

**ORIGINAL**

OPEN MEETING AGENDA ITEM



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**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

- BOB STUMP - Chairman
- GARY PIERCE
- BRENDA BURNS
- BOB BURNS
- SUSAN BITTER SMITH

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-12-0291

**STAFF'S NOTICE OF FILING  
PROPOSED SETTLEMENT  
AGREEMENT**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission"), on behalf of the Signatories to the Proposed Settlement Agreement ("Agreement"), files the Agreement in the above referenced matter.

RESPECTFULLY SUBMITTED this 4<sup>th</sup> day of February, 2013.

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Original and thirteen (13) copies of the foregoing were filed this 4<sup>th</sup> day of February, 2013 with:

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

Arizona Corporation Commission  
**DOCKETED**  
 FEB - 4 2013

DOCKETED BY	<i>MM</i>
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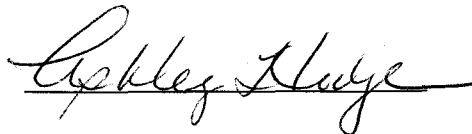
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**EXHIBIT A**

**TUCSON ELECTRIC POWER COMPANY**

**PROPOSED SETTLEMENT AGREEMENT**

**DOCKET NO. E-01933A-12-0291**

**FEBRUARY 4, 2013**



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**PROPOSED SETTLEMENT AGREEMENT OF DOCKET NO.  
E-01933-A-12-0291 TUCSON ELECTRIC POWER COMPANY REQUEST  
FOR RATE ADJUSTMENT**

The purpose of this Settlement Agreement ("Agreement") is to settle disputed issues related to Docket No. E-01933A-12-0291, Tucson Electric Power Company's ("TEP" or "Company") application to increase rates. This Agreement is entered into by the following entities:

Tucson Electric Power Company  
Arizona Corporation Commission Utilities Division ("Staff")  
Residential Utility Consumer Office ("RUCO")  
Southern Arizona Homebuilder's Association ("SAHBA")  
Kroger Co. ("Kroger")  
Freeport-McMoRan Copper & Gold Inc. ("Freeport-McMoRan")  
Arizonans for Electric Choice and Competition ("AECC")  
EnerNOC, Inc. ("EnerNOC")  
IBEW Local 1116 ("IBEW")  
Cynthia Zwick ("Zwick")  
Arizona Investment Council ("AIC")  
Opower, Inc. ("Opower")  
The Vote Solar Initiative ("Vote Solar")

These entities shall be referred to collectively as "Signatories;" a single entity shall be referred to individually as a "Signatory."

## I. RECITALS

- 1.1 TEP filed the rate application underlying Docket No. E-01933A-12-0291 on July 2, 2012. Staff found the application sufficient on August 2, 2012.
- 1.2 Subsequently, the Arizona Corporation Commission ("Commission") approved applications to intervene filed by SAHBA, Kroger, Freeport-McMoRan and AECC (collectively "AECC"), RUCO, EnerNOC, Arizona Public Service, Southwest Energy Efficiency Project, IBEW, Sierra Club, Department of Defense, Solar Energy Industries Association, AIC, Cynthia Zwick, Opower, Vote Solar, Arizona Solar Energy Industries Association and Southern Arizona Water Users Association (collectively "Parties").
- 1.3 TEP filed a notice of settlement discussions on January 8, 2013. Settlement discussions began on January 15, 2013. The settlement discussions were open, transparent, and inclusive of all Parties to this Docket who desired to participate. All Parties to this Docket were notified of the settlement discussion process, were encouraged to participate in the negotiations, and were provided with an equal opportunity to participate. Staff filed a Preliminary Term Sheet regarding this matter on January 22, 2013, which was discussed in a Special Open Meeting held on January 23, 2013.
- 1.4 The terms of this Agreement are just, reasonable, fair, and in the public interest in that they, among other things, establish just and reasonable rates for TEP customers; promote the convenience, comfort and safety, and the preservation of health, of the employees and patrons of TEP; resolve the issues arising from this Docket; and avoid unnecessary litigation expense and delay.
- 1.5 The Signatories believe that this Agreement balances the interests of both TEP and its customers. These benefits include:
  - a limited first year bill impact for customers (less than \$3.00 per month<sup>1</sup> for a residential customer using the annual average of 767 kilowatt-hour ("kWh") per month) despite the fact that TEP's current rates will have been in effect for almost 5 years at the time the new rates go into effect;
  - a lower percentage rate impact on small commercial customers than the other customer classes;

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<sup>1</sup> This includes the PPFAC and the DSM surcharge but does not include the REST surcharge, taxes or assessments.

- continuing bill assistance for low income customers;
  - a proposal that provides rate treatment for investments in energy efficiency in a manner similar to rate treatment for investments in other resources and that reduces the rate impact to the customer;
  - an Environmental Compliance Adjustment (“ECA”) mechanism that allows recovery, with a cap, of government-mandated environmental compliance costs in a manner that smooths the rate impact of such compliance;
  - a narrowly-tailored Lost Fixed Cost Recovery (“LFCR”) mechanism that supports energy efficiency (“EE”) and distributed generation (“DG”) at any level or pace set by this Commission; and
  - a fixed cost LFCR rate option for residential customers preferring to a pay a specified charge for lost fixed costs rather than the variable LFCR.
- 1.6 The Signatories agree to ask the Commission (1) to find that the terms and conditions of this Agreement are just and reasonable and in the public interest, along with any and all other necessary findings, and (2) to approve the Agreement such that it and the rates contained herein may become effective on July 1, 2013.

## **TERMS AND CONDITIONS**

### **II. RATE INCREASE**

- 2.1 TEP shall receive a non-fuel base rate increase of \$76,194,000 over adjusted test-year retail revenues, reflecting a total non-fuel revenue requirement of \$659,724,574. Attachment A sets forth the adjustments to TEP’s initial request for a non-fuel base rate increase of \$127,760,000 that results in the settlement amount.
- 2.2 TEP’s base fuel rates shall be set to recover a total of \$300,252,951 which is an annual increase of \$31,599,730 over the amount recovered through current base fuel rates. However, as agreed to in this Agreement, the Purchased Power and Fuel Adjustment Clause (“PPFAC”) rate will be reset on the effective date of the new rates, which will reduce the present annual recovery of fuel costs by \$52,750,597.

- 2.3 The Company's jurisdictional fair value rate base used to establish the rates agreed to herein is \$2,268,199,253, representing an average of the original cost rate base of \$1,507,062,648 and the replacement cost new less depreciation rate based of \$3,029,335,858. The Company's total adjusted Test Year revenue requirement is \$959,977,525.

### **III. BILL IMPACT**

- 3.1 Upon the effective date of the new rates, the monthly bill for a residential customer, using the annual average of 767 kWh per month, will increase by less than \$3.00. This overall impact reflects a base rate increase, as well as a reduction in the PPFAC rate and a reduction in the Demand Side Management ("DSM") surcharge resulting from the adoption of the proposed Energy Efficiency Resource Plan.
- 3.2 The percentage revenue allocation resulting from this Agreement among the customer classes is set forth in Attachment B.

### **IV. COST OF CAPITAL**

- 4.1 The actual test year capital structure comprised of 55.97% long term debt, 0.53% short term debt and 43.50% common equity shall be adopted.
- 4.2 A return on common equity of 10.0%, an embedded cost of long-term debt of 5.18% and a cost of short-term debt of 1.42% shall be adopted.
- 4.3 A fair value rate of return of 5.05%, which includes a rate of return on the fair value increment of rate base of 0.68%, shall be adopted.
- 4.4 The provisions set forth herein regarding the quantification of cost of capital, fair value rate base, fair value rate of return, and the revenue requirement are made for purposes of settlement only and should not be construed as admissions against interest or waivers of litigation positions related to other or future cases.

### **V. DEPRECIATION/AMORTIZATION**

- 5.1 The depreciation and amortization rates proposed by TEP and contained in Exhibit REW-1 to Dr. Ron White's Pre-filed Direct Testimony shall be adopted until further order of the Commission.

## **VI. PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE (“PPFAC”)**

- 6.1 The average retail base fuel rate shall be set at \$0.032335 per kWh. This rate reflects a total of \$300,252,951 in annual fuel and purchased power costs. This base rate does not include the PPFAC rate established in this Agreement, which includes a one-time \$3 million credit related to previous sulfur credits and a \$9.7 million deferral of costs related to the San Juan Thermal Event (as described in Section XIV below). Therefore, on the effective date of new rates in this docket, the PPFAC rate will be set at negative \$0.001388 per kWh (i.e., it will be a credit to the customer’s bill).
- 6.2 TEP’s existing PPFAC mechanism will continue with administrative changes, as set forth in the PPFAC Plan of Administration in Attachment C. The PPFAC is modified to include the recovery of the following costs and/or credits: broker fees; lime costs; sulfur credits; and 100% of proceeds from the sale of SO<sub>2</sub> allowances. TEP will continue to recover its base purchased power and fuel costs through base fuel rates as determined by the Commission in this case. TEP will continue to file annually for the reset of the PPFAC and Staff will review the filings for the appropriateness of the forecasts and the numerical accuracy of the filing. Such Staff review does not imply prudence.
- 6.3 The Signatories believe it is in the public interest to defer the next reset of TEP’s PPFAC rate until the effective date of the rates in this docket in order to partially offset the base rate increase. Therefore, TEP will seek expedited Commission authorization to defer TEP’s April 1, 2013 PPFAC rate adjustment until the effective date of new rates in this docket and the Signatories agree to either support or not oppose that motion.

## **VII. ENERGY EFFICIENCY RESOURCE PLAN**

- 7.1 TEP will implement an Energy Efficiency Resource Plan (“Plan”), as proposed by Staff in its Direct Testimony, which is intended to treat energy efficiency similar to a typical generation resource. Under this Plan, TEP will invest (just as TEP does with other conventional energy resources) in cost-effective energy efficiency programs that have been approved by the Commission. After providing documentation that the energy efficiency programs have been effective, TEP will be allowed to recover the cost of its energy efficiency investments, including the rate of return established in this case on those investments, through TEP’s existing DSM adjustor mechanism.
- 7.2 TEP will amortize annual energy efficiency investments under the Plan over five years.

- 7.3 TEP will resume funding programs previously approved by the Commission beginning March 1, 2013, and shall request recovery of such costs through the Plan.
- 7.4 Upon the effective date of the rates in this case, TEP will begin investing in cost-effective DSM/EE programs pursuant to the Plan for the remainder of year 2013 based upon the Commission's approval of the Plan, which includes the programs and the annual budget (approximately \$12 million on a pro rata basis assuming a July 1, 2013 start date) recommended by Staff in Staff's proposed order for TEP's 2011-2012 Energy Efficiency Implementation Plan filed in Docket No. E-01933A-11-0055 on November 16, 2011.
- 7.5 Upon the effective date of the rates in this case, and approval of the Plan, TEP will file a request to close Docket No. E-01933A-11-0055.
- 7.6 Any customer who can demonstrate an active DSM program and whose single site usage is 25 MW or greater may file a petition with the Commission for an exemption from the DSM adjustor and, if approved, will be removed from the Energy Efficiency Standard denominator. The Parties are not required to support any such petition and some Parties may plan to oppose any such petition.
- 7.7 TEP will conduct the Plan pursuant to a Plan of Administration, which is set forth in Attachment D.
- 7.8 Upon adoption of the Plan, the DSM surcharge will be assessed on a per kWh basis for residential customers and on a percentage of bill basis for non-residential customers. The current DSM surcharge for residential customers will be reset from \$0.001249 per kWh to \$0.000443 per kWh upon the effective date of the new rates in this case.
- 7.9 Nothing in the Plan is intended to bind the Commission to any specific EE policy or standard, but merely sets up the method of recovery for investments in EE for any EE policy or standard established by the Commission.

#### **VIII. LOST FIXED COST RECOVERY/FIXED RESIDENTIAL RATE OPTION /LARGE CUSTOMER EXCLUSION**

- 8.1 The Signatories support energy efficiency as a low cost energy resource. The Signatories also recognize that, under TEP's current volumetric rate design, the Company recovers a significant portion of its fixed costs of service through kWh sales. Commission rules related to EE and DG require TEP to sell fewer



kWh, which, in turn, prevents the Company from being able to recover a portion of the fixed costs of service embedded in its volumetric rates.

- 8.2 The Signatories also recognize the Commission's interest in directing EE and DG policy. In signing this Agreement, the Signatories intend that an LFCR mechanism with a residential fixed rate option shall be adopted that allows TEP relief from the financial impact of verified lost kWh sales attributable to Commission requirements regarding EE and DG while preserving maximum flexibility for the Commission to adjust EE and DG requirements, either upward or downward, as the Commission may deem appropriate as a matter of policy. Nothing in this Agreement is intended to bind the Commission to any specific EE or DG policy or standard.
- 8.3 The Signatories propose that the Commission approve an LFCR mechanism that is similar to the LFCR approved for other Arizona utilities. The LFCR shall recover a portion of distribution and transmission costs associated with residential, commercial and industrial customers when sales levels are reduced by EE and DG. It shall not recover lost fixed costs attributable to generation and to other potential factors, such as weather or general economic conditions.
- 8.4 The LFCR will have a 1% year-over-year cap. The annual 1% year over year cap is based on total applicable TEP retail revenues (i.e., average bills for customers shall not increase by more than 1%). Any amount in excess of the 1% cap will be deferred for collection consistent with the LFCR Plan of Administration. The amount of the cap level set herein shall be evaluated in TEP's next rate case.
- 8.5 The LFCR mechanism shall not apply to large light & power, water pumping or lighting customers, as delineated in the LFCR Plan of Administration. However, rate design for these customer classes shall be such that they pay their fair share of fixed costs through their monthly minimum and/or demand charge.
- 8.6 Residential customers shall have a fixed LFCR rate option providing the opportunity to elect an optional higher monthly service charge, graduated by kWh monthly usage. That option is attached hereto as Attachment E. The optional monthly service charge will be incorporated into each residential rate schedule to provide customers with the maximum flexibility to choose the fixed LFCR rate option without requiring a shift to a different rate schedule. The purpose of this fixed LFCR rate option is to replicate, on average, the effects of the LFCR.

- 8.7 TEP shall seek stakeholder input regarding the development of a customer outreach program to inform and educate customers about the LFCR and shall implement this outreach program by February 1, 2014.
- 8.8 The LFCR will recover lost fixed cost on a calendar year basis from January 1, 2013 forward and the first LFCR surcharge will not go into effect until July 1, 2014.
- 8.9 The LFCR Plan of Administration is attached hereto as Attachment F.

#### **IX. ENVIRONMENTAL COMPLIANCE ADJUSTOR SURCHARGE**

- 9.1 TEP will implement an Environmental Compliance Adjustor ("ECA") that will recover environmental compliance costs, subject to a cap equal to 0.25 percent of total TEP retail revenue. TEP will be held responsible for demonstrating that the environmental controls were government-mandated and represented a reasonable and prudent option available to TEP at the time sufficient to meet the environmental requirement. The ECA Plan of Administration is set forth as Attachment G.

#### **X. SPRINGERVILLE UNIT 1**

- 10.1 TEP shall file a report with the Commission no later than July 31, 2014, addressing the status of the Springerville Generating Station ("SGS") lease agreements and the estimated change in TEP's non-fuel revenue requirement at the conclusion of each primary lease term. Specifically, TEP commits to reporting on the following matters:

- The details concerning any commitments made by TEP to purchase SGS Unit 1, or any agreements entered into by TEP to otherwise retain capacity rights to SGS Unit 1, after the end of the primary lease term in January 2015;
- The details concerning any commitments made by TEP to purchase replacement generating resources, or any purchased power agreements entered into by TEP for replacement power, if TEP elects not to purchase or otherwise retain capacity rights to SGS Unit 1 after the end of the primary lease term in January 2015;
- The details concerning any commitments made by TEP to purchase the SGS Coal Handling Facilities, or any agreements

entered into by TEP to extend the Coal Handling Facilities lease term, after the end of the primary lease term in April 2015; and

- The estimated non-fuel revenue requirement associated with each of the commitments described above, including the proposed rate treatment of any remaining balance of SGS leasehold improvements.

10.2 Based on the information in the above reporting, the Commission, on its own motion or a recommendation of a Signatory in this case, may require TEP to explain why the Commission should not conduct a proceeding to have TEP's rates reduced accordingly.

## **XI. PROCUREMENT**

11.1 TEP agrees to adopt Staff's proposed modifications to the Company's energy procurement program discussed in the Direct Testimony of Emily Medine, except for the Risk Manager recommendation. The adopted modifications are set forth in Attachment H.

## **XII. LOW INCOME PROGRAMS**

12.1 TEP will limit a typical Lifeline customer's increase to an amount that is generally reflective of the average monthly dollar increase of a standard R-01 customer. The anticipated bill impacts for Lifeline customers are set forth in Attachment I.

12.2 The PPFAC rate and DSM surcharge shall apply to Lifeline customers, and the currently frozen rates shall no longer be portable.

12.3 In compliance with Decision No. 59594 (March 29, 1996), TEP set up a LIFE Fund of \$4.5 million. The annual interest from the LIFE Fund was used for the benefit of low-income customers. The Signatories agree that the LIFE Fund should be extinguished and that TEP will make an annual contribution to the Arizona Community Action Association in the amount of \$150,000 to fund low-income utility bill assistance programs, commencing on September 1, 2013.

## **XIII. NOGALES TRANSMISSION LINE**

13.1 TEP agrees that, before requesting any rate recovery from the Commission for the cost related to the development of the transmission line between Tucson and Nogales, it will seek recovery of those costs from the Federal Energy

Regulatory Commission ("FERC"). Nothing herein shall preclude Parties from challenging before FERC or the Commission the inclusion of this cost in rates.

#### **XIV. SAN JUAN THERMAL EVENT**

14.1 TEP agrees to maintain a separate accounting of all direct costs related to the thermal event at the San Juan mine and that such cost recovery, with the exception of TEP's share of the insurance deductible, be deferred until the insurance settlement has been completed. The estimate of deferred costs is \$9.7 million. TEP shall then be eligible to put through all costs in excess of the insurance recovery subject to the standard prudence determination of all fuel costs recovered through the PPFAC. This accounting and regulatory treatment is not intended to set a precedent for future events.

#### **XV. RATE DESIGN**

15.1 In addition to the provisions affecting rate design set forth in this Agreement above, rate design shall be addressed as set forth in Attachment J.

15.2 The rate design portion of this Agreement shall remain open until July 1, 2014, to allow for the possible adjustment of specific tariffs to correct for unanticipated customer rate impacts that are determined to be inconsistent with the public interest. Any tariff changes will not have the effect, in the aggregate, of reducing TEP's non-fuel revenue requirement.

#### **XVI. RULES AND REGULATIONS**

16.1 TEP's revised Rules and Regulations shall be as agreed to between the Company and Staff. The final version of the Rules and Regulations will be attached to the Company's testimony in support of the Agreement.

#### **XVII. GREENWATTS TARIFF AND STATEMENT OF CHARGES**

17.1 TEP's GreenWatts tariff is eliminated.

17.2 TEP's revised Statement of Charges is set forth in Attachment K.

#### **XVIII. QUALITY OF SERVICE**

18.1 TEP agrees to: (i) continue to evaluate TEP's reliability on the basis of the distribution indices being maintained at present levels and (ii) initiate a study within 180 days of the effective date of the approval of this Agreement to examine potential loss reductions and the costs required to convert 4.16 kV circuits to 13.8 kV.

- 18.2 TEP agrees to meet with Staff within 180 days of the effective date of the approval of this Agreement to address: (i) potentially increasing the pace of upgrading critical circuits in need of preventative maintenance; (ii) establishing a routine of periodic load-flow analysis of its system and confirming the accuracy of utilized model; and (iii) equip feeder circuits with meters or other equipment so that power information can be relayed to Energy Management Service ("EMS") through Supervisory Control and Data Acquisition ("SCADA") to determine losses on a circuit-by-circuit basis.

## **XIX. COMPLIANCE MATTERS**

- 19.1 TEP's request for elimination of reporting requirements, as set forth in the Direct Testimony of Craig A. Jones at pages 76-81, shall be approved with the exception of: (i) the reporting requirements under the Commission's Retail Electric Competition Rules (A.A.C. R14-2-1601 et seq.) and (ii) the Cost Containment Report pursuant to Decision No. 59594 (March 29, 1996). The reporting requirements that are eliminated or modified are set forth in Attachment L.

## **XX. ADDITIONAL SETTLEMENT PROVISIONS**

- 20.1 With respect to the retail space (approximately 12,000 square feet) at the Company's headquarters building, TEP will in its next rate case propose to treat the retail space in a similar manner as set forth in Attachment A.
- 20.2 Net Operating Losses: Within 60 days following the final decision in Docket No. E-01933A-12-0291, TEP will make a filing proposing the Commission open a generic docket to address the appropriate accounting treatment of Net Operating Losses (NOLs) in future rate cases.
- 20.3 Depreciation Reserves: In recognition of RUCO's excess depreciation concerns, TEP agrees to the following: (a) If TEP makes any filing with the Commission related to the early retirement of any production asset, TEP will propose that any then-existing excess depreciation reserve for Production Plant will be applied to the unrecovered book value of the retiring asset and (b) TEP will propose in its next rate case that the remaining excess Production Plant depreciation, if any, after the application to the aforementioned early asset retirement will be amortized over 15 years.
- 20.4 Capital Expenditures for Distribution Plant: TEP agrees to meet with RUCO and Staff once a year for the next 3 years to discuss TEP's capital expenditures, planning horizons, and related planning (reconciled with TEP's IRP) for the

upcoming year. TEP will provide the capital expenditure details and supporting information at least one week prior to the scheduled meeting.

- 20.5 As a compliance item, TEP agrees that it will file in this docket by August 30, 2013 a proposed tariff for interruptible rates. Staff agrees that it will review the filing and docket a Staff Report and Proposed Order for the consideration of the Commission by December 31, 2013.
- 20.6 In its next general rate case, TEP agrees to propose a rate for customers that take service at 138 kV or higher.

## **XXI. COMMISSION EVALUATION OF PROPOSED SETTLEMENT**


- 21.1 All currently filed testimony and exhibits shall be offered into the Commission's record as evidence.
- 21.2 The Signatories recognize that Staff does not have the power to bind the Commission. For purposes of proposing a settlement agreement, Staff acts in the same manner as any party to a Commission proceeding.
- 21.3 This Agreement shall serve as a procedural device by which the Signatories will submit their proposed settlement of TEP's pending rate case, Docket No. E-01933A-12-0291, to the Commission.
- 21.4 The Signatories recognize that the Commission will independently consider and evaluate the terms of this Agreement. If the Commission issues an order adopting all material terms of this Agreement, such action shall constitute Commission approval of the Agreement. Thereafter, the Signatories shall abide by the terms as approved by the Commission.
- 21.5 If the Commission fails to issue an order adopting all material terms of this Agreement, any or all of the Signatories may withdraw from this Agreement, and such Signatory or Signatories may pursue without prejudice their respective remedies at law. For purposes of this Agreement, whether a term is material shall be left to the discretion of the Signatory choosing to withdraw from the Agreement. If a Signatory withdraws from the Agreement pursuant to this paragraph and files an application for rehearing, the other Signatories, except for Staff, shall support the application for rehearing by filing a document with the Commission that supports approval of the Agreement in its entirety. Staff shall not be obligated to file any document or take any position regarding the withdrawing Signatory's application for rehearing.

## **XXII. MISCELLANEOUS PROVISIONS**


- 22.1 This case has attracted a large number of participants with widely diverse interests. To achieve consensus for settlement, many participants are accepting positions that, in any other circumstances, they would be unwilling to accept. They are doing so because this Agreement, as a whole, is consistent with their long-term interests and with the broad public interest. The acceptance by any Signatory of a specific element of this Agreement shall not be considered as precedent for acceptance of that element in any other context.
- 22.2 No Signatory is bound by any position asserted in negotiations, except as expressly stated in this Agreement. No Signatory shall offer evidence of conduct or statements made in the course of negotiating this Agreement before this Commission, any other regulatory agency, or any court.
- 22.3 Neither this Agreement nor any of the positions taken in this Agreement by any of the Signatories may be referred to, cited, and/or relied upon as precedent in any proceeding before the Commission, any other regulatory agency, or any court for any purpose except to secure approval of this Agreement and enforce its terms.
- 22.4 To the extent any provision of this Agreement is inconsistent with any existing Commission order, rule, or regulation, this Agreement shall control.
- 22.5 Each of the terms of this Agreement is in consideration of all other terms of this Agreement. Accordingly, the terms are not severable.
- 22.6 The Signatories shall make reasonable and good faith efforts necessary to obtain a Commission order approving this Agreement. The Signatories shall support and defend this Agreement before the Commission. Subject to Paragraph 21.5 above, if the Commission adopts an order approving all material terms of the Agreement, the Signatories will support and defend the Commission's order before any court or regulatory agency in which it may be at issue.

22.7 This Agreement may be executed in any number of counterparts and by each Signatory on separate counterparts, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute one and the same instrument. This Agreement may also be executed electronically or by facsimile.

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION STAFF

By   
Title Utilities Review Director  
Date 2-4-13

TUCSON ELECTRIC POWER COMPANY

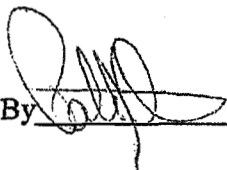
By   
Title President  
Date February 4, 2013



Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

Residential Utility Consumer Office

By  \_\_\_\_\_

Title Director RUCO \_\_\_\_\_


Date 2/4/2013 \_\_\_\_\_

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

David Godlewski

Southern Arizona Home Builders Association

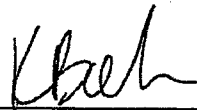
By   
Title President  
Date 1/4/13

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

KROGER CO.

By



Title

Attorney


Date

2-4-13

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

Freeport-McMoRan Copper & Gold Inc.

By 

C. Webb Crockett  
Patrick J. Black  
Fennemore Craig, P.C.

Title Attorneys for Freeport-McMoRan Copper & Gold Inc.

Date February 4, 2013

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

Arizonans for Electric Choice and Competition

By 

C. Webb Crockett  
Patrick J. Black  
Fennemore Craig, P.C.

Title Attorneys for Arizonans for Electric Choice and Competition

Date February 4, 2013

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement  
Docket No. E-01933A-12-0291

[PARTYNAME]

By Mona Tierney Lloyd  
Title Director, Reg Affairs, EVERNEX  
Date 2-4-13

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

IBEW LOCAL 1116

By *Amir Grijalva*

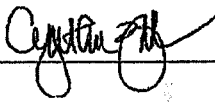
Title Attorney for IBEW (*on behalf of Frank Grijalva, Business Manager*)

Date 2/4/13

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

Cynthia Zwick

By 

Title \_\_\_\_\_

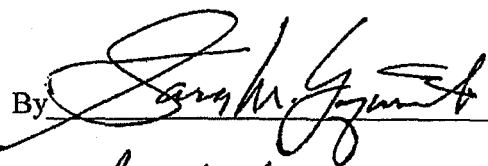
Date FEBRUARY 4, 2013



Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

ARIZONA INVESTMENT COUNCIL

By 

Title President

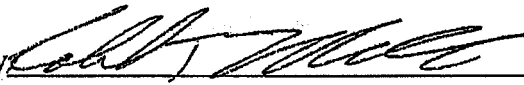
Date 2/4/2013

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

[Opower Inc.]

By



Title

ATTORNEY

Date

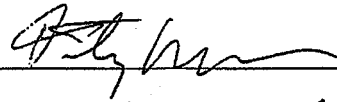
2-4-13

Signatory to February 4, 2013 Tucson Electric Power Company Settlement Agreement

Docket No. E-01933A-12-0291

The Vote Solar Initiative

By

A handwritten signature in black ink, appearing to be "Alyssa", written over a horizontal line.

Title

Attorney for VSI

Date

Feb. 4, 2013

# ATTACHMENT

"A"

**TUCSON ELECTRIC POWER COMPANY  
COMPARISON OF ADJUSTMENTS TO ACC JURISDICTIONAL REVENUE REQUIREMENT  
TEST YEAR ENDED DECEMBER 31, 2011**

	As Filed TEP 6/30/12	Settlement 2/4/13	Summary
Original Cost Rate Base - Unadjusted	\$1,627,962,142	\$1,627,962,142	
<b>Rate Base Adjustments</b>			
Sahuarita - Nogales Transmission Line	11,088,732	-	For purposes of settlement and to be reflected in rates in this proceeding, the Settling Parties agree that recovery will be pursued at the Federal Energy Regulatory Commission.
Leasehold Improvements	(765,060)	(765,060)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Post Test Year Plant	20,441,231	20,441,231	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Post Test Year Plant - Renewable	15,710,443	15,710,443	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Delayed Plant	7,650,854	7,650,854	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Accumulated Deferred ITC	(1,605,208)	(1,605,208)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Accumulated Deferred Income Tax	(126,648,626)	(126,648,626)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Allowance for Working Capital	(34,761,146)	(35,683,128)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Total Adjustments to Rate Base	(108,888,780)	(120,899,494)	
Rate Base	\$ 1,519,073,362	\$ 1,507,062,648	
Requested Rate of Return	7.74%	7.26%	For purposes of settlement and to be reflected in rates, the Settling Parties agree that a capital structure of 43.50 % Equity @10.00% and 55.97% Long-Term Debt @ 5.18% and .53% Short-Term Debt @ 1.42% be used.
Required Operating Income OCRB	\$117,609,698	\$109,412,748	
Fair Value Increment of Rate Base	\$761,142,979	\$761,136,605	
Fair Value Rate Base (FVRB)	\$2,280,216,341	\$2,268,199,253	
Proposed FVROR	5.68%	5.05%	
Required Operating Income on FVRB	129,483,528	\$114,588,477	
ROR on Fair Value Increment of Rate Base	1.56%	0.68%	The Settling Parties agree to the reduced level of return on the fair value rate base increment for purposes of settlement.

**TUCSON ELECTRIC POWER COMPANY**  
**COMPARISON OF ADJUSTMENTS TO ACC JURISDICTIONAL REVENUE REQUIREMENT**  
**TEST YEAR ENDED DECEMBER 31, 2011**

	As Filed TEP	Settlement	
	6/30/12	2/4/13	Summary
Original Operating Income - Unadjusted	\$257,751,277	\$257,751,277	
<b>Operating Revenue Adjustments</b>			
State Energy Program	(1,254,299)	(1,254,299)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
REST & DSM	(46,633,198)	(46,633,198)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Green Watts	(81,180)	(81,180)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Springerville Unit 3 & 4	(87,568,386)	(80,607,382)	For purposes of settlement and to be reflected in rates the parties agree to adjust the reimbursement of operating expenses to 100%.
Power Supply Management	(641,665)	(641,665)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Customer and Weather Adjustment	(7,922,107)	(7,922,107)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
PPFAC Adjustment	(12,436,902)	(12,176,849)	For purposes of settlement and to be reflected in rates, the Settling Parties agree to adjustments to reflect the current PPFAC rate.
Service Fees & Late Fees	1,109,816	1,109,816	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Customer Care & Billing (CC&B) Allocation	717,619	717,619	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
People Soft Allocation	(64,566)	(64,566)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Building Allocation to Affiliates	506,224	506,224	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Sulfur Credit	-	(5,076,000)	reflected in rates in this proceeding.
Lime Expense	-	12,879,613	For purposes of settlement and to be reflected in rates, the Settling Parties agree to adjustments that reflect lime expense and sulfur credits as PPFAC includable costs.
Headquarter Return Offset		2,389,000	For purposes of settlement and to be reflected in rates in this proceeding, the Settling Parties agree to include a reduction to TEP's cost of service producing a return "on" its new office building at TEP's cost of debt.
Headquarter Retail Space Rent	-	250,000	For purposes of settlement and to be reflected in rates in this proceeding, the Settling Parties have agreed to assume a rent equivalent to \$20.83/square foot on 12,000 square feet of retail space.
Total Adjustments to Operating Revenues	(\$154,268,644)	(\$136,604,974)	(Market equivalent \$12-\$15 per square foot)

**TUCSON ELECTRIC POWER COMPANY**  
**COMPARISON OF ADJUSTMENTS TO ACC JURISDICTIONAL REVENUE REQUIREMENT**  
**TEST YEAR ENDED DECEMBER 31, 2011**

	As Filed TEP 6/30/12	Settlement 2/4/13	Summary
<b>Operating Expense Adjustments</b>			
Implementation Cost Regulatory Asset	(3,553,210)	(3,553,210)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
State Energy Program	(1,253,688)	(1,253,688)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
REST & DSM	(34,129,577)	(34,129,577)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Green Walls	(28,094)	(28,094)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Springerville Units 3 & 4	(66,126,339)	(66,126,339)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Revenue form Sale of SO2 Allowances	1,212	1,212	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Sales for Resale	(128,262,147)	(128,262,147)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Power Supply Management	(217,252)	(217,252)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
PPFAC Adjustment	168,304,294	168,564,347	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Sahuatita - Nogales Tran Line Amortization	2,982,638	-	For purposes of settlement and to be reflected in rates in this proceeding, the Settling Parties agree that recovery will be pursued at the Federal Energy Regulatory Commission.
Generating Facilities - Operating Lease	(3,148,432)	(3,148,432)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Springerville Unit 1	41,014,390	41,000,514	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Overhaul & Outage Normalization	1,191,868	(1,322,100)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Payroll Expense	2,898,605	2,898,605	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Payroll Tax Expense	193,390	193,390	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Pension & Benefits	200,143	200,143	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Retiree Medical	1,235,251	1,235,251	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Incentive Compensation	2,014,330	(80,108)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Rate Case Expense	192,187	(25,998)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Injuries and Damages	599,268	599,268	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.

TUCSON ELECTRIC POWER COMPANY			
COMPARISON OF ADJUSTMENTS TO ACC JURISDICTIONAL REVENUE REQUIREMENT			
TEST YEAR ENDED DECEMBER 31, 2011			
	As Filed TEP 6/30/12	Settlement 2/4/13	
		Summary	
Membership Dues	(79,913)	(191,016)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Bad Debt Expense	639,648	639,648	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
CC&B Allocation	1,217,949	1,217,949	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
People Soft Allocation	(187,570)	(187,570)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Depr. & Amort. Expense Annualization	(3,197,238)	(3,197,238)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Non-Recurring	(1,492,550)	(1,492,550)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Property Tax	2,305,832	848,741	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Asset Retirement Obligation	(299,189)	(299,189)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Building Expense Annualization	286,055	286,055	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Lime Expense	1,246,043	1,246,043	reflected in rates in this proceeding. The net Lime expense and sulfur credit amount in O&M were offset and reflected as PPFAC includable costs.
Credit Support		21,000	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Post Test Year Depreciation		1,520,175	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Income Tax	(23,564,462)	(14,198,335)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
OATT	90,028,056	90,028,056	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Directors and Officers Liability Insurance		(289,320)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Day Nite / General Corporate Advertising		(13,061)	The Settling Parties agree to this adjustment for purposes of settlement and that the adjustment be reflected in rates in this proceeding.
Total Adjustments to Operating Expense	\$51,011,498	\$52,485,173	
Total Net Adjustments	(\$205,280,142)	(\$189,090,147)	
Adjusted Operating Income	\$52,471,135	\$68,661,130	
Operating Income Deficiency	\$77,012,393	\$45,927,347	
Gross Revenue Conversion Factor	1.6590	1.6590	
Increase in Gross Revenue Requirement	\$127,760,018	\$76,194,257	



# ATTACHMENT

"B"

Tucson Electric Power Company  
 Test Period Ending December 31, 2011  
 Revenue Allocation - Test Year Adjusted  
 Attachment B

Line No.	Description	Total Adjusted TY Revenues	Total Fuel Revenue Increase	Total Non-Fuel Revenue Increase	Total Proposed Revenues	Percent Allocated
1	Residential	\$363,572,522	\$11,968,386	\$36,283,601	\$411,824,508	13.3%
2	Small General Service	223,685,672	9,960,816	17,646,762	251,293,250	12.3%
3	Water Pumping	7,355,490	481,929	554,386	8,391,806	14.1%
4	Large General Service	100,687,806	4,369,445	9,861,330	114,918,581	14.1%
5	Large Light and Power	114,163,922	4,502,721	11,608,894	130,275,537	14.1%
6	Lighting	3,936,000	316,595	239,336	4,491,931	14.1%
7	Subtotal	<u>\$813,401,411</u>	<u>\$31,599,892</u>	<u>\$76,194,310</u>	<u>\$921,195,613</u>	<u>13.3%</u>

# ATTACHMENT

"C"

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**Tucson Electric Power Company  
Purchased Power and Fuel Adjustment Clause  
Plan of Administration**

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## **1. GENERAL DESCRIPTION**

This document describes the plan for administering the Purchased Power and Fuel Adjustment Clause ("PPFAC") the Arizona Corporation Commission ("Commission") approved for Tucson Electric Power Company ("TEP") in Decision No. 70628 (December 1, 2008) and amended by the Commission in Decision No. XXXXX (date).- The PPFAC provides for the recovery of fuel and purchased power costs from the date of Decision No. XXXXX that decision forward.

The PPFAC described in this Plan of Administration ("POA") uses a forward-looking estimate of fuel and purchased power costs to set a rate that is then reconciled to actual costs experienced. This POA describes the application of the PPFAC.

## **2. DEFINITIONS**

Applicable Interest - Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15. The interest rate is adjusted annually on the first business day of the calendar year.

Base Cost of Fuel and Purchased Power - An amount generally expressed as a rate per kWh, which reflects the fuel and purchased power cost embedded in the base rates as approved by the Commission in TEP's most recent rate case. The Base Cost of Fuel and Purchased Power revenue is the approved rate per kWh times the applicable sales volumes. Decision No. 70628 XXXXX set the base cost at \$0.032335 per kWh - at \$0.02896 per kWh effective on December 1, 2008 [date].

~~Fixed CTC True Up Revenues - The incremental revenue that was collected as a result of retaining the Fixed CTC in place and maintaining Standard Offer rates, pursuant to Decision No. 69568.~~

Brokerage Fees - The costs attributable to the use of brokers recorded in Federal Energy Regulatory Commission ("FERC") Account 557.

Forward Component - An amount expressed as a rate per kWh charge that is updated annually on April 1 of each year and effective with the first billing cycle in April. The Forward Component for the PPFAC Year will adjust for the difference between the forecasted fuel and purchased power costs expressed as a rate per kWh less the Base Cost of Fuel and Purchase Power generally expressed as a rate per kWh embedded in TEP's base rates. The result of this calculation will equal the Forward Component, expressed as a rate per kWh.

Forward Component Tracking Account - An account that records on a monthly basis TEP's over/under-recovery of its actual costs of fuel and purchased power as compared to the actual Base Cost of Fuel and Purchased Power revenue and Forward Component revenue; plus Applicable Interest. The balance of this account as of the end of each PPFAC Year is, subject to periodic audit, reflected in the next True-Up Component calculation. TEP files the balances and supporting details underlying this Account with the Commission on a monthly basis via a monthly reporting requirement.

Fuel and Purchased Power Costs - The costs recorded for the fuel and purchased power used by TEP to serve both Total Native Load Energy Sales and Short Term Sales, ~~less the costs associated with Mark to Market Accounting adjustments.~~ Wheeling costs are included. ~~Broker's fees and other expenses TEP records in Account 557 are not included.~~

Lime Costs (FERC Account 502) – The costs recorded for lime used to remove sulfur compounds formed during coal combustion.

Long Term Energy Sales - The portion of load from Total Native Load Energy Sales wholesale customers (currently Salt River Project, Tohono O'odham Utility Authority and Navajo Tribal Utility Authority) that is served by TEP, excluding the load served with Preference Power. Wholesale sales with a duration of one year or greater are also included.

~~Mark to Market Accounting – Recording the value of qualifying commodity contracts to reflect their current market value relative to their actual cost.~~

PPFAC - The Purchased Power and Fuel Adjustment Clause approved by the Commission in Decision No. 70628 and amended by the Commission in Decision No. XXXXX, which is a combination of two rate components that track changes in the cost of obtaining power supplies based upon forward-looking estimates of fuel and purchased power costs that are eventually reconciled to actual costs experienced. This PPFAC also provides for a reconciliation between actual and estimated costs of the last three months of estimated costs used in True-Up Component calculations.

PPFAC Year - A consecutive 12-month period beginning each April 1 and lasting through March 31 the following year. ~~The initial term of the PPFAC will begin on the effective date of the Commission decision in this proceeding (Decision No. 70628) and end on March 31, 2009. The first full year of the PPFAC will begin on April 1, 2009 and end on March 31, 2010. The first True-Up Component will include costs and revenues from January 1, 2009 through March 31, 2009.~~

Preference Power - Power allocated to TEP wholesale customers by federal power agencies such as the Western Area Power Administration.

Retail Native Load Energy Sales – The portion of load from Total Native Load Energy Sales that serves TEP's retail customers ~~that is served by TEP and located within the TEP control area.~~

Short Term Sales – Wholesale sales with for durations of less than one year made to non-Native Load customers for the purpose of optimizing the TEP system, using TEP owned or contracted generation and purchased power, ~~less Mark to Market Accounting adjustments.~~

Short Term Sales Revenue - The revenue recorded from wholesale sales with durations of less than one year made to non-Native Load customers, for the purpose of optimizing the TEP

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system, using TEP-owned or contracted generation and purchased power, ~~less Mark-to-Market Accounting adjustments.~~

SO<sub>2</sub> Allowance Sales – The revenues related to the sale of SO<sub>2</sub> emission allowances, including gain on SO<sub>2</sub> allowance sales and auction proceeds net of Brokerage Fees ~~Commissions~~ paid.

Sulfur Credits – Credits received by TEP related to coal sulfur content that offset the cost of chemicals used to remove sulfur compounds formed during coal combustion.

Total Native Load Energy Sales – Retail Native Load Energy Sales and Long Term Energy Sales for which TEP has a generation service obligation.

True-Up Component - An amount expressed as a rate per kWh charge that is updated annually on April 1 of each year and effective with the first billing cycle in April. The purpose of this charge is to provide for a true-up mechanism to reconcile any over or under-recovered amounts from the preceding PPFAC Year tracking account balances to be refunded/collected from customers in the coming year's PPFAC rate. ~~The first True-Up Component will include costs and revenues from January 1, 2009 through March 31, 2009.~~

True-Up Component Tracking Account - An account that records on a monthly basis the account balance to be collected or refunded via the True-Up Component rate as compared to the actual True-Up Component revenues, plus Applicable Interest; the balance of which at the close of the preceding PPFAC Year is, subject to periodic audit, then reflected in the next True-Up Component calculation. TEP files the balances and supporting details underlying this Account with the Commission on a monthly basis.

Wheeling Costs (FERC Account 565, Transmission of Electricity by Others) - Amounts payable to others for the transmission of TEP's electricity over transmission facilities owned by others.

Wholesale Trading Activity – Revenue recorded from realized wholesale trading profits.

### **3. PPFAC COMPONENTS**

The PPFAC Rate will consist of two components designed to provide for the recovery of actual, prudently incurred fuel and purchased power costs. Those components are:

1. The Forward Component, which recovers or refunds differences between expected PPFAC Year (each April 1 through March 31 period shall constitute a PPFAC Year) fuel and purchased power costs and those embedded in base rates.
2. The True-Up Component, which tracks the differences between the PPFAC Year's actual fuel and purchased power costs and those costs recovered through the combination of base rates and the Forward Component, and which provides for their recovery during the next PPFAC Year.

The PPFAC Year begins on April 1 and ends the following March 31. ~~The first full PPFAC Year in which the PPFAC rate shall apply will begin on April 1, 2009 and end on March 31, 2010. Succeeding PPFAC Years will begin on each April 1 thereafter.~~

~~For the period from when the Commission issued Decision No. 70628 in this case until March 31, 2009 the Base Cost of Fuel and Purchased Power rate established in that decision will be in effect. The first True Up will include costs and revenues from January 1, 2009 through March 31, 2009.~~

On or before October 31 of each year, TEP will submit a PPFAC Rate filing, which shall include ~~an estimate~~ proposed calculation of the components for the following April's PPFAC rate. This filing shall be accompanied by supporting information as Staff determines to be required. TEP will ~~update~~ supplement this filing with a True Up Component filing on or before February 1 in order to replace estimated balances with actual balances, as explained below.

#### **A. Forward Component Description**

The Forward Component is intended to refund or recover the difference between: (1) the fuel and purchased power costs embedded in base rates and (2) the forecasted fuel and purchased power costs over a PPFAC Year that begins on April 1 and ends the following March 31. TEP will submit, on or before October 31 of each year, a forecast for the upcoming PPFAC year (April 1 through March 31) of its fuel and purchase power costs. It will also submit a forecast of kWh sales for the same PPFAC year, and divide the forecasted costs by the forecasted sales to produce the cents per kWh unit rate required to collect those costs over those sales. The result of subtracting the Base Cost of Fuel and Purchased Power from this unit rate shall be the Forward Component.

#### **Credits to the PPFAC**

The following will be credited to the PPFAC:

1. All revenues from Short Term Sales; will be credited against fuel and purchased power costs.
2. Ten percent of the net positive margins realized by TEP during the PPFAC year on its Wholesale Trading Activities;
3. will be credited against fuel and purchased power costs. ~~One hundred (100%)~~ Fifty percent of the margins realized by TEP on SO<sub>2</sub> Allowance Sales (net of brokerage fees);
4. will be credited against fuel and purchased power costs. All Sulfur Credits received by TEP; and
- 4.5. The sale of renewable energy credits that do not flow through the Renewable Energy Standard Tariff.

TEP shall maintain and report monthly the balances in a Forward Component Tracking Account, which will record TEP's over/under-recovery of its actual costs of fuel and purchased power as compared to the actual Base Cost of Fuel and Purchased Power revenue and Forward Component



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revenue. This Account will operate on a PPFAC Year basis (i.e. April 1 to the following March 31), and its balances will be used to administer this PPFAC's True-Up Component, which is described immediately below.

### **B. True-Up Component Description**

The True-Up Component in any current PPFAC Year is intended to refund or recover the balance accumulated in the Forward Component Tracking Account (described above) during the previous PPFAC year. Also, any remaining balance from the True-Up Component Tracking Account as of March 31 would roll over into the True-Up Component for the coming PPFAC year starting April 1. The sum of projected Forward Component Tracking Account and True-Up Component Tracking Account balances on March 31 is divided by the forecasted PPFAC year kWh sales to determine the True-Up Component for the coming PPFAC year.

TEP shall maintain and report monthly the balances in a True-Up Component Tracking Account, which will reflect monthly collections or refunds under the True-Up Component and the amounts approved for use in calculating the True-Up Component.

Each annual TEP filing on October 31 will include an accumulation of Forward Component Tracking Account balances and True-Up Component Tracking Account balances for the preceding April through September and an estimate of the balances for October through March (the remaining six months of the current PPFAC Year). The TEP filing shall use these balances to calculate a preliminary True-Up Component for the coming PPFAC Year. On or before February 1, TEP will ~~submit a supplemental filing that recalculates the True-Up Component~~ update the October filing. This ~~update~~ recalculation shall replace estimated monthly balances with those actual monthly balances that have become available since the October 31 filing.

The October 31 filing's use of estimated balances for October through March (with supporting workpapers) is required to allow the PPFAC review process to begin in a way that will support its completion and a Commission decision before April 1. The February 1 updating will allow for the use of the most current balance information available before the PPFAC rate would go into effect. In addition to the February 1 update filing, TEP monthly filings (for the months of September through December) of Forward Component Tracking Account balance information and True-Up Component Tracking Account balance information will include a recalculation (replacing estimated balances with actual balances as they become known) of the projected True-Up Component unit rate required for the next PPFAC Year.

The True-Up Component Tracking Account will measure the changes each month in the True-Up Component balance used to establish the current True-Up Component as a result of collections under the True-Up Component in effect. It will subtract each month's True-Up Component collections from the True-Up Component balance. The True-Up Component Account will also include Applicable Interest on any balances. TEP shall file the amounts and supporting calculations and workpapers for this account each month.

## **4. CALCULATION OF THE PPFAC RATE**

The PPFAC rate is the sum of the two components: ~~i.e.,~~ the Forward Component and the True-Up Component. The PPFAC rate shall be applied to customer bills. Upon Commission approval, ~~the~~ proposed PPFAC rate (as amended by the updated February 1 filing) shall go into effect on April 1. The PPFAC rate shall be applicable to TEP's retail electric rate schedules (except those specifically exempted) and is adjusted annually. The PPFAC Rate shall be applied to the customer's bill as a monthly kilowatt-hour ("kWh") charge that is the same for all customer classes.

The PPFAC rate shall be reset on April 1 of each year, and shall be effective with the first April billing cycle only after approved by the Commission. It is not prorated. ~~The first True-Up Component will include costs and revenues from January 1, 2009 through March 31, 2009.~~

#### **5. CALCULATION OF THE FIXED CTC TRUE UP REVENUE CREDIT**

~~In addition to the True-Up Component as described in the preceding paragraph, Commission No. 70628 requires that all Fixed CTC True-Up Revenues be credited in their entirety to the ratepayers by means of a credit to the PPFAC.~~

~~The Fixed CTC Revenues shall be credited against PPFAC eligible costs in a manner that keeps the PPFAC rate at zero until the Fixed CTC True-Up Revenues are fully credited. Once the annual PPFAC Rate has been calculated in accordance with Section 4 of this Plan of Administration, the Fixed CTC Revenue Credit shall be equal and opposite of the PPFAC Rate until the Fixed CTC Revenues have been fully credited back to the ratepayers.~~

~~A Tracking Account shall be used to track the Fixed CTC Revenue Credit until the account balance reaches zero.~~

#### **56. FILING AND PROCEDURAL DEADLINES**

##### **A. October 31 Filing**

TEP shall file the PPFAC rate with all Component calculations for the PPFAC year beginning on the next April 1, including all supporting data, with the Commission on or before October 31 of each year. That calculation shall use a forecast of kWh sales and of fuel and purchased power costs for the coming PPFAC year, with all inputs and assumptions being the most current available for the Forward Component. The filing will also include the True-Up Component calculation for the year beginning on the next April 1, with all supporting data. That calculation will use the same forecast of sales used for the Forward Component calculation.

##### **B. February 1 Filing**

TEP will update the October 31 filing by February 1. This update will replace estimated Forward Component Tracking Account balances, and the True-Up Component Tracking

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Account balances, with actual balances and with more current estimates for those months (January, February and March) for which actual data are not available. The new PPFAC rate will go into effect on April 1 upon Commission approval.

### **C. Additional Filings**

TEP will also file with the Commission any additional information that the Staff determines it requires to verify the component calculations, account balances, and any other matter pertinent to the PPFAC.

### **D. Review Process**

The Commission Staff and interested parties will have an opportunity to review the October 31 and February 1 forecast, balances, and supporting data on which the calculations of the two PPFAC components have been based. Any objections to the October 31 calculations must be filed within 45 days of the TEP filing. Any objections to the February 1 calculations must be filed within 15 days of the TEP filing.

## **67. VERIFICATION AND AUDIT**

The amounts charged through the PPFAC will be subject to periodic audit to assure their completeness and accuracy and to assure that all fuel and purchased power costs were incurred reasonably and prudently. The Commission may, after notice and opportunity for hearing, make such adjustments to existing balances or to already recovered amounts as it finds necessary to correct any accounting or calculation errors or to address any costs found to be unreasonable or imprudent. Such adjustments, with appropriate interest, shall be recovered or refunded in the True-Up Component for the following year (i.e. starting the next April 1).

TEP agrees to pay the cost of biennial audits of its PPFAC by an outside auditor retained by the Commission.

## **78. SCHEDULES**

Samples of the following schedules are attached to this Plan of Administration:

- Schedule 1 PPFAC Rate Calculation
- Schedule 2 PPFAC Forward Component Rate Calculation
- Schedule 3 PPFAC Forward Component Tracking Account
- Schedule 4 PPFAC True-Up Component Rate Calculation
- Schedule 5 PPFAC True-Up Component Tracking Account

## **89. COMPLIANCE REPORTS**

TEP shall provide monthly reports to Staff's Compliance Section and to the Residential Utility Consumer Office detailing all calculations related to the PPFAC. A TEP Officer shall certify under oath that all information provided in the reports itemized below is true and accurate to the best of his or her information and belief and that there have been no changes to the Allowable Costs recovered through the PPFAC without Commission approval. These monthly reports shall be due within 4530 days of the end of the reporting period.

The publicly available reports will include at a minimum:

1. The PPFAC Rate Calculation (Schedule 1); Forward Component and True-Up Component Calculations (Schedules 2 and 4); Annual Forward Component and True-Up Component Tracking Account Balances (Schedules 3 and 5). Additional information will provide other relative inputs and outputs such as:
  - a. Total power and fuel costs.
  - b. Customer sales in both MWh and thousands of dollars by customer class.
  - c. Number of customers by customer class.
  - d. A detailed listing of all items excluded from the PPFAC calculations.
  - e. A detailed listing of any adjustments to the adjustor reports.
  - f. Total short term sales revenues.
  - g. System losses in MWh.
  - h. Monthly maximum retail demand in MW.
  - i. SO<sub>2</sub> allowance sales.
2. Identification of a contact person and phone number from TEP for questions.

TEP shall also provide to Commission Staff monthly reports containing the information listed below. These reports shall be due within 4530 days of the end of the reporting period. All of these additional reports must be provided confidentially.

- A. Information for each generating unit will include the following items:
  1. Net generation, in MWh per month, and 12 months cumulatively.
  2. Average heat rate, both monthly and 12-month average.
  3. Equivalent forced-outage rate, both monthly and 12-month average.
  4. Outage information for each month including, but not limited to, event type, start date and time, end date and time, and a description.
  5. Total fuel costs per month.
  6. The fuel cost per kWh per month.
- B. Information on power purchases will include the following items per seller (information on economy interchange purchases may be aggregated):
  1. The quantity purchased in MWh.
  2. The demand purchased in MW to the extent specified in the contract.
  3. The total cost for demand to the extent specified in the contract.
  4. The total cost of energy.

- C. Fuel purchase information shall include the following items:
1. Natural gas interstate pipeline costs, itemized by pipeline and by individual cost components, such as reservation charge, usage, surcharges and fuel.
  2. Natural gas commodity costs, categorized by short-term purchases (one month or less) and longer term purchases, including price per therm, total cost, supply basin, and volume by contract.
- D. TEP will also provide:
1. Monthly projections for the next 12-month period showing estimated (Over)/undercollected amounts.
  2. A summary of unplanned outage costs by resource type.
  3. The data necessary to arrive at the Native Load Energy Sales MWh reflected in the non-confidential filing.
  4. The data necessary to arrive at the Total Fuel and Purchase Power cost reflected in the non-confidential filing (Section 8.1.a).

In addition, TEP will prepare certain schedules and documents that will provide the necessary transparency of TEP's fuel and purchased power procurement activities such that the prudence of these activities can be determined and compliance with company procurement protocols can be confirmed.

Workpapers and other documents that contain proprietary or confidential information will be provided to the Commission Staff under an appropriate protective agreement. TEP will keep fuel and purchased power invoices and contracts available for Commission review. The Commission has the right to review the prudence of fuel and power purchases and any calculations associated with the PPFAC at any time. Any costs flowed through the PPFAC are subject to refund, if those costs are found to be imprudently incurred.

## **910. ALLOWABLE COSTS**

### **A. Accounts**

The allowable PPFAC costs include fuel and purchased power costs incurred to provide service to retail customers. Additionally, the prudent direct costs of contracts used for hedging system fuel and purchased power will be recovered under the PPFAC. The allowable cost components include the following Federal Energy Regulatory Commission ("FERC") accounts:

- 501 Fuel (Steam)
- 547 Fuel (Other Production)
- 555 Purchased Power
- 565 Wheeling (Transmission of Electricity by Others)

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

**B. Other Allowable Costs/Credits**

- Brokerage Fees recorded in FERC Account 557
- Lime costs recorded in FERC Account 502
- Sulfur credits recorded in FERC Account 501 or 502 (whichever FERC requires)

These accounts are subject to change if the Federal Energy Regulatory Commission alters its accounting requirements or definitions.

No other costs or credits are allowed without pre approval from the Commission in an Order.

**Tucson Electric Power Company  
Purchased Power and Fuel Adjustment Clause  
Monthly Information Filing  
Proposed 20xx & 20xx PPFAC Rate Filing**

- Schedule 1**      **Projected Rate Calculation effective April 1, 20xx**
- Schedule 2**      **Projected PPFAC Forward Component Rate Calculation Effective April 1, 20xx**
- Schedule 3**      **Projected Forward Component Tracking Account Balance**
- Schedule 4**      **Projected PPFAC True-Up Component Rate Calculation Effective April 1, 20xx**
- Schedule 5**      **Projected True-Up Component Tracking Account Balance**
  
- Lime Cost Support**
- Sulfur Credit Support**
- Brokerage Cost Support**
- Forecast**

**Tucson Electric Power Contact Information**

**Toby Voge**                      **(520) 745-3332**  
**Senior Director, Tucson Electric Power**

**TUCSON ELECTRIC POWER COMPANY**

**Schedule 1**

**Purchased Power and Fuel Adjustment Clause (PPFAC) Rate Calculation**

(\$/kWh)

Line No.	PPFAC Rate Calculation	Current 4/1/20xx	Proposed 4/1/20xx	Increase / (Decrease) \$/000000/kWh	%
1	Forward Component Rate (Sch. 2, L12) <sup>1</sup>				
2	True-Up Component Rate (Sch. 4, L5) <sup>2</sup>				
3	PPFAC Rate April 1, 20xx (L1+L2)				
4	Average Base Rate April 1, 20xx <sup>3</sup>				
5	Average Total Rate April 1, 20xx (L3+L4)				

**Notes:**

<sup>1</sup> TEP PPFAC effective April 1, 20xx, and proposed 20xx rate

<sup>2</sup> A Historical Component is a true-up related to respective prior period PPFAC activity.

<sup>3</sup> Average Base Rate as defined in Decision No. XXXXXX



**TUCSON ELECTRIC POWER COMPANY**

**Schedule 2**

**PPFAC Forward Component Rate Calculation Effective April 1, 20xx**

**(Forward Component Rate in \$/kWh)**

Line No.	PPFAC Forward Component Rate - Calculation	Current 4/1/20xx	Proposed 4/1/20xx	Increase / (Decrease) \$ Values	%
1	Projected PPFAC Fuel and Purchased Power Costs 1				
2	Projected Short Term Sales Revenue Credit <sup>2</sup>				
3	Projected Wholesale Trading Activities Credit 3				
4	Projected SO <sub>2</sub> Allowance Sales Credit <sup>4</sup>				
5	Net Fuel and Purchased Power Cost (L1+ L2+L3 +L4)				
6	Projected Native Load Energy Sales (kWhs)				
7	Projected Average Net Fuel Costs \$/kWh (L5/L6)				
8	Base Cost of Fuel and Purchased Power \$/kWh				
9	Difference between Projected Cost & Base Cost (L7-L8)				
10	Forward Component Costs (L6*L9)				
11	Projected Energy Sales (kWh)				
12	Forward Component Rate \$/kWh (L10/L11)				

**Notes:**

- <sup>1</sup> Includes Sulfur Credits, Lime Costs, and Brokerage Costs per Commission Decision No. xxxxx
- <sup>2</sup> Short Term Sales revenues are credited at 100% as approved by the Commission in Decision No. 70628.
- <sup>3</sup> 10% of Wholesale Trading Activities credited against Fuel and Purchased Power Costs as approved by the Commission in Decision No. 70628.
- <sup>4</sup> 100% of SO<sub>2</sub> Allowance Sales credited against Fuel and Purchased Power Costs per Commission Decision No. xxxxx

**TUCSON ELECTRIC POWER COMPANY**

**Schedule 5**

**True-Up Component Tracking Account - Prior PPFAC True-Up Component Rate in Effect April 1, 20xx through Mar 31, 20xx**  
 (\$ in thousands; rate in \$/kWh)

Line No.	Description	Actual data					Forecasted data				
		Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13
1a	TU Beginning Balance as of Apr. 1, 2009 <sup>1</sup> and thereafter										
1b	FC Tracking Account Balance as of March 31, 20xx										
2	Revenue True-Up from January-March Estimate <sup>2</sup>										
3	TU Adjusted Beginning Balance (L1 + L2)										
4	Applicable True Up Component Rate (\$/kWh)										
5	Retail Billed Sales Less Low-Income Sales (MWhs) <sup>3</sup>										
6	Less Revenue from Application TU (L4 x L5) <sup>4</sup>										
7	Monthly Interest (Line 3 * Int Rate/12) <sup>5</sup>										
8	TU Ending Balance; (L3 - L6 + L7)										

**Notes:**

- <sup>1</sup> Beginning Balance as of April 1, 20xx - carried forward April 1, 20xx PPFAC Filing.
- <sup>2</sup> True-up is the result of using estimated revenue for January through March since the actual amount was not available at the time of prior period PPFAC filing.
- <sup>3</sup> Sales amounts are for energy billed beginning with the first billing cycle of April 20xx. Retail Billed Sales excludes low income customers not subject to the PPFAC Rate.
- <sup>4</sup> Generally, Line 4 x Line 5 = Line 6; however, differences may occur due to billing adjustments.
- <sup>5</sup> Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release, H-15 on the first business day of the calendar year.

*Schedule presentation will appear to round up \$'s and MWhs; however, calculations are performed on an actual \$ and MWh basis with resultant Rates kWh rounded up to \$0.000000 kWh*

As of 1/3/2012 0.00%

TUCSON ELECTRIC POWER COMPANY

Lime Costs

el Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year

(\$ in thousands; Rates in \$/kWh)

Apr-13      May-13      Jun-13      Jul-13      Aug-13      Sep-13      Oct-13      Nov-13

Forecasted Tons

Forecasted \$/Ton

Forecasted Cost

Forecasted Generation

Expected \$/MWh

Actual Tons

Actual Costs

Actual Generation

Actual \$/MWh

**TUCSON ELECTRIC POWER COMPANY**

**Sulfur Credit**

**Net Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year**  
**(\$ in thousands; Rates in \$/kWh)**

**Apr-13      May-13      Jun-13      Jul-13      Aug-13      Sep-13      Oct-13      Nov-13      Dec-13**

Forecasted Tons/mmbtu  
Forecasted \$/Ton  
Forecasted Cost  
Forecasted Generation  
Expected \$/MWh

**TUCSON ELECTRIC POWER COMPANY**

**Brokerage Costs**

**Fuel Imbalance Tracking Account - PPFAC Rate in effect Month/Day/Year**

**(\$ in thousands; Rates in \$/kWh)**

Apr-13      May-13      Jun-13      Jul-13      Aug-13      Sep-13      Oct-13

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Costs

IEP MONTHLY PPFAC REPORT

Account Analytics  
 TowerSigma Planner  
 IEP  
 Monthly

	2012-08	2012-09	2012-10	2012-11	2012-12	2013-01	2013-02	2013-03	2013-04	2013-05	2013-06	2013-07	2013-08	2013-09	2013-10	2013-11	2013-12	2014-01	2014-02	2014-03	
<b>PPFAC COSTS</b>																					
Fuel Expense																					
Purchase Power Expense																					
Total Fuel & Purchase Power																					
Renewable Delta																					
Firm Purchase Power Demand Charges																					
Transmission Wheeling Charges																					
Imposition on financial Gas Index																					
Total PPFAC Eligible Costs Excl Wholesale																					
<b>FIRM LOAD</b>																					
Retail Load with System Losses																					
Firm Wholesale Load																					
Total Firm Load Obligations																					
<b>SALES</b>																					
Retail Sales																					
System Sales																					
Total Sales																					
<b>LOSSES</b>																					
Retail Losses																					
Firm Losses																					
Total Losses																					
<b>SALES WITH LOSSES</b>																					
Retail Sales																					
Long Term Wholesale Sales																					
Total System Losses																					
Total Sales with Losses																					
<b>ADDITIONAL ALLOCATION</b>																					
Energy Ratio																					
<b>PPFAC ELIGIBLE COSTS (SUBJECT TO ALLOCATION)</b>																					
Internal Production - FERC 501 and FERC 547																					
Unchanged Power - Energy - FERC 555																					
Unchanged Power - Demand - FERC 555																					
Transmission of Electricity by Others - FERC 565																					
Total PPFAC Eligible Costs Allocated to Retail																					
Firm Wholesale Sales Revenue																					

**ATTACHMENT  
"D"**

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**Tucson Electric Power Company  
Energy Efficiency Resource Plan  
Plan of Administration**

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**Exhibits**

- Exhibit 1 – Example Revenue Requirements
- Exhibit 2 – DSMS Backup for 2013
- Exhibit 3 – Self-Direction Option
- Exhibit 4 – Proposed DSMS Tariff
- Exhibit 5 – Example Schedule First Four Year Funding Cycle Revenue Requirement



## 1. General Description

This document describes the Plan of Administration (“POA”) for the Energy Efficiency Resource Plan (“EERP”) approved for Tucson Electric Power Co. (“TEP” or “Company”) by the Arizona Corporation Commission (“Commission”) on XXXX, 2013 in Decision No. XXXX (“Decision”). The EERP mechanism provides for the recovery of allowable costs related to Demand Side Management/Energy Efficiency Programs (“DSM/EE”) as a capital investment, setting recovery of the asset over a five-year term where TEP recovers the revenue requirements from carrying costs and regulatory asset amortization in cost-effective DSM/EE programs through the Demand Side Management Surcharge (“DSMS”), as described within this POA.

## 2. Definitions

Amortize – The process of ratably distributing a previously capitalized cost to expense over a designated period.

Avoided Cost – The avoided cost is the marginal cost to produce one more unit of energy. The avoided cost consist of two components: avoided cost of energy and avoided cost of capacity.

TEP’s avoided cost of energy or marginal energy cost is determined using the Resource Planning Hourly Economic Dispatch Model.

TEP’s avoided cost of capacity is determined through TEP’s long-term planning modeling of capacity. The plan for meeting capacity needs is determined on both economics and reliability. Future capacity costs include market purchase power capacity, transmission upgrades and capacity build options.

Carrying Costs – Costs recovered through the DSMS charge include a return on EERP Program Investment Base<sup>1</sup> based on TEP’s Weighted Average Cost of Capital (“WACC”) approved by the Commission in Decision No. XXXXX.

Combined Heat and Power (“CHP”) – Combined heat and power, which is using a primary energy source to simultaneously produce electrical energy and useful process heat.

Cost-Effective – The result of an action or series of actions where the total incremental benefits from a DSM/EE measure or DSM/EE program exceed total incremental costs over the life of the DSM/EE measure.

Demand Savings – The load reduction, measured in kW, occurring during a relevant peak period or periods as a direct result of energy efficiency and demand response programs.

Demand Response (“DR”) – Modification of customer’s electricity consumption patterns, affecting the timing or quantity of customer demand and usage, achieved through intentional actions taken by an affected utility or customer because of changes in prices, market conditions, or threats to system reliability.

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<sup>1</sup> Program Investment Base as delineated in Section 6.A.

Demand Side Management (“DSM”) – Reduction of electricity use through the implementation and maintenance of Company-sponsored measures, programs or plans.

DSM Measure – Any material, device, technology, educational program, pricing option, practice, or facility alteration designed to result in reduced peak demand, increased energy efficiency, or shifting of electricity consumption to off-peak periods and includes CHP used to displace space heating, water heating, or another load.

DSM Program – One or more DSM measures provided as part of a single offering to customers.

Demand Side Management Surcharge (“DSMS”) – A Commission-approved provision in TEP’s rate schedule allowing TEP to change certain rates through a surcharge, in an established manner, when changes in specific costs and charges are incurred by TEP.

Energy Efficiency (“EE”) – The production or delivery of an equivalent level and quality of end-use electric service using less energy, or the conservation of energy by end-use customers.

Energy Efficiency Programs – Any program that is specifically designed to reduce energy use and/or provide some non-coincident and coincident peak demand savings.

Energy Savings – The reduction in a customer’s energy consumption directly resulting from a DSM/EE program, expressed in kWh, at the generator.

Energy Efficiency Standard – The Arizona Electric Energy Efficiency Standards, Title 14, Chapter 2, Article 24 of the Arizona Administrative Code.

Incentives – Financial payments, goods, or services offered by a utility to promote energy and related cost savings including, but not limited to, cash rebates or financial payments, advanced financing of project costs, design and implementation of utility related projects, energy management services, facilities alterations, installation of technologies and energy savings devices, or water conservation devices.

Incremental Cost – Additional expenses of DSM/EE measures, relative to baseline.

Measurement, Evaluation, and Research (“MER”) – The performance of studies and activities aimed at determining the effects of an energy efficiency program, which may include data collection, monitoring, and analysis associated with the calculation of energy and demand savings from measures or projects, and including research necessary to inform the evaluation of existing EE programs and the design of new EE programs.

Non-Energy Benefits – Non-energy benefits (or non-market benefits) are the improvements in societal welfare that are not bought or sold. These benefits are any program implementation or participation effect that is other than the direct energy savings effects associated with an energy efficiency, resource acquisition, or resource procurement program. Some examples may include: reduced water consumption, reduced emission and environmental benefits in a building, secondary economic impacts from low income programs, health and safety, job creation, improved comfort, indoor air quality, longevity of equipment, improved worker productivity, and worker retention.

Program Costs – The expenses incurred as a result of developing, marketing, implementing, administering, and evaluating Commission-approved DSM/EE programs.

**Regulatory Asset** – A capitalized cost that would otherwise be accounted for as an expense, but for its inclusion in a Commission approved cost recovery mechanism providing for such costs to be deferred and then transferred to expense and recovered through basic service rates or a specific surcharge in effect for a designated period.

**Societal Test** – A cost-effectiveness test of the net benefits of DSM/EE programs that starts with the Total Resource Cost Test, but includes non-energy benefits and costs to society.

**Total Resource Cost Test** – A cost-effectiveness test that measures the net benefits of a DSM/EE program as a resource, including incremental measure costs, incremental affected utility costs, and carrying costs as a component of avoided capacity cost, but excluding incentives paid by affected utilities and non-market benefits to society.

### **3. Annual Energy Efficiency (EE) Investment**

Program investments will be the sum of actual costs for all DSM/EE programs, plus allowable costs outlined in section 7. Actual costs incurred, after program savings have been verified through the MER process, will be deemed to be allowable investments for recovery.

### **4. Cost-effectiveness**

TEP will invest in existing DSM/EE programs and measures that have been previously approved by the Commission and implemented by TEP. In addition, TEP will invest in and implement new EE measures and programs only once it is shown that they produce a benefit/cost ratio greater than one, resulting from using the Societal Test.

A new EE measure or program that passes the Societal Test as defined herein will be filed for Commission approval in an annual EE Implementation Plan.

### **5. Annual Implementation Plans**

TEP will file annual Implementation Plans by June 1 of each year. The Implementation Plan approved by the Commission shall remain in effect until further order of the Commission. The Company will propose (at a minimum) in their annual Implementation Plans:

- New programs and measures, if any
- Societal test results and models
- Proposed Budgets
- Annual savings
- Cost per kWh (based on lifetime savings)
- Targets for annual savings and costs per kWh

### **6. Revenue Requirement**

The following discussion provides inputs and methodologies for each of the terms in the capitalization model. The revenue requirement will be determined by applying a 5-year amortization schedule to actual DSM/EE Costs for the previous calendar year. Exhibit 1

provides an example of what the revenue requirement worksheets would look like over the next four years. Investment dollars are for illustration purposes only.

#### A. Program Investment Base

Program Investment Base will be equivalent to the actual DSM/EE spending after providing documentation through the MER reports. For purposes of computing the amortization expense and the return components of the program revenue requirement that will underlie the DSMS, a program investment base will be comprised of a regulatory asset for which the actual program spending will be accumulated. Upon implementation of a specific program, all actual program costs will be charged to the regulatory asset. Deducted from the regulatory asset will be the accumulated amortizations based on recovery of all actual expenses at a rate of 20% for each of the five years. In addition, the net program investment base will be reduced by Accumulated Deferred Income Taxes reflecting the book-tax timing difference created by all program expenditures being currently deducted for tax, but deferred and amortized over five years for accounting purposes. Based on the previous year's actual DSM/EE spending, the revenue requirement will be calculated as the sum of the average of the beginning and end of year net investment balances, multiplied by the allowed rate of return, plus the regulatory asset amortization.

Should the EE Resource Plan be discontinued at a future date, TEP will be permitted to recover the balance remaining in the regulatory asset through continued use of the DSMS in existence at the time and until such time that the entire balance is collected. In connection with the discontinued EE Resource Plan, TEP would provide final documentation reconciling all differences between program budgets and actual costs incurred producing any unrecovered balance remaining in the regulatory assets at the end of the last funding cycle.

#### B. Carrying Costs

TEP's return on the EE Resource Plan investments will be based on TEP's WACC as approved by the Commission in Decision No. XXXXX (DATE). TEP's investment in EE/DSM will accrue Carrying Costs from the date expenditures are incurred.

#### C. Annual Recovery of Program Investment Base

TEP will recover the allowable costs associated with the EERP if actual results of the EE/DSM investments achieve a minimum annual portfolio level savings (kWh) and do not exceed the maximum portfolio level cost (\$ per kWh) (based on lifetime savings) set annually in implementation plans as approved by the Commission.

For the purposes of this calculation Demand Response or Direct Load Control Programs will be set at the level of saving credit specified in A.C.C. R-14-2-2404. C. (Peak reduction capability will be converted to an annual energy saving equivalent based on an assumed 50% annual load factor and not to exceed 10% of the energy efficiency standard).

## **7. Demand Side Management Surcharge**

### **A. Rate Schedule Applicability**

The DSMS shall be applied monthly to every rate schedule unless exempted by order of the Commission. A DSMS schedule is included in Exhibit 2 and shall be updated with Commission Order.

A self-direction option exists for qualifying customers of sufficient size in which the amount of money paid by each qualifying customer toward DSM costs is tracked for the customer and made available for use by the customer for approved DSM investments. Details on the self-direction option are included in Exhibit 3.

### **B. Allowable Costs**

Allowable Costs include: program implementation; rebates and incentives; training and technical assistance; consumer education; marketing; planning and administration; measurement, evaluation and research; new program development and analysis; any software development required for tracking and reporting of EE and DR programs; and any other expenses required to design and implement cost-effective EE and DR programs. All program costs will be charged to the appropriate regulatory asset after spending occurs and savings are verified through MER activities as previously described. As such amounts are amortized, they will be charged to FERC Account 908, Customer Assistance Expense or other appropriate accounts as required by the FERC Uniform System of Accounts. Amortization expense and revenues will be recorded monthly based on each month's retail sales volumes.

### **C. Determination of True-up**

As delineated in Exhibit 2, the DSMS that will take effect upon the effective date of Decision No. XXXXX (DATE) will be set to include all historical unrecovered DSM expenses incurred by TEP up to the time of the effective date of this Order, which is estimated to be \$4 million and will be recovered over a 12 month period. Any amount over or under collected by TEP's voluntary March 1, 2013 resumption of projects, shall be included as determined under this Plan in the March 1, 2014 DSMS reset.

On March 1 of each year following the effective date of this order, TEP will file a DSMS reset request that will include the revenue requirements based upon all allowable investments from the previous program year(s). The new DSMS will be effective June 1 of each year, upon Commission approval.

### **D. Determination of the Surcharge**

The revenue requirements (under this Plan) determined by the sum of Carrying Costs and regulatory asset amortization for each program year will be divided by the forecasted energy sales for the recovery time period to determine the \$/kWh DSMS for residential customers and a percentage of bill for non-residential customers. Exhibit 5 shows an example schedule for

determining the total annual revenue requirements used for calculating the DSMS for the first four years of funding.

On March 1, 2014, TEP will file a DSMS reset request for purposes of recovering investments under the EERP from March 1, 2013 through December 31, 2013. The DSMS will be calculated based upon the following formula:

$$\text{DSMS} = \frac{\text{RR1}}{\text{Sales}}$$

Where:

RR1 = First year of 2013 revenue requirement is equal to expenses from March 1, 2013 above historical spending levels through the effective date of this order in excess of the estimated \$4 million under recovery from prior periods.

Sales = Forecasted energy (kWh) sales under applicable rate schedules during the period in which the DSMS will be effective.

On March 1, 2015, TEP will file a DSMS reset request for purposes of recovering investments under the EERP for the 2014 program year (January 1, 2014- December 31, 2014). The DSMS will be calculated based upon the following formula:

$$\text{DSMS} = \frac{\text{RR2}}{\text{Sales}}$$

Where:

RR2 = First year of 2014 revenue requirement plus the second year of 2013 revenue requirement.

Sales = Forecasted energy (kWh) sales under applicable rate schedules (as defined above) during the period in which the DSMS will be effective.

All subsequent March 1<sup>st</sup> filings for a DSMS reset will follow the procedure outlined above.

The proposed DSMS Tariff is provided in Exhibit 4.

## **8. DSM/EE Reports**

In accordance with A.A.C. R14-2-2409, the Company will provide a previous year progress report to the Commission by March 1<sup>st</sup> and a current mid-year status report by September 1<sup>st</sup> of each year.

ERP POA – Exhibit 1 – Example Revenue Requirements

2013 Revenue Requirement

Year 2013 (Mar '13 - Dec '13)	Capitalization of EE Investments					
	2014	2015	2016	2017	2018	2019
Original Cost	\$ 14,544,577					
Asset Life	5					
Income Tax Rate	39.6%					
Nominal Return	7.74%					
Pre-tax Return	10.98%					
After-tax Return	6.64%					
Capital Structure:						
Debt	54.00%					
Equity	46.00%					
Short-Term Debt						
Cost of Capital:						
Debt	5.18%					
Equity	10.75%					
Short-Term Debt						
	0	1	2	3	4	5
	2014	2015	2016	2017	2018	2019
	1	2	3	4	5	6
Regulatory Asset Amortization	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915
Tax depreciation	\$ 14,544,577	\$ -	\$ -	\$ -	\$ -	\$ -
Net book basis (end of year)	\$ 11,635,662	\$ 8,726,746	\$ 5,817,831	\$ 2,908,915	\$ -	\$ -
Tax basis (end of year)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ADIT (end of year) (book basis minus tax basis) times t	\$ -	\$ 4,604,231	\$ 2,302,116	\$ 1,151,058	\$ -	\$ -
Long-term debt balance (end of year)	\$ -	\$ 2,847,729	\$ 1,898,486	\$ 949,243	\$ -	\$ -
LT Debt Interest	\$ -	\$ 237,367	\$ 122,927	\$ 73,756	\$ 24,585	\$ -
Rate Base, end of year	\$ 14,544,577	\$ 14,544,577	\$ 14,544,577	\$ 14,544,577	\$ 14,544,577	\$ 14,544,577
Regulatory Asset	\$ (2,908,915)	\$ (5,817,831)	\$ (8,726,746)	\$ (11,635,662)	\$ (14,544,577)	\$ (14,544,577)
Accumulated Amortization	\$ (4,604,231)	\$ (3,453,174)	\$ (2,302,116)	\$ (1,151,058)	\$ -	\$ -
ADIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unamortized ITC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rate Base, end of year	\$ 7,031,430	\$ 5,273,573	\$ 3,515,715	\$ 1,757,858	\$ -	\$ -
Revenue Requirement	\$ -	\$ 931,769	\$ 675,558	\$ 482,542	\$ 289,525	\$ 96,508
Carrying Costs	\$ -	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915	\$ 2,908,915
Regulatory Asset Amortization	\$ 3,840,685	\$ 3,584,474	\$ 3,391,457	\$ 3,198,440	\$ 3,005,424	\$ -
<b>Gross Revenue Requirement</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



EERP POA – Exhibit 1 – Example Revenue Requirements

2014 Revenue Requirement

		Capitalization of EE Investments					
Year		2014	2015	2016	2017	2018	2019
2014		1	2	3	4	5	6
	Original Cost	\$ 24,739,192					
	Asset Life	5					
	Income Tax Rate	39.6%					
	Nominal Return	7.74%					
	Pre-tax Return	10.98%					
	After-tax Return	6.64%					
	Capital Structure:						
	Debt	54.00%					
	Equity	46.00%					
	Short-Term Debt						
	Cost of Capital:						
	Debt	5.18%					
	Equity	10.75%					
	Short-Term Debt						
		0					
	Regulatory Asset Amortization	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838
	Tax depreciation	\$ 24,739,192	\$ -	\$ -	\$ -	\$ -	\$ -
	Net book basis (end of year)	\$ 19,791,354	\$ 14,843,515	\$ 9,895,677	\$ 4,947,838	\$ -	\$ -
	Tax basis (end of year)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ADIT (end of year) ((book basis minus tax basis) times t)	\$ 7,831,439	\$ 5,873,579	\$ 3,915,719	\$ 1,957,860	\$ -	\$ -
	Long-term debt balance (end of year)	\$ 6,458,354	\$ 4,843,766	\$ 3,229,177	\$ 1,614,589	\$ -	\$ -
	LT Debt Interest	\$ 403,743	\$ 292,725	\$ 209,089	\$ 125,454	\$ 41,818	\$ -
	Rate Base, end of year	\$ 24,739,192	\$ 24,739,192	\$ 24,739,192	\$ 24,739,192	\$ 24,739,192	\$ 24,739,192
	Regulatory Asset	\$ (4,947,838)	\$ (9,895,677)	\$ (14,843,515)	\$ (19,791,354)	\$ (24,739,192)	\$ (24,739,192)
	Accumulated Amortization	\$ (7,831,439)	\$ (5,873,579)	\$ (3,915,719)	\$ (1,957,860)	\$ -	\$ -
	ADIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Unamortized ITC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Rate Base, end of year	\$ 11,959,915	\$ 8,969,936	\$ 5,979,957	\$ 2,989,979	\$ -	\$ -
	Revenue Requirement	\$ -	\$ 1,584,867	\$ 1,149,072	\$ 820,766	\$ 492,459	\$ 164,153
	Carrying Costs	\$ -	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838	\$ 4,947,838
	Regulatory Asset Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Gross Revenue Requirement</b>	\$ <b>6,532,705</b>	\$ <b>6,096,910</b>	\$ <b>5,768,604</b>	\$ <b>5,440,288</b>	\$ <b>5,111,992</b>	\$ <b>5,111,992</b>

EERP POA – Exhibit 1 – Example Revenue Requirements  
 2015 Revenue Requirement

		Capitalization of EE Investments					
Year		2015	2016	2017	2018	2019	2020
2015		1	2	3	4	5	6
	Original Cost Asset Life	\$ 27,044,908					
	Income Tax Rate	39.6%					
	Nominal Return	7.74%					
	Pre-tax Return	10.98%					
	After-tax Return	6.64%					
	Capital Structure:						
	Debt	54.00%					
	Equity	46.00%					
	Short-Term Debt						
	Cost of Capital:						
	Debt	5.18%					
	Equity	10.75%					
	Short-Term Debt						
		0					
	Regulatory Asset Amortization	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ -
	Tax depreciation	\$ 27,044,908	\$ -	\$ -	\$ -	\$ -	\$ -
	Net book basis (end of year)	\$ 21,635,926	\$ 16,226,945	\$ 10,817,963	\$ 5,408,982	\$ -	\$ -
	Tax basis (end of year)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ADIT (end of year) (book basis minus tax basis) times t	\$ -	\$ 8,561,336	\$ 4,280,668	\$ 2,140,334	\$ -	\$ -
	Long-term debt balance (end of year)	\$ -	\$ 5,295,209	\$ 3,530,139	\$ 1,765,070	\$ -	\$ -
	LT Debt Interest	\$ 441,372	\$ 320,007	\$ 228,577	\$ 137,146	\$ 45,715	\$ -
	Rate Base, end of year	\$ 27,044,908	\$ 27,044,908	\$ 27,044,908	\$ 27,044,908	\$ 27,044,908	\$ 27,044,908
	Regulatory Asset	\$ (5,408,982)	\$ (10,817,963)	\$ (16,226,945)	\$ (21,635,926)	\$ (27,044,908)	\$ (27,044,908)
	Accumulated Amortization	\$ (8,561,336)	\$ (6,421,002)	\$ (4,280,668)	\$ (2,140,334)	\$ -	\$ -
	ADIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Unamortized ITC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Rate Base, end of year	\$ 13,074,590	\$ 9,805,943	\$ 6,537,295	\$ 3,268,648	\$ -	\$ -
	Revenue Requirement	\$ 1,732,578	\$ 1,256,167	\$ 897,262	\$ 538,357	\$ 179,452	\$ -
	Carrying Costs	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ 5,408,982	\$ -
	Regulatory Asset Amortization	\$ 7,141,560	\$ 6,665,148	\$ 6,306,243	\$ 5,947,339	\$ 5,588,434	\$ -
	<b>Gross Revenue Requirement</b>						

EERP POA – Exhibit 1 – Example Revenue Requirements  
2016 Revenue Requirement

		Capitalization of EE Investments					
Year		2016	2017	2018	2019	2020	2021
2016		1	2	3	4	5	6
	Original Cost	\$ 27,856,255					
	Asset Life	5					
	Income Tax Rate	39.6%					
	Nominal Return	7.74%					
	Pre-tax Return	10.98%					
	After-tax Return	6.64%					
	Capital Structure:						
	Debt	54.00%					
	Equity	46.00%					
	Short-Term Debt						
	Cost of Capital:						
	Debt	5.18%					
	Equity	10.75%					
	Short-Term Debt						
		0					
	Regulatory Asset Amortization	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251
	Tax depreciation	\$ 27,856,255	\$ -	\$ -	\$ -	\$ -	\$ -
	Net book basis (end of year)	\$ 22,285,004	\$ 16,713,753	\$ 11,142,502	\$ 5,571,251	\$ -	\$ -
	Tax basis (end of year)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ADIT (end of year) (book basis minus tax basis) times t	\$ -	\$ 8,818,176	\$ 6,613,632	\$ 4,409,088	\$ 2,204,544	\$ -
	Long-term debt balance (end of year)	\$ -	\$ 7,272,087	\$ 5,454,065	\$ 3,636,044	\$ 1,818,022	\$ -
	LT Debt Interest	\$ 454,614	\$ 329,607	\$ 235,434	\$ 141,260	\$ 47,087	\$ -
	Rate Base, end of year	\$ 27,856,255	\$ 27,856,255	\$ 27,856,255	\$ 27,856,255	\$ 27,856,255	\$ 27,856,255
	Regulatory Asset	\$ (5,571,251)	\$ (11,142,502)	\$ (16,713,753)	\$ (22,285,004)	\$ (27,856,255)	\$ (27,856,255)
	Accumulated Amortization	\$ (8,818,176)	\$ (6,613,632)	\$ (4,409,088)	\$ (2,204,544)	\$ -	\$ -
	ADIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Unamortized ITC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Rate Base, end of year	\$ 13,466,828	\$ 10,100,121	\$ 6,733,414	\$ 3,366,707	\$ -	\$ -
	Revenue Requirement	\$ 1,784,555	\$ 1,293,852	\$ 924,180	\$ 554,508	\$ 184,836	\$ -
	Carrying Costs	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251	\$ 5,571,251
	Regulatory Asset Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	O & M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Gross Revenue Requirement	\$ 7,355,806	\$ 6,865,103	\$ 6,495,431	\$ 6,125,759	\$ 5,766,087	\$ -

EERP POA – Exhibit 2 – DSMS Back-up

**2013 DSMS Collection (Starting July 1, 2013)**

<u>LINENO.</u>		<u>(A)</u>
1	TEP DSM Unrecovered Expenses Through July 2013	\$4,115,878
2	<b>DSM Expenses to be recovered in adjusted surcharge</b>	<b>\$4,115,878</b>
3		
4	<b>Forecast Sales (kWh)</b>	<b>9,299,081,124</b>
5	<b>Rate per kWh for all Classes</b>	<b>(Ln.2A/Ln.4A) \$0.000443</b>
6	Current DSMS	\$0.001249
7	Net Change	(\$0.000806)

## **Self-Direction Option**

Self-Direction is an option that will be made available to large qualifying industrial customers. Self-Direction allows participating customers to reserve their DSM/EE contributions, less administrative and other program costs, for their exclusive use to help fund qualifying DSM/EE projects at their facilities. Self-Direction will be offered to the largest customers since they have the ability and resources (technical knowledge, expertise, and funding) to implement effective DSM/EE and they may desire to have the flexibility to use their DSM/EE contributions to fund their own energy efficiency projects. The following parameters define the Self Direction option:

1. To be eligible for Self-Direction, a customer must use a minimum of 35 million kWh per calendar year, based on an aggregation of all of the customer's TEP accounts.
2. Qualifying Self-Direction customers who choose to self-direct their DSM/EE funds must elect Self-Direction by notifying the Company in each year that they wish to Self-Direct. Customers who elect to Self-Direct must continue to contribute their share of DSM/EE funds through the DSMS.
3. After a customer notifies the Company of their intent to Self-Direct, 90% of the customer's DSMS contribution will be reserved for tracking purposes for the customer's future energy efficiency project. The remaining 10% will be retained to cover the Self-Direction program administration, management, and MER costs.
4. Self-Direction funds will be reserved for tracking purposes for the calendar year the Self-Direction election is received by the Company. Such election must be received on or before December 1st. There will be no retroactive Self-Direction funds set aside from prior budget years, since the Company's books were closed prior to the customer's election.
5. Self-Direction funds will be paid to the qualifying customer once a year in December beginning in the year that the EE project is completed and verified. If project costs exceed the credited amount in one year, then funding will continue to be paid in December of each year until the project is 100% funded or in the fourth year of funding, or until the Commission terminates this program, whichever comes sooner.
6. If the EE project is not completed within two (2) years of the Self-Direction election date, then the Self-Direction funds from the first calendar year from the Self-Direction election will not be available to the customer and will revert to the DSMS general account.
7. Qualifying customers will be required to commit all of their facilities to the Self-Direction option for the duration of the specific Self-Direction project's funding period. Customers would not be able to designate some of their accounts for Self-Direction, while allowing some of their other accounts to remain eligible for other TEP commercial EE programs. Customers choosing to Self-Direct will not be permitted to participate in any other TEP commercial EE program offerings for any of their accounts.
8. Aggregation would be allowed only within a given customer set of accounts, not across groups of customers. This means that groups of customers would not be able to form buying associations for the purpose of meeting the Self-Direction size criteria.

9. All Self-Direction projects must be considered to be a subset of the Company's Non-residential Existing Facilities Program for budgeting and energy savings purposes. The qualifying projects must be cost-effective and meet the same requirements of the Non-residential Existing Facilities Program. Self-Direction customers would apply for the same prescriptive and custom measures as defined in the Non-residential Existing Facilities program; however, annual customer incentive caps do not apply to Self-Direction funds.
  - Within two (2) years of the Self-Direction election, an energy efficiency project application must be filed. This project application will include:
    - Name of the retail electricity customer;
    - Description of the electricity conservation project(s);
    - Project scope of work;
    - Annual energy (kWh) and peak demand (kW) savings estimate;
    - First cost estimate;
    - Project schedule; and
    - Calculations that support or demonstrate the electricity savings and simple payback of the project.
10. TEP Non-residential Existing Facilities program staff will review the Self-Direction EE project and administer the Self-Direction funding and accounting. This work will include: verifying that the technologies meet the program specifications; reviewing backup documentation that supports the savings claims; and providing measurement and evaluation after the Self-Direction project is in operation. All specification documentation requirements will be identical to existing program requirements.
11. Upon completion of the final Self-Direction payment, the customer may elect to continue to Self-Direct by submitting another Self-Direction application before December 1st. If the customer does not re-apply for Self-Direction, then they will be treated like all other Non-Residential customers and will be eligible to participate in the other commercial programs beginning January 1st of the year following their final Self-Direction payment.
12. All kWh energy, kW demand, and environmental savings will be reported as part of the Non-residential Existing Facilities Program savings and will be claimed as part of meeting the energy efficiency portfolio targets.



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 702  
Superseding: \_\_\_\_\_

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**Rider R-2  
Demand Side Management Surcharge (DSMS)**

**APPLICABILITY**

The Demand Side Management Surcharge (DSMS) applies to all Customers in the entire territory served by the Company as mandated by the Arizona Corporation Commission (ACC), unless otherwise specified.

**RATE**

The DSMS shall be applied to all monthly bills. The Rate is shown in the TEP Statement of Charges.

**REQUIREMENTS**

The 2013 TEP DSMS is effective XXXX, XX, 2013, and will remain in effect until further order by the ACC.

**TEP STATEMENT OF CHARGES**

For all additional charges and assessments approved by the ACC see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

**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 ACC shall apply where not inconsistent with this Rider

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-2  
Effective: PENDING  
Decision No.:

*ERP POA - Exhibit 5 - Example Schedule - First Four Year Funding Cycle Revenue Requirement*

Year	Investment	Revenue Requirements											
		2013	2014	2015	2016	2017	2018	2019	2020				
2013 Budget	\$14,544,577												
Revenue Requirements	\$3,840,685	\$3,584,474	\$3,391,457	\$3,198,440	\$3,005,424	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2014 Budget	\$24,739,192												
Revenue Requirements	\$0.00	\$6,532,705	\$6,096,910	\$5,768,604	\$5,440,298	\$5,111,992	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2015 Budget	\$27,044,908												
Revenue Requirements	\$0.00	\$0.00	\$7,141,560	\$6,665,148	\$6,306,243	\$5,947,339	\$5,588,434	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2016 Budget	\$27,856,255												
Revenue Requirements	\$0.00	\$0.00	\$0.00	\$7,355,806	\$6,865,103	\$6,495,431	\$6,125,759	\$5,756,087	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Total</b>	<b>\$94,184,932</b>	<b>\$3,840,685</b>	<b>\$10,117,179</b>	<b>\$16,629,927</b>	<b>\$22,987,999</b>	<b>\$21,617,068</b>	<b>\$17,554,761</b>	<b>\$11,714,193</b>	<b>\$5,756,087</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	



**ATTACHMENT**  
**"F"**

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**TUCSON ELECTRIC POWER COMPANY  
LOST FIXED COST RECOVERY MECHANISM (“LFCR”)  
PLAN OF ADMINISTRATION**

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**1. General Description**

This document describes the plan of administration for the LFCR mechanism approved for Tucson Electric Power (“TEP” or “Company”) by the Arizona Corporation Commission (“ACC”) in Decision No. xxxxx (date). The LFCR mechanism provides for the recovery of lost fixed costs, as measured by a reduction in non-fuel revenue, associated with the amount of energy efficiency (“EE”) savings and distributed generation (“DG”) that is authorized by the Commission and determined to have occurred. Costs to be recovered through the LFCR include the portion of transmission and distribution costs included in base rates exclusive of the Customer Charge and 50% of the demand rates in effect.

**2. Definitions**

**Applicable Company Revenues** – The amount of revenue generated by sales to retail customers, for all applicable rate schedules, less the amount attributable to sales to those residential customers who chose the Fixed Cost Option.

**Current Period** – The most recent adjustment year.

**Demand Stability Factor** – Fifty percent of Demand-based revenue (excluding any purchased power and fuel costs) produced by base rates.

**Distribution and Transmission Revenue** – The amount of revenue determined at the conclusion of a rate case by multiplying each participating rate class’ adjusted test year billing determinants (kWh) by their approved distribution and transmission related charges. This will be determined by reducing each class’ total retail revenue by the customer charge revenue, generation related revenue, purchased power and fuel costs and the Demand Stability Factor.

**DG Savings** – The amount of kWh sales or kW of capacity reduced by DG. TEP will use meter data for determining the kWh or kW lost through the implementation of DG systems unless a rare circumstance occurs where the meter data is not available at which time the lost sales will be quantified using statistical verification or output profile or other Commission authorized methods. Each year, TEP will use actual data through December to calculate the savings. The calculation of DG savings will consist of the following by class:

1. Cumulative Verified: The total kWh or kW reduction as metered each year less the total kWh or kW reduction metered in TEP’s most recent general rate case test year (2011). The initial Cumulative Verified term of the LFCR will begin on January 1, 2013.

2. Current Period: The annual kWh or kW produced by the cumulative total of DG installations since the end of the test year used in TEP's most recent general rate case.
3. The only DG Savings that will be excluded from the calculated Lost Fixed Cost Revenue calculation are those kWh or kW that were lost as the result of actions by customers in excluded rate classes.
4. The annual kW capacity of the cumulative total of DG installations since the end of the test year used in TEP's most recent general rate case. For solar systems only, the actual kW capacity used to calculate lost revenues for applicable demand metered customers will be the actual solar generation measured by the Solar production meter coincident with the customer's maximum fifteen minute demand for the billing period.

Fixed Cost Option – The rate schedule choice for residential customers who prefer contributing to the recovery of Lost Fixed Cost Revenue in the form of an optional fixed rate added as an incremental charge to the Customer Charge in the applicable residential tariff rate. The total dollars paid as an incremental amount added to the otherwise effective Customer Charge will be accumulated over the Current Period and used to reduce the total Lost Fixed Cost Revenue recovered as part of the LFCR adjustment. The variable LFCR adjustment shall not be applied to residential customers who choose the Fixed Cost option. This rate will be reflected as an incremental addition to the customer charge on the otherwise effective tariff and made available to customers at the time of the first LFCR adjustment. Customers choosing this fixed option within the first twelve months subsequent to the initial effective date of the LFCR will be allowed to change back to the volumetric option one time without any penalties. After the initial twelve month period, customers will be required to stay on which ever option they choose for twelve full months before a change can be made.

EE Programs – Any program approved in TEP's Energy Efficiency/Demand Side Management ("EE/DSM") implementation plan.

EE Savings – The amount of sales, expressed in kWh or kW, reduced by Energy Efficiency activities as demonstrated by the Measurement, Evaluation, and Research ("MER") conducted for TEP's EE Programs. The Company's EE activities are being reviewed as part of the MER evaluation and will determine the total kWh or kW lost as a result of those activities. As part of this filing the Commission Staff will have the option of reviewing any portion of the filing they deem necessary to verify the filings accuracy. EE Savings shall be quantified based on the cumulative lost kWh or kW occurring starting January 1, 2013 and shall be reset as of the end of the test year in each subsequent rate case. The calculation of EE Savings will consist of the following by class:

1. Cumulative Verified: The cumulative total kWh or kW reduction as determined by the MER recognizing that the cumulative total is reset (to zero) at the end of each of TEP's most recent general rate case. The first such reset will be January 1, 2012, (the end of the Test Year in Decision xxxxx, dated xx.). The initial Cumulative Verified term of the LFCR will begin on January 1, 2013.
2. Current Period: The annual EE related sales reductions (kWh or kW). Each year, TEP will use actual MER data through December to calculate savings.

- 
3. **Excluded kWh reduction:** The reduction of recoverable EE Savings calculated by subtracting the amount of EE Savings actually achieved by customers on Excluded Rate Schedules if included in the total reported in the annual EE/DSM filing.

Effective Period – The twelve month period beginning with July 1 of each year, when the LFCR will be charged.

Excluded Rate Schedules – The LFCR mechanism shall not apply to the lighting (GS-50), water pumping (GS-43), or the large light and power (LLP-14 and LLP-90) rate schedules.

LFCR Adjustment – An amount calculated by dividing Lost Fixed Cost Revenue (As reduced by the total incremental fixed cost option dollars paid by the residential customers who have chosen the Fixed Cost Option and will be based on the incremental increase in the customer charge they have paid over the twelve-months during the Current Period.) by the Current period's retail revenue (less the estimated sales to the residential customers who chose the Fixed Cost Option) during the Effective Period for the participating rate classes. This percentage adjustment rate will be applied to all customer bills, excluding those on Excluded Rate Schedules.

Lost Fixed Cost Rate – A rate determined at the conclusion of a rate case by taking the sum of allowed Distribution and Transmission Revenue (which excludes the customer charge, the generation component and purchased power and fuel) for each rate class and dividing each by their respective class adjusted test year kWh and/or kW billing determinants.

Lost Fixed Cost Revenue – The amount of fixed costs not recovered by the utility because of EE and DG Savings during the measurement period. This amount is calculated by multiplying the Lost Fixed Cost Rate by Recoverable kWh Savings, by rate class.

Recoverable kWh Savings – The sum of EE and DG Savings by applicable rate class.

### **3. LFCR Annual Incremental Cap**

The LFCR Adjustment will be subject to an annual 1% year over year cap based on Applicable Company Revenues. If the annual incremental LFCR Adjustment results in a surcharge in excess of 1% of Applicable Company Revenues, any amount in excess of the 1% cap will be deferred for collection until the next year. Any deferred amounts will be collected in a subsequent year or rolled into the next rate case, whichever occurs first. Where the 1% cap limits the recovery of deferrals in any program year, and thus moves their recovery to the following year, a first-in, first-out ("FIFO") approach will be applied. In connection therewith, the new surcharge billed in the following year will first recover any such carried-over deferrals, and then recover new deferrals arising in that following year. The one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release H-15 or its successor publication will be applied annually to any deferred balance. The interest rate shall be adjusted annually and shall be that annual rate applicable to the first business day of the calendar year.

The initial LFCR filing will reconcile unrecovered lost revenues from January 1, 2013 through December 31, 2013.

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**4. Filing and Procedural Deadlines**

TEP will file the calculated Annual LFCR Adjustment, including all Compliance Reports, with the Commission for the previous year by May 15<sup>th</sup> of each year. Staff will use its best efforts to process the matter based on the results of the Company's annual EE/DSM and Renewable Energy Standard Tariff ("REST") filings such that a new LFCR adjustment may go into effect by July 1<sup>st</sup> of each year. However, the new LFCR Adjustment will not go into effect until approved by the Commission.

**5. Compliance Reports**

TEP will provide comprehensive compliance reports to Staff and the Residential Utility Consumer Office by May 15<sup>th</sup> of each year. The information contained in the Compliance Reports will consist of the following schedules:

- Schedule 1 : LFCR Annual Percentage Adjustment Rate
- Schedule 2: LFCR Annual Incremental Cap Calculation
- Schedule 3: LFCR Calculation
- Schedule 4: LFCR Test Year Rate Calculation
- Schedule 5: Distribution and Transmission Revenue Calculation

**ATTACHMENT  
"E"**

## **INCREMENTAL FIXED OPTION LFCR CHARGES FOR RESIDENTIAL CUSTOMERS**

### **Standard Service or Time of Use Service**

Addition to Customer Charge with usage less than 2,000 kWh	\$2.50 per month
Addition to Customer Charge with usage of 2,000 kWh or more	\$6.50 per month

**ATTACHMENT  
"G"**



**TUCSON ELECTRIC POWER COMPANY  
ENVIRONMENTAL COMPLIANCE ADJUSTOR (“ECA”)  
PLAN OF ADMINISTRATION**

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8. Filing and Procedural Deadlines.....	3

**Attachments**

- Schedule 1 - Qualified Investments for ECA
- Schedule 2 – Capital Carrying Costs and Adjustor Calculation

**1. GENERAL DESCRIPTION**

This document describes the plan for administering the ECA as approved by the Arizona Corporation Commission (“Commission” or “ACC”) for Tucson Electric Power Company (“TEP”) in Decision No. XXXXX [DATE]. The ECA provides for the recovery of and return on capital investments and associated costs related to environmental investments made by TEP and not already recovered in base rates approved in Decision No. XXXXX or recovered through another Commission-approved mechanism. The ECA will be calculated annually based on the ECA Qualified Investments closed to plant-in-service during the preceding calendar year.

**2. DEFINITIONS**

**ECA Qualified Investments** – Investments in Qualified Environmental Compliance Projects. Each ECA Qualified Investment shall: 1) be classified in one or more of the FERC Plant In-Service accounts listed in Section 3 of this document, or any other successor FERC account, upon going into service; and 2) be tracked by a specific project number.

**Qualified Environmental Compliance Projects** - Those projects designed to comply with established environmental standards required by federal, state, tribal, or local laws and regulations. In general, these environmental standards include, but are not limited to the following: sulfur dioxide, nitrogen oxide, carbon dioxide, ozone, particulate matter, volatile organic compounds, mercury and other toxics, coal ash and other combustion residuals and water intake.

**Capital Carrying Costs** – Costs recovered through the ECA charge include return on ECA Qualified Investments based on TEP’s Weighted Average Cost of Capital (“WACC”) approved by the Commission in Decision No. XXXXX; depreciation expense; income taxes; property taxes; deferred income taxes and tax credits where appropriate; and associated operations and management (“O&M”) costs.

Total Retail kWh Sales – Total retail kWh sales served under applicable ACC jurisdictional rate schedules as reported in TEP's FERC Form No. 1 for the prior calendar year.

### **3. ECA QUALIFIED INVESTMENTS - FERC ACCOUNTS**

Each ECA Qualified investment may be classified in one or more of the FERC Plant In Service accounts listed below, any successor FERC account, or any other FERC Account approved by the Commission upon going into service. The Plant In-Service FERC Accounts shall include the following:

#### Steam Production:

- FERC Account 310 – Land and Land Rights
- FERC Account 311 – Structures and Improvements
- FERC Account 312 – Boiler Plant Equipment
- FERC Account 313 – Engines and Engine-Driven Generators
- FERC Account 314 – Turbogenerator Units
- FERC Account 315 – Accessory Electric Equipment
- FERC Account 316 – Miscellaneous Power Plant Equipment

#### Other Production:

- FERC Account 340 – Land and Land Rights
- FERC Account 341 – Structures and Improvements
- FERC Account 342 – Fuel Holders, Products and Accessories
- FERC Account 343 – Prime Movers
- FERC Account 344 – Generators
- FERC Account 345 – Accessory Electric Equipment
- FERC Account 346 – Miscellaneous Power Plant Equipment

Please note that this list may expand to include other accounts approved by the ACC in the future.

### **4. CALCULATION OF ECA CAPITAL CARRYING COSTS**

The recoverable ECA Capital Carrying Costs used in calculating the ECA \$ per kWh rate will include: 1) Return on ECA Qualified Investments based on TEP's WACC approved by the Commission in Decision No. XXXXX; 2) depreciation expense; 3) income taxes; 4) property taxes; 5) deferred income taxes and tax credits where appropriate; and 6) associated O&M costs. The annual amount of Capital Carrying Costs to be recovered is subject to a cap equal to 0.25 percent of the total retail revenue requirement approved by the Commission in Decision No. xxxxx. The ECA Qualified Projects and the ECA recoverable costs calculation will be submitted by the Company to the Commission in the form of Schedule 1 and Schedule 2, as attached to this document.

### **5. CALCULATION OF ECA \$ PER KWH RATE**

The ECA rate to be applied to customers' bills will be calculated by dividing the total ECA Capital Carrying Costs by Total Retail kWh Sales. The ECA will not exceed \$0.00025 per kWh. The initial ECA rate will be set to zero.

## **6. ACCOUNTING**

From the effective date of the ECA, all ECA Capital Carrying Costs, including operating and maintenance expenses, depreciation, taxes, and the debt component of the WACC will be recorded in Other Regulatory Assets in Account 182.3, as they are incurred. Each month as the ECA surcharge revenues are billed, corresponding amortizations will be made from Account 182.3 and recorded in the proper income statement expense accounts. ECA Qualified Investments will continue to be accounted for as Plant In-Service.

## **7. RECOVERY PERIOD**

The initial ECA measurement period will become effective August 1, 2013. The ECA per kWh rate is designed to recover the annual ECA Capital Carrying Costs over a 12-month period. Should the ECA be modified or discontinued, any unrecovered balance in the ECA regulatory asset shall continue to be recovered through the ECA surcharge until all such costs have been collected.

## **8. FILING AND PROCEDURAL DEADLINES**

TEP will file the calculated ECA rate including all supporting data with the Commission for the previous calendar year on or before March 1<sup>st</sup>. See Schedules 1 and 2, attached.

The Commission Staff and interested parties shall have the opportunity to review the ECA filing and supporting data in the adjustor calculation. Unless the Commission has otherwise acted to suspend the filing or Staff has filed an objection by May 1<sup>st</sup>, the new ECA rate proposed by TEP will go into effect with the first billing cycle in May (without proration) and will remain effective for the following 12-month period.

Schedule 1: Qualified Investments for ECA  
Electric Plant In Service for Calendar Year 20XX

**Electric Plant in Service**

Line No.	(A) Project Tracking Number	(B) Project Name	(C) Purpose	(D) In-Service Date	(E) Total Cost	(F) ACC Jurisdictional Total Cost
<b>Qualified Environmental Compliance Projects</b>						
1.	XXXX	Project A	Project A Purpose Description	MM/YY	\$ -	\$ -
2.	XXXX	Project B	Project B Purpose Description	MM/YY	\$ -	\$ -
3.	XXXX	Project C	Project C Purpose Description	MM/YY	\$ -	\$ -
4.		Total			\$ -	\$ -

Schedule 2: Capital Carrying Costs and Adjustor Calculation  
 Plant in Service for Calendar Year 20XX  
 Billing Period 1/1/20XX-12/31/XX

Line No.	ECA Rate Calculation		
	<b>Qualified Net Plant</b>		
1.	Qualified Environmental Compliance Projects (Schedule 1 - Total Line Colur	\$	-
2.	Accumulated Depreciation	\$	-
3.	Cumulative Deferred Tax/Tax Credits	\$	-
4.	Qualified Net Plant (Line 1 - Line 2 - Line 3)	\$	-
5.	Pre-Tax Weighted Average Cost of Capital		0.00%
	<b>ECA Revenue Requirement</b>		
6.	Composite Return on ECA Net Plant (Line 4 * Line 5)	\$	-
7.	Annual Depreciation of Plant in Service	\$	-
8.	Applicable Property Tax	\$	-
9.	Associated O&M Expense	\$	-
10.	Total ECA Capital Carrying Costs (Line 6 + Line 7 + Line 8 + Line 9)	\$	-
11.	Total Company Retail Sales (kWh)		
12.	Calculated ECA Rate (\$/kWh) (Line 10 / Line 11)		
13.	ECA Rate Cap (\$/kWh)	\$	0.00025
14.	ECA Rate (\$/kWh) Lesser of Line 13 or Line 14	\$	-

**ATTACHMENT  
"H"**

## **ATTACHMENT H**

### **PROCUREMENT RECOMMENDATIONS**

1. TEP should prepare a complete natural gas hedging plan consistent with the requirements outlined in the TEP Hedging Manual.
2. TEP should revise its hedging strategy for natural gas and power to reflect the fundamental changes in the energy markets.
3. TEP should reduce the unit cost of coal in determining cost of coal in inventory by non-recurring costs and ash handling costs.
4. TEP should add resources to the solid fuel group to develop additional support for current solid fuel activities.
5. TEP should develop a plan to minimize solid fuel cost consequences of any decisions to retire plants in response to regional haze requirements.

**ATTACHMENT**  
**"I"**



ATTACHMENT I - COMPARISON OF LOW INCOME BILL IMPACT WITH AUGUST 2013 PPFAC

Line No.	Class Description	Customer Counts	Average Annual Bill	Average Annual Bill Change (from Current)	Revised Percent Change to Total Bill	\$ change in monthly bill	Lifeline bill below R-01 monthly bill
1	Residential R-01	330,848	\$966.06	\$34.92	3.8%	\$2.91 (1)	
2	Residential Lifeline R-04-01	819	\$647.15	\$31.64	5.1%	\$2.64	\$26.58
3	Residential Lifeline R-05-01	1,722	\$736.03	\$36.01	5.1%	\$3.00	\$19.17
4	Residential Lifeline R-08-01	1,046	\$577.75	\$28.45	5.2%	\$2.37	\$32.36
5	Residential Lifeline R-06-01	13,376	\$780.85	\$31.77	4.2%	\$2.65	\$15.43
6	Residential Lifeline R-04-21F	4	\$562.14	\$36.91	7.0%	\$3.08	\$33.66
7	Residential Lifeline R-05-21F	4	\$639.29	\$42.01	7.0%	\$3.50	\$27.23
8	Residential Lifeline R-08-21F	9	\$501.49	\$33.13	7.1%	\$2.76	\$38.71
9	Residential Lifeline R-06-21F	25	\$663.52	\$38.96	6.2%	\$3.25	\$25.21
10	Residential Lifeline R-04-70F	6	\$600.59	\$34.73	6.1%	\$2.89	\$30.46
11	Residential Lifeline R-05-70F	16	\$682.93	\$39.50	6.1%	\$3.29	\$23.59
12	Residential Lifeline R-08-70F	24	\$535.20	\$31.04	6.2%	\$2.59	\$35.91
13	Residential Lifeline R-06-70F	109	\$715.39	\$35.76	5.3%	\$2.98	\$20.89
14	Residential Lifeline 05- 201AF	3	\$688.32	\$37.13	5.7%	\$3.09	\$23.15
15	Residential Lifeline 08- 201AF	12	\$538.99	\$29.36	5.8%	\$2.45	\$35.59
16	Residential Lifeline 06- 201AF	336	\$721.21	\$33.16	4.8%	\$2.76	\$20.40
17	Residential Lifeline 06- 201BF	12	\$656.83	\$31.70	5.1%	\$2.64	\$25.77

Note (1) This reflects the inclusion of the PPFAC rate as proposed in the Settlement, which includes \$3 million of sulfur credits, deferral of \$9.7 million of San Juan "thermal event" costs. Impacts do not include the anticipated changes in DSM or REST rates.

ATTACHMENT  
"J"

**TUCSON ELECTRIC POWER COMPANY  
SUMMARY OF CURRENT, PROPOSED AND SETTLEMENT RATE DESIGN**

Rate Schedule	Current Design	Settlement
<p><b>Lifeline</b></p>	<ul style="list-style-type: none"> <li>• Includes 19 rate schedules with different designs</li> <li>• 12 different discounts – one flat and 11 percentage discounts</li> <li>• Excluded from PPFAC charges</li> <li>• Excluded from DSM charges</li> <li>• TOU schedules includes shoulder peak period in delivery</li> <li>• Fuel in base rates with shoulder peak period in TOU schedules</li> </ul>	<ul style="list-style-type: none"> <li>• Include PPFAC charges</li> <li>• Include DSM charges</li> <li>• Increased fixed rate discount from \$8 to \$9</li> <li>• Remainder of rates adjusted upward to reflect the same overall dollar change as the R-01 class</li> <li>• No other changes in rate design</li> </ul>
<p><b>Residential R-01</b></p>	<ul style="list-style-type: none"> <li>• Three block structure</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates</li> </ul>	<ul style="list-style-type: none"> <li>• Four block structure</li> <li>• Consolidated R-02 into R-01</li> <li>• Increase customer and energy charges</li> <li>• 5 summer months/7 winter months</li> <li>• Added AMI opt-out charge</li> <li>• LFCR fixed charge option added</li> <li>• Base Power as in current structure</li> </ul>
<p><b>Residential R-201</b></p>	<ul style="list-style-type: none"> <li>• Two different rate structures with and without blocks</li> <li>• Rate structure includes three seasons</li> <li>• 6 summer months/6 winter months</li> <li>• Discounted from R-01</li> <li>• Fuel in base rates</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated two rate schedules into one with four blocks</li> <li>• Changed to only a winter and summer season</li> <li>• 5 summer months/7 winter months</li> <li>• Includes 10% discount on non-fuel components to R-01</li> <li>• Increase customer and energy charges</li> <li>• Base Power as in current structure</li> </ul>

**TUCSON ELECTRIC POWER COMPANY  
SUMMARY OF CURRENT, PROPOSED AND SETTLEMENT RATE DESIGN**

Rate Schedule	Current Design	Settlement
<p><b>Residential R-80 TOU</b></p>	<ul style="list-style-type: none"> <li>• Includes 5 rate structure with and without blocks</li> <li>• Includes three different on peak periods</li> <li>• Includes shoulder peak period in delivery</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates with shoulder peak period</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated 5 TOU rate schedules into one without blocks</li> <li>• Consolidated on peak periods into a single period for the summer from 2:00 pm to 8:00 pm and two winter periods from 6:00 am to 10:00 am and 5:00 pm to 9:00 pm</li> <li>• Changed to only a winter and summer season</li> <li>• Removed shoulder peak period in delivery</li> <li>• Increase customer and energy charges</li> <li>• 5 summer months/7 winter months</li> <li>• Base Power as in current structure without shoulder peak period</li> </ul>
<p><b>Residential R-201 TOU</b></p>	<ul style="list-style-type: none"> <li>• Four different rate structures with and without blocks</li> <li>• Rate structure includes three seasons</li> <li>• Includes shoulder peak period in delivery</li> <li>• 6 summer months/6 winter months</li> <li>• Discounted from R-01</li> <li>• Fuel in base rates with shoulder peak period</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated four rate schedules into one without blocks</li> <li>• Consolidated on peak periods into a single period for the summer from 2:00 pm to 8:00 pm and two winter periods from 6:00 am to 10:00 am and 5:00 pm to 9:00 pm</li> <li>• Changed to only a winter and summer season</li> <li>• Removed shoulder peak period in delivery</li> <li>• Increase customer and energy charges</li> <li>• 5 summer months/7 winter months</li> <li>• Includes 15% discount on non-fuel components to R-80</li> <li>• Base Power as in current structure without shoulder peak period</li> </ul>

**TUCSON ELECTRIC POWER COMPANY  
SUMMARY OF CURRENT, PROPOSED AND SETTLEMENT RATE DESIGN**

Rate Schedule	Current Design	Settlement
<p><b>Small General Service GS-10</b></p>	<ul style="list-style-type: none"> <li>• One schedule with two blocks</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates</li> </ul>	<ul style="list-style-type: none"> <li>• One schedule with two blocks</li> <li>• Increase customer and energy charges</li> <li>• 5 summer months/7 winter months</li> <li>• Municipal Rate 40 included in small general service with a 16.5% discount</li> <li>• Base Power as in current structure</li> </ul>
<p><b>Small General Service GS-76 TOU</b></p>	<ul style="list-style-type: none"> <li>• Two schedules with and without blocks</li> <li>• 6 summer months/6 winter months</li> <li>• Includes shoulder peak period in delivery</li> <li>• Fuel in base rates with shoulder peak period</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated on peak periods into a single period for the summer from 2:00 pm to 8:00 pm and two winter periods from 6:00 am to 10:00 am and 5:00 pm to 9:00 pm</li> <li>• Remove shoulder peak period</li> <li>• Increase customer and energy charges</li> <li>• 5 summer months/7 winter months</li> <li>• Base Power as in current structure without shoulder peak</li> </ul>
<p><b>Large General Service I-13</b></p>	<ul style="list-style-type: none"> <li>• Demand ratchet at 50%</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates</li> </ul>	<ul style="list-style-type: none"> <li>• Increase customer charge</li> <li>• Standard demand and energy increases</li> <li>• Increased demand ratchet from 50% to 75%</li> <li>• 5 summer months/7 winter months</li> <li>• Base Power as in current structure</li> </ul>
<p><b>Large General Service I-85 TOU</b></p>	<ul style="list-style-type: none"> <li>• Three rate schedules with two different demand structures</li> <li>• Two different sets of on-peak periods</li> <li>• Includes shoulder peak period in delivery</li> <li>• 6 summer months/6 winter months</li> <li>• Demand ratchet at 50%</li> <li>• Fuel in base rates include shoulder peak period</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated three rate schedules into one</li> <li>• Consolidated on peak periods into a single period for the summer from 2:00 pm to 8:00 pm and two winter periods from 6:00 am to 10:00 am and 5:00 pm to 9:00 pm</li> <li>• Removed shoulder peak period</li> <li>• 5 summer months/7 winter months</li> <li>• Increase customer charge</li> <li>• Standard demand and energy increases</li> <li>• Increased demand ratchet from 50% to 75%</li> </ul>

**TUCSON ELECTRIC POWER COMPANY  
SUMMARY OF CURRENT, PROPOSED AND SETTLEMENT RATE DESIGN**

Rate Schedule	Current Design	Settlement
		(ratchet will be new for 85N) <ul style="list-style-type: none"> <li>• Base Power as in current structure without shoulder peak period</li> </ul>
<b>Large Light &amp; Power I-14</b>	<ul style="list-style-type: none"> <li>• Demand ratchet at 66.7%</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates</li> <li>• Power factor 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</li> </ul>	<ul style="list-style-type: none"> <li>• Increase customer charge</li> <li>• Standard demand and energy increases</li> <li>• Increased demand ratchet from 66.7% to 75%</li> <li>• 5 summer months/7 winter months</li> <li>• Base Power as in current structure</li> <li>• Power factor charges applied to all power factors under 100%</li> </ul>
<b>LL&amp;P I-90 TOU</b>	<ul style="list-style-type: none"> <li>• Three rate schedules</li> <li>• Demand is On-peak &amp; Excess</li> <li>• Two sets of on-peak periods</li> <li>• Includes shoulder peak periods in delivery</li> <li>• Demand ratchet at 50%</li> <li>• 6 summer months/6 winter months</li> <li>• Fuel in base rates with shoulder peak period</li> <li>• Power factor 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</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidated three rate schedules into one</li> <li>• Consolidated on peak periods into a single period for the summer from 2:00 pm to 8:00 pm and two winter periods from 6:00 am to 10:00 am and 5:00 pm to 9:00 pm</li> <li>• Removed shoulder peak period</li> <li>• Increase customer charge</li> <li>• Standard demand and energy increases</li> <li>• Increased demand ratchet from 50% to 75%</li> <li>• 5 summer months/7 winter months</li> <li>• Base Power as in current structure without shoulder peak period</li> <li>• Power factor charges applied to all power factors under 100%</li> </ul>

LINE NO.		Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues
<b>Residential Service R-01</b>							
1	Customer Charge (Single Phase)	3,931,401	\$7.00	\$27,519,807.00	3,931,401	\$10.00	\$39,314,010.00
2	Customer Charge (Three Phase)	3,651	\$13.00	\$47,463.00	3,651	\$15.00	\$54,765.00
3	<b>Summer</b>						
4	Sum First 500 kWh	865,521,763	\$0.046925	\$40,614,608.75	736,730,680	\$0.056200	\$41,404,264.20
5	Sum 501-1,000 kWh				496,017,382	\$0.067200	\$33,332,368.09
6	Sum 1,001-3,500 kWh	1,180,855,048	\$0.068960	\$81,431,764.12	559,338,750	\$0.079800	\$44,635,232.26
7	Sum>3,500 kWh	25,501,217	\$0.088960	\$2,268,588.23	24,347,732	\$0.088200	\$2,147,469.92
8	Win First 500 kWh				905,934,678	\$0.056200	\$50,913,528.89
9	Win 501-1,000 kWh	777,143,594	\$0.047309	\$36,765,886.29	413,683,007	\$0.065200	\$26,972,132.06
10	Win 1,001-3,500 kWh	510,936,480	\$0.067309	\$34,390,623.50	222,752,388	\$0.078100	\$17,396,961.53
11	Win>3,500 kWh	4,847,097	\$0.087309	\$423,195.23	6,000,583	\$0.087100	\$522,650.74
12	Subtotal Delivery (Margin) Revenue			<b>\$223,461,936.13</b>			<b>\$256,693,382.69</b>
13	Base Power Summer	2,071,878,028	\$0.033198	\$68,782,206.78	1,816,434,544	\$0.035111	\$63,776,833.26
14	Base Power Winter	1,292,927,171	\$0.025698	\$33,225,642.44	1,548,370,656	\$0.031532	\$48,823,223.51
15	<b>TOTAL RESIDENTIAL R-01</b>			<b>\$325,469,785</b>			<b>\$369,293,439.46</b>
16	TOTAL SALES	3,364,805,199			3,364,805,199		
<b>Residential Service R-02</b>							
17	Customer Charge (Single Phase)	23,820	\$5.10	\$121,482.00	23,820	\$0.00	\$0.00
18	Sum First 500 kWh				1,196,221	\$0.056200	\$67,227.62
19	Sum 501-1,000 kWh	3,727,106	\$0.017298	\$64,471.48	66,774	\$0.067200	\$4,487.18
20	Sum 1,001-3,500 kWh			\$0.00	59,214	\$0.079800	\$4,725.30
21	Sum>3,500 kWh			\$0.00	3,979	\$0.088200	\$350.91
22	Win First 500 kWh				2,165,629	\$0.056200	\$121,708.34
23	Win 501-1,000 kWh			\$0.00	148,257	\$0.065200	\$9,666.34
24	Win 1,001-3,500 kWh			\$0.00	79,831	\$0.078100	\$6,234.77
25	Win>3,500 kWh			\$0.00	7,203	\$0.087100	\$627.36
26	Subtotal Delivery (Margin) Revenue			<b>\$185,953.48</b>			<b>\$215,027.81</b>
27	Base Power Summer	3,727,106	\$0.029448	\$109,755.82	1,326,187	\$0.035111	\$46,563.76
28	Base Power Winter			\$0.00	2,400,919	\$0.031532	\$75,705.78
29	<b>TOTAL RESIDENTIAL R-02</b>			<b>\$295,709.31</b>			<b>\$337,297.35</b>
30	TOTAL SALES	3,727,106			3,727,106		
<b>Residential Lifeline Service R-01</b>							
31	Customer Charge (Single Phase)	238,230	\$4.90	\$1,167,326.66	238,230	\$6.90	\$1,643,786.52
32	Customer Charge (Three Phase)	69	\$12.26	\$845.94	69	\$11.90	\$821.10
33	Summer (all kWh)	108,919,567	\$0.057723	\$6,287,164.14	93,722,286	<b>\$0.061100</b>	\$5,726,431.67
34	Winter (all kWh)	81,578,627	\$0.053272	\$4,345,856.60	96,775,907	<b>\$0.057000</b>	\$5,516,226.72
35	Subtotal Delivery (Margin) Revenue			<b>\$11,801,193.35</b>			<b>\$12,887,266.01</b>
36	Base Power Summer	108,919,567	\$0.033198	\$3,615,911.77	93,722,286	\$0.033198	\$3,111,392.45
37	Base Power Winter	81,578,627	\$0.025698	\$2,096,407.55	96,775,907	\$0.025698	\$2,486,947.27
38	<b>TOTAL RESIDENTIAL LIFELINE R-XX-01</b>			<b>\$17,513,512.67</b>			<b>\$18,485,605.73</b>
39	TOTAL SALES	190,498,193			190,498,193		

LINE NO.		Test Year		Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants Proposed Rates		Proposed Revenues
		Adjusted Billing Determinants	Current Rates		Billing Determinants	Proposed Rates	
<b>Residential Lifeline Service R-201A Frozen</b>							
1	Customer Charge (Single Phase)	4,218	\$4.90	\$20,668.46	4,218	\$6.90	\$29,104.57
2	Mid-Summer (all kWh)	1,397,135	\$0.057722	\$80,645.44	1,397,135	\$0.061100	\$85,364.96
3	Remaining-Summer (all kWh)	1,295,488	\$0.040993	\$53,105.95	899,080	\$0.043600	\$39,199.91
4	Winter (all kWh)	2,104,829	\$0.038742	\$81,545.28	2,501,237	\$0.041300	\$103,301.08
5	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$235,965.14</b>			<b>\$256,970.52</b>
6	Base Power Mid Summer	1,397,135	\$0.033198	\$46,382.09	1,397,135	\$0.033198	\$46,382.09
7	Base Power Remain-Summer	1,295,488	\$0.033198	\$43,007.62	899,080	\$0.033198	\$29,847.67
8	Base Power Winter	2,104,829	\$0.025698	\$54,089.89	2,501,237	\$0.027198	\$68,028.64
9	<b>TOTAL LIFELINE R-201</b>			<b>\$379,444.75</b>			<b>\$401,228.92</b>
10	<b>TOTAL SALES</b>	<b>4,797,453</b>			<b>4,797,453</b>		
<b>Residential Service R-201A Frozen</b>							
11	Customer Charge (Single Phase)	59,313	\$7.00	\$415,193.57	59,313	\$10.00	\$593,133.67
12	Sum First 500 kWh	20,197,805	\$0.066139	\$1,335,862.65	13,531,796	\$0.050600	\$684,708.87
13	Sum 501-1,000 kWh			\$0.00	9,105,476	\$0.060500	\$550,881.29
14	Sum 1,001-3,500 kWh	18,091,714	\$0.044138	\$798,532.07	10,267,877	\$0.071800	\$737,233.57
15	Sum>3,500 kWh			\$0.00	165,189	\$0.079400	\$13,115.97
16	Win First 500 kWh	30,745,812	\$0.033803	\$1,039,300.67	18,812,952	\$0.050600	\$951,935.36
17	Win 501-1,000 kWh			\$0.00	11,090,120	\$0.058700	\$650,990.04
18	Win 1,001-3,500 kWh			\$0.00	5,971,603	\$0.070300	\$419,803.70
19	Win>3,500 kWh			\$0.00	90,319	\$0.078400	\$7,081.01
20	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$3,588,888.97</b>			<b>\$4,608,883.48</b>
21	Base Power Mid-Summer	20,197,805	\$0.033198	\$670,526.74	33,070,337	\$0.035111	\$1,161,132.61
22	Base Power Remain-Summer	18,091,714	\$0.033198	\$600,608.72			
23	Base Power Winter	30,745,812	\$0.025698	\$790,105.87	35,964,994	\$0.031532	\$1,134,048.19
24	<b>TOTAL R-201A</b>			<b>\$5,650,130.30</b>			<b>\$6,904,064.28</b>
25	<b>TOTAL SALES</b>	<b>69,035,331</b>			<b>69,035,331</b>		
<b>Residential Service R-201AN</b>							
26	Customer Charge (Single Phase)	65,544	\$7.00	\$458,808.00	65,544	\$10.00	\$655,440.00
27	Sum First 500 kWh				12,747,252	\$0.050600	\$645,010.96
28	Sum 501-1,000 kWh	7,410,492	\$0.065598	\$486,113.44	8,523,994	\$0.060500	\$515,701.66
29	Sum 1,001-3,500 kWh	11,446,450	\$0.085598	\$979,793.20	9,612,164	\$0.071800	\$690,153.37
30	Sum>3,500 kWh	107,509	\$0.105598	\$11,352.70	153,507	\$0.079400	\$12,188.42
31	<b>Remaining Summer</b>						
32	First 500, or all kWh	7,646,758	\$0.022737	\$173,864.33	-		\$0.00
33	501 -3,500, kWh	9,203,000	\$0.042737	\$393,308.63	-		\$0.00
34	>3,500 kWh	53,626	\$0.062737	\$3,364.35	-		\$0.00
35	Win First 500 kWh	14,115,148	\$0.020737	\$292,705.82	16,425,145	\$0.050600	\$831,112.35
36	Win 501-1,000 kWh	12,338,852	\$0.040737	\$502,647.80	9,653,893	\$0.058700	\$566,683.53
37	Win 1,001-3,500 kWh				5,198,250	\$0.070300	\$365,436.99
38	Win>3,500 kWh	70,315	\$0.060737	\$4,270.75	77,944	\$0.078400	\$6,110.79
39	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$3,306,229.01</b>			<b>\$4,287,838.07</b>
40	Base Power Mid-Summer	18,964,450	\$0.043166	\$818,619.45	31,036,917	\$0.035111	\$1,089,737.20
41	Base Power Remain-Summer	16,903,384	\$0.023166	\$391,583.80			
42	Base Power Winter	26,524,315	\$0.027033	\$717,031.81	31,355,232	\$0.031532	\$988,693.19
43	<b>TOTAL R-201AN</b>			<b>\$5,233,464.08</b>			<b>\$6,366,268.46</b>
44	<b>TOTAL SALES</b>	<b>62,392,149</b>			<b>62,392,149</b>		



LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues
<b>Residential Lifeline Service TOU R-XX-21 Frozen</b>						
1	Customer Charge	613	\$6.86	613	\$8.86	\$5,434.98
2	Summer On-peak kWh	109,148	\$0.072215	94,070	\$0.078800	\$7,412.68
3	Summer Off-peak kWh	223,428	\$0.026967	195,143	\$0.030100	\$5,873.81
4	Winter On-peak kWh	63,890	\$0.058320	78,969	\$0.065200	\$5,148.76
5	Winter Off-peak kWh	205,215	\$0.029467	233,499	\$0.033000	\$7,705.46
6	<b>Subtotal Delivery (Margin) Revenue</b>		<b>\$27,888.55</b>			<b>\$31,575.70</b>
<b>Base Power</b>						
7	Summer On-peak kWh	109,148	\$0.053198	94,070	\$0.053198	\$5,004.31
8	Summer Off-peak kWh	223,428	\$0.023198	195,143	\$0.023198	\$4,526.93
9	Winter On-peak kWh	63,890	\$0.040698	78,969	\$0.040698	\$3,213.87
10	Winter Off-peak kWh	205,215	\$0.020698	233,499	\$0.020698	\$4,832.96
11	<b>TOTAL LIFELINE TOU R-21F REVENUE</b>		<b>\$45,725.82</b>			<b>\$49,153.77</b>
12	TOTAL SALES	601,680		601,680		
<b>Residential Lifeline Service TOU R-XX-70</b>						
13	Customer Charge	2,375	\$6.78	2,375	\$8.78	\$20,853.40
14	Summer On-peak	245,865	\$0.128473	214,446	\$0.139327	\$29,878.05
15	Summer Shoulder-peak	87,900	\$0.068120	87,900	\$0.073875	\$6,493.63
16	Summer Off-peak	847,975	\$0.034962	737,025	\$0.037916	\$27,944.82
17	Winter On-peak kWh	185,561	\$0.085313	216,981	\$0.092521	\$20,075.16
18	Winter Off-peak kWh	669,640	\$0.022921	780,591	\$0.024857	\$19,403.49
19	<b>Subtotal Delivery (Margin) Revenue</b>		<b>\$114,504.49</b>			<b>\$124,648.56</b>
<b>Base Power</b>						
20	Summer On-peak kWh	245,865	\$0.055698	214,446	\$0.055698	\$11,944.20
21	Summer Shoulder-peak	87,900	\$0.048198	87,900	\$0.048198	\$4,236.61
22	Summer Off-peak kWh	847,975	\$0.023198	737,025	\$0.023198	\$17,097.50
23	Winter On-peak kWh	185,561	\$0.040698	216,981	\$0.040698	\$8,830.67
24	Winter Off-peak kWh	669,640	\$0.020698	780,591	\$0.020698	\$16,156.66
25	<b>TOTAL LIFELINE TOU R-70F REVENUE</b>		<b>\$173,518.81</b>			<b>\$182,914.21</b>
26	TOTAL SALES	2,036,942		2,036,942		
<b>Residential Service TOU R-21 Frozen</b>						
27	Customer Charge	28,932	\$7.00	28,932	\$11.50	\$332,718.00
28	Summer On-peak kWh	8,237,292	\$0.101271	7,468,625	\$0.066800	\$498,904.12
29	Summer Off-peak kWh	15,589,611	\$0.021508	13,949,953	\$0.051800	\$722,607.54
30	Winter On-peak kWh	3,844,450	\$0.073292	7,511,294	\$0.056800	\$426,641.52
31	Winter Off-peak kWh	12,839,897	\$0.021508	11,581,378	\$0.041800	\$484,101.59
32	<b>Subtotal Delivery (Margin) Revenue</b>		<b>\$1,929,952.06</b>			<b>\$2,464,972.77</b>
<b>Base Power</b>						
33	Summer On-peak kWh	8,237,292	\$0.053198	7,468,625	\$0.050669	\$378,427.74
34	Summer Off-peak kWh	15,589,611	\$0.023198	13,949,953	\$0.026679	\$372,170.78
35	Winter On-peak kWh	3,844,450	\$0.040698	7,511,294	\$0.032893	\$247,069.01
36	Winter Off-peak kWh	12,839,897	\$0.020698	11,581,378	\$0.027092	\$313,762.68
37	<b>TOTAL TOU R-21F REVENUE</b>		<b>\$3,152,028.91</b>			<b>\$3,776,402.99</b>
38	TOTAL SALES	40,511,249		40,511,249		

LINE NO.	Test Year		Test Year Adjusted Revenue	Proposed Adjusted		Proposed Revenues	
	Adjusted Billing Determinants	Current Rates		Billing Determinants	Proposed Rates		
<b>Residential Service TOU R-70</b>							
1	Customer Charge	49,320	\$7.00	\$345,240.00	49,320	\$11.50	\$567,180.00
2	Summer On-peak	6,662,407	\$0.174747	\$1,164,235.63	11,348,439	\$0.066800	\$758,075.71
3	Summer Shoulder-peak	2,577,159	\$0.102823	\$264,991.23	-	\$0.00	\$0.00
4	Summer Off-peak	27,114,005	\$0.041176	\$1,116,446.26	21,204,659	\$0.051800	\$1,098,401.36
5	Winter On-peak kWh	5,967,824	\$0.025762	\$153,743.09	10,594,826	\$0.056800	\$601,786.13
6	Winter Off-peak kWh	17,165,126	\$0.023098	<u>\$396,480.07</u>	16,338,596	\$0.041800	<u>\$682,953.33</u>
7	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$3,441,136.29</b>			<b>\$3,708,396.53</b>
<b>Base Power</b>							
8	Summer On-peak kWh	6,662,407	\$0.055698	\$371,082.74	11,348,439	\$0.050669	\$575,014.05
9	Summer Shoulder-peak	2,577,159	\$0.048198	\$124,213.92	-	\$0.00	\$0.00
10	Summer Off-peak kWh	27,114,005	\$0.023198	\$628,990.68	21,204,659	\$0.026679	\$565,719.11
11	Winter On-peak kWh	5,967,824	\$0.040698	\$242,878.52	10,594,826	\$0.032893	\$348,495.62
12	Winter Off-peak kWh	17,165,126	\$0.020698	\$355,283.77	16,338,596	\$0.027092	\$442,645.26
13	<b>TOTAL TOU R-70F REVENUE</b>			<b>\$5,163,585.92</b>			<b>\$5,640,270.56</b>
14	TOTAL SALES	59,486,521			59,486,521		
<b>Residential Time-of-Use R-70N-B (Weekend Includes Shoulder)</b>							
15	Customer Charge	2,424	\$8.00	\$19,392.00	2,424	\$11.50	\$27,876.00
16	<u>Summer On-peak</u>						
17	First 500, kWh	93,863	\$0.079947	\$7,504.08	523,087	\$0.066800	\$34,942.22
18	501 -3,500, kWh	176,848	\$0.096571	\$17,078.41			\$0.00
19	>3,500 kWh	2,267	\$0.116571	\$264.23			\$0.00
20	<u>Summer Shoulder-peak</u>						
21	First 500, kWh	143,827	\$0.050121	\$7,208.74			\$0.00
22	501 -3,500, kWh	281,334	\$0.070121	\$19,727.44			\$0.00
23	>3,500 kWh	3,679	\$0.090121	\$331.54			\$0.00
24	<u>Summer Off-peak</u>						
25	First 500, kWh	349,097	\$0.041217	\$14,388.72	979,031	\$0.051800	\$50,713.81
26	501 -3,500, kWh	675,543	\$0.057841	\$39,074.11			\$0.00
27	>3,500 kWh	8,856	\$0.077841	\$689.33			\$0.00
28	<u>Winter On-peak</u>						
29	First 500, kWh	162,731	\$0.067066	\$10,913.71	479,959	\$0.056800	\$27,261.67
30	501 -3,500, kWh	139,508	\$0.085478	\$11,924.83			\$0.00
31	>3,500 kWh	507	\$0.105478	\$53.52			\$0.00
32	<u>Winter Off-peak</u>						
33	First 500, kWh	366,538	\$0.037066	\$13,586.10	739,514	\$0.041800	\$30,911.70
34	501 -3,500, kWh	315,870	\$0.055478	\$17,523.86			\$0.00
35	>3,500 kWh	1,123	\$0.075478	<u>\$84.78</u>			<u>\$0.00</u>
36	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$179,745.40</b>			<b>\$171,705.40</b>
37	<b>Base Power</b>						
38	Summer On-peak	272,978	\$0.055440	\$15,133.91	523,087	\$0.050669	\$26,504.30
39	Summer Shoulder-peak	428,840	\$0.034876	\$14,956.22	-	\$0.00	\$0.00
40	Summer Off-peak	1,033,496	\$0.019865	\$20,530.40	979,031	\$0.026679	\$26,119.57
41	Winter On-peak kWh	302,746	\$0.042874	\$12,979.93	479,959	\$0.032893	\$15,787.29
42	Winter Off-peak kWh	683,532	\$0.025086	\$17,147.08	739,514	\$0.027092	\$20,034.92
43	<b>TOTAL TOU R-70N-B REVENUE</b>			<b>\$260,492.93</b>			<b>\$260,151.48</b>
44	TOTAL SALES	2,721,591			2,721,591		

LINE NO.	Test Year Adjusted Billing		Test Year Adjusted Revenue	Proposed Adjusted Billing		Proposed Revenues	
	Determinants	Current Rates		Determinants	Proposed Rates		
<b>Residential Time-of-Use R-70N-C (Weekend Includes Peak)</b>							
1	Customer Charge	7,812	\$8.00	\$62,496.00	7,812	\$11.50	\$89,838.00
2	<u>Summer On-peak</u>						
3	First 500, kWh	413,264	\$0.077356	\$31,968.49	1,503,228	\$0.066800	\$100,415.60
4	501 -3,500, kWh	684,298	\$0.096354	\$65,934.87			\$0.00
5	>3,500 kWh	16,766	\$0.116354	\$1,950.81			\$0.00
6	<u>Summer Shoulder-peak</u>						
7	First 500, kWh	255,582	\$0.049507	\$12,653.09			\$0.00
8	501 -3,500, kWh	429,716	\$0.069507	\$29,868.29			\$0.00
9	>3,500 kWh	10,408	\$0.089507	\$931.58			\$0.00
10	<u>Summer Off-peak</u>						
11	First 500, kWh	1,170,661	\$0.038229	\$44,753.18	2,814,086	\$0.051800	\$145,769.65
12	501 -3,500, kWh	1,931,943	\$0.057227	\$110,559.31			\$0.00
13	>3,500 kWh	46,780	\$0.077227	\$3,612.69			\$0.00
14	<u>Winter On-peak</u>						
15	First 500, kWh	503,061	\$0.066452	\$33,429.40	1,391,693	\$0.056800	\$79,048.19
16	501 -3,500, kWh	376,700	\$0.084864	\$31,968.29			\$0.00
17	>3,500 kWh	2,023	\$0.104864	\$212.18			\$0.00
18	<u>Winter Off-peak</u>						
19	First 500, kWh	1,148,576	\$0.036452	\$41,867.90	2,144,159	\$0.041800	\$89,625.85
20	501 -3,500, kWh	858,787	\$0.054864	\$47,116.49			\$0.00
21	>3,500 kWh	4,599	\$0.074864	<u>\$344.33</u>			<u>\$0.00</u>
22	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$519,666.90</b>			<b>\$504,697.28</b>
23	<b>Base Power</b>						
24	Summer On-peak	1,114,329	\$0.054330	\$60,541.49	1,503,228	\$0.050669	\$76,167.04
25	Summer Shoulder-peak	695,706	\$0.034177	\$23,777.15	-	\$0.00	\$0.00
26	Summer Off-peak	3,149,384	\$0.019467	\$61,309.06	2,814,086	\$0.026679	\$75,077.00
27	Winter On-peak kWh	881,784	\$0.042015	\$37,048.17	1,391,693	\$0.032893	\$45,776.97
28	Winter Off-peak kWh	2,011,963	\$0.024585	\$49,464.10	2,144,159	\$0.027092	\$58,089.56
29	<b>TOTAL TOU R-70N-C REVENUE</b>			<b>\$751,806.87</b>			<b>\$759,807.85</b>
30	<b>TOTAL SALES</b>		7,853,166		7,853,166		

LINE NO.		Test Year		Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants Proposed Rates		Proposed Revenues
		Adjusted Billing Determinants	Current Rates		Billing Determinants	Proposed Rates	
<b>Residential Time-of-Use R-70N-D (Weekend All Off-Peak)</b>							
1	Customer Charge	5,424	\$8.00	\$43,392.00	5,424	\$11.50	\$62,376.00
2	<u>Summer On-peak</u>						
3	First 500, kWh	200,869	\$0.091873	\$18,454.43	1,112,090	\$0.066800	\$74,287.60
4	501 -3,500, kWh	354,929	\$0.107334	\$38,095.99			\$0.00
5	>3,500 kWh	6,150	\$0.127334	\$783.16			\$0.00
6	<u>Summer Shoulder-peak</u>						
7	First 500, kWh	180,379	\$0.049814	\$8,985.40			\$0.00
8	501 -3,500, kWh	325,516	\$0.069814	\$22,725.59			\$0.00
9	>3,500 kWh	5,713	\$0.089814	\$513.07			\$0.00
10	<u>Summer Off-peak</u>						
11	First 500, kWh	919,875	\$0.042073	\$38,701.91	2,081,044	\$0.051800	\$107,798.09
12	501 -3,500, kWh	1,637,031	\$0.057534	\$94,184.94			\$0.00
13	>3,500 kWh	28,367	\$0.077534	\$2,199.37			\$0.00
14	<u>Winter On-peak</u>						
15	First 500, kWh	289,183	\$0.068737	\$19,877.56	1,021,079	\$0.056800	\$57,997.31
16	501 -3,500, kWh	236,708	\$0.085171	\$20,160.66			\$0.00
17	>3,500 kWh	1,062	\$0.105171	\$111.73			\$0.00
18	<u>Winter Off-peak</u>						
19	First 500, kWh	877,051	\$0.038737	\$33,974.32	1,572,514	\$0.041800	\$65,731.07
20	501 -3,500, kWh	720,607	\$0.055171	\$39,756.60			\$0.00
21	>3,500 kWh	3,287	\$0.075171	\$247.08			\$0.00
22	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$382,163.81</b>			<b>\$368,190.08</b>
23	<b>Base Power</b>						
24	Summer On-peak	561,949	\$0.058271	\$32,745.31	1,112,090	\$0.050669	\$56,348.48
25	Summer Shoulder-peak	511,608	\$0.036656	\$18,753.50	-	\$0.00	\$0.00
26	Summer Off-peak	2,585,273	\$0.020880	\$53,980.50	2,081,044	\$0.026679	\$55,520.18
27	Winter On-peak kWh	526,953	\$0.045063	\$23,746.09	1,021,079	\$0.032893	\$33,586.37
28	Winter Off-peak kWh	1,600,945	\$0.026368	\$42,213.71	1,572,514	\$0.027092	\$42,602.54
29	<b>TOTAL TIME OF USE R-70N-D REVENUE</b>			<b>\$553,602.92</b>			<b>\$556,247.64</b>
30	TOTAL SALES	5,786,727			5,786,727		
<b>Residential Lifeline Service TOU R-201B</b>							
31	Customer Charge (Single Phase)	159	\$6.78	\$1,081.31	159	\$8.78	\$1,400.28
<b>Summer</b>							
32	Mid-Summer On-peak	8,244	\$0.128473	\$1,059.11	8,244	\$0.136900	\$1,128.58
33	Mid-Summer Shoulder-peak	3,900	\$0.068120	\$265.69	3,900	\$0.074700	\$291.35
34	Mid-Summer Off-peak	32,255	\$0.034962	\$1,127.70	32,255	\$0.038300	\$1,235.37
35	Remaining-Summer On-peak	7,834	\$0.090717	\$710.66	5,483	\$0.099500	\$545.59
36	Remaining-Summer Shoulder-peak	2,703	\$0.044275	\$119.66	2,703	\$0.048600	\$131.35
37	Remaining-Summer Off-peak	29,775	\$0.023038	\$685.96	20,657	\$0.025300	\$522.61
38	Winter On-peak	15,413	\$0.059481	\$916.76	17,763	\$0.065200	\$1,158.16
39	Winter Off-peak	51,295	\$0.013975	\$716.84	60,413	\$0.015300	\$924.32
40	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$6,683.68</b>			<b>\$7,337.60</b>
<b>Base Power</b>							
41	Mid-Summer On-peak	8,244	\$0.055698	\$459.16	8,244	\$0.055698	\$459.16
42	Mid-Summer Shoulder-peak	3,900	\$0.048198	\$187.99	3,900	\$0.048198	\$187.99
43	Mid-Summer Off-peak	32,255	\$0.023198	\$748.25	32,255	\$0.023198	\$748.25
44	Remaining-Summer On-peak	7,834	\$0.055698	\$436.33	5,483	\$0.055698	\$305.41
45	Remaining-Summer Shoulder-peak	2,703	\$0.048198	\$130.27	2,703	\$0.048198	\$130.27
46	Remaining-Summer Off-peak	29,775	\$0.023198	\$690.72	20,657	\$0.023198	\$479.19
47	Winter On-peak	15,413	\$0.040698	\$627.26	17,763	\$0.040698	\$722.92
48	Winter Off-peak	51,295	\$0.020698	\$1,061.70	60,413	\$0.020698	\$1,250.43
49	<b>TOTAL LIFELINE R-XX-201B</b>			<b>\$11,025.36</b>			<b>\$11,621.23</b>
50	TOTAL SALES	151,418			151,418		

LINE NO.		Test Year		Test Year Adjusted Revenue	Proposed Adjusted		Proposed Revenues
		Adjusted Billing Determinants	Current Rates		Billing Determinants	Proposed Rates	
<b>Residential Service TOU R-201BF</b>							
1	Customer Charge (Single Phase) Summer	5,927	\$7.00	\$41,486.05	5,927	\$11.50	\$68,155.66
2	Mid-Summer On-peak	412,357	\$0.166303	\$68,576.29	1,250,513	\$0.056800	\$71,029.15
3	Mid-Summer Shoulder-peak	172,389	\$0.093043	\$16,039.62			\$0.00
4	Mid-Summer Off-peak	1,624,561	\$0.031395	\$51,003.10	2,339,501	\$0.044000	\$102,938.06
5	Remaining-Summer On-peak	364,035	\$0.124945	\$45,484.39			\$0.00
6	Remaining-Summer Shoulder-peak	119,418	\$0.067767	\$8,092.58			\$0.00
7	Remaining-Summer Off-peak	1,456,605	\$0.018756	\$27,320.08			\$0.00
8	Winter On-peak	773,032	\$0.075935	\$58,700.22	1,564,449	\$0.048300	\$75,562.88
9	Winter Off-peak	2,639,143	\$0.006499	\$17,151.79	2,407,078	\$0.035500	\$85,451.27
10	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$333,854.12</b>			<b>\$403,137.02</b>
11	Mid-Summer On-peak	412,357	\$0.055698	\$22,967.49	1,250,513	\$0.050669	\$63,362.25
12	Mid-Summer Shoulder-peak	172,389	\$0.048198	\$8,308.82			
13	Mid-Summer Off-peak	1,624,561	\$0.023198	\$37,686.57	2,339,501	\$0.026679	\$62,415.55
14	Remaining-Summer On-peak	364,035	\$0.055698	\$20,276.04			
15	Remaining-Summer Shoulder-peak	119,418	\$0.048198	\$5,755.69			
16	Remaining-Summer Off-peak	1,456,605	\$0.023198	\$33,790.31			
17	Winter On-peak	773,032	\$0.040698	\$31,460.87	1,564,449	\$0.032893	\$51,459.42
18	Winter Off-peak	2,639,143	\$0.020698	\$54,624.99	2,407,078	\$0.027092	\$65,212.56
19	<b>TOTAL TOU R-201BF</b>			<b>\$548,724.91</b>			<b>\$645,586.80</b>
20	<b>TOTAL SALES</b>	<b>7,561,541</b>			<b>7,561,541</b>		
<b>Residential Service TOU R-201CF</b>							
21	Customer Charge (Single Phase) Summer	2,464	\$7.00	\$17,248.38	2,464	\$11.50	\$28,336.62
22	Mid-Summer On-peak	154,320	\$0.161981	\$24,996.89	346,597	\$0.056800	\$19,686.73
23	Mid-Summer Shoulder-peak	43,356	\$0.090057	\$3,904.52			\$0.00
24	Mid-Summer Off-peak	407,895	\$0.028409	\$11,587.89	649,452	\$0.044000	\$28,575.88
25	Remaining-Summer On-peak	148,960	\$0.112200	\$16,713.28			\$0.00
26	Remaining-Summer Shoulder-peak	32,007	\$0.058618	\$1,876.18			\$0.00
27	Remaining-Summer Off-peak	398,805	\$0.012688	\$5,060.04			\$0.00
28	Winter On-peak	315,061	\$0.066272	\$20,879.75	478,871	\$0.048300	\$23,129.49
29	Winter Off-peak	711,416	\$0.001201	\$854.41	736,900	\$0.035500	\$26,159.96
30	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$103,121.34</b>			<b>\$125,888.68</b>
31	Mid-Summer On-peak	154,320	\$0.055698	\$8,595.31	346,597	\$0.050669	\$17,561.74
32	Mid-Summer Shoulder-peak	43,356	\$0.048198	\$2,089.68			
33	Mid-Summer Off-peak	407,895	\$0.023198	\$9,462.35	649,452	\$0.026679	\$17,326.72
34	Remaining-Summer On-peak	148,960	\$0.055698	\$8,296.76			
35	Remaining-Summer Shoulder-peak	32,007	\$0.048198	\$1,542.67			
36	Remaining-Summer Off-peak	398,805	\$0.023198	\$9,251.49			
37	Winter On-peak	315,061	\$0.040698	\$12,822.37	478,871	\$0.032893	\$15,751.52
38	Winter Off-peak	711,416	\$0.020698	\$14,724.89	736,900	\$0.027092	\$19,964.10
39	<b>TOTAL TOU R-201CF</b>			<b>\$169,906.85</b>			<b>\$196,492.76</b>
40	<b>TOTAL SALES</b>	<b>2,211,821</b>			<b>2,211,821</b>		

LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues	
<b>Residential Service TOU R-201BN</b>							
1	Customer Charge	696	\$8.00	\$5,568.00	696	\$11.50	\$8,004.00
<u>MID-Summer On-peak</u>							
2	First 500, kWh	11,829	\$0.110962	\$1,312.59	142,511	\$0.056800	\$8,094.60
3	501 -3,500, kWh	24,718	\$0.130962	\$3,237.18			\$0.00
4	>3,500 kWh	277	\$0.150962	\$41.81			\$0.00
<u>MID-Summer Shoulder-peak</u>							
5	First 500, kWh	10,819	\$0.043962	\$475.64			\$0.00
6	501 -3,500, kWh	22,549	\$0.063962	\$1,442.27			\$0.00
7	>3,500 kWh	249	\$0.083962	\$20.92			\$0.00
<u>MID-Summer Off-peak</u>							
8	First 500, kWh	57,234	\$0.020362	\$1,165.40	266,449	\$0.044000	\$11,723.77
9	501 -3,500, kWh	118,631	\$0.040362	\$4,788.20			\$0.00
10	>3,500 kWh	1,294	\$0.060362	\$78.09			\$0.00
<u>REMAIN-Summer On-peak</u>							
11	First 500, kWh	14,825	\$0.047962	\$711.02			\$0.00
12	501 -3,500, kWh	22,011	\$0.067962	\$1,495.90			\$0.00
13	>3,500 kWh	41	\$0.087962	\$3.59			\$0.00
<u>REMAIN-Summer Shoulder-peak</u>							
14	First 500, kWh	11,461	\$0.024162	\$276.93			\$0.00
15	501 -3,500, kWh	18,526	\$0.044162	\$818.14			\$0.00
16	>3,500 kWh	37	\$0.064162	\$2.37			\$0.00
<u>REMAIN-Summer Off-peak</u>							
17	First 500, kWh	62,102	\$0.016462	\$1,022.32			\$0.00
18	501 -3,500, kWh	100,213	\$0.036462	\$3,653.98			\$0.00
19	>3,500 kWh	198	\$0.056462	\$11.16			\$0.00
<u>Winter On-peak</u>							
20	First 500, kWh	41,562	\$0.047962	\$1,993.40	172,825	\$0.048300	\$8,347.44
21	501 -3,500, kWh	53,991	\$0.067962	\$3,669.35			\$0.00
22	>3,500 kWh	93	\$0.087962	\$8.17			\$0.00
<u>Winter Off-peak</u>							
23	First 500, kWh	119,596	\$0.016462	\$1,968.79	266,031	\$0.035500	\$9,444.11
24	501 -3,500, kWh	155,274	\$0.036462	\$5,661.59			\$0.00
25	>3,500 kWh	286	\$0.056462	<u>\$16.17</u>			<u>\$0.00</u>
26	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$39,442.95</b>			<b>\$45,613.92</b>
<b>Base Power</b>							
27	Mid-Summer On-peak	36,825	\$0.077356	\$2,848.60	142,511	\$0.050669	\$7,220.87
28	Mid-Summer Shoulder-peak	33,617	\$0.038166	\$1,283.04			\$0.00
29	Mid-Summer Off-peak	177,159	\$0.033166	\$5,875.66	266,449	\$0.026679	\$7,108.60
30	Remaining-Summer On-peak	36,876	\$0.057356	\$2,115.08			\$0.00
31	Remaining-Summer Shoulder-peak	30,024	\$0.018166	\$545.42			\$0.00
32	Remaining-Summer Off-peak	162,513	\$0.013166	\$2,139.65			\$0.00
33	Winter On-peak	95,646	\$0.061223	\$5,855.74	172,825	\$0.032893	\$5,684.72
34	Winter Off-peak	275,156	\$0.017033	\$4,686.73	266,031	\$0.027092	\$7,207.32
35	<b>TOTAL TOU R-201BN REVENUE</b>			<b>\$64,792.86</b>			<b>\$72,835.44</b>
36	TOTAL SALES	847,816			847,816		

LINE NO.	Test Year Adjusted Billing		Test Year Adjusted Revenue	Proposed Adjusted Billing		Proposed Revenues	
	Determinants	Current Rates		Determinants	Proposed Rates		
<b>Residential Service TOU R-201CN</b>							
1	Customer Charge	329	\$8.00	\$2,632.00	329	\$11.50	\$3,783.50
<u>MID-Summer On-peak</u>							
2	First 500, kWh	3,953	\$0.099462	\$393.15	24,024	\$0.056800	\$1,364.56
3	501 -3,500, kWh	3,816	\$0.117162	\$447.04			\$0.00
4	>3,500 kWh	-	\$0.134862	\$0.00			\$0.00
<u>MID-Summer Shoulder-peak</u>							
5	First 500, kWh	2,040	\$0.040512	\$82.65			\$0.00
6	501 -3,500, kWh	2,430	\$0.058212	\$141.44			\$0.00
7	>3,500 kWh	-	\$0.075912	\$0.00			\$0.00
<u>MID-Summer Off-peak</u>							
8	First 500, kWh	14,980	\$0.019626	\$293.99	45,026	\$0.044000	\$1,981.17
9	501 -3,500, kWh	15,497	\$0.037326	\$578.45			\$0.00
10	>3,500 kWh	-	\$0.055026	\$0.00			\$0.00
<u>REMAIN-Summer On-peak</u>							
11	First 500, kWh	3,445	\$0.044052	\$151.77			\$0.00
12	501 -3,500, kWh	3,485	\$0.061752	\$215.18			\$0.00
13	>3,500 kWh	-	\$0.079452	\$0.00			\$0.00
<u>REMAIN-Summer Shoulder-peak</u>							
14	First 500, kWh	2,616	\$0.022989	\$60.14			\$0.00
15	501 -3,500, kWh	2,711	\$0.040689	\$110.31			\$0.00
16	>3,500 kWh	-	\$0.058389	\$0.00			\$0.00
<u>REMAIN-Summer Off-peak</u>							
17	First 500, kWh	14,880	\$0.016175	\$240.68			\$0.00
18	501 -3,500, kWh	14,818	\$0.033875	\$501.97			\$0.00
19	>3,500 kWh	-	\$0.051575	\$0.00			\$0.00
<u>Winter On-peak</u>							
20	First 500, kWh	11,128	\$0.044052	\$490.19	33,302	\$0.048300	\$1,608.49
21	501 -3,500, kWh	7,870	\$0.061752	\$486.00			\$0.00
22	>3,500 kWh	-	\$0.079452	\$0.00			\$0.00
<u>Winter Off-peak</u>							
23	First 500, kWh	29,014	\$0.016175	\$469.30	51,137	\$0.035500	\$1,815.37
24	501 -3,500, kWh	20,808	\$0.033875	\$704.86			\$0.00
25	>3,500 kWh	-	\$0.051575	\$0.00			\$0.00
26	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$7,999.13</b>			<b>\$10,553.08</b>
<b>Base Power</b>							
27	Mid-Summer On-peak	7,768	\$0.078903	\$612.95	24,024	\$0.050669	\$1,217.26
28	Mid-Summer Shoulder-peak	4,470	\$0.038929	\$174.01	-		\$0.00
29	Mid-Summer Off-peak	30,477	\$0.033829	\$1,031.00	45,026	\$0.026679	\$1,201.26
30	Remaining-Summer On-peak	6,930	\$0.058503	\$405.41	-		\$0.00
31	Remaining-Summer Shoulder-peak	5,327	\$0.018529	\$98.71	-		\$0.00
32	Remaining-Summer Off-peak	29,698	\$0.013429	\$398.81	-		\$0.00
33	Winter On-peak	18,998	\$0.062447	\$1,186.36	33,302	\$0.032893	\$1,095.40
34	Winter Off-peak	49,822	\$0.017374	\$865.60	51,137	\$0.027092	\$1,385.40
35	<b>TOTAL TOU R-201CN REVENUE</b>			<b>\$12,771.99</b>			<b>\$15,452.41</b>
36	TOTAL SALES	153,489			153,489		
37	<b>RESIDENTIAL STANDARD SUBTOTAL</b>						<b>\$401,787,904</b>
38	<b>RESIDENTIAL TIME OF USE SUBTOTAL</b>						<b>12,166,937</b>
39	<b>RESIDENTIAL COMMUNITY SOLAR</b>						<b>362,757</b>
40	<b>RESIDENTIAL LIFELINE DISCOUNT</b>						<b>(2,493,090)</b>
41	<b>RESIDENTIAL TOTAL REVENUE</b>						<b>\$411,824,508</b>

LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues	
<b>Small General Service SGS-10</b>							
1	Customer Charge (Single Phase)	206,171	\$8.00	\$1,649,368.00	206,171	\$15.50	\$3,195,650.50
2	Customer Charge (Three Phase)	212,653	\$14.00	\$2,977,142.00	212,653	\$20.50	\$4,359,386.50
<b>Summer</b>							
3	First 500, kWh	83,218,214	\$0.056236	\$4,679,859.46	70,402,123	\$0.076800	\$5,406,883.03
4	≥ 501 kWh	924,529,471	\$0.085145	\$78,719,061.80	794,353,073	\$0.097600	\$77,528,859.89
<b>Winter</b>							
5	First 500, kWh	85,492,289	\$0.051252	\$4,381,650.82	98,308,380	\$0.056800	\$5,583,916.00
6	≥ 501 kWh	676,979,742	\$0.080145	\$54,256,541.39	807,156,140	\$0.078800	\$63,603,903.82
7	Primary Metering Discount			(\$4,847.65)			(\$4,847.65)
8	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$146,658,775.81</b>			<b>\$159,673,752.08</b>
9	Base Power Summer	1,007,747,684	\$0.031550	\$31,794,439.45	864,755,195	\$0.035111	\$30,362,419.67
10	Base Power Winter	762,472,031	\$0.024222	\$18,468,597.53	905,464,520	\$0.031532	\$28,551,107.25
11	<b>TOTAL General Service SGS-10</b>			<b>\$196,921,812.79</b>			<b>\$218,587,279.00</b>
12	TOTAL SALES	1,770,219,715			1,770,219,715		
<b>Municipal Service PS-40</b>							
13	Customer Charge (Single Phase)	8,849	\$0.00	\$0.00	8,849	\$15.50	\$137,159.50
<b>Summer</b>							
14	First 500, kWh	64,734,411	\$0.057530	\$3,724,170.65	4,420,553	\$0.076800	\$339,498.47
15	≥ 501 kWh			\$0.00	50,114,177	\$0.097600	\$4,891,143.64
<b>Winter</b>							
16	First 500, kWh	53,570,309	\$0.053159	\$2,847,744.07	6,912,295	\$0.056800	\$392,618.38
17	≥ 501 kWh			\$0.00	56,857,695	\$0.078800	\$4,480,386.36
18	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$6,571,914.72</b>			<b>\$10,240,806.35</b>
19	Base Power Summer	64,734,411	0.032245	\$2,087,361.07	54,534,730	\$0.035111	\$1,914,768.89
20	Base Power Winter	53,570,309	\$0.024745	\$1,325,597.30	63,769,990	\$0.031532	\$2,010,795.33
21	<b>TOTAL PS-40 REVENUE</b>			<b>\$9,984,873.09</b>			<b>\$14,166,370.58</b>
22	TOTAL SALES	118,304,720			118,304,720		
<b>SGS Time of Use SGS-76F</b>							
14	Customer Charge	9,936	\$8.00	\$79,488.00	9,936	\$17.50	\$173,880.00
15	Summer On-peak	9,825,216	\$0.207220	\$2,035,981.36	16,433,218	\$0.099900	\$1,641,678.46
16	Summer Shoulder-peak	3,497,021	\$0.119884	\$419,236.89			\$0.00
17	Summer Off-peak	46,772,467	\$0.042825	\$2,003,030.91	35,012,373	\$0.084900	\$2,972,550.49
18	Winter On-peak kWh	10,425,706	\$0.130159	\$1,356,999.48	23,274,964	\$0.079500	\$1,850,359.63
19	Winter Off-peak kWh	39,244,555	\$0.027411	\$1,075,732.50	35,044,410	\$0.064500	\$2,260,364.44
20	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$6,970,469.14</b>			<b>\$8,898,833.02</b>
21	<b>Base Power</b>						
22	Summer On-peak kWh	9,825,216	\$0.056123	\$551,420.62	16,433,218	\$0.050669	\$832,654.71
23	Summer Shoulder-peak	3,497,021	\$0.056123	\$196,263.32			\$0.00
24	Summer Off-peak kWh	46,772,467	\$0.023623	\$1,104,905.99	35,012,373	\$0.026679	\$934,095.11
25	Winter On-peak kWh	10,425,706	\$0.038809	\$404,611.23	23,274,964	\$0.032893	\$765,583.39
26	Winter Off-peak kWh	39,244,555	\$0.018809	\$738,150.84	35,044,410	\$0.027092	\$949,423.15
27	<b>TOTAL TOU SGS-76F REVENUE</b>			<b>\$9,965,821.15</b>			<b>\$12,380,589.39</b>
28	TOTAL SALES	109,764,966			109,764,966		



LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues	
<b>SGS Time of Use SGS-76N</b>							
1	Customer Charge	1,152	\$9.00	\$10,368.00	1,152	\$17.50	\$20,160.00
<u>Summer On-peak</u>							
2	First 500, kWh	53,632	\$0.153751	\$8,245.99	2,195,464	\$0.099900	\$219,326.82
3	501 -3,500, kWh	1,659,304	\$0.182660	\$303,088.41			\$0.00
<u>Summer Shoulder-peak</u>							
4	First 500, kWh	44,206	\$0.041416	\$1,830.82			\$0.00
5	501 -3,500, kWh	1,358,337	\$0.070325	\$95,525.07			\$0.00
<u>Summer Off-peak</u>							
6	First 500, kWh	150,763	\$0.027416	\$4,133.31	4,658,430	\$0.084900	\$395,500.67
7	501 -3,500, kWh	4,722,873	\$0.056325	\$266,015.85			\$0.00
<u>Winter On-peak</u>							
8	First 500, kWh	86,798	\$0.088434	\$7,675.93	2,777,047	\$0.079500	\$220,775.27
9	501 -3,500, kWh	1,918,001	\$0.117327	\$225,033.25			\$0.00
<u>Winter Off-peak</u>							
10	First 500, kWh	165,442	\$0.027415	\$4,535.58	4,194,613	\$0.064500	\$270,552.51
11	501 -3,500, kWh	3,666,198	\$0.056308	<u>\$206,436.27</u>			<u>\$0.00</u>
<b>Subtotal Delivery (Margin) Revenue</b>				<b>\$1,132,888.48</b>			<b>\$1,126,315.27</b>
<b>Base Power</b>							
13	Summer On-peak	1,712,936	\$0.052000	\$89,072.66	2,195,464	\$0.050669	\$111,241.95
14	Summer Shoulder-peak	1,402,543	\$0.032000	\$44,881.37	-	-	\$0.00
15	Summer Off-peak	4,873,636	\$0.022000	\$107,220.00	4,658,430	\$0.026679	\$124,282.24
16	Winter On-peak kWh	2,004,799	\$0.032000	\$64,153.57	2,777,047	\$0.032893	\$91,345.42
17	Winter Off-peak kWh	3,831,639	\$0.022000	\$84,296.07	4,194,613	\$0.027092	\$113,640.44
18	<b>TOTAL TOU SGS 76N REVENUE</b>			<b>\$1,522,512.15</b>			<b>\$1,566,825.33</b>
19	TOTAL SALES	13,825,553			13,825,553		
<b>GS Mobile Home Parks GS-11</b>							
20	Customer Charge Single Pha	3,722	\$8.00	\$29,772.94	3,722	\$15.50	\$57,685.08
21	Customer Charge Three Pha	346	\$14.00	\$4,849.35	346	\$20.50	\$7,100.83
22	Summer kWh	30,805,210	\$0.067290	\$2,072,882.60	26,876,589	\$0.082000	\$2,203,880.28
23	Winter kWh	27,809,489	\$0.052751	\$1,466,978.38	31,738,111	\$0.062000	\$1,967,762.88
24	Primary Metering Discount			(\$3,284.98)			(\$3,284.98)
25	Transformer Owned Discount			(\$3,430.22)			(\$3,430.22)
26	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$3,567,768.07</b>			<b>\$4,229,713.87</b>
27	Base Power Summer	30,805,210	\$0.028730	\$885,033.69	26,876,589	\$0.035111	\$943,663.91
28	Base Power Winter	27,809,489	\$0.028730	\$798,966.63	31,738,111	\$0.031532	\$1,000,766.12
29	<b>TOTAL GS-11 REVENUE</b>			<b>\$5,251,768.40</b>			<b>\$6,174,143.90</b>
30	TOTAL SALES	58,614,700			58,614,700		

LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues	
<b>WATER PUMPING -NEW</b>							
1	<b>Water Pumping GS-43</b>						
2	Customer Charge	4,063 \$ -	\$0.00	4,063	\$15.50	\$62,976.50	
3	Summer kWh	29,185,229	\$0.060347	\$1,761,240.99	24,321,024	\$0.0680	\$1,653,829.62
4	Winter kWh	20,994,203	\$0.055731	<u>\$1,170,027.93</u>	25,858,408	\$0.0480	<u>\$1,241,203.58</u>
5	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$2,931,268.92</b>		<b>\$2,958,009.70</b>	
6	Base Power Summer	29,185,229	\$0.029868	\$871,704.41	24,321,024	\$0.035111	\$853,935.47
7	Base Power Winter	20,994,203	\$0.022368	\$469,598.33	25,858,408	\$0.031532	\$815,367.32
8	<b>TOTAL GS-43 REVENUE</b>			<b>\$4,272,571.66</b>		<b>\$4,627,312.48</b>	
9	TOTAL SALES	50,179,432		50,179,432			
<b>Water Pumping GS-31</b>							
10	Customer Charge	365 \$ -	\$0.00	365	\$15.50	\$5,657.50	
11	Summer kWh	11,400,116	\$0.025700	\$292,982.97	9,620,168	\$0.042000	\$404,047.07
12	Winter kWh	2,773,403	\$0.024205	<u>\$67,130.22</u>	4,553,351	\$0.027000	<u>\$122,940.47</u>
13	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$360,113.20</b>		<b>\$532,645.03</b>	
14	Base Power Summer	11,400,116	\$0.028730	\$327,525.33	9,620,168	\$0.031310	\$301,207.47
15	Base Power Winter	2,773,403	\$0.028730	\$79,679.87	4,553,351	\$0.028420	\$129,406.22
16	<b>TOTAL GS-31 REVENUE</b>			<b>\$767,318.39</b>		<b>\$963,258.72</b>	
17	TOTAL SALES	14,173,519		14,173,519			
<b>Water Pumping GS-45</b>							
18	Customer Charge	1,382 \$ -	\$0.00	1,382	\$15.50	\$21,421.00	
19	Summer kWh	25,751,439	\$0.027281	\$702,525.00	21,459,532	\$0.042000	\$901,300.35
20	Winter kWh	17,480,298	\$0.025911	<u>\$452,931.99</u>	21,772,204	\$0.027000	<u>\$587,849.51</u>
21	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$1,155,456.99</b>		<b>\$1,510,570.87</b>	
22	Base Power Summer	25,751,439	\$0.029868	\$769,143.97	21,459,532	\$0.031310	\$671,897.95
23	Base Power Winter	17,480,298	\$0.022368	\$390,999.30	21,772,204	\$0.028420	\$618,766.04
24	<b>TOTAL GS-45 REVENUE</b>			<b>\$2,315,600.26</b>		<b>\$2,801,234.86</b>	
25	TOTAL SALES	43,231,736		43,231,736			
<b>LARGE GENERAL SERVICE LGS-13-NEW</b>							
26	Customer Charge	6,420	\$371.88	\$2,387,469.60	6,420	\$775.00	\$4,975,500.00
27	ALL kW	2,571,910	\$10.35	\$26,624,414.03	2,719,841	\$15.25	\$41,477,573.96
28	Summer kWh	582,034,661	\$0.025656	\$14,932,681.28	494,868,791	\$0.0192	\$9,501,480.79
29	Winter kWh	463,029,153	\$0.023910	\$11,071,027.04	550,195,023	\$0.0134	\$7,372,613.31
30	Primary Metering Discount			(\$35,627.70)			(\$35,627.70)
31	Transformer Owned Discount			(\$27,316.74)			(\$27,316.74)
32	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$54,952,647.51</b>			<b>\$63,264,223.62</b>
33	<b>Base Power</b>						\$0.00
34	Summer kWh	582,034,661	\$0.032554	\$18,947,556.37	494,868,791	\$0.035111	\$17,375,338.13
35	Winter kWh	463,029,153	\$0.025054	\$11,600,732.40	550,195,023	\$0.031532	\$17,348,749.46
36	<b>TOTAL LGS-13 REVENUE</b>			<b>\$85,500,936.28</b>			<b>\$97,988,311.22</b>
37	TOTAL SALES	1,045,063,814		1,045,063,814			

LINE NO.	Test Year Adjusted		Test Year Adjusted Revenue	Proposed Adjusted Billing		Proposed Revenues	
	Billing Determinants	Current Rates		Determinants	Proposed Rates		
<b>LGS Time of Use LGS-85F</b>							
1	Customer Charge	87	\$371.88		87	\$950.00	\$82,417.16
2	Summer On-Peak kW	19,345	\$17.32	\$335,057.12	16,153	\$14.55	\$235,025.85
3	Summer Shoulder-Peak kW	0	\$8.66				
4	Summer Off-peak kW		\$11.46	\$0.00	-	\$10.92	\$0.00
5	Winter On-Peak kW	17,037	\$9.65	\$164,338.97	20,403	\$11.59	\$236,447.50
6	Winter Off-peak kW		\$4.82	\$0.00	-	\$9.10	\$0.00
7	Summer On-peak	1,276,087	\$0.083765	\$106,891.46	1,698,736	\$0.008600	\$14,609.13
8	Summer Shoulder-peak	437,006	\$0.053910	\$23,558.99		\$0.00	\$0.00
9	Summer Off-peak	6,281,523	\$0.005693	\$35,760.71	5,082,830	\$0.006000	\$30,496.98
10	Winter On-peak kWh	1,381,684	\$0.053910	\$74,486.59	2,613,835	\$0.003000	\$7,841.50
11	Winter Off-peak kWh	5,266,449	\$0.005693	\$29,981.90	5,247,350	\$0.000500	\$2,623.67
12	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$802,338.15</b>			<b>\$609,461.79</b>
<b>Base Power</b>							
13	Summer On-peak kWh	1,276,087	\$0.056452	\$72,037.68	1,698,736	\$0.050669	\$86,073.27
14	Summer Shoulder-peak	437,006	\$0.056452	\$24,669.86	-	\$0.00	\$0.00
15	Summer Off-peak kWh	6,281,523	\$0.023952	\$150,455.05	5,082,830	\$0.026679	\$135,604.81
16	Winter On-peak kWh	1,381,684	\$0.039341	\$54,356.84	2,613,835	\$0.032893	\$85,976.86
17	Winter Off-peak kWh	5,266,449	\$0.019341	\$101,858.40	5,247,350	\$0.027092	\$142,161.20
18	<b>TOTAL TOU LGS-85F REVENUE</b>			<b>\$1,205,715.98</b>			<b>\$1,059,277.93</b>
19	TOTAL SALES	14,642,750			14,642,750		
<b>LGS Time of Use LGS-85AF</b>							
20	Customer Charge	201	\$371.88	\$74,839.03	201	\$950.00	\$191,182.84
21	Summer On-Peak kW	33,507	\$7.95	\$266,377.21	28,787	\$14.55	\$418,848.43
22	Summer Shoulder-Peak kW	-	\$5.26	\$0.00	-		\$0.00
23	Summer Off-peak kW		\$3.98	\$0.00	-	\$10.92	\$0.00
24	Winter On-Peak kW	30,755	\$5.26	\$161,697.91	35,746	\$11.59	\$414,260.41
25	Winter Off-peak kW	-	\$2.63	\$0.00	-	\$9.10	\$0.00
26	Summer On-peak	2,599,727	\$0.053290	\$138,539.47	6,641,029	\$0.008600	\$57,112.85
27	Summer Shoulder-peak	922,051	\$0.044980	\$41,473.87	-	\$0.00	\$0.00
28	Summer Off-peak	13,913,940	\$0.036667	\$510,182.42	8,319,627	\$0.006000	\$49,917.76
29	Winter On-peak kWh	2,874,352	\$0.044980	\$129,288.35	5,654,275	\$0.003000	\$16,962.83
30	Winter Off-peak kWh	11,361,383	\$0.028356	\$322,163.38	11,056,522	\$0.000500	\$5,528.26
31	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$1,644,561.64</b>			<b>\$1,153,813.38</b>
<b>Base Power</b>							
32	Summer On-peak kWh	2,599,727	\$0.056452	\$146,759.81	6,641,029	\$0.050669	\$336,494.32
33	Summer Shoulder-peak	922,051	\$0.056452	\$52,051.64	-	\$0.00	\$0.00
34	Summer Off-peak kWh	13,913,940	\$0.023952	\$333,266.68	8,319,627	\$0.026679	\$221,959.33
35	Winter On-peak kWh	2,874,352	\$0.039341	\$113,079.88	5,654,275	\$0.032893	\$185,986.08
36	Winter Off-peak kWh	11,361,383	\$0.019341	\$219,740.51	11,056,522	\$0.027092	\$299,543.28
37	<b>TOTAL TOU LGS-85AF REVENUE</b>			<b>\$2,509,460.16</b>			<b>\$2,197,796.39</b>
38	TOTAL SALES	31,671,453			31,671,453		

LINE NO.	Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues
<b>LGS Time of Use LGS-85N</b>						
1	Customer Charge	756	\$371.88	756	\$950.00	\$718,200.00
2	Summer On-Peak kW	159,325	\$11.87	136,794	\$14.55	\$1,990,350.48
3	Summer Off-peak kW	152,908	\$8.24	131,265	\$10.92	\$1,433,412.12
4	Winter On-Peak kW	141,095	\$8.91	168,568	\$11.59	\$1,953,532.49
5	Winter Off-peak kW	140,289	\$6.42	161,933	\$9.10	\$1,473,428.07
6	Summer On-peak	14,680,576	\$0.007500	21,189,064	\$0.008600	\$182,225.95
7	Summer Shoulder-peak	13,087,176	\$0.005000		\$0.00	\$0.00
8	Summer Off-peak	61,745,731	\$0.002500	55,253,420	\$0.006000	\$331,520.52
9	Winter On-peak kWh	23,409,799	\$0.002500	32,576,235	\$0.003000	\$97,728.70
10	Winter Off-peak kWh	57,377,182	\$0.000000	61,281,744	\$0.000500	\$30,640.87
11	<b>Subtotal Delivery (Margin) Revenue</b>		<b>\$5,977,661.07</b>			<b>\$8,211,039.21</b>
<b>Base Power</b>						
12	Summer On-peak kWh	14,680,576	\$0.059253	21,189,064	\$0.050669	\$1,073,628.70
13	Summer Shoulder-peak	13,087,176	\$0.033588	-	\$0.00	\$0.00
14	Summer Off-peak kWh	61,745,731	\$0.025299	55,253,420	\$0.026679	\$1,474,105.99
15	Winter On-peak kWh	23,409,799	\$0.036088	32,576,235	\$0.032893	\$1,071,530.09
16	Winter Off-peak kWh	57,377,182	\$0.027799	61,281,744	\$0.027092	\$1,660,245.02
17	<b>TOTAL TOU LGS-85AN REVENUE</b>		<b>\$11,289,047.63</b>			<b>\$13,490,549.00</b>
18	TOTAL SALES	170,300,463		170,300,463		
19	SMALL GENERAL SERVICE STANDARD					\$232,753,650
20	SMALL GENERAL SERVICE TIME OF USE					13,947,415
21	GENERAL SERVICE MOBILE HOME PARKS					6,174,144
22	WATER PUMPING SERVICE					8,391,806
23	LARGE GENERAL SERVICE					97,988,311
24	LARGE GENERAL SERVICE CONTRACT					182,646
25	LARGE GENERAL SERVICE TIME OF USE					16,747,623
26	GENERAL SERVICE COMMUNITY SOLAR					38,884
27	GENERAL SERVICE (PS-40) TRANSITION ADJUSTMENT					(1,620,842)
28	<b>GENERAL SERVICE TOTAL REVENUE</b>					<b>\$374,603,637</b>

LINE NO.	Test Year Adjusted Billing		Test Year Adjusted Revenue	Proposed Adjusted Billing		Proposed Revenues	
	Determinants	Current Rates		Determinants	Rates		
1	<b>LARGE LIGHT &amp; POWER STANDARD SERVICE I-14</b>						
2	Customer Charge	48	\$500.00	\$24,000.00	48	\$1,800.00	\$86,400.00
3	Demand per kW	648,222	\$19.02	\$12,331,770.68	657,888	\$21.98	\$14,460,383.86
4	Summer kWh	194,411,279	\$0.000433	\$84,180.08	164,577,383	\$0.0032	\$526,647.63
5	Winter kWh	157,043,001	\$0.000433	\$67,999.62	186,876,897	\$0.0021	\$392,441.48
6	Power Factor Adjustment			(\$38,298.99)			\$0.00
7	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$12,469,651.40</b>			<b>\$15,465,872.97</b>
8	Base Power Summer	194,411,279	\$0.032577	\$6,333,336.24	164,577,383	\$0.031611	\$5,202,455.67
9	Base Power Winter	157,043,001	\$0.025077	\$3,938,167.34	186,876,897	\$0.028388	\$5,305,061.35
10	<b>TOTAL GS-43 REVENUE</b>			<b>\$22,741,154.98</b>			<b>\$25,973,389.99</b>
11	TOTAL SALES	351,454,280			351,454,280		
12	<b>LLP Time of Use LLP-90F</b>						
13	Customer Charge	36	\$500.00	\$18,000.00	36	\$2,000.00	\$72,000.00
14	Summer On-Peak kW	129,214	\$25.70	\$3,321,056.05	108,502	\$20.49	\$2,223,204.65
15	Summer Shoulder-Peak kW	-	\$19.45				
16	Summer Off-peak kW	381	\$13.20	\$5,026.79	0	\$0.00	\$0.00
17	Winter On-Peak kW	118,244	\$21.70	\$2,566,127.73	143,938	\$15.49	\$2,229,604.52
18	Winter Off-peak kW	306	\$9.20	\$2,817.33	0	\$0.00	\$0.00
19	Summer On-peak	12,789,577	\$0.000433	\$5,537.89	32,267,296	\$0.006900	\$222,644.34
20	Summer Shoulder-peak	5,101,626	\$0.000433	\$2,209.00		\$0.00	\$0.00
21	Summer Off-peak	73,829,358	\$0.000433	\$31,968.11	44,351,515	\$0.006503	\$288,417.90
22	Winter On-peak kWh	15,295,174	\$0.000433	\$6,622.81	30,752,002	\$0.007500	\$230,640.02
23	Winter Off-peak kWh	63,468,318	\$0.000433	\$27,481.78	63,113,261	\$0.007100	\$448,104.16
24	Power Factor Adjustment Charge			(\$14,945.30)			\$0.00
25	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$5,971,902.20</b>			<b>\$5,714,615.59</b>
	<b>Base Power</b>						
26	Summer On-peak kWh	12,789,577	\$0.052983	\$677,630.17	32,267,296	\$0.045568	\$1,470,356.15
27	Summer Shoulder-peak	5,101,626	\$0.052983	\$270,299.45	-	\$0.00	\$0.00
28	Summer Off-peak kWh	73,829,358	\$0.020483	\$1,512,246.74	44,351,515	\$0.023985	\$1,063,771.09
29	Winter On-peak kWh	15,295,174	\$0.035623	\$544,860.00	30,752,002	\$0.029581	\$909,674.98
30	Winter Off-peak kWh	63,468,318	\$0.015623	\$991,565.54	63,113,240	\$0.024352	\$1,536,934.14
31	<b>TOTAL LLP-90F REVENUE</b>			<b>\$9,968,504.09</b>			<b>\$10,695,351.95</b>
32	TOTAL SALES	170,484,054			170,484,054		

LINE NO.	Test Year Adjusted Billing		Test Year Adjusted Revenue	Proposed Adjusted Billing		Proposed Revenues	
	Determinants	Current Rates		Determinants	Rates		
<b>LLP Time of Use LLP-90AF</b>							
1	Customer Charge	12	\$500.00	\$6,000.00	12	\$2,000.00	\$24,000.00
2	Summer On-Peak kW	23,108	\$25.58	\$591,115.52	19,420	\$20.49	\$397,915.80
3	Summer Shoulder-Peak kW	0	\$18.08	\$0.00	-		\$0.00
4	Summer Off-peak kW	0	\$10.58	\$0.00	-	\$0.00	\$0.00
5	Winter On-Peak kW	21,095	\$21.58	\$455,259.83	24,783	\$15.49	\$383,888.67
6	Winter Off-peak kW	0	\$10.58	\$0.00	-	\$0.00	\$0.00
7	Summer On-peak	2,487,981	\$0.006203	\$15,432.16	5,900,062	\$0.006900	\$40,710.42
8	Summer Shoulder-peak	691,357	\$0.006203	\$4,288.27	-	-	\$0.00
9	Summer Off-peak	12,031,280	\$0.006203	\$74,626.22	8,805,988	\$0.006503	\$57,265.34
10	Winter On-peak kWh	2,778,185	\$0.006203	\$17,232.20	4,936,738	\$0.007500	\$37,025.54
11	Winter Off-peak kWh	11,808,048	\$0.006203	\$73,241.58	10,154,063	\$0.007100	\$72,093.85
12	Power Factor Adjustment Charge			(\$991.62)			\$0.00
13	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$1,236,204.14</b>			<b>\$1,012,899.62</b>
<b>Base Power</b>							
14	Summer On-peak kWh	2,487,981	\$0.052983	\$131,820.68	5,900,062	\$0.045568	\$268,854.00
15	Summer Shoulder-peak	691,357	\$0.052983	\$36,630.18	-	\$0.00	\$0.00
16	Summer Off-peak kWh	12,031,280	\$0.020483	\$246,436.71	8,805,988	\$0.023985	\$211,211.63
17	Winter On-peak kWh	2,778,185	\$0.035623	\$98,967.27	4,936,738	\$0.029581	\$146,033.65
18	Winter Off-peak kWh	11,808,048	\$0.015623	\$184,477.14	10,154,063	\$0.024352	\$247,271.74
19	<b>TOTAL LLP-90AF REVENUE</b>			<b>\$1,934,536.13</b>			<b>\$1,886,270.65</b>
20	TOTAL SALES	29,796,851			29,796,851		
<b>LLP Time of Use LLP-90AN</b>							
22	Customer Charge	72	\$500.00	\$24,000.00	72	\$2,000.00	\$144,000.00
23	Summer On-Peak kW	1,126,518	\$20.03	\$5,631,073.96	942,458	\$20.49	\$19,310,956.22
24	Summer Off-peak kW	0	\$10.03	\$0.00	-	\$12.49	\$0.00
25	Winter On-Peak kW	1,101,530	\$15.03	\$3,830,620.95	1,293,879	\$15.49	\$20,042,187.50
26	Winter Off-peak kW	0	\$7.53	\$0.00	-	\$9.99	\$0.00
27	Summer On-peak	119,764,712	\$0.001113	\$31,295.27	259,407,650	\$0.006900	\$1,789,912.78
28	Summer Shoulder-peak	117,575,158	\$0.001113	\$29,824.13		\$0.00	\$0.00
29	Summer Off-peak	482,023,611	\$0.000716	\$80,888.09	320,205,034	\$0.006503	\$2,082,293.33
30	Winter On-peak kWh	220,927,188	\$0.000723	\$32,384.33	267,092,274	\$0.007500	\$2,003,192.06
31	Winter Off-peak kWh	455,386,868	\$0.000521	\$52,062.61	548,972,579	\$0.007100	\$3,897,705.31
32	Power Factor Adjustment Charge			(\$9,596.13)			\$0.00
33	<b>Subtotal Delivery (Margin) Revenue</b>			<b>\$9,702,553.21</b>			<b>\$49,270,247.22</b>
<b>Base Power</b>							
34	Summer On-peak kWh	119,764,712	\$0.041786	\$1,174,936.52	259,407,650	\$0.045568	\$11,820,687.78
35	Summer Shoulder-peak	117,575,158	\$0.041786	\$1,119,704.50	0	\$0.00	\$0.00
36	Summer Off-peak kWh	482,023,611	\$0.026872	\$3,035,788.59	320,205,034	\$0.023985	\$7,680,117.73
37	Winter On-peak kWh	220,927,188	\$0.027126	\$1,215,016.88	267,092,274	\$0.029581	\$7,900,856.57
38	Winter Off-peak kWh	455,386,868	\$0.019542	\$1,952,797.64	548,972,579	\$0.024352	\$13,368,580.25
39	<b>TOTAL LLP-90AN REVENUE</b>			<b>\$18,200,797.34</b>			<b>\$90,040,489.55</b>
40	TOTAL SALES	1,395,677,537			1,395,677,537		
41	<b>LARGE LIGHT &amp; POWER STANDARD</b>						<b>\$25,973,390</b>
42	<b>LARGE LIGHT &amp; POWER TIME OF USE</b>						<b>102,622,112</b>
43	<b>LARGE LIGHT &amp; POWER CONTRACT</b>						<b>1,680,035</b>
44	<b>LARGE LIGHT &amp; POWER SERVICE TOTAL REVENUE</b>						<b>\$130,275,537</b>

LINE NO.		Test Year Adjusted Billing Determinants	Current Rates	Test Year Adjusted Revenue	Proposed Adjusted Billing Determinants	Proposed Rates	Proposed Revenues	
<b>Traffic Signal and Street Light Service PS-41</b>								
1	Customer Charge	15,006	\$0.00	\$0.00	15,006	\$0.00	\$0.00	
2	Summer kWh	11,178,373	\$0.045580	\$509,510.24	11,178,373	\$0.047600	\$532,090.51	
3	Winter kWh	18,556,213	\$0.045580	\$845,792.19	18,556,213	\$0.047600	\$883,275.71	
4	Subtotal Delivery (Margin) Revenue			\$1,355,302.43			\$1,415,366.21	
5								
6	PPFAC SUMMER	11,178,373	\$0.025817	\$288,592.06	11,178,373	\$0.035111	\$392,483.81	
7	PPFAC WINTER	18,556,213	\$0.025817	\$479,065.75	18,556,213	\$0.031532	\$585,114.51	
8	<b>TOTAL PS-41 REVENUE</b>			<b>\$2,122,960.24</b>			<b>\$2,392,964.61</b>	
9	P-41 Total Sales	29,734,586			29,734,586			
<b>Lighting Service P-50</b>								
10	55Watt	1,428	\$7.39	\$10,552.92		\$8.19	\$11,695.31	
11	70Watt	2,472	\$7.39	\$18,268.08		\$8.19	\$20,245.61	
12	100 Watt	121,283	\$7.39	\$896,281.37		\$8.19	\$993,307.71	
13	250 Watt	19,574	\$11.09	\$217,114.81		\$12.29	\$240,564.41	
14	400 Watt	3,904	\$17.11	\$66,797.44		\$18.70	\$73,004.81	
15	Underground Service	23,986	\$14.01	\$336,139.80		\$15.53	\$372,502.51	
16	Pole	47,144	\$2.58	\$121,725.81		\$2.86	\$134,831.81	
17	Subtotal Delivery (Margin) Revenue			\$1,666,880.23			\$1,846,152.41	
18	Base Power							
19	55Watt	1,428	\$0.43	\$609.76				
20	70Watt	2,472	\$0.54	\$1,342.30				
21	100 Watt	121,283	\$0.78	\$94,115.61	Base Power			
22	250 Watt	19,574	\$1.94	\$37,973.56	Sum kWh	2,832,315	\$0.035111	\$99,445.41
23	400 Watt	3,904	\$3.10	\$12,118.02	Win kWh	4,863,888	\$0.031532	\$153,368.11
24	<b>TOTAL LIGHTING SERVICE REVENUE</b>			<b>\$1,813,039.47</b>			<b>\$2,098,965.91</b>	
25	LIGHTING SERVICE TOTAL REVENUE						\$4,491,930.61	
26	<b>TOTAL REVENUE REQUIREMENT ALL CLASSES</b>						<b>\$921,195,613</b>	



Residential Electric Service (R-01)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all single-phase or three-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

For those dwellings and apartments where electric service has historically been measured through two meters, when one of the meters was installed pursuant to the Residential Electric Water Heating Service Rate (R-02F) which is no longer in effect, the electric service measured by such meters shall be combined for billing purposes.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single- or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge Components of Delivery Services:

Standard

Customer Charge, Single Phase service and minimum bill \$10.00 per month
Customer Charge, Three Phase service and minimum bill \$15.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$12.50 per month
Customer Charge, Three Phase with usage less than 2,000 kWh \$17.50 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$16.50 per month
Customer Charge, Three Phase with usage of 2,000 kWh or more \$21.50 per month

Energy Charges (\$/kWh)

Table with 5 columns: Summer (May - September), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC2), Total3. Rows show energy usage ranges from 0-500 kWh to over 3,500 kWh with corresponding rates.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-01
Effective: Pending
Decision No.:





# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 101-1

Superseding: \_\_\_\_\_

Winter (October - April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
0 – 500 kWh	\$0.0562	\$0.031532	<i>varies</i>	\$0.087732
501 – 1,000 kWh	\$0.0652	\$0.031532	<i>varies</i>	\$0.096732
1,001 – 3,500 kWh	\$0.0781	\$0.031532	<i>varies</i>	\$0.109632
Over 3,000 kWh	\$0.0871	\$0.031532	<i>varies</i>	\$0.118632

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline Customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

### LIFELINE ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-01  
Effective: Pending  
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 101-2

Superseding: \_\_\_\_\_

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section ##### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-01  
Effective: Pending  
Decision No.:



Residential Time-of-Use (R-80)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all single phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

Customers must stay on this rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$14.00 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$18.00 per month

Energy Charges (\$/kWh):

Table with columns: Summer (May - September), Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), Total. Rows: On-Peak, Off-Peak.

Table with columns: Winter (October - April), Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), Total. Rows: On-Peak, Off-Peak.

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 102-1

Superseding: \_\_\_\_\_

2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

### TIME-OF-USE TIME PERIODS

The **Summer On-Peak period** is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak periods** are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### ELECTRIC VEHICLES

Customers who own and operate Electric Vehicles will receive a 5% discount to the Base Fuel during the off-peak period and the PPFAC. Customers must provide documentation for highway approved Electric Vehicles.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-80  
 Effective: Pending  
 Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-80  
Effective: Pending  
Decision No.:



Residential Lifeline/Senior Discount (R-04-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase or three phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge Components of Delivery Services:

Standard

Customer Charge, Single Phase service and minimum bill \$ 6.90 per month
Customer Charge, Three Phase service and minimum bill \$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$9.40 per month
Customer Charge, Three Phase with usage less than 2,000 kWh \$14.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$13.40 per month
Customer Charge, Three Phase with usage of 2,000 kWh or more \$18.40 per month

Energy Charges (\$/kWh)

Table with 5 columns: Season, Delivery Services-Energy, Base Power, PPFAC, Total. Rows for Summer (May-September) and Winter (October-April).

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-01F
Effective: Pending
Decision No.:



1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 - 300 kWh	35%
301 - 600 kWh	30%
601- 1,000 kWh	25%
1001- 1,500 kWh	15%
Over 1,500 kWh	0%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-04-01F  
Effective: Pending  
Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-04-01F  
Effective: Pending  
Decision No.:





Residential Lifeline/Senior Discount (R-04-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.36 per month

Energy Charges (\$/kWh):

Table with columns: Summer (May - September), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows: On-Peak, Off-Peak.

Table with columns: Winter (October - April), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows: On-Peak, Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-21F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 104-1

Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 - 300 kWh	35%
301 - 600 kWh	30%
601 - 1000 kWh	25%
1001 - 1500 kWh	15%
Over 1500 kWh	0%

### TIME-OF-USE TIME PERIODS

**The Summer On-Peak period** is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

**The Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-04-21F  
 Effective: Pending  
 Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 104-2  
Superseding: \_\_\_\_\_

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-04-21F  
Effective: Pending  
Decision No.:



Residential Lifeline/Senior Discount (R-04-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must be 65 years of age, or older, and reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Table with 4 columns: Summer (May-September), Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), Total. Rows for On-Peak, Shoulder, Off-Peak.

Table with 4 columns: Winter (October-April), Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), Total. Rows for On-Peak, Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-04-70F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 105-1

Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0- 300 kWh	35%
301- 600 kWh	30%
601- 1,000 kWh	25%
1001- 1,500 kWh	15%
Over 1,500 kWh	0%

### TIME-OF-USE TIME PERIODS

**The Summer On-Peak period** is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). **The summer Shoulder period** is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

**The Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-04-70F  
 Effective: Pending  
 Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 105-2

Superseding: \_\_\_\_\_

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

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-04-70F  
Effective: Pending  
Decision No.:



Residential Lifeline Discount (R-05-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase and three phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase and three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

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

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge Components of Delivery Services:

Standard

Customer Charge, Single Phase service and minimum bill \$6.90 per month
Customer Charge, Three Phase service and minimum bill \$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$9.40 per month
Customer Charge, Three Phase with usage less than 2,000 kWh \$14.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$13.40 per month
Customer Charge, Three Phase with usage of 2,000 kWh or more \$18.40 per month

Energy Charges (\$/kWh)

Table with 4 columns: Season, Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), and Total. Rows for Summer (May-September) and Winter (October-April).

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-01F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 106-1

Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0- 300 kWh	25%
301- 600 kWh	20%
601- 1,000 kWh	15%
Over 1,000 kWh	0%

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-05-01F  
 Effective: Pending  
 Decision No.:





Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 106-2

Superseding:

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-01F  
Effective: Pending  
Decision No.:



Residential Lifeline Discount (R-05-21F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.36 per month

Energy Charges (\$/kWh):

Table with 5 columns: Summer (May - September), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows for On-Peak and Off-Peak.

Table with 5 columns: Winter (October - April), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows for On-Peak and Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-21F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 107-1

Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 - 300 kWh	25%
301 - 600 kWh	20%
601 - 1000 kWh	15%
Over 1000 kWh	0%

### TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-05-21F  
 Effective: Pending  
 Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 107-2  
Superseding:

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-21F  
Effective: Pending  
Decision No.:



Residential Lifeline Discount (R-05-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments. The applicant must reside at the premise to qualify.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Summer (May – September)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.1393	\$0.055698	varies	\$0.194998
Shoulder	\$0.0739	\$0.048198	varies	\$0.122098
Off-Peak	\$0.0379	\$0.023198	varies	\$0.061098

Winter (October – April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.0925	\$0.040698	varies	\$0.133198
Off-Peak	\$0.0249	\$0.020698	varies	\$0.045598

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-70F  
Effective: Pending  
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 108-1

Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0-300 kWh	25%
301-600 kWh	20%
601-1,000 kWh	15%
Over 1,000 kWh	0%

### TIME-OF-USE TIME PERIODS

**The Summer On-Peak period** is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The summer Shoulder period is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

**The Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-05-70F  
 Effective: Pending  
 Decision No.:



TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-70F  
Effective: Pending  
Decision No.:



Residential Lifeline Discount (R-05-201AF)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single-phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. Not with standing the above, the customer's use of solar energy for any purpose shall not preclude subscription to this rate.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge Components of Delivery Services:

Standard

Customer Charge, Single Phase service and minimum bill \$6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$9.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$13.40 per month

Energy Charges (\$/kWh)

Table with 4 columns: Energy Charge Type, Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC2), and Total3. Rows include Mid-Summer (June - August), Remaining-summer (May & September), and Winter (October - April).

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-05-201AF
Effective: Pending
Decision No.:





1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 - 300 kWh	25%
301 - 600 kWh	20%
601 - 1000 kWh	15%
Over 1000 kWh	0%

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-201AF  
Effective: Pending  
Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-05-201AF  
Effective: Pending  
Decision No.:



Residential Lifeline Discount (R-06-01F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase and three phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

- 1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge Components of Delivery Services:

Standard

Customer Charge, Single Phase service and minimum bill \$6.90 per month
Customer Charge, Three Phase service and minimum bill \$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$9.40 per month
Customer Charge, Three Phase with usage less than 2,000 kWh \$14.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$13.40 per month
Customer Charge, Three Phase with usage of 2,000 kWh or more \$18.40 per month

Energy Charges (\$/kWh)

Table with 4 columns: Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), and Total. Rows for Summer (May-September) and Winter (October-April).

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-01F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 110-1  
Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT:

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-01F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 110-2  
Superseding: \_\_\_\_\_

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-01F  
Effective: Pending  
Decision No.:



**Residential Lifeline Discount (R-06-21F)**

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charges:**

Standard

Customer Charge, Single Phase service and minimum bill \$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.36 per month

**Energy Charges (\$/kWh):**

Summer (May – September)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.0788	\$0.053198	varies	\$0.131998
Off-Peak	\$0.0301	\$0.023198	varies	\$0.053298

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-21F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 111

Superseding:

Winter (October – April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.0652	\$0.040698	<i>varies</i>	\$0.105898
Off-Peak	\$0.0330	\$0.020698	<i>varies</i>	\$0.053698

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

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 (AZISA) CHARGE

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

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-21F  
Effective: Pending  
Decision No.:



TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-21F  
Effective: Pending  
Decision No.:





Residential Lifeline Discount (R-06-70F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single-phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to three phase service, resale, breakdown, temporary, standby, or auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

- 1. The TEP account must be in the customer's name applying for a lifeline discount.
2. Applicant must be a TEP residential customer residing at the premise.
3. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at www.tep.com or contact a TEP customer care representative.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.28 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.28 per month

Energy Charges (\$/kWh):

Table with 5 columns: Season (Summer), Delivery Services-Energy, Base Power, PPFAC, Total. Rows for On-Peak, Shoulder, Off-Peak.

Table with 5 columns: Season (Winter), Delivery Services-Energy, Base Power, PPFAC, Total. Rows for On-Peak, Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-06-70F
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 112-1  
Superseding: \_\_\_\_\_

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The monthly bill shall be in accordance to the rate above except that a discount up to \$9.00 per month shall be applied to Delivery Services-Energy and Power Supply Charges. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

### TIME-OF-USE TIME PERIODS

**The Summer On-Peak period** is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). **The summer Shoulder period** is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

**The Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-70F  
Effective: Pending  
Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section ##### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-06-70F  
Effective: Pending  
Decision No.:



**Residential Lifeline/Medical Life-Support Discount (R-08-01F)**

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single phase and three phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single- or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charge Components of Delivery Services:**

Standard

Customer Charge, Single Phase service and minimum bill	\$6.90 per month
Customer Charge, Three Phase service and minimum bill	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh	\$9.40 per month
Customer Charge, Three Phase with usage less than 2,000 kWh	\$14.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more	\$13.40 per month
Customer Charge, Three Phase with usage of 2,000 kWh or more	\$18.40 per month

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-01F  
Effective: Pending  
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 113-1  
Superseding: \_\_\_\_\_

### Energy Charges (\$/kWh)

	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
<b>Summer</b> (May – September)	\$0.0611	\$0.033198	varies	\$0.094298
<b>Winter</b> (October – April)	\$0.0570	\$0.025698	varies	\$0.082698

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-01F  
Effective: Pending  
Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-01F  
Effective: Pending  
Decision No.:



**Residential Lifeline/Medical Life-Support Discount (R-08-21F)**

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery

RATE

A monthly net bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charges:**

Standard

Customer Charge, Single Phase service and minimum bill \$8.86 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.36 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.36 per month

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-21F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 114-1

Superseding:

Energy Charges (\$/kWh):

Table with columns: Summer (May - September), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows: On-Peak, Off-Peak.

Table with columns: Winter (October - April), Delivery Services-Energy1, Power Supply Charges2 (Base Power, PPFAC), Total3. Rows: On-Peak, Off-Peak.

- 1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

Table with columns: For Bills with Usage of, Monthly Discount will be applied to the total bill excluding the Customer Charge. Rows: 0 - 1000 kWh (35%), 1001 - 2000 kWh (30%), Over 2000 kWh (10%).

TIME-OF-USE TIME PERIODS

The Summer On-Peak period is 10:00 a.m. to 10:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The Winter On-Peak periods are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-08-21F
Effective: Pending
Decision No.:





# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 114-2

Superseding: \_\_\_\_\_

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### ADDITIONAL NOTES

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-21F  
Effective: Pending  
Decision No.:



Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 114-3

Superseding: \_\_\_\_\_

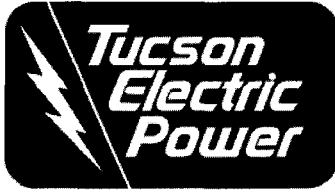
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Additional charges may be directly assigned to a customer based on the type of facilities (e.g., metering) dedicated to the customer or pursuant to the customer's contract, if applicable. Additional or alternate Direct Access charges may be assessed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

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-21F  
Effective: Pending  
Decision No.:



**Tucson Electric Power Company**

Original Sheet No.: 115

Superseding: \_\_\_\_\_

A UniSource Energy Company

**Residential Lifeline/Medical Life-Support Discount (R-08-70F)**

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To all single phase (subject to availability at point of delivery) residential electric service in individual private dwellings and individually metered apartments when all service is supplied at one point of delivery and energy is metered through one meter.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly net bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charges:**

Standard

Customer Charge, Single Phase service and minimum bill \$8.78 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$11.28 per month

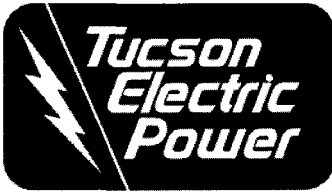
Customer Charge, Single Phase with usage of 2,000 kWh or more \$15.28 per month

**Energy Charges (\$/kWh):**

Summer (May – September)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.1393	\$0.055698	<i>varies</i>	\$0.194998
Shoulder	\$0.0739	\$0.048198	<i>varies</i>	\$0.122098
Off-Peak	\$0.0379	\$0.023198	<i>varies</i>	\$0.061098

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-08-70F  
 Effective: Pending  
 DecisionNo.:



**Tucson Electric Power Company**

Original Sheet No.: 115-1  
 Superseding: \_\_\_\_\_

A UniSource Energy Company

Winter (October – April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC	
On-Peak	\$0.0925	\$0.040698	<i>varies</i>	\$0.133198
Off-Peak	\$0.0249	\$0.020698	<i>varies</i>	\$0.045598

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

**MONTHLY DISCOUNT**

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

**TIME-OF-USE TIME PERIODS**

The **Summer On-Peak period** is 1:00 p.m. to 6:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The summer Shoulder period is 6:00 p.m. to 8:00 p.m. Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak periods** are 7:00 a.m. - 11:00 a.m. and 6:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

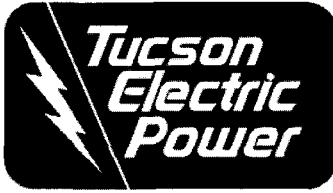
All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

**LOST FIXED COST RECOVERY (LFCR) – RIDER 8**

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-08-70F  
 Effective: Pending  
 DecisionNo.:



## Tucson Electric Power Company

Original Sheet No.: 115-2  
Superseding: \_\_\_\_\_

A UniSource Energy Company

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### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section ##### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### 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: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-70F  
Effective: Pending  
DecisionNo.:



**Residential Lifeline/Medical Life-Support Discount (R-08-201AF)**

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To single phase (subject to availability at point of delivery) electric service in individual residences as described in current program details when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this rate requires that the customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below and that the customer's home conform to the standards of the Heating, Cooling and Comfort Guarantee program as in effect at the time of subscription to this rate. The customer's use of solar energy for any purpose shall not preclude subscription to this rate. The discount is also available to tenants of master metered mobile home parks and apartments.

Not applicable to resale, breakdown, temporary, standby, auxiliary service, or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

ELIGIBILITY

1. Applicant must have a combined household income at or below 150% of the federal poverty level. See Income Guidelines Chart on TEP's website at [www.tep.com](http://www.tep.com) or contact a TEP customer care representative.
2. The applicant must provide documentation to the company that the regular use of a medical life-support device is essential to maintain the life of a full-time resident of the household; or a full-time resident of the household is a paraplegic, quadriplegic or hemiplegic, or a multiple sclerosis or scleroderma patient.
3. A Physician's Verification Form must be completed by the doctor documenting the patient's critical need for electrically powered appliances and describing the needed devices.

CHARACTER OF SERVICE

The service shall be single-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE-SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charge Components of Delivery Services:**

Standard

Customer Charge, Single Phase service and minimum bill \$6.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$9.40 per month

Customer Charge, Single Phase with usage of 2,000 kWh or more \$13.40 per month

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-201AF  
Effective: Pending  
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 116-1

Superseding: \_\_\_\_\_

### Energy Charges (\$/kWh)

	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
<b>Mid-Summer</b> (June-August)	\$0.0611	\$0.033198	<i>varies</i>	\$0.094298
<b>Remaining-summer</b> (May & September)	\$0.0436	\$0.033198	<i>varies</i>	\$0.076798
<b>Winter</b> (October – April)	\$0.0413	\$0.027198	<i>varies</i>	\$0.068498

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### MONTHLY DISCOUNT

The following monthly discount applies to the rate incorporated herein:

For Bills with Usage of:	Monthly Discount will be applied to the total bill excluding the Customer Charge:
0 – 1000 kWh	35%
1001 – 2000 kWh	30%
Over 2000 kWh	10%

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

### 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 (AZISA) CHARGE

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

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-08-201AF  
 Effective: Pending  
 Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 116-2  
Superseding: \_\_\_\_\_

### TEP STATEMENT OF CHARGES

For all charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-08-201AF  
Effective: Pending  
Decision No.:





Special Residential Electric Service (R-201AN)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To single phase (subject to availability at point of delivery) electric service in individual residences when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this Rate requires that the Customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below. New homes must conform to the standards of the Company's approved efficiency program for new construction as in effect at the time of subscription to this Rate. Existing homes must conform to certain standards of the Company's approved efficiency program for existing homes as in effect at the time of subscription to this Rate. Company accredited testing and inspection is required for verification. Notwithstanding the above, the Customer's use of solar energy for any purpose shall not preclude subscription to this Rate.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

CHARACTER OF SERVICE

The service shall be single phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$10.00 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$12.50 per month  
Customer Charge, Single Phase with usage more of 2,000 or more kWh \$16.50 per month

Energy Charges:

Summer (May – September)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
0 – 500 kWh	\$0.0506	\$0.035111	varies	\$0.085711
501 – 1,000 kWh	\$0.0605	\$0.035111	varies	\$0.095611
1,001 – 3,500 kWh	\$0.0718	\$0.035111	varies	\$0.106911
Over 3,500 kWh	\$0.0794	\$0.035111	varies	\$0.114511

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-201AN  
Effective: Pending  
Decision No.:



Winter (October - April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
0 – 500 kWh	\$0.0506	\$0.031532	varies	\$0.082132
501 – 1,000 kWh	\$0.0587	\$0.031532	varies	\$0.090232
1,001 – 3,500 kWh	\$0.0703	\$0.031532	varies	\$0.101832
Over 3,000 kWh	\$0.0784	\$0.031532	varies	\$0.109932

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

MONTHLY LIFELINE DISCOUNT:

This discount is only available to new and eligible Lifeline Customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-201AN  
Effective: Pending  
Decision No.:



AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-201AN  
Effective: Pending  
Decision No.:



Special Residential Electric Service
Time-of-Use Program (R-201BN)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To single phase (subject to availability at point of delivery) electric service in individual residences when all service is supplied at one point of delivery and energy is metered through one meter. Additionally, this Rate requires that the Customer use exclusively the Company's service for all space heating and all water heating energy requirements except as provided below.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service or service to individual motors exceeding 40 amperes at a rating of 230 volts or which will cause excessive voltage fluctuations.

Customers must stay on this rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single phase, 60 Hertz, and at one nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Standard

Customer Charge, Single Phase service and minimum bill \$11.50 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option

Customer Charge, Single Phase with usage less than 2,000 kWh \$14.00 per month

Customer Charge, Single Phase with usage more than 2,000 kWh \$18.00 per month

Energy Charges:

Table with 5 columns: Summer (May - September), Delivery Services-Energy, Power Supply Charges (Base Power, PPFAC), and Total. Rows for On and Off peak periods.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: R-201BN
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 118-1

Superseding: \_\_\_\_\_

Winter (October - April)	Delivery Services-Energy <sup>1</sup>	Power Supply Charges <sup>2</sup>		Total <sup>3</sup>
		Base Power	PPFAC <sup>2</sup>	
On	\$0.0483	\$0.032893	varies	\$0.081193
Off	\$0.0355	\$0.027092	varies	\$0.062592

1. Delivery Services-Energy is a bundled charge that includes: Local Delivery-Energy (Local Delivery and/or Distribution exclusive of Transmission/Ancillaries), Generation Capacity, Fixed Must-Run, Transmission and Ancillary Services.
2. The Power Supply Charge is the sum of the Base Power Charge and the Purchased Power and Fuel Adjustment Clause (PPFAC), a per kWh adjustment in accordance with Rider-1-PPFAC. PPFAC reflects increases or decreases in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.
3. Total is calculated above for illustrative purposes (PPFAC varies over time pursuant to Rider-1 PPFAC).

### TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### ELECTRIC VEHICLES

Customers who own and operate Electric Vehicles will receive a 5% discount to the Base Fuel during the off-peak period and the PPFAC. Customers must provide documentation for highway approved Electric Vehicles.

### LOST FIXED COST RECOVERY (LFCR) – RIDER 8

For those Customers who choose not to participate in the volumetric recovery of lost revenues associated with the promotion of energy efficiency, a higher monthly Customer Charge will apply and the volumetric LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the volumetric LFCR. Customers can choose the fixed charge option one (1) time per calendar year. Once the Customer chooses to contribute to the LFCR through a fixed charge they must pay the higher monthly Customer Charge for a complete twelve (12) month period.

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: R-201BN  
 Effective: Pending  
 Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 118-2

Superseding: \_\_\_\_\_

### MONTHLY LIFELINE DISCOUNT

This discount is only available to new and eligible Lifeline customers whose monthly bill shall be in accordance to the rate above except that a discount of \$9.00 per month shall be applied. No Lifeline discount will be applied that will reduce the volumetric charges to less than zero.

### 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 (AZISA) CHARGE

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

### TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

### AUTOMATED METER OPT-OUT

If a Customer chooses to not benefit from the less expensive option of automated meter reading equipment the Customer may choose an analog meter as long as the obsolete technology is economically available as an option. This option is only available to the Residential rate classes. This option will result in a one-time meter change-out fee as specified in TEP's Statement of Charges per meter if a meter other than the analog meter is currently in service at the customer's premise.

For a Customer choosing the Automated Meter Opt-out, an additional monthly fee of \$10.00 per meter will be added to the applicable Customer Charge for as long as the analog meter is left in service.

The Customer may choose to self-read the analog meter. Self reading of the meter must be conducted in accordance with Section #### of the Rules and Regulations. For each month that accurate and timely self-read information is supplied to the Company, the additional \$10.00 monthly fee will be reduced to \$5.00. In the event that the self-read information is found to be inaccurate, untimely or otherwise not in accordance with the Rules and Regulations, the Customer will be subject to rebilling to reflect actual consumption in accordance with the Section ### of the Rules and Regulations and the Customer will be billed \$5.00 for each month that the self read information was inaccurate, untimely or not in accordance with the Rules and Regulations. The Company will read the meter at least two times per year even if the Customer chooses to self-read the meter.

### 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 rate.

### 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: R-201BN  
Effective: Pending  
Decision No.:



Small General Service (GS-10)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. To all general power and lighting service unless otherwise addressed by specific Rates.

APPLICABILITY

When all energy is supplied at one point of delivery and through one metered service. Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

The supply of electric service under a residential Rate schedule to a dwelling involving some business or professional activity will be permitted only where such activity is of only occasional occurrence, or where the electricity used in connection with such activity is small in amount and used only by equipment which would normally be in use if the space were used as living quarters. Where the portion of a dwelling is used regularly for business, professional or other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or electrical equipment not normally used in living quarters is installed in connection with such activities referred to above, the entire premises must be classified as non-residential and the appropriate general service rate will be applied.

For Customers who were previously on Municipal Service Rate (PS-40), a monthly transitional adjustment of 16.5% will be applied to the total bill excluding the Customer Charge.

CHARACTER OF SERVICE

The service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate, plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charges:

Customer Charge, Single Phase service and minimum bill \$15.50 per month  
Customer Charge, Three Phase service and minimum bill \$20.50 per month

Energy Charges:

Delivery Charges:

Description	Summer (May – September)	Winter (October – April)
First 500 kWh	\$0.0768	\$0.0568
All remaining kWh	\$0.0976	\$0.0788

Base Power Supply Charges:

Summer \$0.035111 per kWh  
Winter \$0.031532 per kWh

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-10  
Effective: Pending  
Decision No.:



Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

Customer Charge Components (Unbundled):

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-10  
Effective: Pending  
Decision No.:





### Mobile Home Park Electric Service (GS-11F)

AVAILABILITY

New Customers, including current Customers who move, are not eligible for service under this Rate.

APPLICABILITY

To mobile home parks for service through a master meter to two or more mobile homes, provided each mobile home served through such master meter will be individually metered and billed by the park operator in accordance with applicable Orders of the Arizona Corporation Commission. Electric service to the park's facilities used by its residents may be supplied under this schedule only if such facilities are served through a master meter which serves two or more mobile homes.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

The service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate, plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charges:**

Customer Charge, Single Phase service and minimum bill	\$15.50 per month
Customer Charge, Three Phase service and minimum bill	\$20.50 per month

**Energy Charges:**

Delivery Charge	
Summer (May – September), all kWh	\$0.0820 per kWh
Winter (October – April), all kWh	\$0.0620 per kWh

**Base Power Charges:**

Delivery Charge	\$0.035111 per kWh
Summer (May – September), all kWh	\$0.031532 per kWh
Winter (October – April), all kWh	

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

ADJUSTMENT FOR TRANSFORMER OWNERSHIP AND METERING

When Customer owns transformers and energy is metered on primary side of transformers, the demand shall be metered and the above schedule subject to a discount of 20.6¢ per kW per month of the demand each month.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-11F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202-1  
Superseding: \_\_\_\_\_

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-11F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202-2

Superseding: \_\_\_\_\_

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BUNDLED STANDARD OFFER SERVICE CONSISTS OF THE FOLLOWING UNBUNDLED COMPONENTS:

**Customer Charge Components (Unbundled):**

Description	Single Phase	Three Phase
Meter Services	\$6.55 per month	\$8.74 per month
Meter Reading	\$1.10 per month	\$1.47 per month
Billing & Collection	\$4.73 per month	\$6.30 per month
Customer Delivery	\$5.62 per month	\$7.49 per month
<b>Total</b>	<b>\$18.00 per month</b>	<b>\$24.00 per month</b>

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Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-11F  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 202-3

Superseding:

Energy Charge Components (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy	\$0.0401	\$0.0201
Generation Capacity	\$0.0318	\$0.0318
Fixed Must-Run	\$0.0032	\$0.0032
Transmission	\$0.0070	\$0.0070
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.0001	\$0.0001
Reactive Supply and Voltage Control	\$0.0004	\$0.0004
Regulation and Frequency Response	\$0.0004	\$0.0004
Spinning Reserve Service	\$0.0010	\$0.0010
Supplemental Reserve Service	\$0.0002	\$0.0002
Energy Imbalance Service	Currently charged pursuant to the Company's OATT	
Base Power Supply Charge		

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: GS-11F  
 Effective: Pending  
 Decision No.:



**Small General Service  
Time-of-Use Program (GS-76N)**

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. Access to the meter during normal working hours is also a prerequisite for this Rate.

APPLICABILITY

To all general power and lighting service unless otherwise addressed by specific Rate schedules, when all energy is supplied at one point of delivery and through one metered service.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service. Service under this Rate will commence when the appropriate meter has been installed.

Customers must stay on this Rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

**Customer Charge:**

Customer Charge, Single Phase service and minimum bill \$17.50 per month

**Energy Charges:**

Description	Summer (May - September)	Winter (October - April)
On-Peak kWh	\$0.0999	\$0.0795
Off-Peak kWh	\$0.0849	\$0.0645

**Base Power Supply Charge**

Summer On-Peak	\$0.050669 per kWh
Summer Off-Peak	\$0.026679 per kWh
Winter On-Peak	\$0.032893 per kWh
Winter Off-Peak	\$0.027092 per kWh

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

Filed By: Kenton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-76  
Effective: Pending  
Decision No.:



TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

ADJUSTMENT FOR TRANSFORMER OWNERSHIP AND METERING

When Customer owns transformers and energy is metered on primary side of transformers, the demand shall be metered and the above schedule subject to a discount of 20.6¢ per kW per month of the billing demand each month.

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 (AZISA) CHARGE

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

PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at primary voltage will be subject to a primary discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) on the billing demand each month.

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: GS-76  
Effective: Pending  
Decision No.:



Large General Service (LGS-13)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 200 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

The service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering shall be required for new installations with service requirements in excess of 2,500 kW.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

<b>Customer Charge:</b>	\$775.00 per month
<b>Demand Charge:</b>	\$ 15.25 per kW
<b>Energy Charges:</b>	
Summer (May – September)	\$0.0192 per kWh
Winter (October – April)	\$0.0134 per kWh
<b>Base Power Charges:</b>	
Summer (May – September)	\$0.035111 per kWh
Winter (October – April)	\$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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 monthly billing demand shall be the greatest of the following:

1. The maximum 15 minute measured demand in the billing month;
2. 75 % of the maximum demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 200 kW.

ADJUSTMENT FOR PRIMARY SERVICE AND METERING

When Customer owns transformers and energy is metered on primary side of transformers, the demand shall be metered and the above schedule subject to a discount of 20.6¢ per kW per month of the billing demand each month.

The Company may require a written contract with a minimum contract demand and a minimum term of contract.

Filed By:	Kentton C. Grant	Rate:	LGS-13
Title:	Vice President of Finance and Rates	Effective:	Pending
District:	Entire Electric Service Area	Decision No.:	



# Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 204-1

Superseding: \_\_\_\_\_

## 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 (AZISA) CHARGE

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

## TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

## 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 rate.

## 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LGS-13  
Effective: Pending  
Decision No.:





Large General Service
Time-of-Use Program (LGS-85)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises. To all general power and lighting service unless otherwise addressed by specific rate schedules.

APPLICABILITY

When all energy is supplied at one point of delivery and through one metered service. Not applicable to resale, breakdown, temporary, standby, or auxiliary service. Service under this Rate will commence when the appropriate meter has been installed.

The minimum monthly billing demand hereunder is 200 kW.

Customers must stay on this Rate for a minimum period of one (1) year.

CHARACTER OF SERVICE

The service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery. Primary metering shall be required for new installations with service requirements in excess of 2,500 kW.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Table with 2 columns: Description and Rate. Rows include Customer Charge and minimum bill (\$950.00 per month), Demand Charges (includes Generation Capacity), Summer On-peak (\$14.55 per kW), Summer Off-peak (\$10.92 per kW), Winter On-peak (\$11.59 per kW), and Winter Off-peak Demand (\$ 9.10 per kW).

Note:

- 1. For demand billing, "on-peak demand" shall be based on demand measured during peak periods.
2. For demand billing, "off-peak demand" shall be based on demand measured during the off-peak periods.
3. Unlike Schedules LLP Rate 90 the demand charges above are NOT excess demand charges; they apply to all Off-Peak kW, not just Off-Peak kW in excess of 150% of Peak kW.

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charges (\$/kWh)

Table with 3 columns: Category, Summer (May - September), and Winter (October - April). Rows include On-Peak and Off-Peak charges.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LGS-85
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 205-1

Superseding: \_\_\_\_\_

### TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### **Base Power Supply Charges (\$/kWh)**

	<b>Summer</b> (May – September)	<b>Winter</b> (October – April)
On-Peak	\$0.050669	\$0.032893
Off-Peak	\$0.026679	\$0.027092

**Purchased Power and Fuel Adjustment Clause (PPFAC):** The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

### DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the combination of the following;

The greatest of the following during the On-Peak period:

1. The maximum 15 minute measured demand during the on-peak period of the billing month;
2. 75% of the maximum on-peak period billing demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 200 kW, and

The greatest of the following during the Off-peak period:

1. The maximum 15 minute measured demand during the on-peak period of the billing month;
2. 75% of the maximum on-peak period billing demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 200 kW.

### PRIMARY SERVICE

The Rates contained in this Schedule are designed to reflect secondary service but where service is taken at a primary voltage discount of 20.6 cents per kW per month (on the bundled rate, with the discount taken from the unbundled kW delivery charge) will be applied to the billing demand each month.

### 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 (AZISA) CHARGE

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

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: LGS-85  
 Effective: Pending  
 Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 205-2  
Superseding: \_\_\_\_\_

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LGS-85  
Effective: Pending  
Decision No.:



**Large Light and Power Service (LLP-14)**

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all large general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 3,000 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

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 13,800 volts and delivered at a single point of delivery unless otherwise specified in the contract.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

<b>Customer Charge:</b>	\$1,800 per month
<b>Demand Charge:</b>	\$21.98 per kW
<b>Energy Charges:</b>	
Summer (May – September)	\$0.0032 per kWh
Winter (October – April)	\$0.0021 per kWh
<b>Base Power Charges:</b>	
Summer (May – September)	\$0.031611 per kWh
Winter (October - April)	\$0.028388 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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 monthly billing demand shall be the greatest of the following:

1. The maximum 15 minute measured demand in the billing month;
2. 75 % of the maximum demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 3,000 kW.

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 the transformer.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LLP-14  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 301-1

Superseding: \_\_\_\_\_

POWER FACTOR ADJUSTMENT

The above rate is subject to a charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is below 100%

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LLP-14  
Effective: Pending  
Decision No.:



Large Light and Power Service
Time of Use Program (LLP-90)

AVAILABILITY

Available throughout the Company's entire electric service area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

To all large general power and lighting service on an optional basis when all energy is supplied at one point of delivery and through one metered service. The minimum monthly billing demand hereunder is 3000 kW.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

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 13,800 volts and delivered at a single point of delivery unless otherwise specified in the contract.

Customers must stay on this Rate for a minimum period of one (1) year.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein:

BUNDLED STANDARD OFFER SERVICE - SUMMARY OF CUSTOMER AND ENERGY CHARGES

Table with 2 columns: Charge Description and Rate. Rows include Customer Charge and minimum bill (\$2,000.00 per month), Demand Charges (includes Generation Capacity), Summer On-peak (\$20.49 per kW), Summer Off-peak Excess Demand (\$12.49 per kW), Winter On-peak (\$15.49 per kW), and Winter Off-peak Excess Demand (\$ 9.99 per kW).

Note:

- 1. For demand billing, "on-peak demand" shall be based on demand measured during peak periods.
2. For demand billing, "off-peak demand" shall be based on demand measured during the off- peak periods.

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charges (\$/kWh):

Table with 3 columns: Charge Type, Summer (May - September), and Winter (October - April). Rows include On-Peak and Off-Peak charges.

Filed By: Kentton C. Grant
Title: Vice President of Finance and Rates
District: Entire Electric Service Area

Rate: LLP-90
Effective: Pending
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 302-1  
Superseding: \_\_\_\_\_

### TIME-OF-USE TIME PERIODS

The **Summer On-Peak** period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day).

The **Winter On-Peak** periods are 6:00 a.m. - 10:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day).

All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak.

### Base Power Supply Charges (\$/kWh)

	Summer (May – September)	Winter (October – April)
On-Peak	\$0.045568	\$0.029581
Off-Peak	\$0.023985	\$0.024352

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

### DETERMINATION OF BILLING DEMAND

The greatest of the following:

1. The maximum 15 minute measured demand during the on-peak period of the billing month;
2. 75% of the maximum on-peak period billing demand used for billing purposes in the preceding 11 months; or
3. The contract demand amount, not to be less than 3,000 kW, and

Additionally, the maximum 15 minute measured demand during the Off-peak period of the billing month that is in excess (i.e. positive incremental amount above) of 150% of that billing month's on-peak measured billing demand.

### 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 charge of 1.3¢ per kW of billing demand for each 1% the average monthly power factor is below 100%.

### 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 (AZISA) CHARGE

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

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LLP-90  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 302-2

Superseding: \_\_\_\_\_

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: LLP-90  
Effective: Pending  
Decision No.:





**Traffic Signal and Street Lighting Service (PS-41)**

AVAILABILITY

Available for service to the State, a county, city, town, political subdivision, improvement district, or a responsible person or persons for unincorporated communities for Traffic Signal and Street Lighting purposes where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY

Applicable to Customer owned and maintained traffic signals and public street and highway lighting.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

Service shall be single or three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery approved by the Company.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charge \$0.0476 per kWh

**Base Power Charges:**

Summer (May – September) \$0.035111 per kWh  
Winter (October – April) \$0.031532 per kWh

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

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 rate will be applied to the customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: PS-41  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 501-1

Superseding: \_\_\_\_\_

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 rate.

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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: PS-41  
Effective: Pending  
Decision No.:



Lighting Service (PS-50)

AVAILABILITY

At any point where the Company in its judgment has facilities of adequate capacity and suitable voltage available.

APPLICABILITY

Applicable to any Customer for private and public street lighting or outdoor area lighting where this service can be supplied from existing facilities of the Company.

The Company will install, own, operate, and maintain the complete lighting installation including lamp and globe replacements. Not applicable to resale service.

CHARACTER OF SERVICE

Multiple or series street lighting system at option of Company and at one standard nominal voltage.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Delivery Charge:

Service	55OH, 55P, 55UG	70UG	100 Watt	250 Watt	400 Watt	Underground Service	Pole
Per unit Per month	\$8.19	\$8.19	\$8.19	\$12.29	\$18.70	\$15.53	\$2.86

Note:

The watt high pressure sodium lamps are charged per unit per month.

Per one pole addition and an extension of up to 100 feet of overhead service are charged per pole.

Underground Service is per 100 watt or less high pressure sodium lamp unit per month mounted on standard pole.

Base Power Supply Charge:

Summer, (May - September), applies to all lamps and excludes underground service and poles: \$0.035111  
Winter, (October – April), applies to all lamps and excludes underground service and poles: \$0.031532

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: PS-50  
Effective: Pending  
Decision No.:



STANDARD LAMP UNITS, OVERHEAD SERVICE

1. The standard 100 watt lamp unit for overhead service is a 9,500 lumen high pressure sodium unit, mounted on a six (6) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately twenty-five (25) feet above ground level and is for public and private street lighting and area lighting.
2. The standard 250 watt lamp unit for overhead service is a 27,500 lumen high pressure sodium unit, mounted on a twelve (12) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately twenty-seven (27) feet above ground level and is for public and private street lighting.
3. The standard 400 watt lamp unit for overhead service is a 50,000 lumen high pressure sodium unit, mounted on an eighteen (18) foot mast arm and controlled by a photoelectric cell. This unit will be mounted on a pole approximately thirty-five (35) feet above ground level and is for public and private street lighting.
4. The standard 100 watt lamp unit for underground service is a 9,500 lumen high pressure sodium post top unit mounted on a pole approximately fifteen (15) feet above ground level and is for public and private street lighting and area lighting.

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 herein will be applied to the Customer's bill.

FOR DIRECT ACCESS: ARIZONA INDEPENDENT SCHEDULING ADMINISTRATOR (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

SPECIAL PROVISIONS

1. Installation of a light on an existing pole is subject to prior approval of Company.
2. For underground service up to ten (10) feet from the electrical source, the Customer shall be billed at the rates for overhead service.
3. Extensions beyond 100 feet and all installations other than those addressed in this rate will require specific agreements providing adequate revenue or arrangements for construction financing.
4. The Customer is not authorized to make connections to this lighting circuit or to make attachments or alterations to the Company owned pole.
5. If a Customer requests a relocation of a lighting installation, the costs of such relocation must be borne by the Customer.
6. The Customer is expected to notify the Company when lamp outages occur.

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: PS-50  
Effective: Pending  
Decision No.:



# Tucson Electric Power

## Tucson Electric Power Company

Original Sheet No.: 502-2

Superseding: \_\_\_\_\_

7. The Company will use diligence in maintaining service; however, monthly bills will not be reduced because of lamp outages.
8. After the minimum contract period, if any, has expired, this agreement shall be extended from year to year unless written notice of desire to terminate is given by the Customer at least thirty (30) days prior to the end of any such annual extension date. The Company reserves the right not to extend or cancel the lighting agreement at any time after the initial minimum contract period has expired.
9. Light installation is subject to the governmental agency approval process.
10. The Customer is responsible for all civil installation requirements as specified by the Company in accordance with the Electrical Service Requirements.
11. In the event a public improvement project conflict(s) with existing lighting facilities, the impacted facilities will be removed.

### 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 rate.

### 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: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: PS-50  
Effective: Pending  
Decision No.:



Water Pumping Service (GS-43)

AVAILABILITY

Available for service to the City of Tucson Water Utility and private water Companies where the facilities of the Company are of adequate capacity and are adjacent to the premises.

Available for interruptible service agricultural pumping customers throughout the entire area where the facilities of the Company are of adequate capacity and are adjacent to the premises.

The service points being billed under the PS-43 and GS-31 rate classes as of the effective date of this tariff, but do not meet the above criteria, will be allowed to stay on this rate as long as they meet all other requirements specified in the tariff.

APPLICABILITY

Applicable for service to booster stations and wells used for domestic water supply. For Interruptible service this is applicable to separately metered interruptible agricultural water pumping service for irrigation purposes of the Customer only. Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE

Three phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery approved by the Company. Primary metering may be used by mutual agreement.

RATE

A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Customer Charge: \$15.50 per month

Energy Charges:

Firm Service

Delivery Charge

Summer (May – September) \$0.0680 per kWh

Winter (October – April) \$0.0480 per kWh

Interruptible Service

Delivery Charge

Summer (May – September) \$0.0420 per kWh

Winter (October – April) \$0.0270 per kWh

Base Power Supply Charges:

Table with 3 columns: Service Type, Summer (May-September), Winter (October-April). Rows include Firm Service and Interruptible Service.

Purchased Power and Fuel Adjustment Clause ("PPFAC"): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC 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.



Primary Voltage Discount

A discount of 5% will be allowed from the above rates where Customer owns the transformers and service is metered at primary voltage.

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 (AZISA) CHARGE

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

TEP STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission see the TEP Statement of Charges which is available on TEP's website at [www.tep.com](http://www.tep.com).

TERMS AND CONDITIONS OF INTERRUPTIBLE SERVICE

1. Customer must furnish, install, own, and maintain at each point of delivery all necessary Company approved equipment which will enable the Company to interrupt service with its master control station.
2. Service may be interrupted by Company during certain periods of the day not exceeding six hours in any 24-hour period.
3. Company will endeavor to give Customer one hour notice of impending interruption; however, service may be interrupted without notice should Company deem such action necessary.
4. The interruptible load shall be separately served and metered and shall at no time be connected to facilities serving Customer's firm load. Conversely, the firm load shall be separately served and metered and shall at no time be connected to facilities serving Customer's interruptible load.
5. Company shall not be liable for any loss or damage caused by or resulting from any interruption of service.

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 rate.

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.

**ATTACHMENT**  
**"K"**





Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801

Superseding:

TEP STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Trip Charge: Service Establishment and Reestablishment During Regular Business Hours – service reads only Special Meter Reading fee Meter Change-Out fee Meter Re-Read	\$20.00	PENDING	PENDING
Service Establishment and Reestablishment under usual operating procedures During Regulator Business Hours – Single-Phase Service	\$32.00	PENDING	PENDING
Service Establishment and Reestablishment under usual operating procedures After Regular Business Hours (includes Saturdays, Sundays and Holidays) – Single Phase Service	\$57.00	PENDING	PENDING
Service Establishment and Reestablishment under usual operating procedures During Regular Business Hours – Three-Phase Service	\$78.00	PENDING	PENDING
Service Establishment and Reestablishment under usual operating procedures After Regular Business Hours (includes Saturdays, Sundays and Holidays) – Three-Phase Service	\$216.00	PENDING	PENDING
Service Reestablishment under other than usual operating procedures – Single-Phase Service	\$150.00	PENDING	PENDING
Single-Phase Line Extension Charge per Foot	\$17.00	PENDING	PENDING
Three-Phase Line Extension Charge per Foot	\$27.00	PENDING	PENDING
Underground Differential Line Extension Charge per Foot	\$21.00	PENDING	PENDING
PME Switchgear Cabinet	\$20,500	PENDING	PENDING
Meter Test	\$186.00	PENDING	PENDING
Returned Payment Fee	\$10.00	PENDING	PENDING
Late Payment Finance Charge	1.5%	PENDING	PENDING

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: Statement of Charges  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801-1

Superseding: \_\_\_\_\_

**TEP STATEMENT OF CHARGES**

(continued)

Description	Rate	Effective Date	Decision No.
Rider R-1 – Purchased Power and Fuel Adjustment Clause (PPFAC)	\$0.XXXXX per kWh	PENDING	PENDING
Rider R-2 – Demand Side Management Surcharge (DSMS)  RESIDENTIAL: Effective Date of Order – December 2014 January 2015 – December 2015 January 2016 – December 2017  ALL OTHER RATES: Effective Date of Order – December 2014 January 2015 – December 2015 January 2016 – December 2017	\$0.XXXXX per kWh \$0.XXXXX per kWh \$0.XXXXX per kWh  XX % XX % XX %	PENDING	PENDING
Rider R-3 – Market Cost of Comparable Conventional Generation (MCCCG) Calculation as Applicable to Rider-4 NM-PRS	\$0.025854 per kWh	April 5, 2012	73085
Rider R-5 – Electric Service Solar Rider (Bright Tucson Community Solar™) Solar Block Energy Rate for Residential Lifeline Discount, Rate R-06-01 Solar Block Energy Rate for Residential Electric Service, Rate R-01 Solar Block Energy Rate for General Service, Rate GS-10 Solar Block Energy Rate for Large General Service, Rate LGS-13 Solar Block Energy Rate for Municipal Service, Rate PS-40	\$0.050198 per kWh \$0.050324 per kWh \$0.048475 per kWh \$0.049371 per kWh \$0.049086 per kWh	February 1, 2011	71835
Rider R-6 – Renewable Energy Standard and Tariff Surcharge REST-TS1 Renewable Energy Program Expense Recovery  <u>Monthly Cap</u> For Residential customers: For Small Commercial customers: For Large Commercial customers: For Industrial customers: For Public Authority: For Lighting:	\$0.0080 per kWh  <u>Monthly Cap</u> \$4.45 per month \$150.00 per month \$1,225.00 per month \$9,000.00 per month \$200.00 per month \$150.00 per month	February 4, 2013	73637

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area

Rate: Statement of Charges  
Effective: Pending  
Decision No.:



Tucson Electric Power

Tucson Electric Power Company

Original Sheet No.: 801-2

Superseding: \_\_\_\_\_

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**TEP STATEMENT OF CHARGES**

(continued)

Description	Rate	Effective Date	Decision No.
Environmental Compliance Adjustor (ECA)	\$0.XXXXX per kWh	PENDING	PENDING
Lost Fixed Cost Recovery (LFCR) Mechanism	XXXXX %	PENDING	PENDING

Filed By: Kentton C. Grant  
 Title: Vice President of Finance and Rates  
 District: Entire Electric Service Area

Rate: Statement of Charges  
 Effective: Pending  
 Decision No.:

**ATTACHMENT**  
**"L"**

## ATTACHMENT L

### LIST OF MODIFIED OR ELIMINATED REPORTING REQUIREMENTS

1. Eliminating the requirement from Decision No. 56526 (June 22, 1989) that TEP file monthly reports on the unit performance for each generation unit, other sources of energy, costs for each generating unit, costs of other sources of energy and disposition of energy.
2. Eliminating the requirement from Decision Nos. 57029 (July 18, 1990) and 57924 (July 2, 1992) that TEP file annual reports covering the period from July 1 through June 30 of each year required by regarding an agreement with Liquid Air.
3. Modifying the Lifeline Discount Tariff reporting requirements from Decision No. 56659 (October 24, 1989) (as modified in Decision Nos. 56781, 56819, and 57370) to now require TEP to submit the following information on an annual basis: (i) The total number of participating customers receiving a discount; (ii) The total number of kWh consumed by customers receiving the discount; and (iii) The total dollar amount of discounts provided.