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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. E-04204A-15-0142
UNS ELECTRIC, INC. FOR THE )
ESTABLISHMENT OF JUST AND )
REASONABLE RATES AND CHARGES ) SUPPLEMENTAL INFORMATION
DESIGNED TO REALIZE A REASONABLE ) IN SUPPORT OF APPLICATION
RATE OF RETURN ON THE FAIR VALUE OF )
THE PROPERTIES OF UNS ELECTRIC, INC. )
DEVOTED TO ITS OPERATIONS )
THROUGHOUT THE STATE OF ARIZONA )
AND FOR RELATED APPROVALS. )

UNS Electric, Inc. ("UNS Electric"), through undersigned counsel, hereby files the schedules to the proposed revised Purchased Power and Fuel Adjustment Clause ("PPFAC") Plan of Administration ("POA").<sup>1</sup> The PPFAC POA is set forth as Exhibit CAJ-5 to the Direct Testimony of Craig A. Jones.

RESPECTFULLY SUBMITTED this 18th day of September, 2015.

UNS ELECTRIC, INC.

By [Signature]
Bradley S. Carroll
UNS Electric, Inc.
88 East Broadway, MS HQE910
P.O. Box 711
Tucson, Arizona 85702

Arizona Corporation Commission
DOCKETED
SEP 18 2015

DOCKETED BY [Signature]

and

<sup>1</sup> Page 73, line 23 of the Direct Testimony of Craig A. Jones stated that UNS Electric would "prepare and provide confirming schedules."

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Michael W. Patten  
Jason D. Gellman  
Snell & Wilmer L.L.P.  
One Arizona Center  
400 East Van Buren Street  
Phoenix, Arizona 85004

Attorneys for UNS Electric, Inc.

Original and 13 copies of the foregoing  
filed this 16<sup>th</sup> day of September, 2015, with:

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

Copies of the foregoing hand-delivered/mailed  
this 16<sup>th</sup> day of September, to:

Jane Rodda, Administrative Law Judge  
Hearing Division  
Arizona Corporation Commission  
400 West Congress  
Tucson, Arizona 85701

Brian E. Smith  
Bridget A. Humphrey  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Thomas Broderick, Director  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Daniel Pozefsky  
Residential Utility Consumer Office  
1110 West Washington Street, Ste. 220  
Phoenix, Arizona 85007

Nucor Steel Kingman LLC  
c/o Doug Adams  
3000 W. Old Hwy 66  
Kingman, Arizona 86413

- 1 Eric J. Lacey  
Stone Mattheis Xenopoulos & Brew, PC  
1025 Thomas Jefferson Street, NW  
2 8<sup>th</sup> Floor, West Tower  
Washington DC 20007-5201  
3
- 4 Robert J. Metli  
Munger Chadwick PLC  
2398 East Camelback Road, Suite 240  
5 Phoenix, Arizona 85016
- 6 Lawrence V. Robertson, Jr.  
P.O. Box 1448  
7 Tubac, Arizona 85646
- 8 Court S. Rich  
Rose Law Group pc  
9 7144 E. Stetson Drive, Suite 300  
Scottsdale, Arizona 85251  
10
- 11 Thomas A. Loquvam  
Melissa M. Krueger  
Pinnacle West Capital Corporation  
12 P.O. Box 53999, MS 8695  
Phoenix, Arizona 85072-3999  
13
- 14 Gregory Bernosky  
Arizona Public Service Company  
P.O. Box 53999, MS 9712  
15 Phoenix, Arizona 85072-3999
- 16 Rick Gilliam  
Director of Research and Analysis  
17 The Vote Solar Initiative  
1120 Pearl Street, Suite 200  
18 Boulder, Colorado 80302
- 19 Jill Tauber  
Chinyere A. Osula  
20 Earthjustice Washington, DC Office  
1625 Massachusetts Avenue, NW, Suite 702  
21 Washington, DC 20036-2212
- 22 Ken Wilson  
Western Resource Advocates  
23 2260 Baseline Road, Suite 200  
Boulder, Colorado 80302  
24
- 25 Scott Wakefield  
Ridenour Hienton, PLLC  
201 North Central Ave., Suite 3300  
26 Phoenix, Arizona 85004-1052  
27

1 Steve W. Chriss  
2 Senior Manager, Energy Regulatory Analysis  
3 Wal-Mart Stores, Inc.  
4 2011 S.E. 10<sup>th</sup> Street  
5 Bentonville, AR 72716-0550

6 Timothy M. Hogan  
7 Arizona Center for Law in the Public Interest  
8 514 W. Roosevelt Street  
9 Phoenix, Arizona 85003

10 Michael Alan Hiatt  
11 Katie Dittelberger  
12 Earthjustice  
13 633 17<sup>th</sup> Street, Suite 1600  
14 Denver, Colorado 80202

15 Jeff Schlegel  
16 SWEEP Arizona Representative  
17 1167 W. Samalayuca Dr.  
18 Tucson, Arizona 85704

19 Ellen Zuckerman  
20 SWEEP Senior Associate  
21 4231 E. Catalina Dr.  
22 Phoenix, Arizona 85018

23 C. Webb Crockett  
24 Patrick Black  
25 Fennemore Craig, PC  
26 2394 East Camelback Road, Suite 600  
27 Phoenix, Arizona 85016

Kevin Higgins  
Energy Strategies, LLC  
215 South State Street, Suite 200  
Salt Lake City, Utah 84111

Meghan H. Grabel  
Osborn Maladon, PA  
2929 North Central Avenue  
Phoenix, Arizona 85012

Gary Yaquinto, President & CEO  
Arizona Investment Council  
2100 North Central Avenue  
Phoenix, Arizona 85004

Cynthia Zwick  
Arizona Community Action Association  
2700 North 3<sup>rd</sup> Street, Suite 3040  
Phoenix, Arizona 85004

27 By *Jaclyn Howard*

**UNS Electric, Inc.**  
**Purchased Power and Fuel Adjustment Clause**  
**May 2016**

- Schedule 1      Total Average Retail Fuel and Purchased Power Rate Calculation Effective May 1, 2016 And Projected June 1, 2016
- Schedule 2      PPFAC Rate Calculation Effective May 1, 2016 And Projected June 1, 2016
- Schedule 3      Applicable 12 month Total Average Fuel Account - (Rate Effective May 1, 2016 And Projected June 1, 2016)
- Schedule 4      Base Fuel and Purchased Power Rate Factor Calculation

UNS-Electric Contact Information

Ray Robey                      (520) 745-3360  
Manager, Fuels and Hedging

**UNS Electric, Inc.  
Purchased Power and Fuel Adjustment Clause  
Monthly Confidential Information Filing  
May 2016**

- Schedule 1 Total Average Retail Fuel and Purchased Power Rate Calculation Effective May 1, 2016 And Projected June 1, 2016
- Schedule 2 PPFAC Rate Calculation Effective May 1, 2016 And Projected June 1, 2016
- Schedule 3 Applicable 12 month Total Average Fuel Account - (Rate Effective May 1, 2016 And Projected June 1, 2016)
- Schedule 4 Base Fuel and Purchased Power Rate Factor Calculation

**UNS-Electric Contact Information**

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

**UNS Electric, Inc.**  
**Schedule 1**

**Total Average Retail Fuel & Purchased Power Rate Calculation Effective May 1, 2016**

Line No.	Total Average Retail Fuel and Purchased Power Rate Calculation	Current 1-May-16 <sup>1</sup>	Proposed 1-Jun-16
1	PPFAC % Rate (Sch. 2, L11) <sup>1,4,5</sup>	0%	0%
2	Surcharge/Credit % Rate <sup>2,4,5</sup>	0%	0%
3	Total PPFAC % Rate <sup>4,5</sup> (L1+L2)	0%	0%
4	Average Base Rate <sup>3</sup>	\$ -	\$ -

**Notes:**

- 1 See XXXXX PPFAC Filing and ACC Decision No. XXXXX.
- 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 determined in ACC Decision No. XXXXX through 12/31/2016 then uses Schedule 4, line 5 amount thereafter.
- 4 Negative value is PPFAC credit; positive value is PPFAC surcharge.
- 5 Calculation is percentage of Average Base Rate

**UNS Electric, Inc.**  
**Schedule 2**

**Total Average Retail Fuel & Purchased Power Rate Calculation Effective May 1, 2016**  
**(\$ in thousands)**

Line No.	PPFAC Rate - Calculation	Current 1-May-16 <sup>1</sup>	Proposed 1-Jun-16
1	Applicable 12 Months Fuel and Purchased Power Costs <sup>1</sup>	\$ -	\$ -
2	Applicable 12 Months Short Term Sales Revenue Credit <sup>2</sup>	\$ -	\$ -
3	Applicable 12 Months Net Fuel and Purchased Power Cost (L1 + L2)	\$ -	\$ -
4	Applicable 12 Months Total Native Load Energy Sales (MWhs)		
5	Calculated Total Average Retail Costs \$/kWh (L3/L4)	\$ -	\$ -
6	Maximum total average retail cost rate <sup>3</sup> (\$/kWh for calculation)	\$ -	\$ -
7	Minimum total average retail cost rate <sup>3</sup> (\$/kWh for calculation)	\$ -	\$ -
8	Calculated total average cost <sup>3</sup> (\$/kWh for calculation)	\$ -	\$ -
9	Average Base Rate <sup>3</sup> (Sch 1, L4, \$/kWh)	\$ -	\$ -
10	Eligible PPFAC collection calculation \$/kWh (L8-L9) <sup>3,4</sup>	\$ -	\$ -
11	PPFAC Rate to be billed as % of Base Rate (L10/L9) <sup>3,4</sup>	0%	0%

**Notes:**

- 1 See XXXXX PPFAC Filing and ACC Decision No. XXXXX.
- 2 Short Term Sales revenues are credited at 100% as approved by the Commission in Decision No. XXXXX.
- 3 The amounts in "Proposed" column, Lines 6 and 7, will be limited to a +/- 1% change from the amount in the "Current" column, Line 8.
- 4 Negative value is PPFAC credit; positive value is PPFAC surcharge.



UNS Electric, Inc.  
Schedule 3

Total Average Retail Fuel Account

(\$ in thousands; PPFAC and Base Rate in \$/MWh)

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

	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	
1 Prior Month Balance						0.10													
1A Beginning Balance Adjustment <sup>(1)</sup>						0.10													
1B Adjusted Beginning Balance						0.10													
1C Total Deferred Savings																			
<b>Energy Sales</b>																			
2 Retail Native Load Energy Sales (MWh)																			
2.5 Retail Native Load Energy Sales Less Community Solar Sales (MWh)																			
3 Retail Native Load Energy Sales including losses (MWh) <sup>(2)</sup>																			
4 Long Term Energy Sales (MWh)																			
5 Long Term Energy Sales including losses (MWh) <sup>(2)</sup>																			
6 Total Native Load Energy Sales (MWh)																			
7 Total Native Load Energy Sales including losses (MWh)																			
<b>Fuel and Purchased Power Costs</b>																			
8 Fuel and Purchased Power Costs <sup>(3)</sup>																			
9 Short Term / Off System Sales Revenue Credit <sup>(4)</sup>																			
10 Net Fuel and Purchased Power Costs																			
<b>Total Retail Fuel and Purchased Power Recovery</b>																			
11 PPFAC Retail Power Supply Costs																			
12 Applicable 12 Month Average Fuel Cost <sup>(5)</sup>																			
<b>Over/Under Collections and Accrued Interest</b>																			
13 Over/Under Collections																			
14 Interest <sup>(6)</sup>																			
15 Bank Balance																			
<b>Bank Balance Including True-Up</b>																			
16 12-month Average Base Cost of Fuel & Purchased Power - \$ per MWh																			
17 Interest Rate (as of 1/1/2016)																			

1 Retail energy losses are the difference between billed retail energy sales and (UNS's Retail Sales per TEP's control area recovery)  
 2 Long Term Energy Sales losses calculated using applicable EBY Fuel percentage as defined in appropriate OAT.  
 3 Fuel and Purchased Power Costs include Short Term Sales Revenue credit for purchased power and transmission.  
 4 Includes Short Term Sales Revenue credit for purchased power and transmission.  
 5 Applicable 12 Month Average Fuel Cost is rate which is applicable to be applied each month, starting 4 months equal to or less than a 1% change in Total Retail Rate.  
 6 Based on one-year Nominal Treasury Constant Maturity rate contained in the Federal Reserve Statistical Release, H-15 on the first business day of the calendar year.  
 7 Interest Rate (as of 1/1/2016)

Schedule presentation will appear to reconcile \$ and MWh, however calculations are performed on an actual \$ and MWh basis with certain rates being \$/MWh, rounding to \$0.0000000000.

**UNS Electric, Inc.**  
**Schedule 4**  
**Base Fuel and Purchased Power Rate Factor Calculation**

Line No.	PPFAC Rate - Calculation	(cents per kWh)
1	Actual Base FPP Rate January 2016 – December 2016 (Actual collections divided by GWh load)	
2	Average Base FPP Rate approved in Decision No. XXXXX	[ ]
3	Base FPP Rate Factor (L1/L2)	[ ]
4	Base FPP Rate Adjustor (L1/L3)	[ ]
5	2017 Effective FPP Base Rate (L2 x L4)	[ ]

Notes:  
 1 See XXXXX PPFAC Filing and ACC Decision No. XXXXX.

*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*