Rates for Power and Energy Transactions With Qualifying Facilities That Receive Full Requirements 100 kW or Less (QF-A)

AVAILABILITY

Throughout the entire area where the facilities of the Company are of adequate capacity and are adjacent to the premises. For all Customers with Qualifying Facilities ("QF") which take service from the Company.

APPLICABILITY

To QF Customers who require 100 kW or less operating in the Buy/Sell Mode for full requirements. To take service under QF-A, the customer must take service under a standard offer rate option with a demand charge. The QF Purchase Rates in this tariff rider are available for the purchase of Energy by the Company from a QF Customer.

CHARACTER OF SERVICE

Electric sales to or from the Company must be single or three phase, 60 Hertz, at a standard voltage subject to availability at the premises. The QF Customers have the option to sell energy to the Company at a voltage level different from that for purchases from the Company, however, such QF Customers are responsible for all costs incurred to accommodate such an arrangement.

DEFINITIONS

1. QF Customer(s) – A Customer with a Qualifying Facility subject to the rates, terms and conditions of this tariff rider.

2. Qualifying Facility(ies) ("QF") – Cogeneration and small power production facilities where the facility's generator(s) and load are located at the same premises and that otherwise meet the requirements under 18 C.F.R., Chapter I, Part 292, Subpart B of Federal Energy Regulatory Commission regulations and the requirements for qualifying status pursuant to the Arizona Corporation Commission's Decision No. 52345 ("Decision No. 52345").

3. Buy/Sell Mode of Operation - The QF's total generation output is delivered to the Company and the QF's full requirements for service are provided by the Company or no electric requirements are required by the QF.

4. Full Requirements Service - Any instance whereby the Company provides all the electric requirements of a QF.

5. Energy - Electric energy which is supplied by the QF and/or Company.

6. Firm Capacity - Capacity available, upon demand, at all times (except for forced outages and scheduled maintenance) during the term covered by the contract with the QF that has an availability factor of at least 80%, as defined by the North American Electric Reliability Corporation.

7. Net Energy - The total kilowatt hours (kWh) sold to the QF by the company less the total kWhs purchased by the Company from the QF.

8. Supplemental Power - Electric capacity and energy supplied by the Company used by the QF Customer in addition to that which the facility generates itself.

9. Stand-by Power - Electric capacity and energy supplied by the Company to replace energy ordinarily generated by a facility's own generation equipment during an unscheduled outage of the facility.

10. Maintenance Power - Electric capacity and energy supplied by the Company during scheduled outages of the QF.

11. QF Purchase Rates – The rates at which the Company may purchase Energy from a QF in accordance with this tariff rider.

12. Commission or ACC – Arizona Corporation Commission which has jurisdiction over this Company.

Net Bill method:
The kWhs sold to the Company shall be subtracted from the kWhs purchased from the Company. If the calculation is positive, the Net Energy kWhs received from the Company will be priced at the applicable Electric Rate under which the QF would otherwise purchase its full requirements service. If the calculation is negative, the Net Energy kWhs delivered to the Company will be priced at the purchase rate shown below.

RATES FOR SALES TO QF Customers
The rates and billings for sales of energy and capacity to the QF shall be billed pursuant to the Customer's standard offer tariff otherwise applicable under full requirements service.

QF PURCHASE RATES
The Company shall only be obligated to purchase Energy from a QF Customer. Such purchases shall be at the rates, terms and conditions set forth below. The QF Purchase Rates will be updated and filed for Commission approval not less than every two years.

Basic Service charges shall be billed pursuant to the QF Customer's standard offer tariff otherwise applicable under full requirements of service.

The summer season is for the May through October billing cycles, and the winter season is for the November through April billing cycles. The Summer On-Peak period is 2:00 p.m. to 8:00 p.m., Monday through Friday (excluding Memorial Day, Independence Day, and Labor Day). The Winter On-Peak periods are 5:00 a.m. - 9:00 a.m. and 5:00 p.m. - 9:00 p.m., Monday through Friday (excluding Thanksgiving Day, Christmas Day, and New Year's Day). All other hours are Off-Peak. If a holiday falls on Saturday, the preceding Friday is designated Off-Peak; if a holiday falls on Sunday, the following Monday is designated Off-Peak. Mountain Standard Time shall be used in the application of this tariff rider. The export energy will be acquired by the Company based the interconnection voltage and on the rates below for summer and winter seasons.

To the extent a QF Customer may be able to provide Firm Capacity, the rates, terms and conditions for the purchase of such Firm Capacity will be addressed in the contract between the QF Customer and the Company and filed with the Commission. For those QFs 100kW or less and which are capable of delivering Firm Capacity, a provision shall be included in any such contract for payment of a reasonable credit of not less than 10% of the standard rate. An additional capacity credit shall be included when capacity deferrals, if any, could justify such credit.

A. RATES FOR PURCHASES FROM RENEWABLE QFs

Contracts between UNS Electric and QFs with nameplate capacity over 100kW will reflect terms and conditions pursuant to Commission Decision No. 77514.

Rates for Energy purchased from QF Customers with renewable QFs with a nameplate capacity below 100kW shall be priced at short-run avoided costs based on the Company's avoided cost forecast and the applicable renewable technology generation profile.

Distribution Voltage Interconnection	Summer	Winter	
Fixed Tilt Solar	3.897	2.552	Cents Per kWh
Single Axis Solar	4.427	2.769	Cents Per kWh

High Voltage Interconnection	Summer	Winter	
Fixed Tilt Solar	3.855	2.528	Cents Per kWh
Single Axis Solar	4.380	2.743	Cents Per kWh

B. RATES FOR PURCHASES FROM COGENERATION QFs

Rates for Energy purchased from QF Customers with a cogeneration QF shall be priced at short-run avoided costs based on the Company's avoided cost forecast and priced by the applicable time of use rate.

Cogeneration QF Energy Rates:

Distribution Voltage Interconnection	Summer	Winter	
On-Peak	6.384	7.202	Cents Per kWh
Off-Peak	5.647	5.050	Cents Per kWh

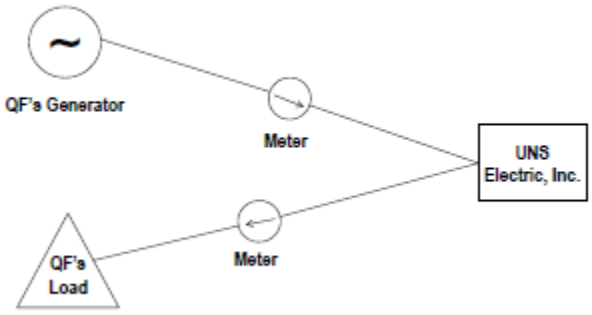
High Voltage Interconnection	Summer	Winter	
On-Peak	6.317	7.135	Cents Per kWh
Off-Peak	5.588	5.003	Cents Per kWh

ADJUSTMENTS
All other charges specified in the applicable tariff apply for all Energy purchased from the Company by the QF Customer.

Purchased Power Fuel Adjuster Clause ("PPFAC") for QF Customers is a per kWh monthly adjustment in accordance with the PPFAC Rider No. 1. The PPFAC reflects increases or decreases in the cost to the Company of energy either generated or purchased above or below the base cost per kWh sold. See Rider-1 for current rate.

TERMS AND CONDITIONS
A Customer that desires to install a generator may do so under the applicable conditions of the tariff rider herein. The Company requires a written contract for QF Customers that shall be filed for Commission approval in accordance with Decision No. 52345. In addition to the requirements of any applicable contract, the conditions will include a delayed payment charge as stated in the general rules and regulations will be applied to account balances carried forward from prior billings.

METER CONFIGURATION
As provided for in the applicable contract. If not otherwise provided for in the applicable contract then as follows:



UNS ELECTRIC STATEMENT OF CHARGES

For all additional charges and assessments approved by the Commission 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 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 ACC shall apply where not inconsistent with this rate.