



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 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)

	Delivery Services-Energy ¹	Power Supply Charges ²		Total ³
		Base Power	PPFAC ²	
Summer (May – September)	\$0.061100	\$0.033198	varies	\$0.094298
Winter (October – April)	\$0.057000	\$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 Standard Customer Charge, Delivery Charges, and Power Supply Charges:
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 percentage based recovery of lost revenues associated with energy efficiency and distributed generation, a higher monthly Customer Charge will apply and the percentage based LFCR will not be included on the bill. All other Customers will pay the Standard monthly Customer Charge and the percentage based 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. During the first twelve (12) months subsequent to the effective date of the LFCR, the Customer may choose to change back to the percentage based option without being on the fixed option for a full twelve (12) months. After one full year of the LFCR in effect, a Customer must remain on an option for a full twelve (12) months.

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.



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):

Standard		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
Total	\$6.90 per month	\$11.90 per month

Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage less than 2,000 kWh		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$2.50 per month	\$2.50 per month
Total	\$9.40 per month	\$14.40 per month



Lost Fixed Cost Recovery (LFCR) Fixed Charge Option - usage of 2,000 kWh or more		
Description	Single-Phase	Three-Phase
Meter Services	\$1.20 per month	\$2.07 per month
Meter Reading	\$0.81 per month	\$1.39 per month
Billing & Collection	\$3.48 per month	\$6.00 per month
Customer Delivery	\$1.41 per month	\$2.44 per month
LFCR	\$6.50 per month	\$6.50 per month
Total	\$13.40 per month	\$18.40 per month

Energy Charge Components of Delivery Services (Unbundled):

Component	Summer (May - September)	Winter (October - April)
Local Delivery-Energy	\$0.013800	\$0.011300
Generation Capacity	\$0.032700	\$0.031100
Fixed Must-Run	\$0.003000	\$0.003000
Transmission	\$0.009000	\$0.009000
Transmission Ancillary Services consists of the following charges:		
System Control & Dispatch	\$0.000100	\$0.000100
Reactive Supply and Voltage Control	\$0.000500	\$0.000500
Regulation and Frequency Response	\$0.000500	\$0.000500
Spinning Reserve Service	\$0.001300	\$0.001300
Supplemental Reserve Service	\$0.000200	\$0.000200
Energy Imbalance Service: Currently charged pursuant to the Company's OATT		

Power Supply Charge:

	Summer (May - September)	Winter (October - April)
Base Power Component	\$0.033198	\$0.025698
PPFAC	In accordance with Rider 1 - PPFAC	