Traffic Signal and Street Lighting Service (PS-41)

AVAILABILITY
Available for service to the State, a county, city, town, political subdivision, improvement district, or a responsible person or persons for unincorporated communities for Traffic Signal and Street Lighting purposes where the facilities of the Company are of adequate capacity and are adjacent to the premises.

APPLICABILITY
Applicable to Customer owned and maintained traffic signals and public street and highway lighting.

Not applicable to resale, breakdown, temporary, standby, or auxiliary service.

CHARACTER OF SERVICE
Service shall be single-phase or three-phase, 60 Hertz, and at one standard nominal voltage as mutually agreed and subject to availability at point of delivery approved by the Company.

RATE
A monthly bill at the following rate plus any adjustments incorporated herein.

BUNDLED STANDARD OFFER SERVICE – SUMMARY OF CUSTOMER AND ENERGY CHARGES

Energy Charges: All energy charges below are charged on a per kWh basis.

Delivery Charge: $0.047600 per kWh

Base Power Charges:
- Summer (May – September) $0.035111 per kWh
- Winter (October – April) $0.031532 per kWh

Purchased Power and Fuel Adjustment Clause (PPFAC): The Base Power Supply Charge shall be subject to a per kWh adjustment in accordance with Rider-1 PPFAC to reflect any increase or decrease in the cost to the Company for energy either generated or purchased above or below the base cost per kWh sold.

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 rate 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 additional 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:

**Energy Charges:** All energy charges below are charged on a per kWh basis.

**Delivery Charge (in $/kWh)**
- Summer $0.003400 per kWh
- Winter $0.003400 per kWh

**Generation Capacity (in $/kWh)**
- Summer $0.010200 per kWh
- Winter $0.010200 per kWh

**Fixed Must-Run (in $/kWh)** $0.014300 per kWh

**Transmission (in $/kWh)** $0.015300 per kWh

**Transmission Ancillary Services (in $/kWh)**
- System Control & Dispatch $0.000200 per kWh
- Reactive Supply and Voltage Control $0.000800 per kWh
- Regulation and Frequency Response $0.000800 per kWh
- Spinning Reserve Service $0.002200 per kWh
- Supplemental Reserve Service $0.000400 per kWh
- Energy Imbalance Service: Currently charged pursuant to the Company's OATT.

**Base Power Supply Charge:**
- Summer $0.035111 per kWh
- Winter $0.031532 per kWh

---

Filed By: Kentton C. Grant  
Title: Vice President of Finance and Rates  
District: Entire Electric Service Area  
Rate: PS-41  
Effective: July 1, 2013  
Decision No.: 73912