



UNS Electric, Inc.

Original Sheet No.: 702

Superseding: _____

**Rider-2
Demand Side Management Surcharge (DSMS)**

APPLICABILITY

The Demand Side Management Surcharge (DSMS) will be applied to all Customers taking service from the Company as mandated by the Arizona Corporation Commission (ACC), unless otherwise specified.

RATES

The DSMS shall be applied to all monthly bills. The DSMS will be assessed on a per kWh basis. The rates are shown in the UNS Electric Statement of Charges.

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 this rider, 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, 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 from time to time with the ACC shall apply where not inconsistent with this rider.

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

Rate: R-2
Effective: August 22, 2016
Decision No.: 75697