UNS GAS, INC.'S RESPONSES TO
RUCO'S 06 SET OF DATA REQUESTS
RE: UNSG ARAM
DOCKET NO. G-04204A-24-0237
NOVEMBER 9, 2026

RUCO 6.01

Accumulated Depreciation – With respect to the Company's treatment of Accumulated Depreciation, and Footnote "I" within Schedule A-5 of the Annual Update (Formula Rate Template), please confirm the treatment described in the footnote "I" for the Annual Update is identical to the treatment in the last general rate case.

RESPONSE:

With respect to the Company's treatment of Accumulated Depreciation and Footnote I within Schedule A-5 of the Annual Update, the Company confirms that the treatment described in Footnote I is identical to the treatment approved in the Company's most recent general rate case.

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RUCO 6.02

Accumulated Depreciation and Retirements – Was the Company's treatment of accumulated depreciation and retirements confined to post-test year plant, only? If so, please provide the Company's rationale for that treatment in a narrative explaining why such treatment is appropriate.

RESPONSE:

The Company's treatment of accumulated depreciation and retirements was not limited to post-test-year plant additions. Rather, accumulated depreciation and retirements are reflected in total Rate Base. This approach is consistent with the methodology approved in the Company's most recent general rate case, **Docket No. G-04204A-24-0237, Decision No. 81653**, and therefore provides a consistent and reasonable basis for determining Rate Base.

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RUCO 6.03

Account No. 374 – Regarding account 374, the account's accumulated-depreciation balance moves from negative $56,742.51 to positive $64,711.54, largely because of a $124,844.77 transfer. Please provide a narrative explaining all drivers of this change in connection with the accumulated depreciation. As part of your response, please explain why there was a swing from a negative to a positive balance in an amount of $124,844.77. The explanation should include, but not be limited to, what caused the initial negative $56,742.51 balance and what the $124,844.77 transfer was and why it was necessary.

RESPONSE:

The $124,844.77 transfer in Account 374 resulted from UNS Gas' depreciation reserve rebalancing following approval of the updated depreciation study and associated depreciation rates.

Under group depreciation accounting, depreciation rates are developed for groups of utility plant based on estimated service lives, retirement characteristics, and net salvage. As these estimates are updated through a depreciation study, the indicated distribution of accumulated depreciation among individual plant accounts may differ from the recorded reserve balances. Reserve rebalancing reallocates accumulated depreciation among plant accounts to align the recorded reserves with the reserve distribution indicated by the updated depreciation study.

Debit accumulated depreciation reserve balances can occur when retirements, cost of removal, or other charges to an individual plant account's reserve exceed the depreciation reserve accumulated for that account. Accordingly, the $124,844.77 transfer reallocated accumulated depreciation to Account 374 as part of implementing the approved depreciation study, changing the account's reserve balance from $(56,742.51) to $64,711.54. The transfer did not represent additional plant investment or depreciation expense.