$ (113,480)
Total for Residential	\$ 368,990	\$ 1,296,844	\$ 624,347	\$ 672,497
Non-Residential				
Commercial Facilities Efficiency	\$ 157,189	\$ 989,889	\$ 303,712	\$ 686,176
Total for Non-Residential	\$ 157,189	\$ 989,889	\$ 303,712	\$ 686,176
Portfolio Totals				
	\$ 526,179	\$ 2,286,733	\$ 928,059	\$ 1,358,673
Measurement, Evaluation & Research (MER)	\$ 108,017	\$ -	\$ 108,017	\$ (108,017)
Baseline Study	\$ 38,767	\$ -	\$ 38,767	\$ (38,767)
TOTAL	\$ 672,963	\$ 2,286,733	\$ 1,074,844	\$ 1,211,889

¹Consistent with Commission Staff's analysis in Arizona Corporation Commission Decision No. 70347 (May 16, 2008), the societal benefits for low-income weatherization are equal to or greater than the societal costs when taking the environmental benefits into account.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Table 4

DSM LIFETIME ENVIRONMENTAL SAVINGS: JANUARY – JUNE 2010

Program	Lifetime SO_x Reduction (lbs)	Lifetime NO_x Reduction (lbs)	Lifetime CO₂ Reduction (lbs)	Lifetime Water Reduction (gallons)
Low-Income Weatherization	8	171	1,884,234	372,345
Energy Smart Homes	2	34	338,146	73,597
Shade Tree	3	59	590,787	128,583
ENERGY STAR® Lighting (CFL)	214	4,627	46,271,503	10,070,856
Efficient Home Cooling	7	152	1,524,922	331,895
Commercial Facilities Efficiency	93	2,004	20,042,848	4,362,267
Portfolio Totals	326	7,048	70,652,440	15,339,543

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRAM PROGRESS REPORT FOR THE PERIOD:
January through June 2010

Table 5
DSM SAVINGS & EXPENSES SINCE PROGRAM INCEPTION: JANUARY 1994 – JUNE 2010¹

PROGRAM	Start Date	Program Participants/Units		Program Expenses		MW Savings		MWh Savings		Therm Savings		
		Jan - Jun	Program Inception to Date	Jan - Jun	Program Inception to Date	Jan - Jun	Total Annual ^a	Jan - Jun	Total Annual ^a	Jan - Jun	Total Annual ^a	
Residential												
Good Cents Homes	1994	0	452	\$ -	\$ 617,706	0.00	0.72	0	622	7,680	N/A	N/A
Energy Smart Homes	2007	12	48	\$ 69,551	\$ 415,168	0.02	0.13	9	73	166	57	1,808
Shade Tree	2008	103	943	\$ 9,825	\$ 41,364	0.00	0.00	25	83	141	N/A	N/A
ENERGY STAR® Lighting (CFL)	2008	81,864	252,972	\$ 188,002	\$ 500,911	0.32	1.85	3,974	11,826	19,678	N/A	N/A
Efficient Home Cooling	2008	248	696	\$ 79,238	\$ 237,257	0.04	0.20	85	533	1013	N/A	N/A
Commercial												
Commercial Facilities Efficiency	2008	18	71	\$ 157,189	\$ 592,511	0.25	1.06	940	4,112	7,284	N/A	N/A
Support Programs												
Education & Outreach ^b	1994	23,724	37,951	\$ 45,997	\$ 3,230,072	0.00	3.86	0	11,856	145,728	N/A	N/A
Low-Income Weatherization	1994	31	424	\$ 22,374	\$ 341,862	0.00	0.13	82	307	1248	840	6463
<i>^aIncludes numbers previously reported separately under Residential and Commercial Energy Survey and Commercial New Construction.</i>												
Measurement, Evaluation & Research (MER) - all programs	NA	NA	NA	\$ 108,017	\$ 373,309	NA	NA	NA	NA	NA	NA	NA
Baseline Study	2009	NA	NA	\$ 38,767	\$ 45,420	NA	NA	NA	NA	NA	NA	NA
TOTAL		106,000	292,957	\$ 718,960	\$ 6,395,591	0.63	7.73	5,116	29,411	162,938	897	25,961

a. Accumulated savings for one year for all energy efficiency measures installed since program inception.
b. Accumulated savings for all years for all energy efficiency measures installed since program inception.

¹ Historical DSM Program savings will decrease as the measure lifetimes expire. Programs with fully expired lifetimes will no longer be reported. Historical programs include Good Cents and historical measures previously reported under Residential and Commercial Surveys and Commercial New Construction and currently reported under Education & Outreach.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

UNS ELECTRIC LOW-INCOME WEATHERIZATION PROGRAM

Description

The UNS Electric Low-Income Weatherization ("LIW") Program is designed to improve the energy efficiency of homes for customers whose income falls within the defined federal poverty guidelines. Through this Program, UNS Electric will enable these customers to reduce their gas and electric bills. Savings from these measures will help the customers utilize their limited income for other necessary items such as rent, food, or medical expenses.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals, Objectives, and Savings Targets

- Increase the number of homes weatherized each year.
- Lower the average household utility bills of low income customers by utilizing energy conservation measures in the weatherization process.
- Improve the quality of life for customers by providing them with a safer and healthier home.

Levels of Participation

A total of 31 households received weatherization assistance during this reporting period.

Evaluation and Monitoring Activities and Results

The Arizona Energy Office ("AEO"), with billing data from UNS Electric and other Arizona gas and electric utilities, is analyzing and tracking the energy use in weatherized homes statewide. As their database grows, a more accurate analysis of the impact of weatherization activities will emerge. UNS Electric will now report energy savings from weatherization activities based upon the most recent AEO report. The AEO does not report any kW demand savings.

The July 2010 AEO report is summarized below:

Utility Bill Analysis

- To date, an analysis of 185 homes has been completed on homes utilizing Arizona Public Service Company ("APS"), Tucson Electric Power Company, ("TEP"), UNS Gas, Inc. ("UNS Gas"), UNS Electric and Southwest Gas Corporation utility data. This analysis is ongoing, and new data will be updated to these values on a quarterly basis.
- Savings to Investment Ratios ("SIR") are provided for total investment from all funding spent (diagnostics, energy measures, health and safety measures) and for energy related measures only (diagnostics and energy measures).
- Present value is based on 17.5 years measure life, discount rate of 3% and a utility cost escalation rate of 3%.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

The combined SIR of all jobs reviewed to date for funds spent on diagnostics, energy measures and health and safety measures was 1.16. Health and saving represented 15% of expenditures.

- The combined SIR of all jobs reviewed to date for funds spent on energy measures and diagnostics was 1.37.
- The average saving per home reviewed was 2650 kWh and 30 therms of natural gas (gas therms average includes all electric homes).

kW, kWh, and Therm Savings

Number of Homes	kW Savings	kWh Savings	Therm Savings
31	0	82,150	840

Problems Encountered and Proposed Solutions

No additional problems were encountered during this reporting period.

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives*	Training & Technical Assistance	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
\$ 17,211	\$ 711	\$ 1,985	\$ 750	\$ 1,717	\$ 22,374

*Includes \$745 for health and safety related repairs

Findings from All Research Projects

No research projects were performed during this reporting period.

Other Significant Information

The Western Arizona Council of Governments ("WACOG") and the Southeastern Arizona Community Action Program ("SEACAP") have not requested much funding this reporting period; both agencies, however, typically wait until the latter part of the year to request funding. Additionally, WACOG has indicated they should spend all of their available funding by year end.

WACOG, with full approval from UNS Electric and the AEO, continue to pursue weatherization of multi-family units. Multi-family projects allow the agencies to maximize their funding since travel time and labor costs are reduced along with material costs due to bulk bidding. UNS Electric supports the efforts of WACOG to increase the number of multi-family projects.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

UNS ELECTRIC ENERGY SMART HOMES PROGRAM

Description

The Residential New Construction Program for UNS Electric is marketed under the name of Energy Smart Homes ("ESH"). The ESH Program emphasizes the whole-house approach to improving health, safety, comfort, durability, and energy efficiency. The Program promotes homes that meet the Environmental Protection Agency ("EPA")/Department Of Energy ("DOE") ENERGY STAR® Home performance requirements. To encourage participation, the Program provides incentives to homebuilders for each qualifying home. On-site inspections and field testing of a random sample of homes will be required to ensure the homes meet the ENERGY STAR® Home performance requirements; these will be conducted by third-party Residential Energy Services Network certified energy raters selected by each builder. Components of the ESH Program include development of branding, builder training curriculum, and marketing material.

Program Modifications

Decision No. 71641 (April 14, 2010) approved UNS Electric's Pilot Zero-Net Energy Homes Program as an enhancement to the existing Energy Smart Home Program. In this Decision, the Commission also approved additional incentives for homes exceeding ENERGY STAR® requirements. Builders can now choose from three tiers of Program compliance. These new tiers are based on Home Energy Rating System ("HERS") scores. A tier I home must achieve a minimum 85 or below HERS score; tier II must achieve a HERS score of 70 or less; and a tier III home must achieve a HERS score 45 or less. These additional tiers and the Pilot Zero-Net Energy Homes Program were introduced to participating builders in May and June; initial responses have been positive.

Program staff is currently working with two participating builders who are interested in building homes meeting tier II or III HERS scores.

Program Goals, Objectives, and Savings Targets

- Work with local builders to construct energy-efficient homes;
- Train builder construction staff and subcontractors in advanced building science concepts to increase energy efficiency through improved design and installation practices;
- Transform the market and improve construction practices in the UNS Electric service territory;
- Reduce peak demand and overall energy consumption in new homes;
- Assist builder sales agents with promoting and selling energy-efficient homes;
- Increase homebuyer awareness and understanding of energy-efficient building practices and the benefits of purchasing an energy-efficient home; and
- Achieve an annual participation of between 9% and 11% of new home units.

Levels of Participation

The Program completed 16 homes during this reporting period. There are currently 17 Builders participating in the ESH Program representing a potential of 649 new homes.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Evaluation and Monitoring Activities and Results

No evaluation or monitoring is available for this reporting period. Navigant Consulting (Formerly Summit Blue) has been selected as the MER contractor for the UNS Electric DSM programs (excluding LIW and Education & Outreach) and is in the process of implementing a MER plan. Final MER results are expected by year end 2010.

kW, kWh, and Therm Savings

Number of Homes	kW Savings	kWh Savings	Therm Savings
12	17	9,472	57

Problems Encountered and Proposed Solutions

The primary problem for ESH Program Homes in the UNS Electric territory is receiving an appraisal with appropriate value given to the ENERGY STAR® certification. Program staff is working with ENERGY Star® to educate local appraisers about the added value of ESH Program homes; additional partnering with national appraisal organizations is planned.

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives*	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
\$ 3,600	\$ 154	\$ 700	\$ 50,949	\$ 8,811	\$ 5,337	\$ 69,551

*Homes completed in Santa Cruz County have the option of either receiving an incentive or having UNS Electric perform the necessary inspections and testing needed for ENERGY STAR® certification.

Findings from All Research Projects

No research projects were undertaken during this reporting period.

Other Significant Information

UNS Electric is considering the impacts of the increased ENERGY STAR® building requirements in place for 2011 on builders' costs. Current incentive levels may need to be increased if builder participation decreases as a result of the increased costs of participation.

A list of marketing materials for this Program is shown in Appendix 2 and available on the attached CD.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

UNS ELECTRIC EDUCATION AND OUTREACH PROGRAMS

COMMERCIAL AND RESIDENTIAL EDUCATION PROGRAMS

Description

The UNS Electric commercial and residential education programs are designed to educate customers on energy use and assist them with energy savings suggestions. The highlight of these programs is UNS Electric's online Energy Advisor, which provides customers with more than 140 energy savings recommendations that can be personalized for weather and utility rates based on the customer's zip code. UNS Electric promotes its Energy Advisor tool through a variety of means such as bill inserts, web advertising, and radio advertising.

UNS Electric representatives spoke at many civic and other organizational meetings promoting DSM Programs and energy education. These organizations and civic bodies include:

- the Nogales Community Outreach Fair;
- the Mohave County Green Energy Fair in Kingman; and
- the Lake Havasu City Homebuilder's Show.

During this reporting period UNS Electric continued to educate its employees about the Company's DSM programs. Several informational meetings were held to provide education and information regarding the goals, purpose, and funding of the DSM programs. Emphasis was placed on the importance of UNS Electric employees in ensuring the success of the programs. Also discussed were plans for future programs and the pending Energy Efficiency Standards. The meetings were well attended and received with many questions being answered.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals, Objectives, and Savings Targets

The Program is designed to educate commercial and residential customers on ways to save energy through conservation measures, energy-efficiency measures or utilizing Time-of-Use ("TOU") rates.

Levels of Participation

Energy Advisor

For this reporting period, 854 residential customers and 185 commercial customers accessed the online Energy Advisor, with 309 residential customers and 5 commercial customers completing an online energy audit. UNS Electric will advertise the Energy Advisor throughout the summer months along with other programs within the Bright Solutions Family Campaign.

PowerShift™ ("TOU")

For this reporting period, 193 customers were enrolled in the PowerShift™ TOU Program.

Problems Encountered and Proposed Solutions

No problems were encountered during this reporting period.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

ACADEMIC EDUCATION PROGRAM

Description

UNS Electric offers several school education programs that cover a variety of topics related to energy, natural resource conservation, and environmental awareness. These programs are currently targeted at students in kindergarten through eighth grade. UNS Electric offers age-appropriate, class-sets of booklets (with teachers' guides) about electricity, energy efficiency, and conservation to schools.

Levels of Participation

For this reporting period, energy conservation/environmental classroom materials were given to 193 teachers and 22,685 students. The Education portion of the UNS Electric website received 5,531 visits with 11,773 pages viewed.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals and Objectives

These programs are designed to educate students and their families on ways to save energy and to provide hands-on experiences for testing energy saving options.

ALL EDUCATION & OUTREACH PROGRAMS

Evaluation and Monitoring Activities and Results

No evaluation or monitoring is available for this reporting period as UNS Electric does not claim energy savings for its education and outreach programs. UNS Electric is exploring the option of greatly expanding these programs to include more significant neighborhood outreach, direct education and install of energy saving items, and programs that affect consumer behavior. These expanded programs may allow for measurement and evaluation of energy savings.

kW, kWh, and Therm Savings

There are no kW, kWh or therm savings associated with these programs.

Costs Incurred

Costs incurred for all Education and Outreach Programs during this reporting period are listed below:

Academic Education	Consumer Education	Time-of-Use Education	Program Implementation	Planning & Admin	Program Total Cost
\$ 15,500	\$ 25,001	\$ 244	\$ 1,722	\$ 3,529	\$ 45,997

Findings from All Research Projects

No research projects were performed during this reporting period.

Other Significant Information

No other significant information this reporting period. A list of marketing materials for this Program is shown in Appendix 2 and available on the attached CD.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

UNS ELECTRIC EFFICIENT HOME COOLING PROGRAM

Description

The UNS Electric Residential HVAC Retrofit Program is marketed under the Efficient Home Cooling Program ("EHC") name. This Program promotes the installation of high-efficiency air conditioning and heat pump systems in existing homes in the UNS Electric service territory.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals, Objectives and Savings Targets

- Promote the installation of high-efficiency air conditioners and heat pumps.
- Reduce customer energy bills, provide equal or better comfort conditions, conserve energy and benefit the environment.
- Achieve target participation of 700+ air conditioners and heat pumps installed per year.

Levels of Participation

For this reporting period, UNS Electric has paid rebates on 248 HVAC units as follows:

Quantity	Equipment Type	SEER	Incremental Cost
28	Air Conditioner	14	\$410.45
112	Heat Pump	14	\$423.19
8	Air Conditioner	15	\$897.33
45	Heat Pump	15	\$834.34
12	Air Conditioner	16	\$1,336.61
29	Heat Pump	16	\$1,271.23
1	Air Conditioner	17	\$1,757.12
6	Heat Pump	17	\$1,807.17
0	Air Conditioner	18	N/A
7	Heat Pump	18	\$1,901.42
248			

Evaluation and Monitoring Activities and Results

Navigant Consulting (formerly Summit Blue) has completed preliminary measurement and evaluation for this program. Updates for adjusted gross savings and incremental costs for this program are used in this report. Final MER results for all UNS Electric DSM programs are expected by year end 2010.

kW, kWh, and Therm Savings

Number of Units Installed	kW Savings	kWh Savings	Therm Savings
248	44	85,430	0

Problems Encountered and Proposed Solutions

No problems were encountered during this reporting period.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives*	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
\$ 40,850	\$ 1,638	\$ 231	\$ 9,460	\$ 20,980	\$ 6,080	\$ 79,238

*Includes \$10,325.00 in contractor rebates

Findings from All Research Projects

No research projects have been undertaken during this time period.

Other Significant Information

To date 45 HAVC contractors have signed agreements to participate in this Program. A list of marketing materials for this Program is shown in Appendix 2 and available on the attached CD.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

UNS ELECTRIC ENERGY STAR® LIGHTING PROGRAM

Description

The UNS Electric Compact Fluorescent Lamp ("CFL") Buy-Down Program is marketed under the name of "ENERGY STAR® Lighting Program." This Program promotes the installation of energy-efficient ENERGY STAR® approved lighting products by residential and commercial customers in the UNS Electric service territory.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals, Objectives, and Savings Targets

The program objectives are to:

- Reduce peak demand and overall energy consumption in homes and small businesses;
- Increase the purchase of CFLs;
- Increase the availability of energy-efficient lighting products in the marketplace; and
- Increase the awareness and knowledge of retailers and UNS Electric customers on the benefits of energy-efficient lighting products.

	2010	2011	2012
Projected Lamp sales	206,263	212,451	218,824
Peak Demand Savings (kWh)	1,053	1,084	1,117
Energy Savings (kWh)	11,598,853	11,946,819	12,305,223

Levels of Participation

A total of 81,684 CFLs were sold during this reporting period. CFL sales by retailer and wattage are listed in Appendix 1. UNS Electric's website received 241 visits for this Program during this reporting period. The website includes a calendar of events and a retailer locator page.

Evaluation and Monitoring Activities and Results

No evaluation or monitoring is available for this reporting period. Navigant Consulting (Formerly Summit Blue) has been selected as the MER contractor for the UNS Electric DSM programs (excluding LIW and Education & Outreach) and is in the process of implementing a MER plan. Final MER results are expected by year end 2010.

kW, kWh, and Therm Savings

Number of CFLs Sold	kW Savings	kWh Savings	Therm Savings
81,864	317	3,974,354	0

Problems Encountered and Proposed Solutions

Participating retailers report that customer traffic has been extremely slow, which has significantly affected CFL sales. Several retail store closings reduced the number of retail outlets available to participate.

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

The large size of the territory has posed some challenges in managing the Program. Travel expenses are greater than expected due to distance between stores and the frequency of store visits is reduced by the travel distances involved. It is difficult to provide a solution without adding costs to the Program. UNS Electric is looking into hiring a local part-time person to monitor retail stores.

There is demand for better quality three way CFL bulbs and a dimmable CFL bulb. UNS Electric is also getting repeated requests for information on LED bulbs. It will take time for the manufacturers to respond and produce a quality ENERGY STAR[®] rated LED product.

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
\$ 116,209	\$ 52,527	\$ 4,840	\$ 14,425	\$ 188,002

Findings from All Research Projects

No research projects have been undertaken during this time period.

Other Significant Information

CFL sales decreased 19% from the previous 6 month reporting period; however, sales in Nogales remained at 50% of overall sales.

UNS Electric has found that retailer visits are playing a critical role toward the success of the Program. Store visits focus on proper Program information and signage; ensuring product is displayed prominently; checking product inventory; and training staff on the benefits of Program participation. UNS Electric performed 64 store visits during this reporting period. In addition, UNS Electric held 15 aisle training events for retail employees.

UNS Electric performed seven weekend outreach events at various retailers during this reporting period. Outreach events generally last for four hours and consist of one or more UNS Electric representatives promoting various CFL products and educating the customer in the retail outlet. Retailers are very appreciative of this type of outreach to their customers and always encourage repeat events at their locations. Unfortunately, retail store traffic has been slow during this reporting period.

Marketing efforts for this reporting period included:

- placing Program signage in public viewing areas;
- installing promotional signs in the UNS Electric lobby where customers come in to pay their bills;
- in-store outreach and school events' use of the incandescent versus CFL bulbs display, which shows the difference in energy use, brightness, and colorization between the bulbs. A dimmable bulb was added to the display to help answer consumer questions;
- displaying the CFL bulb application guide at retail stores to help customers select the correct CFL bulb for the correct application (this guide was modeled after the ENERGY STAR[®] guide);

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- participation in both the Lake Havasu City and Kingman spring home shows where free CFL bulbs were distributed to promote the Program; and
- delivery of a promotional bill insert to over 82,000 UNS Electric customers in the June/July billing cycle.

A list of marketing materials for this Program is shown in Appendix 2 and available on the attached CD.

UNS ELECTRIC SHADE TREE PROGRAM

Description

The UNS Electric Shade Tree Program is marketed under the name of "Trees for You" and is primarily targeted to residential customers, including low-income families. Community organizations, commercial customers, and schools can participate if they meet the Program requirements. UNS Electric customers are allowed to purchase two desert adapted, five-gallon trees per year (four for homes built before 1980) which must be planted on the south, west, or east side of the home. Customers purchase the tree(s) from the nursery of their choice, complete an application provided by UNS Electric, provide a copy of their paid invoice, and submit all information to UNS Electric to receive a \$15.00 (per tree) credit on their electric bill.

Program Modifications

No Program modifications were made during this reporting period.

Program Goals, Objectives, and Savings Targets

The goal of the Program is to promote energy conservation and the environmental benefits associated with planting low water usage trees. Along with the energy savings trees provide to the homes, trees also provide habitat for wildlife, absorb air and water pollutants, control storm water runoff and soil erosion, and provide an aesthetic beauty to neighborhoods and the community.

Levels of Participation

For this reporting cycle, UNS Electric received 59 customer applications for a total of 103 trees.

Evaluation and Monitoring Activities and Results

No evaluation or monitoring is available for this reporting period. Navigant Consulting (Formerly Summit Blue) has been selected as the MER contractor for the UNS Electric DSM programs (excluding LIW and Education & Outreach) and is in the process of implementing a MER plan. Final MER results are expected by year end 2010.

kW, kWh, and Therm Savings

For 103 trees, there was 24,823 kWh of savings.

Problems Encountered and Proposed Solutions

There are a limited number of merchants in the Nogales service territory that supply trees. Only K-Mart, Wal-Mart, and Home Depot have nurseries; research has shown no independent nurseries in Nogales or surrounding areas. Periodic visits to these stores has verified that Wal-Mart and Home Depot carry an inventory of eligible trees. K-Mart's nursery section is quite small, stocking primarily small plants and a very limited tree selection.

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UNS Electric has actively promoted this Program through bill inserts and the website as well as providing information at local events and home shows. Additionally, during this reporting cycle UNS Electric promoted the Trees for You Program through advertisements in three local newspapers.

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives	Training & Technical Assistance	Program Implementation	Program Marketing	Planning & Admin	Program Total Cost
\$1,545	\$ 116	\$ 1,715	\$5,695	\$ 754	\$9,825

Findings from All Research Projects

No research projects were conducted during this reporting period.

Other Significant Information

UNS Electric actively promoted the Program in April, May & June of 2010 to coincide with planting season. UNS Electric decided to enhance the newspaper ads by including names and locations of area tree retailers. Letters were sent to all the retailers requesting their written consent to include them in these ads. Seven retailers ultimately participated in this promotion. Bill stuffers promoting the Program were mailed in April, and brochures were available at retailers, community events, and educational events. UNS Electric continues to promote this Program on its website, which contains an application form, general information on eligible trees, Blue Stake and planting information, and information regarding tree maintenance and fire protection.

A list of marketing materials for this Program is shown in Appendix 2 and available on the attached CD.

UNS ELECTRIC COMMERCIAL FACILITIES EFFICIENCY PROGRAM

Description

The UNS Electric Commercial Facilities Efficiency Program is designed to minimize some of the barriers to implementing energy-efficiency improvements in the commercial market, such as lack of capital, information search costs, transaction costs, performance uncertainty, and the so-called "hassle factor." Commercial firms generally concentrate on their core business, and do not have the wherewithal to analyze energy use and improve efficiency unaided.

The Program provides incentives directly to contractors for the installation of selected high efficiency lighting; heating, ventilation and air conditioning ("HVAC"); motors and refrigeration measures. The incentives are set at a higher level for this market in order to encourage contractors to market and deliver the program thus offsetting the need for UNS Electric marketing and overhead expenses. The Program also employs an internet-based measure analysis and customer proposal processing system which makes the process easier for both contractors and customers. The Program provides customers with the opportunity to propose innovative energy-efficiency solutions through custom energy-efficient measures.

Program Modifications

No Program modifications were made during this reporting period.

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Program Goals, Objectives, and Savings Targets

- Encourage commercial customers to install high-efficiency lighting equipment and controls, HVAC equipment, and energy-efficient refrigeration system retrofits in their facilities.
- Encourage contractors to promote the Program and provide turn-key installation services to small business customers.
- Overcome the unique market barriers of the small business market including:
 - First costs and lack of access to capital for energy-efficiency improvements;
 - Lack of awareness and knowledge about the benefits and cost of energy-efficiency improvements;
 - Hassle and transactions costs; and
 - Performance uncertainty associated with energy-efficiency projects.
- Assure that the participation process is clear, easy to understand and simple.
- Increase the awareness and knowledge of business owners, building owners and managers, and other decision-makers on the benefits of high-efficiency equipment and systems.

Savings targets are as follows:

	2010	2011	2012
Energy Savings (kWh)	2,422,000	2,494,000	2,534,000

Levels of Participation

Thirty-one new applications were received during this reporting period. Twenty-one projects were completed. There have been six cancellations of approved applications. As of June 30, 2010, incentive dollars paid or reserved is \$200,618. At the current rate, incentive dollars will run out by mid September 2010 and UNS Electric may need to institute a waiting list for new applicants.

Evaluation and Monitoring Activities and Results

No evaluation or monitoring is available for this reporting period. Navigant Consulting (Formerly Summit Blue) has been selected as the MER contractor for the UNS Electric DSM programs (excluding LIW and Education & Outreach) and is in the process of implementing a MER plan. Final MER results are expected by year end 2010.

kW, kWh, and Therm Savings

Measure	No. Installed	kW Savings	kWh Savings	Incremental Cost
Lighting	3,391	252	939,537	\$ 91.44

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Average Job Cost and Actual Customer Cost

Job #	Total Cost	Customer Cost
1	\$3,250.00	\$1,905.44
2	\$5,250.00	\$3,698.58
3	\$5,250.00	\$3,698.58
4	\$39,813.42	\$29,813.42
5	\$8,147.60	\$3,731.18
6	\$16,732.00	\$9,445.68
7	\$1,582.20	\$193.66
8	\$20,000.00	\$10,000.00
9	\$7,500.00	\$3,508.90
10	\$21,618.40	\$13,902.50
11	\$14,336.90	\$8,813.13
12	\$17,000.00	\$7,000.00
13	\$55,600.00	\$54,562.27
14	\$6,500.00	\$4,845.15
15	\$543.20	\$104.80
16	\$4,570.10	\$596.00
17	\$8,549.40	\$2,038.71
18	\$2,500.00	\$1,638.10
19	\$23,913.40	\$13,913.40
20	\$17,495.70	\$7,495.70
21	\$11,633.30	\$6,158.47
Average	\$ 14,007.62	\$ 9,045.26

Problems Encountered and Proposed Solutions

No additional problems were encountered during this reporting period.

Costs Incurred

Costs incurred for this Program during the reporting period are listed below:

Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Planning & Admin	Program Total Cost
\$ 116,084	\$ 585	\$ 2,427	\$ 26,033	\$ 12,061	\$ 157,189

Findings from All Research Projects

No research projects have been undertaken during this time period.

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Other Significant Information

The promotional and Trade Ally efforts of 2009 are paying dividends in 2010, as shown by the continued participation.

Highlights of marketing efforts during this reporting period include eleven outreach events throughout the community, including the Lake Havasu City and Kingman spring home shows. Representatives were available to discuss Program details and distribute brochures.

See pages 22-25 for an energy analysis of all completed projects.

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SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Energy Analysis for all Completed Projects - 1 of 4

PROPOSAL ID	CONTRACTOR NAME	EXISTING DESCRIPTION	REPLACEMENT QUANTITY	REPLACEMENT DESCRIPTION	WATTS SAVED	EXISTING HOURS USE PER WEEK	ANNUAL KWH SAVINGS
164	Devault Electric	400W MH	14	4-4' 54W-T5-EB2	3,094	43	6,918,184
164	Devault Electric	4-4' 32W-T8-L-PFB1	96	Permanent Removal	9,600	60	29,952,000
164	Devault Electric	4-4' 32W-T8-L-PFB1	50	Replace with 50-4 lamp T5	(6,000)	60	(18,720,000)
171	Devault Electric	400W MH	15	4-4' 54W-T5-EB2	3,315	60	10,342,800
173	Inline Electrical Resources	60W Inc lamp	6	13W CF-HW	282	40	586,560
173	Inline Electrical Resources	2-4' 34/40W hybrid	8	2-4' 32W-T8-EB1	208	40	432,640
173	Inline Electrical Resources	4-4' 34/40W hybrid	58	2-4' 32W-T8-EB1	6,380	60	19,905,600
173	Inline Electrical Resources	2-8' 60/75W hybrid	7	2-4' 32W-T8-EB1-BC	630	70	2,293,200
173	Inline Electrical Resources	Exit Sign (2)40W-Inc	5	Exit Sign LED	375	168	3,276,000
175	North Point Electric LLC	2-8' 60/75W hybrid	3	2-4' 32W-T8-EB1-BC	270	84	1,179,360
175	North Point Electric LLC	400W MH	75	6-4' 32W-T8-EB2	17,625	84	76,986,000
175	North Point Electric LLC	2-8' 60/75W hybrid	6	Permanent Removal	888	84	3,878,784
176	North Point Electric LLC	2-8' 60/75W hybrid	6	2-4' 32W-T8-HFEB1-BC	456	72	1,707,264
176	North Point Electric LLC	2-8' 60/75W hybrid	6	2-4' 32W-T8-HFEB1-BC	456	72	1,707,264
176	North Point Electric LLC	2-8' 60/75W hybrid	42	2-4' 32W-T8-HFEB1-R	3,192	72	11,950,850
176	North Point Electric LLC	400W MH	6	6-4' 32W-T8-EB2	1,410	72	5,279,040
176	North Point Electric LLC	400W MH	6	6-4' 32W-T8-EB2	1,410	72	5,279,040
176	North Point Electric LLC	400W MH	4	6-4' 32W-T8-EB2	940	72	3,519,360
178	Devault Electric	400W MH	18	4-4' 54W-T5-EB2	3,978	60	12,411,360
178	Devault Electric	400W MH	10	Permanent Removal	4,550	60	14,196,000
179	Devault Electric	400W MH	15	4-4' 54W-T5-EB2	3,315	60	10,342,800
180	Devault Electric	400W MH	66	4-4' 54W-T5-EB2	14,586	104	78,881,090
192	Devault Electric	400W MH	13	4-4' 54W T5 EB2	2,873	60	8,963,760
202	Inline Electrical Resources	60W Inc lamp	130	13W CF-HW	6,110	32	10,167,040
202	Inline Electrical Resources	65W PAR-Inc	23	13W CF-HW	1,196	70	4,353,440
202	Inline Electrical Resources	65W PAR-Inc	59	13W CF-HW	3,068	168	26,802,050
202	Inline Electrical Resources	2-4' 34/40W hybrid	4	2-4' 32W-T8-EB1	104	70	378,560
202	Inline Electrical Resources	2-4' 34/40W hybrid	18	2-4' 32W-T8-EB1	468	70	1,703,520
203	Inline Electrical Resources	2-4' 34/40W hybrid	4	2-4' 32W-T8-EB1	104	168	908,544
203	Inline Electrical Resources	4-4' 34/40W hybrid	21	2-4' 32W-T8-EB1-R	2,310	126	15,135,120

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Energy Analysis for all Completed Projects - 2 of 4

PROPOSAL ID	CONTRACTOR NAME	EXISTING DESCRIPTION	REPLACEMENT QUANTITY	REPLACEMENT DESCRIPTION	WATTS SAVED	EXISTING HOURS USE PER WEEK	ANNUAL KWH SAVINGS
204	Inline Electrical Resources	75W Inc lamp	452	18W CF-HW	25,764	32	42,871,300
204	Inline Electrical Resources	75W Inc lamp	12	18W CF-HW	684	100	3,556,800
204	Inline Electrical Resources	75W Inc lamp	15	18W CF-HW	855	100	4,446,000
204	Inline Electrical Resources	4-4' 34/40W hybrid	7	2-4' 32W T8-EB1	770	168	6,726,720
204	Inline Electrical Resources	4-4' 34/40W hybrid	9	2-4' 32W T8-EB1-R	990	168	8,648,640
204	Inline Electrical Resources	Exit Sign (2)40W-inc	6	Exit Sign LED	450	168	3,931,200
205	Inline Electrical Resources	100W Inc lamp	122	18W CF-HW	10,004	32	16,646,660
205	Inline Electrical Resources	100W Inc lamp	92	18W CF-HW	7,544	32	12,553,220
205	Inline Electrical Resources	100W Inc lamp	142	18W CF-HW	11,644	32	19,375,620
207	Inline Electrical Resources	60W Inc lamp	27	13W CF-HW	1,269	32	2,111,616
207	Inline Electrical Resources	60W Inc lamp	14	13W CF-HW	658	70	2,395,120
207	Inline Electrical Resources	60W Inc lamp	8	13W CF-HW	376	168	3,284,736
207	Inline Electrical Resources	60W Inc lamp	10	13W CF-HW	470	168	4,105,920
207	Inline Electrical Resources	65W PAR-inc	39	13W CF-HW	2,028	32	3,374,592
207	Inline Electrical Resources	65W PAR-inc	90	13W CF-HW	4,680	32	7,787,520
207	Inline Electrical Resources	65W PAR-inc	32	13W CF-HW	1,664	100	8,652,800
207	Inline Electrical Resources	65W PAR-inc	22	13W CF-HW	1,144	168	9,993,984
207	Inline Electrical Resources	1-4' 34/40W hybrid	4	1-4' 32W T8-EB1	76	168	663,936
207	Inline Electrical Resources	60W Inc lamp	61	15W CF-HW	2,745	32	4,567,680
207	Inline Electrical Resources	65W PAR-inc	11	18W CF-HW	517	32	860,288
207	Inline Electrical Resources	4-4' 34/40W hybrid	1	2-4' 32W T8 EB1-R	110	168	960,960
207	Inline Electrical Resources	2-4' 34/40W hybrid	6	2-4' 32W T8-EB1	156	20	162,240
207	Inline Electrical Resources	2-4' 34/40W hybrid	12	2-4' 32W T8-EB1	312	110	1,784,640
207	Inline Electrical Resources	2-4' 34/40W hybrid	21	2-4' 32W T8-EB1	546	134	3,815,885
207	Inline Electrical Resources	2-4' 34/40W hybrid	83	2-4' 32W T8-EB1	2,158	168	18,852,290
207	Inline Electrical Resources	3-4' 34/40W hybrid	59	2-4' 32W T8-EB1-R	4,484	168	39,172,220
207	Inline Electrical Resources	Exit Sign (2)40W-inc	2	Exit Sign LED	150	168	1,310,400
207	Inline Electrical Resources	Exit Sign (2)40W-inc	6	LED Exit Sign w/ spot lights	450	168	3,931,200

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SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Energy Analysis for all Completed Projects - 3 of 4

PROPOSAL ID	CONTRACTOR NAME	EXISTING DESCRIPTION	REPLACEMENT QUANTITY	REPLACEMENT DESCRIPTION	WATTS SAVED	EXISTING HOURS USE PER WEEK	ANNUAL KWH SAVINGS
209	Inline Electrical Resources	40W inc lamp	38	13W CF-HW	1,026	109	5,815,368
209	Inline Electrical Resources	60W inc lamp	24	13W CF-HW	1,128	32	1,876,992
209	Inline Electrical Resources	60W inc lamp	3	13W CF-HW	141	105	769,860
209	Inline Electrical Resources	60W inc lamp	5	13W CF-HW	235	109	1,331,980
209	Inline Electrical Resources	60W inc lamp	16	13W CF-HW	752	168	6,569,472
209	Inline Electrical Resources	60W inc lamp	8	13W CF-HW	376	168	3,284,736
209	Inline Electrical Resources	65W PAR-inc	25	13W CF-HW	1,300	109	7,368,400
209	Inline Electrical Resources	100W inc lamp	72	18W CF-HW	5,904	32	9,824,256
209	Inline Electrical Resources	75W inc lamp	4	18W CF-HW	228	40	474,240
209	Inline Electrical Resources	2-2' 34/40W U hybrid	1	2-2' 32W-T8U-EB1	15	105	81,900
209	Inline Electrical Resources	4-4' 34/40W hybrid	3	2-4' 32W T8 EB1	330	56	960,960
209	Inline Electrical Resources	2-4' 34/40W hybrid	5	2-4' 32W T8-EB1	130	70	473,200
209	Inline Electrical Resources	2-4' 34/40W hybrid	6	2-4' 32W T8-EB1	156	70	567,840
209	Inline Electrical Resources	2-4' 34/40W hybrid	7	2-4' 32W T8-EB1	182	98	927,472
209	Inline Electrical Resources	2-4' 34/40W hybrid	15	2-4' 32W T8-EB1	390	105	2,129,400
209	Inline Electrical Resources	2-4' 34/40W hybrid	2	2-4' 32W T8-EB1	52	168	454,272
209	Inline Electrical Resources	2-8' 60/75W hybrid	7	2-4' 32W-T8-EB1-BC	630	70	2,293,200
209	Inline Electrical Resources	2-8' 60/75W hybrid	18	2-4' 32W-T8-EB1-BC	1,620	168	14,152,320
209	Inline Electrical Resources	Exit Sign (2)40W-inc	1	Exit Sign LED	75	168	655,200
210	Devault Electric	400W MH	16	4-4' 54W-T5-EB2	3,536	60	11,032,320
226	Devault Electric	400W MH	44	4-4' 54W-T5-EB2	9,724	168	84,948,870

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SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

Energy Analysis for all Completed Projects - 4 of 4

PROPOSAL ID	CONTRACTOR NAME	EXISTING DESCRIPTION	REPLACEMENT QUANTITY	REPLACEMENT DESCRIPTION	WATTS SAVED	EXISTING HOURS USE PER WEEK	ANNUAL KWH SAVINGS
229	North Point Electric LLC	40W inc lamp	3	13W CF-SCRW	81	66	277,992
229	North Point Electric LLC	60W inc lamp	9	13W CF-SCRW	423	66	1,451,736
229	North Point Electric LLC	60W inc lamp	4	13W CF-SCRW	188	66	645,216
229	North Point Electric LLC	60W inc lamp	4	13W CF-SCRW	188	66	645,216
229	North Point Electric LLC	2-4' 34/40W hybrid	1	2-4' 32W T8-EB1	26	66	89,232
229	North Point Electric LLC	2-4' 34/40W hybrid	12	2-4' 32W T8-EB1	312	66	1,070,784
229	North Point Electric LLC	4-4' 34/40W hybrid	18	2-4' 32W T8 EB1	1,980	66	6,795,360
229	North Point Electric LLC	4-4' 34/40W hybrid	2	2-4' 32W T8 EB1	220	66	755,040
229	North Point Electric LLC	4-4' 34/40W hybrid	7	2-4' 32W T8 EB1	770	66	2,642,640
229	North Point Electric LLC	4-4' 34/40W hybrid	4	2-4' 32W T8 EB1	440	66	1,510,080
229	North Point Electric LLC	4-4' 34/40W hybrid	19	2-4' 32W T8 EB1	2,090	66	7,172,880
229	North Point Electric LLC	4-4' 34/40W hybrid	15	2-4' 32W T8 EB1	1,650	66	5,662,800
229	North Point Electric LLC	4-4' 34/40W hybrid	28	2-4' 32W T8 EB1	3,080	66	10,570,560
229	North Point Electric LLC	2-8' 60/75W hybrid	1	2-4' 32W-T8-EB1-BC	90	20	93,600
229	North Point Electric LLC	2-8' 60/75W hybrid	24	2-4' 32W-T8-EB1-BC	2,160	66	7,413,120
229	North Point Electric LLC	2-8' 60/75W hybrid	8	2-4' 32W-T8-EB1-BC	720	66	2,471,040
229	North Point Electric LLC	2-8' 60/75W hybrid	88	2-4' 32W-T8-HFEB1-R	6,688	66	22,953,220
229	North Point Electric LLC	2-8' 60/75W hybrid	150	2-4' 32W-T8-HFEB1-R	11,400	66	39,124,800
229	North Point Electric LLC	2-8' 60/75W hybrid	60	2-4' 32W-T8-HFEB1-R	4,560	66	15,649,920
229	North Point Electric LLC	2-8' 60/75W hybrid	3	2-4' 32W-T8-HFEB1-R	228	66	782,496
229	North Point Electric LLC	75W H-PAR	16	28W CF-SCRW	720	84	3,144,960
229	North Point Electric LLC	100W HPS	8	52W CF-Wallpack	560	84	2,446,080
229	North Point Electric LLC	Exit Sign 30W-Incand	8	Exit Sign LED	200	168	1,747,200
283	Devault Electric	2-4' 34/40W hybrid	5	1-4' 32W-T8-HFEB1-R	240	168	2,096,640
283	Devault Electric	2-4' 34/40W hybrid	14	2-4' 32W T8-L-PEB1	462	168	4,036,032
283	Devault Electric	2-8' 60/75W hybrid	12	4-4' 32W-T8-EB1	408	168	3,564,288
283	Devault Electric	2-8' 60/75W hybrid	24	4-4' 32W-T8-HFEB1	672	56	1,956,864
303	Devault Electric	4-4' 34/40W hybrid	118	4-4' 32W-T8-L-PEB1	8,024	70	29,207,360
317	North Point Electric LLC	400W MH	10	4-4' 54W T5 EB2	2,210	50	5,746,000
317	North Point Electric LLC	4-4' 34/40W hybrid	8	2-4' 32W T8 EB1	880	70	3,203,200
317	North Point Electric LLC	75W H-PAR	20	Permanent Removal	1,500	70	5,460,000
317	North Point Electric LLC	75W H-PAR	9	Permanent Removal	675	168	5,896,800
TOTAL KWh SAVINGS						939,536.831	

UNS Electric, Inc.

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APPENDIX 1 – CFL SALES AND WATTAGE INFORMATION FOR JANUARY – JUNE 2010

CFL Sales by City & Retailer

Product Type	Retailer	Units	kWh Annual
Kingman			
CFL	Ace Hardware	0	0
CFL	Dollar Tree	700	33,046
CFL	Family Dollar	542	25,587
CFL	Home Depot	22,408	1,055,411
CFL	Walmart	3,286	163,481
Kingman Total		26,936	1,277,526
Lake Havasu			
CFL	Ace Hardware	252	11,228
CFL	Family Dollar	496	23,416
CFL	Home Depot	9,743	450,491
CFL	Pro Build	150	7,081
CFL	Walmart	3,262	150,532
Lake Havasu Total		13,903	642,748
Nogales			
CFL	Ace Hardware	0	0
CFL	Dollar Tree	700	33,046
CFL	Family Dollar	678	32,008
CFL	Home Depot	31,627	1,521,538
CFL	Walmart	8,020	467,488
Nogales Total		41,025	2,054,081
Utility Total		81,864	3,974,354

kWh Savings by Wattage

Product Type	Units	Watts	Watts Replaced	Watts Saved	Life	Hours/Day	Meas Life	Unit kWh Annual	kWh Annual
CFL	800	9	40	31	8,000	2.75	8.0	31.1	24,910
CFL	5,780	9	40	31	10,000	2.75	10.0	31.1	179,978
CFL	282	10	40	30	8,000	2.75	8.0	30.1	8,498
CFL	128	10	40	30	8,000	2.84	7.7	31.1	3,985
CFL	2,007	10	40	30	10,000	2.75	10.0	30.1	60,477
CFL	789	13	60	47	8,000	2.75	8.0	47.2	37,248
CFL	8,093	13	60	47	10,000	2.75	10.0	47.2	382,062
CFL	50	13	60	47	12,000	2.75	11.9	47.2	2,360
CFL	2,304	14	60	46	8,000	2.75	8.0	46.2	106,454
CFL	600	14	65	51	8,000	2.75	8.0	51.2	30,736
CFL	48,208	14	60	46	10,000	2.75	10.0	46.2	2,227,402
CFL	458	15	60	45	8,000	2.75	8.0	45.2	20,702
CFL	190	15	75	60	10,000	2.75	10.0	60.3	11,451
CFL	27	16	65	49	8,000	2.75	8.0	49.2	1,329
CFL	10	18	75	57	12,000	2.75	11.9	57.3	573
CFL	1,104	19	75	56	10,000	2.75	10.0	56.2	62,099
CFL	488	20	75	55	8,000	2.75	8.0	55.2	26,959
CFL	2,043	20	75	55	10,000	2.75	10.0	55.2	112,863
CFL	1,092	23	100	77	8,000	2.75	8.0	77.3	84,457
CFL	58	23	90	67	10,000	2.75	10.0	67.3	3,903
CFL	6,334	23	100	77	10,000	2.75	10.0	77.3	489,884
CFL	25	23	100	77	12,000	2.75	11.9	77.3	1,934
CFL	37	26	100	74	8,000	2.75	8.0	74.3	2,750
CFL	828	27	120	93	10,000	2.75	10.0	93.4	77,346
CFL	129	42	150	108	10,000	2.75	10.0	108.5	13,994
Utility Total	81,864								3,974,354

UNS Electric, Inc.

SEMI-ANNUAL DSM PROGRESS REPORT FOR THE PERIOD: January through June 2010

APPENDIX 2 – MARKETING MATERIALS

Energy Smart Homes:

- UES Tri-fold final (PDF)
- Energy Smart Homes web icon (JPEG)
- UES ESH email banner V3 FINAL (JPEG)
- ESH_Yard sign_final (PDF)

Education and Outreach Programs:

- Bill Inserts:
 - UES Otto Tweets insert v1 (PDF)
 - UES Phantom Energy insert v1 (PDF)
- TV:
 - Bright Tweets 30 UES (WMV)
 - Full Load 15 UES sm (MOV)
 - Hand Held 15 UES sm (MOV)
 - Meet_The_Bright_Family_UES_finalcut_lor-es (WMV)
 - Shut It Down 15 UES sm (MOV)
 - Water Heater 15 UES sm (MOV)
- Web:
 - marketing icon (GIF)
 - UES Otto ebill banner (JPG)

Efficient Home Cooling:

- Bill Insert
 - EHCbillinsertUESE (PDF)
- Print
 - UES EHC ad v1 (PDF)
- Web
 - UES EHC ebill (JPG)

Shade Tree – Trees for You:

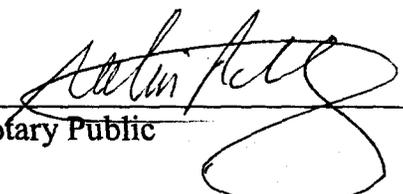
- Print
 - UES Trees4You ad KDM v2 (PDF)
 - UES Trees4You ad NI v1 (PDF)
 - UES Trees4You ad TNH v5 (PDF)

STATE OF ARIZONA)
) ss.
COUNTY of PIMA)

David G. Hutchens, upon his oath, certifies that to the best of his knowledge, the labor and other expenses charged to UNS Electric, Inc.'s Demand-Side Management Programs approved in Decision Nos. 70522, 70523, 70524 and 70556 are incremental costs that are not being recovered in base rates.


David G. Hutchens
Vice President, Energy Efficiency and
Resource Planning

SUBSCRIBED AND SWORN to me before this 30th day of September 2010.


Notary Public

My Commission Expires:

7/31/2011

