



**UNS Gas, Inc.**

Original Sheet No.: 711  
Superseding Sheet No.: 711

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**Rider 11-  
Annual Rate Adjustment Mechanism**

APPLICABILITY

The Annual Rate Adjustment Mechanism ("ARAM") will be applied to all Customers taking service from the Company.

RATE

The Customer's monthly bill shall consist of the applicable rate charges and adjustments including the ARAM. The ARAM is a percentage adjustment that is applied to each base rate component of customers' bills determined in accordance with Attachment A – ARAM Protocols, and Attachment B - ARAM Formula Rate Template. The rates and effective date are shown in the UNSG Statement of Charges.

UNS GAS STATEMENT OF CHARGES

For all additional charges and assessments approved by the Arizona Corporation Commission (ACC) see the UNS Gas Statement of Charges which is available on UNS Gas' website at [www.uesaz.com](http://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.

RULES AND REGULATIONS

This standard Rules and Regulations of the Company as on file with the ACC shall apply where not inconsistent with this rider.

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Filed By: Jason Rademacher  
Title: Vice President, Finance and Rates  
District: Entire UNS Gas Service Area

Rate: R-11  
Effective: March 1, 2026  
Decision No.: 81653

UNS Gas, Inc.  
Annual Rate Adjustment Mechanism  
Rider 11 Attachment A - Implementation Protocols

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**I. Applicability**

The following procedures (the “Protocols”) shall apply to the Company’s calculations set forth in the Company’s Annual Rate Adjustment Mechanism (“ARAM”) Tariff, Rider 11 Attachment B (“Formula Rate Template”). The Company shall follow the instructions specified in the Formula Rate Template to calculate annually its revenue requirement, revenue deficiency or excess, fair value rate base, and rates. The Annual Update (as defined below) produced from the Formula Rate Template shall be applicable to service on and after April 1st of each calendar year through March 31st of the following calendar year (“Rate Year”), subject to the review, challenge, Commission approval, as provided herein.

**II. Annual Updates**

- a. On or before September 1 of each year, the Company shall calculate its ARAM, producing the “Annual Update” for the upcoming Rate Year that begins April 1, and post such Annual Update on the UniSource Energy Services internet website, ([\(<https://www.uesaz.com>](https://www.uesaz.com)), in a workable data-populated Formula Rate Template with underlying workpapers in native format with all formulas and links intact. The Annual Update available on the website may redact confidential or competitively sensitive information. In the event of such a redaction, it will be clearly noted on the document that the information is redacted and to contact the Company with inquiries related to the same. In addition:
  - i. The Company’s internet website shall provide notice of the Annual Meeting.
  - ii. The Company shall provide notice of such posting to all Interested Parties on an “ARAM Tariff Email List” that will be comprised of the parties on the Commission’s service list in the proceeding in which these Protocols are initially adopted, as well as any other Interested Parties that contact the Company to subscribe to the ARAM Tariff Email List. For purposes of these Protocols, the term “Interested Party” or “Interested Parties” includes, but is not limited to, the Arizona Residential Utility Consumer Office (“RUCO”), customers under the Tariff that subscribe to the ARAM Tariff Email List, and parties to the proceeding in which these Protocols are initially adopted.
  - iii. The Company’s internet website homepage shall provide notice regarding the ARAM with a link to the page explaining how to subscribe to or be removed from the ARAM Tariff Email List.
  - iv. The Company shall provide notice to the Arizona Corporation Commission (“ACC”), in the underlying rate case docket of having posted its Annual Update, noting where it can be accessed and dates for the Annual Meeting, Information Exchange, and Informal Challenge Period.

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- v. Notice shall be mailed to all customers via first class mail by August 15, for a September 1 Annual Update filing to notify customers of the upcoming ARAM update process. This shall include information about subscribing to the ARAM Tariff Email List. The Company shall also provide notice to customers who prefer to receive their bills and other mailings from the Company via e-mail. Customers must also be advised that they may file comments regarding the ARAM and/or Annual Update via the Commission's website.
  - b. The actual date of the posting of the Annual Update shall be that year's "Publication Date."
  - c. The Annual Update shall be filed with the ACC in the underlying rate case docket.
  - d. The Formula Rate Template is premised upon the following predicates ("Fundamental Predicates").
    - i. The Federal Energy Regulatory Commission's ("FERC's") Uniform System of Accounts ("USoA");
    - ii. FERC's orders establishing general accounting directives and precedents;
    - iii. Arizona Administrative Code R14-2-312.G.2 requirement for gas utilities to maintain regulatory books of account in accordance with the FERC USoA; and
    - iv. The Company's accounting policies, practices and procedures that are consistent with Sections II.e (i) through (iii) of these Protocols.

Challenges involving Fundamental Predicates are limited solely to changes in the above-specified Fundamental Predicates that may produce consequences from the application of the Formula Rate Template subsequent to such change. Challenges involving Fundamental Predicates shall not serve as a means of pursuing other revisions to the Formula Rate Template.

- e. The Annual Update for the Rate Year shall:
  - i. to the extent specified in the Formula Rate Template, be based upon data accurately recorded in the Company's regulatory books of account for the most recent calendar year maintained consistent with the USoA and FERC accounting policies;
  - ii. as and to the extent specified in the Formula Rate Template or through information requests pursuant to Section III, provide supporting non-confidential or competitively sensitive documentation for data not otherwise available in the regulatory books of account that are used in the

Formula Rate Template;

- iii. disclose any accounting changes or adjustments that affect inputs to the Formula Rate Template, including:
  - A. the initial implementation of an accounting standard or policy;
  - B. the initial implementation of accounting practices for unusual or unconventional items where the Commission has not provided specific accounting direction;
  - C. the effect of any change to the underlying USoA;
  - D. correction of errors and prior period adjustments that impact the calculation;
  - E. the implementation of new estimation methods or policies that change prior estimates;
  - F. changes to income tax elections; and
  - G. reclassifications, including mapping changes, among FERC accounts between calendar years.
- iv. provide notice of changes in the Company's accounting policies and practices from those in effect for the calendar year upon which the immediately preceding Annual Update was based ("Accounting Changes");
- v. identify items included in the Formula Rate Template at an amount other than on a historical cost basis (*e.g.*, fair value adjustments);
- vi. identify any reorganization or merger transaction and explain the effect of the accounting for such transactions on inputs to the Formula Rate Template;
- vii. make note of any aspects of the Formula Rate Template or its inputs that are the subject of an ongoing dispute under the challenge procedures;
- viii. to the extent accounting changes and other matters affect the Company's inputs to its Formula Rate Template, provide a narrative explanation of the individual impact of those items on charges billed under the Formula Rate Template;
- ix. be subject to review and challenge, in accordance with the procedures set forth in this Attachment A, as to whether the input data are accurately recorded, whether the costs and expenditures included for recovery in the

Annual Update are prudent, and as to the accuracy of the data and the consistency with the Formula Rate Template, including the terms and procedures in this Attachment A, of the charges shown in the Annual Update;

- x. not seek to modify the Formula Rate Template and shall not be subject to challenge by seeking to modify the Formula Rate Template (*i.e.*, all such modifications to the Formula Rate Template, items specified in Section II.e., will require, as applicable, a full rate case).
- f. Formula Rate Template inputs for return on equity and return on fair value increment shall be a stated value to be used in the Formula Rate Template until changed pursuant to full general rate case approved by the Commission.
- g. All change(s) to the Fundamental Predicates set forth in Section II.d., above, subsequent to the date specified in Section II.b., shall warrant a reassessment of all of the elements of the Formula Rate Template that are affected by the change or changes in one or more Fundamental Predicates to ensure that the Formula Rate Template operates together to produce a just, reasonable and not unduly discriminatory or preferential Formula Rate Template. Changes to the Fundamental Predicates that require a change to the Formula Rate Template will be perfected by the Company as appropriate.
- h. Any interested party challenging the application of the Formula Rate Template due to a change in one or more of the Fundamental Predicates shall raise the matter with the Company. If such changes to the application of the Formula Rate Template for the current Annual Update are not resolved within 90 days of the Publication Date, any Interested Party shall have the right to challenge such application of the Formula Rate Template due to the change(s) in such Fundamental Predicates. The final resolution of any such challenge(s) shall be applied as a true up in the subsequent Rate Year, with applicable interest.
- i. All data provided pursuant to and in accordance with the procedures set forth in this Attachment A may be used in any challenge to the Annual Update of the Formula Rate Template.

### III. Annual Review Procedures

Each Annual Update shall be subject to the following review procedures (“Annual Review Procedures”)

- a. Each year, the Company shall organize a meeting or conference call among Interested Parties (“Annual Meeting”) during which the Company shall present details about its Annual Update. The Company shall provide remote access for participation at the Annual Meeting. The Annual Meeting shall also provide Interested Parties the chance to seek information and clarifications from the

Company about the Annual Update. The Annual Meeting shall take place no sooner than 20 days and no later than 30 days after the Publication Date. Notice of the Annual Meeting, including the time, date, location, and remote access information, shall be posted on the Company's internet website and distributed through the ARAM Tariff Email List.

- b. Interested Parties shall have 60 days from the Publication Date to review the calculations ("Information Exchange and Informal Challenge Period") and to notify the Company in writing of any specific challenges, including challenges related to Accounting Changes, to the application of the Formula Rate Template ("Informal Challenge"). Informal Challenges shall be submitted on the form provided on the Company's internet website. A party submitting an Informal Challenge must specify the inputs, supporting explanations, allocations, calculations, or other information to which it objects, and provide an appropriate explanation and documents to support its challenge.
- c. Interested Parties shall have 60 days from the Publication Date to serve reasonable information requests on the Company. Requests for information shall be submitted on the form provided on the Company's internet website. Information requests shall be limited to the following:
  - i. what is necessary to determine if the Company has properly applied the Formula Rate Template and the procedures in this Attachment A;
  - ii. what is necessary to verify that the input data are properly recorded, to determine the prudence of the costs and expenditures included for recovery in the Annual Update, and as to the accuracy of the data and the consistency with the Formula Rate Template of the charges shown in the Annual Update;
  - iii. what is necessary to determine the effect of any change to the underlying USoA; and
  - iv. any other information that may reasonably have substantive effect on the calculation of the rates pursuant to the Formula Rate Template. In addition, information requests shall not solicit information concerning costs or allocations where the cost or allocation method has been determined by the ACC, except that such information requests shall be permitted if they seek to determine if there has been a material change in circumstances, Accounting Change or pursuant to discovery of a calculation error in subsequent Annual Updates.
  - v. Discovery requests in relation to quarterly reports shall be permitted. The Company shall provide responses to formal discovery requests within ten days.

The information and document requests shall not be directed at ascertaining whether the Formula Rate Template is just and reasonable.

- d. The Company shall make a good faith effort to respond to information requests pertaining to the Annual Update within a reasonable time. To the extent the Company objects to an Information Request, it shall notify Interested Parties within 7 days of receipt. The Company may require that a confidentiality agreement be signed before providing confidential or competitively sensitive information or elect to decline to provide such confidential and competitively sensitive information when deemed necessary and appropriate as part of the Information Exchange or any information not justified by Section III.c of these Protocols. Disputes regarding information disclosure shall be subject to Section III.f of these Protocols.
- e. The Company shall post all information requests from Interested Parties and UNS's responses on its internet website; except, however, if responses to information requests include material deemed by the Company to be confidential or competitively sensitive information, such information will not be publicly posted.
- f. To the extent the Company and any Interested Party(ies) are unable to resolve disputes related to information requests submitted in accordance with these Annual Review Procedures, such dispute will be discussed by senior representatives of the Company and the Interested Party(ies). If the senior representatives are unsuccessful in resolving the dispute, the Company or Interested Party(ies) may file a ("Formal Challenge").
- g. A Formal Challenge shall:
  - i. Clearly identify the action or inaction which is alleged to violate the filed Formula Rate Template or Protocols;
  - ii. Explain how the action or inaction violates the filed Formula Rate Template or Protocols;
  - iii. Set forth the business, commercial, economic or other issues presented by the action or inaction as such relate to or affect the party filing the Formal Challenge, including:
    - A. The extent or effect of an Accounting Change;
    - B. Whether the Annual Update fails to include data properly recorded in accordance with these Protocols;
    - C. The proper application of the Formula Rate Template and procedures in these Protocols;

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- D. The accuracy of data and consistency with the Formula Rate Template of the charges shown in the Annual Update;
  - E. The prudence of actual costs and expenditures, including utilized procurement methods and cost methodologies;
  - F. The effect of any change to the underlying USoA; or
  - G. Any other information that may reasonably have substantive effect on the calculation of the charge pursuant to the Formula Rate Template.
- iv. Make a good faith effort to quantify the financial impact or burden (if any) created for the party filing the Formal Challenge as a result of the action or inaction;
  - v. State whether the issues presented are pending in an existing Commission proceeding or a proceeding in any other forum in which the filing party is a party, and if so, provide an explanation why timely resolution cannot be achieved in that forum;
  - vi. State the specific relief or remedy requested, and the basis for that relief;
  - vii. Include or make reference to all documents that support the facts in the Formal Challenge in possession of, or otherwise attainable by, the filing party, including, but not limited to, contracts and affidavits; and
  - viii. State whether the filing party utilized the Informal Challenge procedures described in these Protocols to dispute the action or inaction raised by the Formal Challenge, and, if not, describe why not.
- h. Service. Any party filing a Formal Challenge must serve a copy of the Formal Challenge on the Company. Service to the Company must be on the same day as the filing with the Commission. Simultaneous service on the Company can be accomplished by electronic mail, express delivery, or messenger. The party filing the Formal Challenge shall serve the individual(s) listed as the contact on the Company's Annual Update.
  - i. Informal Challenges or Formal Challenges, except those related to Accounting Changes or Fundamental Predicates, shall not serve as a means of pursuing other changes to the Formula Rate Template.
  - j. Informal Challenges or Formal Challenges related to Accounting Changes or Fundamental Predicates shall be subject to the resolution procedures and limitations in Section IV. In any proceeding initiated to address an Informal Challenge or Formal Challenge or sua sponte by the ACC, a party or parties

(other than the Company) seeking to modify the Formula Rate Template in any respect, other than as provided in Sections II.g and II.h, above, shall bear the burden of proving that the Formula Rate Template is no longer just and reasonable without such modification and that the proposed modification is just, reasonable and consistent with the original intent of the Formula Rate Template and the procedures in this Attachment A; provided, however, that in any such proceeding, in determining whether the Formula Rate Template is no longer just and reasonable without modification to reflect an Accounting Change or Fundamental Predicate change and whether the proposed modification is just and reasonable, no offsets unrelated to the applicable Accounting Change(s) or Fundamental Predicate change(s) may be considered.

- k. In the event of a Formal Challenge, at the request of the challenging party, and at the Hearing Division's discretion, and upon a showing of good cause, the Hearing Division shall extend the timeline for up to 30 days. Any such extension shall not delay or otherwise impair the Company's ability to implement its ARAM Update on April 1, subject to Section V.g.

#### **IV. Resolution of Challenges**

- a. The Company shall make a good faith effort to respond to any Informal Challenge timely made within 20 days of notification of such challenge and must respond to all timely made Informal Challenges within 80 days of the Publication Date. If the Company disagrees with such challenge, it will provide the Interested Party(ies) with an explanation supporting the inputs, explanations, allocations, calculations, or other information that is the subject of the challenge. The Company shall post all Informal Challenges and responses on its internet website; except, however, if Informal Challenges or responses to Informal Challenges include material deemed by the Company to be confidential or competitively sensitive information, such information will not be publicly posted.
- b. If the Company and any Interested Party(ies) have not resolved any Informal Challenge to the Annual Update within 90 days of the Publication Date, an Interested Party shall have the right to make a Formal Challenge with the ACC within 100 days of the Publication Date, pursuant to these Protocols in the same docket as the Annual Update filing, which shall be served on the Company in accordance with these Protocols.
- c. Any response by the Company to a Formal Challenge must be submitted to the ACC within 20 days of the date of the filing of the Formal Challenge and shall be served on the filing party(ies) in accordance with these Protocols.
- d. In any proceeding initiated by the ACC concerning the Annual Update or in response to a Formal Challenge, the Company shall bear the burden of proving that it has reasonably applied the terms of the Formula Rate Template, including the applicable procedures in these Protocols, in that year's Annual Update.

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- e. Each Annual Update shall become no longer subject to challenge pursuant to these Annual Review Procedures by any Interested Party after 100 days of the Publication Date, if no such challenge has been made.
  - f. Except as specifically provided herein, nothing herein shall be deemed to limit in any way the right of the Company to file unilaterally, to seek to change the Formula Rate Template or any of its inputs or the right of any other party to oppose such changes or to seek changes to the Formula Rate Template or any of its inputs within a full rate case.
  - g. It is recognized that resolution of Formal Challenges concerning Accounting Changes or Fundamental Predicates may necessitate adjustments to the Formula Rate Template input data for the applicable Annual Update or changes to the Formula Rate Template for the applicable Annual Update to achieve a just and reasonable result consistent with the intent of the Formula Rate Template.

#### V. ACC Review

- a. Staff shall have 140 days from the Publication Date (“Staff Review Period”) to review the calculations, evaluate prudence, and notify the Company in writing of any specific challenges and may provide a response to Formal Challenges filed by Interested Parties.
- b. The Company shall make a good faith effort to respond to Staff information requests pertaining to the Annual Update within 10 days of receipt of such requests, provided timely received by the Company prior to the expiration of the Staff Review Period.
- c. Any response by the Company to a Staff challenge or Staff’s position on a Formal Challenge filed by an Interested Party must be submitted to the ACC within 20 days of the date of the filing of Staff’s filing.
- d. In the event of an unresolved Formal Challenge, or Staff challenge, the Hearing Division shall schedule a hearing to be completed within 180 days of the Publication Date.
- e. The Hearing Division shall issue a Recommended Opinion and Order and the Commission shall issue a final order within 210 days of the Publication Date.
- f. For Annual Updates that proceed with no Formal Challenge, or Staff challenge, Staff shall draft an Order for Commission approval within 180 days of the Publication Date and the Commission shall issue a final order within 210 days of the Publication Date.
- g. The Commission’s Order shall include a current finding of fair value by supplementing and updating the fair value determination from the previous rate

case. The ARAM rate shall not go into effect until it is approved by the Commission.

**VI. Interim Reporting and Review**

The Company shall file with the Commission a quarterly report of its asset additions. The reports shall be based on the three months ended March 31, June 30, September 30, and December 31 and shall be filed no later than the 15<sup>th</sup> day of April, July, October, and January. At a minimum, the report shall include capital project number, description, and asset addition amount. Information requests from Staff and Interested Parties in accordance with Section III.c. is permitted. The Company shall respond to any such requests in accordance with Section III.d.

**VII. Summary of Dates and Time Periods**

If any deadline or expiration date of any time period set forth under this Attachment A should fall on a weekend or a holiday recognized by the ACC, then such deadline or expiration date shall be extended to the next business day. The following table summarizes the deadlines and time periods set forth in Sections I through VI of this Attachment A.

<b>Item</b>	<b>Deadlines</b>	<b>Example Dates<sup>1</sup></b>
Publication Date	On or Before September 1	September 1
Annual Meeting	20 to 30 Days from Publication Date	September 20 - 30
Information Requests and Informal Challenges	60 Days from Publication Date	October 31
Company Responses to Informal Challenges	20 Days from Receipt / 80 Days from Publication Date	November 20
Informal Challenge Resolution	90 Days from Publication Date	November 30
Formal Challenges	100 Days from Publication Date	December 10
Company Responses to Formal Challenges	20 Days from Receipt / 120 Days from Publication Date	December 30
Staff Challenges and Responses to Interested Party Formal	140 Days from Publication Date	January 19

<sup>1</sup> These example dates are based on a September 1 Publication Date and the maximum period between actions. The actual dates for a given Rate Year may vary.



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Challenges		
Company Responses to Staff Challenges	20 Days from Receipt	February 8
Hearing, or Staff Report and Order, if Hearing not Required	180 Days from Publication Date	February 28
Commission Order	210 Days from Publication Date	By end of March
Rate Update Effective Date	April 1	

**VIII. Full Rate Case Requirements**

The Company may voluntarily file a rate case at any time. If a rate case is not filed within the first five years of ARAM adjustments, a rate case must be filed no later than five years from March 1, 2026. Thereafter, the Company shall file a full rate case with no more than five years between test years, unless the Commission determines an alternate schedule. Notwithstanding the requirements herein, the Commission may order the Company to file a rate case at any time and may, at the request of Staff for good cause, at its sole discretion, suspend the ARAM protocols.



**UNS Gas, Inc.**

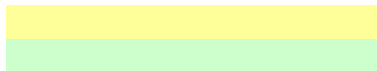
Original Sheet No.: 711-13

Superseding Sheet No.: 711-13

Line No.	Worksheet (a)	Description (b)
1	Rate Summary	Rate Calculation by Tariff Class
2	Residential Bill Impact	Calculation of Residential Bill Impacts
3	Worksheet A1	Annual Rate Adjustment Mechanism Lead Schedule
4	Worksheet A2	Other Inputs
5	Worksheet A3	Revenue Adjustments
6	Worksheet A4	Expense Adjustments
7	Worksheet A5	Rate Base Adjustments
8	Worksheet A6.1	Rate Base RCND Lead Schedule
9	Worksheet A6.2	Rate Base RCND Plant
10	Worksheet A7	Income Tax
11	Worksheet A8	Working Capital

The Company shall include the following standard filing schedules with each Annual Update, prepared in substantially the same form as the Company prepares for a full rate case. Since these schedules are referenced in Worksheets A1 - A8, updates to Formula Rate Template references are permitted if the update is related to these standard schedules. No other reference updates are allowed without the Commissions approval.

12	Schedule C-3	Computation of Gross Revenue Conversion Factor
13	Schedule D-2	Cost of Long-Term Debt and Short-Term Debt
14	Schedule E-1	Balance Sheet
15	Schedule E-2	Income Statement
16	Schedule E-8	Taxes Charged to Operations
18	Schedule E-9	Audited Financial Statements and Notes to Financial Statements



Cells highlighted in yellow are data input cells requiring annual update.

Cells highlighted in green are data input cells that are only updated after the Commission's Decision in a full rate case.

Filed By: Jason Rademacher  
 Title: Vice President, Finance and Rates  
 District: Entire UNS Gas Service Area

Rate: R-11  
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Original Sheet No.: 711-14  
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Line No.	Rate Schedule (a)	Rate Code (b)	Rate Component (c)	Base Rate (d)	Reference (e)	ARAM Rate (f)
1					Line 1, Col. (d) times Line 13, Col. (f)	\$ -
2					Line 2, Col. (d) times Line 13, Col. (f)	\$ -
3					Line 3, Col. (d) times Line 13, Col. (f)	\$0.00
4					Line 4, Col. (d) times Line 13, Col. (f)	\$0.0000
5					Line 5, Col. (d) times Line 13, Col. (f)	\$ -
6					Line 6, Col. (d) times Line 13, Col. (f)	\$ -
7					Line 7, Col. (d) times Line 13, Col. (f)	\$ -
8					Line 8, Col. (d) times Line 13, Col. (f)	\$ -
9					Line 9, Col. (d) times Line 13, Col. (f)	\$ -
10					Line 10, Col. (d) times Line 13, Col. (f)	\$ -
11					Line 11, Col. (d) times Line 13, Col. (f)	\$ -
12					Line 12, Col. (d) times Line 13, Col. (f)	\$ -
13	Current Period ARAM Increase/(Decrease) %				Worksheet A1, Page 1, (Line 30), Col. (f)	0.00%

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Line No.	Rate Schedule (a)	Rate Code (b)	Rate Component (c)	Prior ARAM Rate (d)	Current ARAM Rate (Rate Summary) (e)	ARAM Change (e)-(d) (f)
1				\$ -	\$ -	\$0.00
2				\$ -	\$ -	\$0.0000

		<b>Therms</b>		<b>Bill Impact</b>
3	Annual Average	-	(Line 1) Col. (f) + (Line 2) Col. (f) times (Line 3) Col. (c)	\$0.00
4	January Average	-	(Line 1) Col. (f) + (Line 2) Col. (f) times (Line 4) Col. (c)	\$0.00
5	July Average	-	(Line 1) Col. (f) + (Line 2) Col. (f) times (Line 5) Col. (c)	\$0.00

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Line No.	Description (FERC Accounts) (a)	Reference (b)	Unadjusted (c)	Ref (d)	Adjustments (e)	Adjusted (f)
1	TOTAL OPERATING REVENUES (400) (Note F)	Sch. E2, (Line 4), Col. (b)	\$0	Worksheet A3 (Line 11) Col. (c)	\$0	\$0
OPERATING EXPENSES						
2	Other Operations and Maintenance Expense (401-402)	Sch. E2, (Lines 5 + 6), Col. (b)	\$0	Worksheet A4 (Line 10) Col (c)	\$0	\$0
3	Depreciation and Amortization (404-407), (Note A)	Sch. E2, (Line 7), Col. (b)	\$0	Worksheet A4 (Line 18) Col (c)	\$0	\$0
4	Taxes Other than Income Taxes (408)	Sch. E2, (Line 8), Col. (b)	\$0	Worksheet A4 (Line 26) Col (c)	\$0	\$0
5	Interest on Customer Deposits (431)	Worksheet A2, (Line 15), Col. (c)	\$0			\$0
6	Income Taxes (409-411)	Sch. E2, (Line 9), Col. (b)	\$0	Worksheet A7 (Line 19) Col. (c)	\$0	\$0
7	TOTAL OPERATING EXPENSES	(Sum of Lines 2 through 6)	\$0		\$0	\$0
8	TOTAL OPERATING NET INCOME	(Line 1 minus Line 7)	\$0		\$0	\$0
9	Synchronized Interest	Worksheet A7, Page 1, (Line 22), Col. (c)				\$0
10	EQUITY INCOME	(Line 8 minus Line 9)				\$0
11	RATE BASE	Worksheet A1, Page 2, (Line 15), Col. (f)				\$0
12	FAIR VALUE RATE BASE	Worksheet A6.1, (Line 18), Col. (e)				\$0
13	FAIR VALUE INCREMENT ("FVI")	(Line 12 minus Line 11)				\$0
14	RETURN % ON FVI	(Note C)				0.00%
15	RETURN ON FVI	(Line 13 times Line 14)				\$0
16	REQUIRED OPERATING INCOME ON OCRB	(Line 11 times A1, Page 2, (Line 18), Col. (f)				\$0
17	REQUIRED OPERATING INCOME ON OCRB & FVI	(Sum of Lines 15 through 16)				\$0
18	OPERATING INCOME DEFICIENCY / (EXCESS)	(Line 17 Col. (f) minus Line 8, Col. (f)				\$0
19	OPERATING INCOME CONVERSION FACTOR	Sch. C3 (Line 6), Col. (c)				1.0000
20	INCREASE/(DECREASE) IN NON-GAS REVENUE	(Line 18 times Line 19)				\$0
21	REVENUE REQUIREMENT FROM LAST FULL RATE CASE	(Note D)				\$0
22	EARNED ROE ON RATE BASE	(Line 10 (f) divided by (Line 11 (f) times Page 2, Line 17(d))				0.00%
23	DEADBAND					0.50%
24	ROE EQUIVALENT FOR RETURN ON FVI	(Line 15) Col. (f) divided by (Line 11 (f) times Page 2, Line 17(d))				0.00%
25	ROE	Page 2, (Line 17) Col (e)				0.00%
26	TOTAL EFFECTIVE ROE	(Line 24 + Line 25)				0.00%
27	IS EARNED ROE WITHIN THE DEADBAND?	If (Line 22) Col. (f) > (Line 23 + Line 25), "NO", If (Line 22) Col. (f) < (Line 25 minus Line 23), "NO", Otherwise "YES"				YES
28	PRIOR YEAR ARAM PERCENT INCREASE/(DECREASE)	(Note E)				0.00%
29	CURRENT YEAR ARAM PERCENT INCREASE/(DECREASE)	(Line 20 divided by Line 21)				0.00%
30	CURRENT YEAR ARAM PERCENT AFTER DEADBAND	If Line 27(f) = YES, then Line 28(f), Otherwise Line 28(f) plus Line 29(f)				0.00%
31	REQUIRED FAIR VALUE RATE OF RETURN	If Line 27(f) = YES, then Line 18(f) divided by Line 12(f), Otherwise Line 17(f) divided by Line 12(f)				0.00%

Filed By: Jason Rademacher  
 Title: Vice President, Finance and Rates  
 District: Entire UNS Gas Service Area

Rate: R-11  
 Effective: March 1, 2026  
 Decision No.: 81653



Line No.	Description (FERC Accounts) (a)	Reference (b)	Unadjusted (c)	Ref (d)	Adjustments (e)	Adjusted (f)
ORIGINAL COST RATE BASE ("OCRB"):						
1	GROSS PLANT IN SERVICE (101-106), (114) (Note A) (Note G)	Sch. E1, (Line 1), Col. (b)	\$0	Worksheet A5 (Line 9) Col (c)	\$0	\$0
2	ACCUMULATED DEPRECIATION (108-111)(115), (Note A)	Sch. E1, (Line 6), Col. (b)	\$0	Worksheet A5 (Line 18) Col (c)	\$0	\$0
3	NET PLANT IN SERVICE	(Line 1 minus Line 2)	\$0		\$0	\$0
WORKING CAPITAL :						
4	Cash Working Capital		\$0	Worksheet A8 (Line 16) Col (e)	\$0	\$0
5	Materials & Supplies (154 & 163)	Sch. E1, (Line 19), Col. (b)	\$0	Worksheet A8 (Line 31) Col (d)	\$0	\$0
6	Prepayments (165)	Sch. E1, (Line 20), Col. (b)	\$0	Worksheet A8 (Line 31) Col (e)	\$0	\$0
7	TOTAL WORKING CAPITAL	(Sum of Lines 4 through 6)	\$0		\$0	\$0
OTHER RATE BASE:						
8	Customer Advances for Construction (252)	Sch. E1, (Line 48), Col. (b)	\$0			\$0
9	Customer Deposits (235)	Sch. E1, (Line 44), Col. (b)	\$0			\$0
10	Reserved		\$0			\$0
11	Regulatory Assets (182.3)	Worksheet A2, (Line 9), Col. (c) (Note B)	\$0	Worksheet A5 (Line 19) Col (c)	\$0	\$0
12	Regulatory Liabilities (254)	Worksheet A2, (Line 10), Col. (c) (Note B)	\$0	Worksheet A5 (Line 20) Col (c)	\$0	\$0
13	TOTAL OTHER RATE BASE	(Sum of Lines 8 through 12)	\$0		\$0	\$0
14	ACCUMULATED DEFERRED INCOME TAXES (190, 281-283)	Sch. E1, (Line 26 minus Line 49), Col. (b)	\$0	Worksheet A5 (Line 21) Col (c)	-	\$0
15	ORIGINAL COST RATE BASE	(Sum of Lines 3, 7, 13, 14)	\$0		\$0	\$0
WEIGHTED AVERAGE COST OF CAPITAL						
16	Debt (181, 189, 257, & 221 through 226)	Sch. D, (Line 13), Col. (b)	\$	%	Cost (Note C)	Weighted Average
17	Common Stock (201 through 217)	Sch. E1, (Line 33), Col. (b)	\$0	0.00%	0.00%	0.00%
18	Total	(Sum of Lines 16 and 17)	\$0			0.00%

Notes:

- A Plant in Service, Accumulated Depreciation, and Depreciation Expense amounts exclude Asset Retirement Obligation amounts.
- B The Formula Rate Template includes income tax related regulatory assets and liabilities resulting from Excess and Deficient Deferred Income Taxes ("EDIT") and for the depreciation of amounts capitalized to plant for book purposes related to the accrual of the Allowance for Other Funds Used During Construction ("AFUDC Other"), which is offset by an equivalent amount of AFUDC Other ADIT. No other regulatory assets or liabilities are included in the Formula Rate Template without Commission approval.
- C The Return on Equity and Return on Fair Value Increment can not be changed without approval of the Commission in a full rate case.
- D Enter the most recent non-gas revenue requirement from the Company's most recent full rate case.
- E Enter amount from prior year Worksheet A1, (Line 30) Col. (f)
- F Adjusted test period revenues include the Company's base rate revenues and ARAM revenues.
- G The Company shall prepare a workpaper, by Plant FERC Account, rolling forward gross plant in service including the prior year balance, asset additions, retirements, and ending gross plant in service.

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**UNS Gas, Inc.**

Original Sheet No.: 711-18

Superseding Sheet No.: 711-18

Line No.	Description (a)	Reference (b)	End of Year Input (c)
<u>Customer Contributions</u>			
1	Customer Advances for Construction RCND Factor	(Note A)	-
<u>Other Rate Base</u>			
2	Reserved		
3	Regulatory Assets (182.3)	(Note B)	\$0
4	Regulatory Liabilities (254)	(Note B)	\$0
<u>Income Statement Inputs</u>			
5	Customer Deposit Interest Expense	(Note C)	\$0

Notes:

- A The RCN factor for Customer Advances for Construction is based on the amount developed in the Company's last full rate case.
- B The Formula Rate Template includes income tax related regulatory assets and liabilities resulting from Excess and Deficient Deferred Income Taxes ("EDIT") and for the depreciation of amounts capitalized to plant for book purposes related to the accrual of the Allowance for Other Funds Used During Construction ("AFUDC Other"). The amounts entered in Worksheet A2 shall be the total Company amounts. Worksheet A5 includes an adjustment to exclude any amounts that relate to Construction Work in Process, if necessary.
- C Enter the Customer Deposits Interest Expense for the test period, recorded in account 431 Other Interest Expense.



Line No.	Description (a)	Reference (b)	Adjustments (c)
<b>Revenue Adjustments</b>			
1	Purchased Gas Adjustment ("PGA") Revenues	(Note A)	\$0
2	Golden Valley Pipeline Operations	(Note B)	\$0
3	Griffith Plant Operations	(Note C)	\$0
4	Adjustor Revenues	(Note D)	\$0
5	Customer Assistance Residential Energy Support ("CARES")	(Note E)	\$0
6	Retail Revenues	(Note F)	\$0
7	Miscellaneous Service Fee Revenue	(Note G)	\$0
8	PGA Credits	(Note H)	\$0
9	ARAM Revenue Accruals	(Note I)	\$0
10	Reserved		
11	<b>TOTAL REVENUE ADJUSTMENTS</b>		<b>\$0</b>

Notes:

- A The Purchased Gas Adjustment Revenues removes the PGA surcharge revenues from the test-year. PGA related revenues and expenses are excluded from the Formula Rate Template.
- B The Formula Rate Template removes 100% of the revenues related to a specific contract with Black Mountain Generating Station. The Formula Rate Template also removes the associated rate base and expenses amounting to 80.691% of the total amount, in accordance with the agreements approved in Decision No. 70186, (February 27, 2008).
- C The Griffith Plant costs are recovered pursuant to a specific contract between UNS Gas and the owners of the Griffith Plant. 100% of the rate base, revenue and expenses relating to the Griffith Plant are excluded from the Formula Rate Template.
- D The Formula Rate Template removes all revenues associated with the Lost Fixed Cost Recovery mechanism and the Tax Adjustment associated with the Tax Cuts and Jobs Act, Decision No. 76720 (May 22, 2018). This adjustment applies until these mechanisms are fully phased out, after which the adjustment shall be \$0. However, in the Company's first ARAM Annual Update, the Company shall include the amount from the Tax Adjustment balancing account as of the effective date of new rates in Decision No. 81653 (February 27, 2026). This adjustment is necessary to ensure the balancing account is collected or refunded to customers.
- E Beginning with Decision No. 81653 (February 27, 2026), the revenue impacts from the CARES program are recovered and reconciled through the PGA mechanism and consistent with Note A, are removed from the Formula Rate Template. This line shall include any CARES revenues not included in the PGA Revenues and PGA Credits, and not included in the Purchase gas cost adjustment on Worksheet A4.
- F If the Company's actual retail revenues do not reflect the most recent base rates pursuant to a Commission Order, either in whole or in part, the Company will adjust revenues by applying the approved rates to the volumes and average customers during the test period. The Company shall include a workpaper in years that this adjustment was necessary.
- G If the Company's actual miscellaneous service fee revenues do not reflect the most recent charges pursuant to a Commission Order, either in whole or in part, the Company will adjust revenues by applying the approved charges to the test year unit activity. The Company shall include a workpaper in years that this adjustment was necessary.
- H The PGA Credits adjustment removes PGA revenue credits from the test-year. Revenue credits include all revenues of the Company that are credited back to the PGA Bank balance including sales of excess purchased gas for resale by another party and asset management agreement revenues. PGA related revenues and expenses are excluded from the Formula Rate Template. The Company shall include a workpaper showing the list of PGA credits.
- I Generally Accepted Accounting Principles may require the accrual of an increase or decrease to revenues related to the Company's ARAM Annual Updates. These accruals are removed from operating revenues to ensure Worksheet A1's calculations of revenue deficiency or excess, earned ROE, deadband, and ARAM % calculate appropriately.

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Title: Vice President, Finance and Rates  
District: Entire UNS Gas Service Area

Rate: R-11  
Effective: March 1, 2026  
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Line No.	Description (a)	Reference (b)	Adjustments (c)
<b>Operating Expense</b>			
1	Purchased Gas Cost	(Note A)	\$0
2	Fortis Management Fees	(Note B)	\$0
3	Golden Valley Operations	(Note C)	\$0
4	Griffith Plant Operations	(Note D)	\$0
5	Advertising	(Note E)	\$0
6	Rate Case Expense	(Note F)	\$0
7	Post-Retirement Benefits	(Note G)	\$0
8	Dues for American Gas Association & Other Dues	(Note L)	\$0
9	Director & Officer Liability Insurance	(Note M)	\$0
10	SERP and Long-Term Incentive Compensation	(Note N)	\$0
11	Meals	(Note O)	\$0
12	Short-Term Incentive Compensation	(Note P)	\$0
13	Board of Directors	(Note Q)	\$0
14	Other Known and Measurable Adjustments	(Note S)	\$0
14a	Demand Side Management Costs	(Note U)	\$0
15	Total Operating Expense	Sum (Lines 1:14)	\$0
<b>Depreciation and Amortization Expense (Notes C, D, H, I, J, K, R)</b>			
16	Depreciation Expense Adjustments	Company Workpaper	\$0
17	Reserved		
18	Reserved		
19	Reserved		
20	Reserved		
21	Reserved		
22	Reserved		
23	Total Depreciation and Amortization Expense	Sum (Lines 16 - 22)	\$0
<b>Taxes Other Than Income Taxes</b>			
24	Unadjusted Net Plant in Service	Worksheet A1, Page 2, (Line 3) Col. (c)	\$0
25	Net Plant in Service Adjustments	Worksheet A1, Page 2, (Line 3) Col. (e)	\$0
26	Net Plant Adjustments Ratio	(Line 25 divided by Line 20)	0.00%
27			
28	Unadjusted Total Property Taxes	Sch E-8 (Line 12) Col. (b)	\$0
29	Property Tax Adjustments for Rate Base Adjustments	(Line 26 times Line 28)	\$0
30	Property Tax Annualization	(Note T)	\$0
31	Payroll Taxes	(Note C,D, N, & P)	\$0
32	Total Taxes Other Than Income Taxes	(Line 29 + Line 30 + Line 31)	\$0



Notes:

- A The Purchased Gas Cost adjustment removes all PGA eligible expenses from the Formula Rate Template.
- B This adjustment removes Fortis Management Fees from the Formula Rate Template. The Fortis/UNS Energy merger settlement agreement, which was approved by Decision No. 74689 (August 12, 2014), restricted the Company from seeking recovery of Fortis Management Fees for five years. Although that restriction has lapsed, the Company voluntarily removes these fees from the Formula Rate Template.
- C The Formula Rate Template removes 100% of the revenues related to a specific contract with Black Mountain Generating Station. The Formula Rate Template also removes the associated rate base and expenses amounting to 80.691% of the total amount, in accordance with the agreements approved in Decision No. 70186, (February 27, 2008).
- D The Griffith Plant costs are recovered pursuant to a specific contract between UNS Gas and the owners of the Griffith Plant. 100% of the rate base, revenue and expenses relating to the Griffith Plant are excluded from the Formula Rate Template.
- E This adjustment removes advertising expenses related to branding.
- F Rate case expense of \$1 million is amortized into rates over four years, beginning on the effective date of new rates in Decision No. 81653 (February 27, 2026) and the Company will include these costs in the Formula Rate Template to reflect recovery on that basis. The Company will make a rate case expense adjustment if the recorded test year activity would produce if different level of recovery. The Company shall prepare a workpaper showing the amortization expense by month and year.
- G Post-Retirement Benefit costs are included in the Formula Rate Template on a cash basis. This adjustment is necessary to reflect the difference between accrual based expenses in the Company's income statement and cash basis expenses.
- H In Decision No. 66028, the Commission approved a Settlement Agreement which included a \$10 million net rate base reduction for disallowed Build-Out costs. The adjustment is comprised of \$12,841,091 of Gross Plant in Service and \$2,841,091 of Accumulated Depreciation, as of December 31, 2001. The Formula Rate Template makes the required adjustment, with Accumulated Depreciation rolled forward through the end of the test year using the average annual depreciation rate reported in the Notes to the Company's Financial Statements.
- I The Formula Rate Template excludes all costs that we capitalized as part of the Fortis Merger. The Gross Plant in Service amount is \$43,555, and this amount is amortized over 35 years, beginning January 1, 2013.
- J Consistent with Decision No. 58664 (June 16, 1994) the Formula Rate Template removes from rate base and depreciation expense the acquisition premium associated with Citizen's acquisition of Southern Union Gas Company assets.
- K The Company shall adjust depreciation expense by applying the Commission-approved depreciation rates to the end of test period asset costs, producing an annualized level of depreciation expense.
- L This adjustment removes 50% of dues expense for the American Gas Association and 100% of Chamber of commerce dues.
- M This adjustment removes 50% of the expenses for director and officer liability insurance.
- N This adjustment removes 100% of SERP and Long-Term Incentive Compensation ("LTI") expense. The Tax section of this worksheet shall remove the related payroll taxes for LTI.
- O This adjustment removes 50% of the expenses for meals.
- P This adjustment removes 50% of Short-Term Incentive Compensation ("STI") expense. The Tax section of this worksheet shall remove the related payroll taxes.
- Q This adjustment removes 100% of Board and Director Fees expense.
- R The Company shall make an adjustment to include the annualized level of depreciation expense increase or decrease associated with post test year plant additions, offset by retirements and delayed unitization adjustments.
- S The Company shall incorporate the following known and measurable adjustments into operating expenses:
  - a) Payroll and Benefits and associated Payroll Taxes - The Company shall incorporate any wage rate increases that take effect within 12 months of the end of the test period into the Formula Rate Template. The associate impact on benefits expense and payroll tax shall also be incorporated.
  - b) Property Insurance - The Company's insurance expense shall be adjusted to reflect the most recent renewal period, which typically take effect on July 1st of each year.
  - c) Pension Expense - The Company's pension expense shall be adjusted to reflect the most recent pension actuarial study, which is typically done in January and sets the level of pension expense for the calendar year.



- T The property tax expense shall be adjusted to reflect the annualized level of expense based on the property tax expense recorded during the last 6 months of the test period (January through June).
- U Under-recovered Demand Side Management ("DSM") costs of \$167,932 are amortized into rates over three years, beginning on the effective date of new rates in Decision No. 81653 (February 27, 2026) and the Company will include these costs in the Formula Rate Template to reflect recovery on that basis. The Company will make a DSM expense adjustment if the recorded test year activity would produce if different level of recovery. The Company shall prepare a workpaper showing the amortization expense by month and year.



Line No.	Description (a)	Reference (b)	Adjustments (c)
<b>Gross Plant in Service</b>			
1	Build-Out Adjustment	(Note A)	\$0
2	Fortis Rate Base Adjustment	(Note B)	\$0
3	Golden Valley Pipeline	(Note C)	\$0
4	Griffith Plant	(Note D)	\$0
5	Southern Union Acquisition Premium	(Note E)	\$0
6	Post Test Year Plant	(Note I)	\$0
7	Delayed Unitization	(Note J)	\$0
8	Reserved		
9	Total Gross Plant in Service		\$0
<b>Accumulated Depreciation &amp; Amortization</b>			
10	Build-Out Adjustment	(Note A)	\$0
11	Fortis Rate Base Adjustment	(Note B)	\$0
12	Golden Valley Pipeline	(Note C)	\$0
13	Griffith Plant	(Note D)	\$0
14	Southern Union Acquisition Premium	(Note E)	\$0
15	Citizens Acquisition Discount	(Note F)	\$0
16	Post Test Year Plant	(Note I)	\$0
17	Delayed Unitization	(Note J)	\$0
18	Total Accumulated Depreciation & Amortization		\$0
<b>Other Rate Base</b>			
19	Regulatory Assets	(Note H)	\$0
20	Regulatory Liabilities	(Note H)	\$0
<b>Accumulated Deferred Income Taxes ("ADIT")</b>			
21	ADIT	(Note G)	\$0



Notes:

- A In Decision No. 66028, the Commission approved a Settlement Agreement which included a \$10 million net rate base reduction for disallowed Build-Out costs. The adjustment is comprised of \$12,841,091 of Gross Plant in Service and \$2,841,091 of Accumulated Depreciation, as of December 31, 2001. The Formula Rate Template makes the required adjustment, with Accumulated Depreciation rolled forward through the end of the test year using the average annual depreciation rate reported in the Notes to the Company's Financial Statements. The Company shall include a workpaper rolling forward the Accumulated Depreciation balance from the Company's last full rate case to the end of the test period. Accumulated Depreciation shall not exceed Gross Plant in Service.
- B The Formula Rate Template excludes all costs that we capitalized as part of the Fortis Merger. The Gross Plant in Service amount is \$43,555, and the amount is amortized over 35 years, beginning January 1, 2023. The Company shall include a workpaper rolling forward the Accumulated Depreciation balance from the Company's last full rate case to the end of the test period. Accumulated Depreciation shall not exceed Gross Plant in Service.
- C The Formula Rate Template removes 100% of the revenues related to a specific contract with Black Mountain Generating Station. The Formula Rate Template also removes the associated rate base and expenses amounting to 80.691% of the total amount, in accordance with the agreements approved in Decision No. 70186, (February 27, 2008).
- D The Griffith Plant costs are recovered pursuant to a specific contract between UNS Gas and the owners of the Griffith Plant. 100% of the rate base, revenue and expenses relating to the Griffith Plant are excluded from the Formula Rate Template.
- E Consistent with Decision No. 58664 (June 16, 1994) the Formula Rate Template removes from rate base and depreciation expense the acquisition premium associated with Citizen's acquisition of Southern Union Gas Company
- F On August 11, 2003, UNS Energy acquired from Citizens Communications Company ("Citizens") its remaining gas utility assets located in Arizona. The Commission approved a Settlement Agreement regarding the Citizens acquisition in Decision No. 66028 (July 3, 2003) and authorized a \$30.7 million acquisition discount in the calculation of rate base. Since the acquisition discount reflected in the Company's books and records is \$68.4 million, the Formula Rate Template reflects an adjustment for the difference of \$37.7 million, net of accumulated amortization. The Company shall include a workpaper rolling forward the Accumulated Amortization balance from the Company's last full rate case to the end of the test period. Accumulated Amortization shall not exceed the \$37.7 million difference, applied by
- G The Formula Rate Template includes in rates only those items that correspond to other items of rate base (e.g. Plant in Service, Customer Advances, etc.). The ADIT amount shall also be adjusted for the ADIT impacts of the items listed in Lines 1 through 18. The Company shall include a workpaper showing the total amounts of ADIT that reconcile to the Account 190, and 281-283 balances, and showing which items have been included in the Formula Rate Template.
- H The Formula Rate Template includes income tax related regulatory assets and liabilities resulting from Excess and Deficient Deferred Income Taxes ("EDIT") and for the depreciation of amounts capitalized to plant for book purposes related to the accrual of the Allowance for Other Funds Used During Construction ("AFUDC Other"), but shall make an adjustment to exclude any amounts that relate to Construction Work in Process.
- I The Company shall include in Rate Base post test year plant from July through December. The additions shall be offset by 6 months of accumulated depreciation on the post test year plant additions. The Company's initial ARAM shall include an estimate of the PTYP which shall be true-ed up with actual additions in January, after the six month PTYP period has closed.
- J The Company shall include in rate base delayed unitizations for the period July through December. Delayed unitization are defined as one of the following: i) Projects placed in-service by the end of the Test Year, but the project completion notification was not received by accounting until after the end of the Test Year or ii) Charges for projects placed in-service by the end of the Test Year but incurred or received from a vendor after the end of the Test Year. The Company's initial ARAM shall include an estimate of the delayed unitization which shall be true-ed up with actual amounts in January, after the six month true-up period has closed.



Line No.	Description (a)	Reference (b)	Unadjusted (c)	Adjustments (Note C) (d)	Adjusted (e)
RATE BASE:					
1	GROSS PLANT IN SERVICE	Worksheet A6.2, (Line 34), Col. (e)	\$0	\$0	\$0
2	ACCUMULATED DEPRECIATION	Worksheet A6.2, (Line 34), Col. (f)	\$0	\$0	\$0
3	NET PLANT IN SERVICE	(Line 1 minus Line 2)	\$0	\$0	\$0
WORKING CAPITAL :					
4	Cash Working Capital	Worksheet A1, Page 2 (Line 4) Col. (c ) (Note A)	\$0	\$0	\$0
5	Materials & Supplies	Worksheet A1, Page 2 (Line 5) Col. (c ) (Note A)	\$0	\$0	\$0
6	Prepayments	Worksheet A1, Page 2 (Line 6) Col. (c ) (Note A)	\$0	\$0	\$0
7	TOTAL WORKING CAPITAL	(Sum of Lines 4 through 6)	\$0	\$0	\$0
OTHER RATE BASE:					
8	Customer Advances for Construction	Worksheet A1, Page 2 (Line 8) Col. (c ) times Worksheet A2, (Line 1) Col. (	\$0		\$0
9	Customer Deposits	Worksheet A1, Page 2 (Line 9) Col. (c ) (Note A)	\$0		\$0
10	Reserved		\$0		\$0
11	Regulatory Assets	Worksheet A1, Page 2 (Line 11) Col. (c ) (Note A)	\$0		\$0
12	Regulatory Liabilities	Worksheet A1, Page 2 (Line 12) Col. (c ) (note A)	\$0	\$0	\$0
13	TOTAL OTHER RATE BASE	(Sum of Lines 8 through 12)	\$0	\$0	\$0
14	ACCUMULATED DEFERRED INCOME TAXES	Worksheet A1, Page 2, (Line 14), Col. (c) times Worksheet A6.2, (Line 44) Col. (f) (Note B)	\$0	-	\$0
15	RATE BASE	(Sum of Lines 3, 7, 13, 14)	\$0	\$0	\$0
FAIR VALUE					
16	RCND Rate Base	Line 15, Col. (e)			\$0
17	Original Cost Rate Base	Worksheet A1, Page 2, (Line 15), Col. (f)			\$0
18	FAIR VALUE RATE BASE	(Line 16 + Line 17) divided by 2			\$0

Notes:

- A Original cost and RCND cost of Cash Working Capital, Materials & Supplies, Prepayments, Customer Deposits, Regulatory Assets and Regulatory Liabilities are the same because the original costs are at current prices or have been adjusted to current prices, meaning they have not been significantly affected by inflationary factors.
- B ADIT is reported on an RCN basis by multiplying the corresponding original cost balance by the RCN ratio (A6.2 Line 39).
- C All RCND adjusts are equal to the corresponding original cost adjustment shown in Worksheet A1.

Filed By: Jason Rademacher  
Title: Vice President, Finance and Rates  
District: Entire UNS Gas Service Area

Rate: R-11  
Effective: March 1, 2026  
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Line No.	FERC Acct No. (a)	Original Cost (b)	Accumulated Depreciation (c)	Original Cost Net Book Value (d)	Unadjusted R.C.N Cost (e)	Unadjusted R.C.N. Accum Deprn (f)
<b>Intangible Plant:</b>						
1	Acct. 302					
2	Acct. 303					
3	Total Intangible Plant	\$0	\$0	\$0	\$0	\$0
<b>Transmission Plant</b>						
4	Acct. 365					
5	Acct. 366					
6	Acct. 367					
7	Acct. 368					
8	Acct. 369					
9	Acct. 370					
10	Acct. 371					
11	Total Transmission	\$0	\$0	\$0	\$0	\$0
<b>Distribution Plant:</b>						
12	Acct. 374					
13	Acct. 375					
14	Acct. 376					
15	Acct. 377					
16	Acct. 378					
17	Acct. 379					
18	Acct. 380					
19	Acct. 381					
20	Acct. 382					
21	Acct. 383					
22	Acct. 384					
23	Acct. 385					
24	Acct. 386					
25	Acct. 387					
26	Total Distribution	\$0	\$0	\$0	\$0	\$0
<b>General Plant:</b>						
27	Acct. 389					
28	Acct. 390					
29	Acct. 391					
30	Acct. 392					
31	Acct. 393					
32	Acct. 394					
33	Acct. 395					
34	Acct. 396					
35	Acct. 397					
36	Acct. 398					
37	Acct. 399					
38	Total General Plant	\$0	\$0	\$0	\$0	\$0
39	Total Utility Plant	\$0	\$0	\$0	\$0	\$0
40	RCN Accum Deprn			Line 39, Col. (g)		\$0
41	Total Accum. Depreciation & Amortization Adjustments			Worksheet A5, (Line 18), Col. (c)		\$0
42	Adjusted RCN Accum Deprn			(Line 40 + Line 41)		\$0
43	Original Cost Rate Base Accum. Depreciation			Worksheet A1, Page 2, (Line 2), Col. (f)		\$0
44	RCND Ratio for ADIT			Line 42 divided by Line 43 (Note B)		\$0

Notes:

A This worksheet reflects original cost, accumulated depreciation and original net book value by plant FERC account. It also reflects the RCN cost and RCN accumulated depreciation. For RCN purposes, the Handy – Whitman Index of Public Utility Construction Costs for the Plateau Region is employed for most accounts (based on the most recently available index numbers). For plant accounts 303, 391, 393, 394 and 398, the “Marshall Valuation Service Cost Index” is used. For plant accounts 392, 395, 396 and 397, the Bureau of Labor Statistics producer price index is used.



**UNS Gas, Inc.**

Original Sheet No.: 711-27  
 Superseding Sheet No.: 711-27

Line No.	Description (a)	Reference (b)	Amount (c)
1	Operating Revenues, as adjusted	Worksheet A1, Page 1, (Line 1), Col. (f)	\$0
2	O&M Expenses Adjusted	Worksheet A1, Page 1, (Line 2), Col. (f)	\$0
3	Depreciation and Amortization, as Adjusted	Worksheet A1, Page 1, (Line 3), Col. (f)	\$0
4	Taxes, Other Than Income	Worksheet A1, Page 1, (Line 4), Col. (f)	\$0
5	Customer Deposit Interest Expense	Worksheet A1, Page 1, (Line 5), Col. (f)	\$0
6	Expenses Other Than Interest Income Taxes	(Sum of Lines 2 through 5)	\$0
7	Synchronized Interest	Line 22, Col. (c)	\$0
8	Net Income Before Income Tax Expense	(Line 1 minus Line 6 minus Line 7)	\$0
9	Federal Tax Rate	(Note A)	0.000%
10	State Income Tax Rate	(Note A)	0.000%
11	Combined Effective Income Tax Rate	(Line 9 + Line 10)	0.00%
12	Income Tax at Effective Statutory Rates	(Line 8 times Line 11)	\$0
13	Permanent Differences	(Note B)	\$0
14	Tax Impact of Permanent Differences	(Line 11 time Line 13)	\$0
15	EDIT Amortization	(Note C)	\$0
16	Income Tax Credits	(Note D)	\$0
17	Adjusted Income Tax Expense	(Line 12 + Line 14 + Line 15 + Line 16)	\$0
18	Unadjusted Income Tax Expense	Sch. E2 Inc. Statement, (Line 9), Col. (b)	\$0
19	Income Tax Expense Adjustment	(Line 17 minus Line 18)	\$0
20	Rate Base	Worksheet A1, Page 2, (Line 15), Col. (f)	\$0
21	Weighted Cost of Debt	Worksheet A1, Page 2, (Line 16), Col. (f)	0.00%
22	Expected Synchronized Interest	(Line 20 times Line 21)	\$0

Notes:

- A The annual statutory income tax rates for Federal and State purposes that are in effect during the Rate Year. If the company is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite state income tax rate was developed. The workpaper must also show how state income tax deductions impact the effective Federal Tax Rate.
- B Includes the annual income tax cost or benefits due to permanent differences between expenses or revenues recognized for ratemaking purposes. Permanent differences includes, but is not limited to the depreciation of amounts capitalized to plant for book purposes related to the accrual of the Allowance for Other Funds Used During Construction.
- C Includes the amortization of any excess/deficient deferred income taxes resulting from changes to income tax laws, income tax rates, and other actions taken by a taxing authority. Excess and deficient deferred income taxes will reduce or increase tax expense. The Company shall use the excess or deficient deferred income tax amortization methods and periods described in Decision No. 76721 (May 22, 2018).
- D Includes any tax credits claimed by the Company related to utility operations. The amount entered shall be the net tax expense impact of the credit (e.g. state income tax credits shall be reduced by the effect on Federal Income Taxes).

Filed By: Jason Rademacher  
 Title: Vice President, Finance and Rates  
 District: Entire UNS Gas Service Area

Rate: R-11  
 Effective: March 1, 2026  
 Decision No.: 81653

# UNS Gas, Inc.



Original Sheet No.: 711-28  
 Superseding Sheet No.: 711-28

Line No.	Description (a)	Reference (b)	Adjustments (c)
1	Rate Base Before Working Capital	Worksheet A1, Page 2 (Line 3+13+14)	\$0
2	Working Capital Before CWC Interest	(Line 11+12+13+15+30) Col. (e) + (Line 30) Col (d)	\$0
3	Rate Base Before CWC Interest	(Line 1 + Line 2)	\$0
4	Interest cost	Worksheet A1, Page 2 (Line 16) Col (h)	0.00%
5	Synchronized Interest Before CWC Interest	(Line 3 times Line 4)	\$0
6	CWC Factor for Synchronized Interest	(Line 4 times Line 14 Col (b))/(1 minus (Line 4 times Line 14 Col (b)))	0.000%
7	Final Synchronized Interest	(Line 5 times (1 + Line 6))	\$0
8	Rate Base After CWC Interest	(Line 3 + Line 21 Col. (e))	\$0
9	Revenue Tax Percentage	(Note A)	-
10	Taxable Revenues	Worksheet A1, Page 1 (Line 1) Col. (f) + Worksheet A3, Page 1 (Line 1) Col (c)	\$0

Line No.	Description (a)	Lead/Lag Factor (Note A) (b)	Ref. (c)	Test Year Amount (d)	Cash Working Capital ("CWC") (Col. (b) x Col. (e)) (e)
11	Property Taxes	-	Worksheet A4 Sum(Lines 28:30)	\$0	\$0
12	Purchased Gas	-	Worksheet A4 (-Line 1)	\$0	\$0
13	Revenue Taxes and Assessments	-	(Line 9 times Line 10)	\$0	\$0
14	Interest on Long-Term Debt	-	(Line 5)	\$0	\$0
15	All Other Cash Working Capital - Fixed			(Note A)	\$0
16	CWC Total			(Sum of Lines 11 through 15)	\$0

Line No.	Month (a)	Materials & Supplies: Account 154 (b)	Materials & Supplies: Account 163 (c)	Total Materials & Supplies (d)	Prepayments: Account 165 (e)
17	December Prior Year	\$0	\$0	\$0	\$0
18	January	\$0	\$0	\$0	\$0
19	February	\$0	\$0	\$0	\$0
20	March	\$0	\$0	\$0	\$0
21	April	\$0	\$0	\$0	\$0
22	May	\$0	\$0	\$0	\$0
23	June	\$0	\$0	\$0	\$0
24	July	\$0	\$0	\$0	\$0
25	August	\$0	\$0	\$0	\$0
26	September	\$0	\$0	\$0	\$0
27	October	\$0	\$0	\$0	\$0
28	November	\$0	\$0	\$0	\$0
29	December	\$0	\$0	\$0	\$0
30	Average of the 13 Monthly Balances	\$0	\$0	\$0	\$0
31	Working Capital Adjustment		(Line 30 minus Line 29)	\$0	\$0

Notes:

- A The Formula Rate Template uses the Revenue Tax Percentage and Lead/Lag Factors from the Company's most recent rate case to compute CWC. The Formula Rate Template updates annually the CWC for Property Taxes, Purchased Gas, Revenue Taxes and Assessments, and Interest on Long-Term Debt. All other CWC is a fixed amount from the Company's most recent rate case.

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Rate: R-11  
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**UNS Gas, Inc.**

Original Sheet No.: 711-29  
Superseding Sheet No.: 711-29

Line No.	Description (a)	Reference (b)	Percentage of Incremental Gross Revenues (c)
1	Gross Revenue		100.00%
2	Less: Uncollectible Revenue		0.00000%
3	Taxable Income as a Percent		100.00%
4	Less: Federal and State Income Taxes	(Line 3 times Line 9)	0.00%
5	Change in Net Operating Income	(Line 3 minus Line 4)	100.00%
6	Gross Revenue Conversion Factor	(Line 1 divided by Line 5)	1.0000
7	Effective Federal Tax Rate	Worksheet A7, (Line 9), Col. (c)	0.0000%
8	Effective State Tax Rate	Worksheet A7, (Line 10), Col. (c)	0.0000%
9	Combined Effective Income Tax Rate	(Sum of Line 7 and Line 8)	0.0000%

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# UNS Gas, Inc.

Original Sheet No.: 711-30

Superseding Sheet No.: 711-30

Line No.	Description (a)	End of Test Period (Actual)		
		Outstanding (b)	Annual Interest (c)	Cost Rate (d)
Fixed Rate Debt				
1	5.390% Senior Unsecured Notes due 8/26	\$0	\$0	
2	4.000% Senior Unsecured Notes due 8/45	\$0	\$0	
3	5.600% Senior Unsecured Notes due 6/36	\$0	\$0	
4	Total Fixed Rate Debt	\$0	\$0	0.00%
Variable Rate Debt				
5	N/A	\$0	\$0	
6	Total Variable Rate Debt	\$0	\$0	N/A
7	Total Long-Term Debt	\$0	\$0	0.00%
Unamortized Debt Discount and Debt issuance costs, Premium and				
8	Expense and Loss on Reacquired Debt	\$0		
Amortization of Debt Discount and				
9	Expense and Loss on Reacquired Debt		\$0	
10	Credit Facility Commitment Fees		\$0	
11	Total Long-Term Debt - Net	\$0	\$0	0.00%
12	Total Short-Term Debt	\$0	\$0	N/A
13	Total Debt - Net	\$0.00	\$0	0.00%

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Rate: R-11  
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**UNS Gas, Inc.**

Original Sheet No.: 711-31

Superseding Sheet No.: 711-31

Line No.	Description (a)	Amount (b)
	Utility Plant	
1	Plant in Service	\$0
2	Construction Work in Progress	\$0
3	Plant Held for Future Use	\$0
4	Plant Under Capital Leases	\$0
5	Utility Plant	\$0
6	Accumulated Depreciation and Amortization	\$0
7	Utility Plant - Net	\$0
8	Other Property and Investments	
9	Other	\$0
10	Total Other Property and Investments	\$0
11	Current Assets	
12	Cash and Cash Equivalents	\$0
13	Special Deposits and Working Funds	\$0
14	Accounts Receivable - Retail Customers	\$0
15	Accounts Receivable - Other	\$0
16	Allowance for Doubtful Accounts	\$0
17	Accrued Unbilled Revenues	\$0
18	Intercompany Accounts Receivable	\$0
19	Materials and Supplies	\$0
20	Prepayments	\$0
21	Other	\$0
22	Current Assets	\$0
23	Deferred Debits	
24	Income Taxes Recoverable Through Future Rates	\$0
25	Unamortized Debt Discount and Expense	\$0
26	Accumulated Deferred Income Taxes	\$0
27	Other	\$0
28	Deferred Debits	\$0
29	Total Assets	\$0
30	Capitalization	
31	Common Stock	\$0
32	Accumulated Earnings	\$0
33	Total Common Stock Equity	\$0
34	Capital Lease Obligations	\$0
35	Long-Term Debt	\$0
36	Capitalization	\$0
37	Current Liabilities	
38	Current Obligations Under Capital Leases	\$0
39	Accounts Payable	\$0
40	Intercompany Payables	\$0
41	Note Payable	\$0
42	Interest Accrued	\$0
43	Taxes Accrued	\$0
44	Customer Deposits	\$0
45	Other	\$0
46	Current Liabilities	\$0
47	Deferred Credits and Other Liabilities	
48	Customer Advances for Construction	\$0
49	Accumulated Deferred Income Taxes	\$0
50	Other	\$0
51	Deferred Credits and Other Liabilities	\$0
52	Total Liabilities	\$0



# UNS Gas, Inc.

Original Sheet No.: 711-32

Superseding Sheet No.: 711-32

Line No.	Description (a)	Amount (b)
	Operating Revenues	
1	Gas Retail Revenues	\$0
2	Sales for Resale	\$0
3	Other Operating Revenue	\$0
4	Total Operating Revenue	<u>\$0</u>
	Operating Expense	
5	Purchased Gas Expenses	\$0
6	Other Operations and Maintenance Expense	\$0
7	Depreciation and Amortization	\$0
8	Taxes Other than Income Taxes	\$0
9	Income Taxes	\$0
10	Total Operating Expenses	<u>\$0</u>
11	Operating Income	<u>\$0</u>
	Total Other Income and Deductions	
12	Allowance for Equity Funds	\$0
13	Other - Net	\$0
14	Total Other Income and Deductions	<u>\$0</u>
15	Income Before Interest Expense	\$0
	Interest Expense	
16	Interest on Long Term-Debt	\$0
17	Interest on Short Term-Debt	\$0
18	Other Interest Expense	\$0
19	Allowance for Borrowed Funds	\$0
20	Total Interest Expense	<u>\$0</u>
21	Net Income Available for Common Stock	<u>\$0</u>



**UNS Gas, Inc.**

Original Sheet No.: 711-33

Superseding Sheet No.: 711-33

Line No.	Description (a)	Amount (b)
<u>Federal Taxes</u>		
1	Income Taxes - Federal (409.1)	0
2	Unemployment	0
3	FICA	0
4	Deferred Federal Oper Income Tax Exp	0
5	Deferred Cr Federal Oper Income Tax Exp	0
6	Total	<u>0</u>
<u>State Taxes</u>		
7	Income Taxes - Other (409.1)	0
8	Unemployment	0
9	Deferred State Oper Income Tax Exp	0
10	Deferred Cr State Oper Income Tax Exp	0
11	Total	<u>0</u>
<u>Local Taxes</u>		
12	Tax Oth Than Inc Tax - Property Tax	0
13	Tax Oth Than Inc Tax - Other Taxes	0
14	Total	<u>0</u>
15	Total Taxes Charged to Operating Expenses	<u><u>0</u></u>