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Tucson Electric Power
88 East Broadway Blvd., Post Office Box 711
Tucson, AZ 85702

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2015 MAR 23 P 4: 25

ORIGINAL

March 23, 2015

AZ CORP COMMISSION
DOCKET CONTROL

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

Re: Notice of Filing – Tucson Electric Power Company’s Application For A Financing Order
Authorizing Various Financing Transactions
Decision No. 73658 (February 6, 2013), E-01933A-12-0176

Please be advised that on December 28, 2014, \$50 million of equity was contributed to Tucson Electric Power (“TEP”) by UNS Energy based on authority granted by the Commission in Decision No 73658 (page 29, lines 16 through 18). The ultimate source of funding for this contribution was from Fortis Inc. via Fortis US Inc. The contribution was used to fund TEP’s purchase of an ownership interest in Springerville Unit 1 and other capital expenditures.¹

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

Sincerely,

Melissa Morales

Arizona Corporation Commission
DOCKETED

MAR 23 2015

cc: Barbara Keene, Utilities Division, ACC
Compliance Section, ACC

DOCKETED BY RC

¹ On October 10, 2014, Tucson Electric Power (“TEP”) received a \$175 million equity contribution from UNS Energy Corporation (“UNS Energy”). Similarly, on October 10, 2014, UNS Electric, Inc. (“UNS Electric”) received a \$45 million equity contribution, also from UNS Energy. The ultimate source of funding for both contributions was Fortis Inc. via Fortis US Inc. Authority for the contributions was granted by the Commission in Decision No. 74689. The contributions were used by TEP and UNS Electric to repay short-term debt and to purchase Gila River Unit 3, a gas-fired generating facility located near Gila Bend, Arizona. This equity contribution is being reported for informational purposes only and is not considered part of the authorization set forth in Decision No. 73658.

2014 Equity Contributions Pursuant to Decision No. 73658

On December 28, 2014, \$50 million of equity was contributed to TEP by UNS Energy based on authority granted by the Commission in Decision No 73568 (page 29, lines 16 through 18). The ultimate source of funding for this contribution was from Fortis Inc. via Fortis US Inc. The contribution was used to fund TEP's purchase of an ownership interest in Springerville Unit 1 and other capital expenditures.

¹On October 10, 2014, Tucson Electric Power ("TEP") received a \$175 million equity contribution from UNS Energy Corporation ("UNS Energy"). Similarly, on October 10, 2014, UNS Electric, Inc. ("UNS Electric") received a \$45 million equity contribution, also from UNS Energy. The ultimate source of funding for both contributions was Fortis Inc. via Fortis US Inc. Authority for the contributions was granted by the Commission in Decision No. 74689. The contributions were used by TEP and UNS Electric to repay short-term debt and to purchase Gila River Unit 3, a gas-fired generating facility located near Gila Bend, Arizona. This equity contribution is being reported for informational purposes and is not considered part of the authorization set forth in Decision No. 73658.

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