



UNS Electric, Inc.

Original Sheet No.: 702

Superseding: _____

Rider R-2 Demand Side Management Surcharge (DSMS)

APPLICABILITY

The Demand Side Management Surcharge (DSMS) applies to all customers, except customers who take service under the Customer Assistance Residential Energy Support (CARES) Rate or Low Income Medical Life Support Program (CARES-M) Rate in all territory served by UNS Electric, Inc. as mandated by the Arizona Corporation Commission (ACC), unless otherwise specified. CARES and CARES-M customers are exempt from any DSM surcharge.

RATES

The DSMS shall be applied to all monthly net bills except for CARES customers. The DSMS will be assessed on a per kWh basis. The Rates are shown in the UNS Electric Statement of Charges.

REQUIREMENTS

The 2014 UNS Electric DSMS is effective January 1, 2014 and will remain in effect until further ordered by the ACC.

UNS ELECTRIC STATEMENT OF CHARGES

For all additional charges and assessments approved by the ACC see the UNS Electric Statement of Charges which is available on UNS Electric's website at www.uesaz.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 of, or revenue from, gas sales or service sold and/or the volume of gas sales generated or purchased for sale and/or sold hereunder.

RULES AND REGULATIONS

The standard Rules and Regulations of the Company as on file from time to time with the ACC shall apply where not inconsistent with this Rate.

Filed By: Kentton C. Grant
Title: Vice President
District: Entire Electric Service Area

Rate: R-2
Effective: January 1, 2014
Decision No.: 74235