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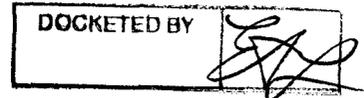
Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

MAR 17 2014

Re: Notice of Errata to Compliance Filing – UNS Electric, Inc.
Decision No. 74235, Docket No. E-04204A-12-0504



On January 9, 2014, in compliance with Arizona Corporation Commission (“Commission”) Decision No. 74235 (December 31, 2013) (“Decision”), UNS Electric, Inc. (“UNS Electric”) filed replacements of its Tariffs, Rules and Regulations (“Rules”), and Plans of Administration (“POA”) for its: i) Lost Fixed Cost Recovery (“LFCR”) Mechanism; ii) Purchased Power and Fuel Adjustment Clause; and iii) Transmission Cost Adjustor (“TCA”) to include the decision number in this docket and replace the compliance documents filed on December 31, 2013. From that filing, please replace the following documents with the enclosed, corrected copies that reflect changes and corrections as recommended by Commission Staff:

- UNS Electric Statement of Charges – Original Sheet No. 801-1, “Per Decision No. 73638” was added to the paragraph of the second Rider R-6;
- UNS Electric Statement of Charges – Original Sheet No. 801-2, the Rider R-8, was changed to a percentage charge instead of a per kW charge and Rider R-9 was missing “per kWh” charge;
- UNS Electric LFCR POA, Page 2, under “EE Savings” No. 1, the date of the Decision was corrected to December 31, 2013;
- UNS Electric PPFAC Schedules 1-5 attached to the POA, various formatting errors have been corrected;
- UNS Electric Rules, Section 3 – Establishment of Service, Page 903-4, the after-hours fee listed in Subsection E.3 was corrected to Fee No. 5 to correspond with the revised UNS Electric Statement of Charges; and
- UNS Electric Rules, Section 7 – Line Extensions, Page 907-7, the reference listed in Subsection C.4.a.v.5., was corrected to 7.C.7.

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

Sincerely,

Jessica Bryne
Regulatory Services

cc: Barbara Keene, Utilities Division, ACC
Candrea Allen, Utilities Division, ACC

UNS Electric Statement of Charges

Pages 801-1 and 801-2



UNS Electric, Inc.

Original Sheet No.: 801-2

Superseding: _____

Description	Rate	Effective Date	Decision No.
Rider R-8 – Lost Fixed Cost Recovery (LFCR) Mechanism (EE)	X.XXXX %	January 1, 2014	74235
Lost Fixed Cost Recovery (LFCR) Mechanism (DG)	X.XXXX %		
Rider R-9 – Transmission Cost Adjustor (TCA) – \$/kW charge	\$X.XXXX per kW	January 1, 2014	74235
Transmission Cost Adjustor (TCA) – \$/kWh charge	\$X.XXXX per kWh		

Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Rate: Statement of Charges
Effective: January 1, 2014
Decision No.: 74235

UNS Electric LFCR POA

Page 2

1. **Cumulative Verified:** The total kWh or kW reduction as metered each year less the total kWh or kW reduction metered in UNS Electric's most recent general rate case test year (July 1, 2011 through June 30, 2012). 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 UNS Electric'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 or that chose the Fixed Cost Option.

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, customer will be required to stay on whichever option they choose for twelve full months before a change can be made.

EE Programs – Any program approved in UNS Electric's Energy Efficiency/Demand Side Management ("EE/DSM") implementation plan or Energy Efficiency Resource Plan.

EE Savings – The amount of sales, expressed in kWh or kW, reduced by Energy Efficiency activities as demonstrated by the Measurement, Evaluation, and Report ("MER") conducted for UNS Electric's EE Programs. Since this process will be a thorough review of the Company's EE activities 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 filing's accuracy. EE Savings shall be quantified based on the accumulated lost kWh or kW occurring since January 1, 2013, and shall be reset based on EE related losses 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 UNS Electric's most recent rate case. The first such reset will be July 1, 2012, (the end of the Test Year in Decision 74235, dated December 31, 2013). 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, UNS Electric will use actual MER data through December to calculate savings.

UNS Electric PPFAC POA Schedules

**UNS Electric, Inc.
Purchased Power and Fuel Adjustment Clause
Monthly Information Filing**

Schedule 1	Total Average Retail Fuel and Purchased Power Rate Calculation Effective January 1, 2014 and Projected February 1, 2014
Schedule 2	PPFAC Rate Calculation Effective January 1, 2014 and Projected February 1, 2014
Schedule 3	Applicable 12 month Total Average Fuel Account - (Rate effective January 1, 2014 and Projected February 1, 2014)
Schedule 4	Surcharge/Credit Rate Calculation (If Applicable)
Schedule 5	Surcharge/Credit Tracking Account

UNS-Electric Contact Information

**Ray Robey (520) 745-3360
Manager, Fuels and Wholesale Marketing**

UNS Electric, Inc.

Schedule 1

Total Average Retail Fuel and Purchased Power Rate Calculation Effective January 1, 2014
(\$/kWh)

Line No.	Total Average Retail Fuel and Purchased Power Rate Calculation	Current 1-Jan-14 ¹	Proposed 1-Feb-14	Increase / (Decrease) \$.000000/kWh	%
1	PPFAC Rate (Sch. 2, L10) ⁴	\$ -	\$ -	\$ -	0.00%
2	Surcharge/Credit Rate (Sch. 4, L4) ^{2,4}	\$ -	\$ -	\$ -	0.00%
3	Total PPFAC Rate ⁴ (L1+L2)	\$ -	\$ -	\$ -	0.00%
4	Average Base Rate ³	\$ 0.057060	\$ 0.057060	\$ -	0.00%
5	Total Average Retail Fuel and Purchased Power Rate (L3+L4)	\$ 0.057060	\$ 0.057060	\$ -	0.00%

Notes:

- 1 See XXXXX 2013 PPFAC Filing and ACC Decision No. 74235.
- 2 A Surcharge/Credit is a figure which may be added/subtracted from the PPFAC Rate should the the Accumulated Bank Balance become less than negative \$10 million or greater than \$10 million
- 3 Average Base Rate as defined in supporting documents for ACC Decision No. 74235.
- 4 Negative value is PPFAC credit, positive value is PPFAC surcharge.

UNS Electric, Inc.
Schedule 2

PPFAC rate Effective January 1, 2014
(\$ in thousands)

Line No.	PPFAC Rate - Calculation	Current 1-Jan-14 ¹	Proposed 1-Feb-14
1	Applicable 12 Months Fuel and Purchased Power Costs ¹	\$ -	\$ -
2	Applicable 12 Months Short Term Sales Revenue Credit ²	\$ -	\$ -
3	Applicable 12 Months Net Fuel and Purchased Power Cost (L1 + L2)	\$ -	\$ -
4	Applicable 12 Months Total Native Load Energy Sales (MWhs)	0	0
5	Calculated Total Average Retail Rate \$/kWh (L3/L4)	\$ -	\$ -
6	Maximum Total Average Retail Rate ³	\$ -	\$ -
7	Minimum Total Average Retail Rate ³	\$ -	\$ -
8	Applicable Total Average Retail Rate ³	\$ -	\$ -
9	Average Base Rate ³	\$ 0.057060	\$ 0.057060
10	Eligible PPFAC Rate \$/kWh (L8-L9) ^{3,4}	\$ -	\$ -

Notes:

- 1 See XXXX 2013 PPFAC Filing and ACC Decision No. 74235.
- 2 Short Term Sales revenues are credited at 100% as approved by the Commission in Decision No.74235.
- 3 Total Average Rate per kWh in ACC Decision No.74235 (December 31, 2013) is limited in monthly variance to cause a maximum change of .83% in Total Average Retail Fuel and Purchased Power Rate
- 4 Negative value is PPFAC credit; positive value is PPFAC surcharge.

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

ONS Electric, Inc.
Schedule 3

Total Average Retail Fuel Account
(S in thousands, PPFAC Retail Fuel Costs in \$/kWh)
(Negative value is over-collected, Positive value is under-collected)

Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1 Prior Month Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1A Beginning Balance Adjustment (if any)													
1B Adjusted Beginning Balance													
Retail Sales													
2 Retail Native Load Energy Sales (MWh)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.5 Retail Native Load Energy Sales Less Community Solar Sales (MWh)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Retail Native Load Energy Sales including losses (MWh) ¹	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 Long Term Energy Sales (MWh)	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Long Term Energy Sales including losses (MWh) ²	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Total Native Load Energy Sales (MWh)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7 Total Native Load Energy Sales including losses (MWh)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fuel and Purchased Power Costs													
8 Fuel and Purchased Power Costs ³	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 Short Term (OFF System) Sales Revenue Credit ⁴	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10 Net Fuel and Purchased Power Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Retail Fuel and Purchased Power Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11 PPFAC Retail Power Supply Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12 Applicable 12-Month Average Fuel Cost ⁵	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Liabilities, Collections and Accrued Interest													
13 (Over)/Under Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 Interest ⁶	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15 Bank Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Balance Including True-Up (Prior to 2014)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
16 Average Base Cost of Fuel & Purchased Power - \$ per kWh	\$0.07060												
17 Interest Rate (as of 1/2/2013) ⁷	0.1564%												

¹ Retail energy losses are the difference between billed retail energy sales and LINES Retail Sales per TEPs control area metering.
² Long Term Energy Sales losses calculated using applicable BIV loss percentage as defined in appropriate OATT.
³ Includes total native fuel and short term fuel, purchased power and transmission.
⁴ Applicable Short Term Sales Revenue at 100% per Division 7425.
⁵ Applicable 12-Month Avg Fuel Cost as rate which is eligible to be applied each month creating a charge equal to or less than a 3% change in Total Retail Fuel Cost over one year.
⁶ Interest Rate as of 1/2/2013.
⁷ Current Market rate contained in the Point-to-Point Settlement Rates, 1/1/13 on the first business day of the calendar year.

Schedule presentation will appear to include \$ and kWh, however calculations are performed on an actual \$ and kWh basis with resulting Power \$/kWh rounded to \$0.000000000000.

**UNS Electric, Inc.
Schedule 4**

**PPFAC Surcharge/Credit Rate Calculation
(\$ in thousands; Surcharge Rate is in \$/kWh)**

Line No.	PPFAC Bank Balance True-Up Rate - Calculation	Current 1-Jan-14 ¹	Proposed 1-Feb-14
1	Bank Balance (From Schedule 5, L6) ¹	\$ -	\$ -
2	Total Bank Balance Amount to be (refunded)/Collected ²	\$ -	\$ -
3	Projected Native Load Sales (MWh)	-	-
4	Bank Balance Surcharge/Credit Rate (\$/kWh) (L2 / L3) ³	\$ -	\$ -

Notes:

- 1 Bank Balance as of XXXXX including interest
- 2 See XXXX 2013 PPFAC Filing and ACC Decision No. 74235.
- 3 Negative value is PPFAC credit, positive value is PPFAC surcharge.

Schedule presentation will appear to roundup \$'s and MWhs; however calculations are performed on an actual \$ and MWh basis with resultant Rates/kWh roundup to \$0.000000/kWh

UNS Electric, Inc.
Schedule 5
PPFAC Surcharge/Credit Tracking Account
(\$ in thousands)

(Negative value is over-collected, Positive value is under-collected)

Line No.	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

- 1 Balance is the amount agreed upon per ACC Decision 74235 to be charged/credited
- 2 Surcharge/Credit Rate as calculated in Schedule 4
- 3 Generally, Line 2 x Line 3 = Line 4; however, differences may occur due to billing adjustments.
- 4 Based on one-year Nominal Treasury Constant Maturities rate contained in the Federal Reserve Statistical Release, H-1.5 on the first business day of the calendar year.

Schedule presentation will appear to roundup \$'s and MWts; however calculations are performed on an actual \$ and MWt basis with resultant Rates: kWh roundup to \$0.000000/kWh

UNS Electric Rules and Regulations
Section 3 – Establishment of Service
Pages 903-4



**UNS Electric, Inc.
Rules and Regulations**

Original Sheet No.: 903-4
Superseding: _____

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

3. The Applicant refuses to provide the Company with a deposit when the Customer has failed to meet the credit criteria for waiver of deposit requirements;
4. Customer is known to be in violation of the Company's Rates or Rules and Regulations;
5. Customer fails to furnish the funds, service, equipment, and/or rights-of-way necessary to serve the Customer and which have been specified by the Company as a condition for providing service;
6. Customer fails to provide safe access to the meter that would be serving the Customer;
7. Applicant falsifies his or her identity for the purpose of obtaining service;
8. Service is requested by an Applicant and a prior Customer, who is either living with the Applicant, or who is an occupant of the premises who owes a debt to the Company from the same class of service from the same or a prior service address;
9. The Applicant is acting as an agent for a prior Customer who is deriving benefits from the energy supplied and who owes a delinquent bill from the same class of service from the same or a prior service address;
10. There is evidence of tampering or energy diversion.

E. Service Establishment, Reestablishment or Reconnection Charge

1. The Company will make a charge, as approved by the ACC, for service transfer for meter reads only set forth as Fee No. 1 in the UNS Electric Statement of Charges.
2. The Company may make a charge, as approved by the ACC, for the establishment, reestablishment, or reconnection of service. The charge for establishment, reestablishment or reconnection of service during regular business hours is set forth as Fee No. 4 in the UNS Electric Statement of Charges.
3. Should service be established during a period other than the Company's regular business hours, at the Customer's request, the Customer may be required to pay an after-hour charge for the service connection set forth as Fee No. 5. Where the Company's scheduling will not permit service establishment on the same day as requested, the Customer can elect to pay the after-hour charge for establishment that day, or his service will be established on the next available business day. The after-hour charge is set forth as Fee No. 5 in the UNS Electric Statement of Charges. Even so, a Customer's request to have the Company establish service after-hours is subject to the Company having Staff available; there is no guarantee that the Company will have the staffing available for service establishment or reestablishment outside of regular business hours.

Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Effective: January 1, 2014
Decision No. 74235
Rules and Regulations

UNS Electric Rules and Regulations

Section 7 – Line Extensions

Pages 907-7



**UNS Electric, Inc.
Rules and Regulations**

Original Sheet No.: 907-7
Superseding: _____

**SECTION 7
LINE EXTENSIONS
(continued)**

- v. Underground Installations – Extensions of single-phase underground distribution lines necessary to furnish permanent electric service to new residential buildings or mobile homes within a subdivision, in which facilities for electric service have not been constructed, for which applications are made by a developer will be installed underground in accordance with the provisions set forth in this regulation except where it is not feasible from an engineering, operational, or economic standpoint. Extensions of single-phase underground distribution lines necessary to furnish permanent electric service within a new single family and/or multi-family residential subdivision will be made by the Company in advance of receipt of applications for service by permanent Customers in accordance with the following provisions (unless otherwise agreed to by the Company and the Applicant):
- 1) The subdivider or other Applicant will provide the trenching, bedding, backfill (including any imported backfill required), compaction, repaving and any earthwork for pull boxes and equipment and transformer pad sites required in accordance with the Company's specifications and subject to the Company's inspection and approval.
 - 2) Right-of-way and easements satisfactory to the Company will be furnished by the Developer at no cost to the Company and in reasonable time to meet service requirements. No underground electric facilities will be installed by the Company until the final grades have been established and furnished to the Company. In addition the easements, alleys and/or streets must be graded to within six (6) inches of final grade by the Developer before the Company will commence construction. Such clearance and grading must be maintained by the Developer. If, subsequent to construction, the clearance or grade is changed in such a way as to require relocation of underground facilities or results in damage to such facilities, the cost of such relocation and/or resulting repairs will be borne by the developer.
 - 3) If armored cable or special cable covering is required, the Customer or developer will make a non-refundable contribution equal to the additional cost of such cable or covering.
 - 4) Underground service lines will be installed, owned, operated and maintained as provided in Section 6 of these Rules and Regulations.
 - 5) Any underground electric distribution system requiring more than single-phase service is not governed by this Subsection, but rather will be constructed pursuant to Subsection 7.C.7.
- vi. Underground extensions up to the duly recorded Subdivision will be owned, operated and maintained by the Company, provided the Applicant pays a non-refundable sum equal to the estimated difference between the cost of the underground extension and an equivalent estimated cost of an overhead extension.

Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Effective: January 1, 2014
Decision No. 74235
Rules and Regulations