

NEW APPLICATION
ORIGINAL
RECEIVED



0000152777

PO Box 711
Tucson, Arizona 85702

UniSourceEnergy
SERVICES

2014 APR 11 P 4:58

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

April 11, 2014

APR 11 2014

Docket Control
Arizona Corporation Commission
1200 West Washington St.
Phoenix, Arizona 85007

G-04204A-14-0127
E-04204A-14-0127

DOCKETED BY	nr
-------------	----

Re: Joint Request to Modify UNS Electric, Inc. and UNS Gas, Inc.'s CARES Outreach Program Requirements
Docket Nos. E-04204A-14-_____ and G-04204A-14-_____

UNS Electric, Inc. ("UNSE") and UNS Gas, Inc. ("UNSG") (collectively "Companies") request approval from the Arizona Corporation Commission ("Commission") to modify their respective Customer Assistance Residential Energy Support ("CARES") outreach programs to discontinue the requirements of quarterly advertising on radio, television and in newspapers, and of providing bill inserts in all customers' June, September, and November bills.¹ After ten years of experience, these advertising efforts have not proven to be cost-effective; therefore the Companies would like to continue their more targeted efforts that include: working closely with our agency partners, interactions with our customer care representatives and including information on the companies' website. Moreover, the circumstances underlying the current programs have changed significantly.

Pursuant to Findings of Fact No. 17, of Decision No. 67434 (December 3, 2004) (the "Decision"), UNSE was ordered to participate in UNSG's CARES outreach efforts ordered in Decision No. 66861 (March 23, 2004). Decision No. 66861 ordered an outreach program, as approved by Commission Staff, that would "aggressively" inform all areas served by the Companies of the availability and benefits of participation in the CARES program, including radio, television, and newspaper advertisements, quarterly bill inserts in both Spanish and English (the contents of which were to also be advertised on radio, television, and in newspapers), as well as working with community agencies to increase CARES participation. The outreach was a reaction to the high, fluctuating gas prices that faced the Companies early in the last decade; however gas prices have significantly declined in the last few years.

Despite a decade of engaging in this extensive and aggressive outreach program, the Companies have concluded that the expense of continuing these efforts far exceed the results that have been achieved. The Companies on average spent approximately \$70,000 each year on radio, television, and newspaper advertisements and quarterly bill inserts. However, the UNSE CARES program participation has only increased from an average of 5,118 in 2004 to 6,649 in

¹ Decision 66861 Finding of Fact 9(B) and (C)

2013²; and the UNSG program participation has only increased from an average 3,290 in 2004 to 7,450 in 2013. While the Companies continue to support offering the CARES programs to their customers, the Companies have unfortunately not seen the significant increase in participation that was expected by the Commission from this level of advertising to justify this level of expense. Notwithstanding, the Companies will continue to inform customers regarding its CARES programs through more targeted efforts such as the Companies' customer service department, community agencies, and the website – www.uesaz.com. Therefore, UNSE and UNSG request approval from the Commission to modify their respective CARES customer outreach programs as described herein.

If the Commission has any questions or concerns regarding this request, please contact me at (520) 884-3680.

Sincerely,



Jessica Bryne
Regulatory Services

cc: Steve Olea, Director, Utilities Division
Janet Wagner, Legal Division
Barbara Keene, Utilities Division
Julie McNeely-Kirwan, Utilities Division

² UNSG and UNSE's January-December 2004 CARES Report; UNSG Semi-Annual July-December 2013 CARES Report; and UNSE Semi-Annual July-December 2013 CARES Report.