PENDING COMMISSION APPROVAL THIS RATE WILL BE CANCELLED ON OR BEFORE AUGUST 2017. PLEASE SELECT A DIFFERENT RATE FROM OUR AVAILABLE RATES

AVAILABILITY

This rate schedule is available in all territory served by the Company at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served.

APPLICATION

This rate schedule is applicable to Standard Offer and Direct Access electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one site through one point of delivery and measured through one meter. This rate requires the customer to have an Advanced Metering Infrastructure meter, or AMI meter, in place at time of service. Availability of this rate is subject to the availability and installation of required metering equipment and completion of necessary enhancements to the Company’s billing system.

Schedule ET-EV shall be available through December 31, 2016. The Company may extend the availability beyond that time, at their discretion, with prior notification to the ACC.

This rate schedule is only applicable to customers who own a qualified electric vehicle as determined by the Company. Service under this schedule is also subject to an annual certification for proof of EV ownership. Neighborhood Electric Vehicles as described in A.R.S. §28-101(36) do not qualify for this rate schedule.

This schedule is not applicable to breakdown, standby, supplemental or resale service.

TYPE OF SERVICE

The type of service provided under this schedule will be single phase, 60 Hertz, at a single standard voltage (120/240 or 120/208 as may be selected by customer subject to availability at the customer’s site). Three phase service may be furnished under the Company’s Schedule 3 (Conditions Governing Extensions of Electric Distribution Lines and Services), and is required for motors of an individual rated capacity of 7-1/2 HP or more.

RATES

The customer’s bill shall be computed at the following rates, plus any adjustments incorporated in this schedule:

Bundled Standard Offer Service

Basic Service Charge: $ 0.556 per day
Optional Basic Service Charge for Opting Out of Adjustment Schedule LFCR:

<table>
<thead>
<tr>
<th>Total Monthly Metered kWh</th>
<th>Basic Service Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 400 kWh</td>
<td>$0.576 per day</td>
</tr>
<tr>
<td>401 to 800 kWh</td>
<td>$0.596 per day</td>
</tr>
<tr>
<td>801 to 2000 kWh</td>
<td>$0.648 per day</td>
</tr>
<tr>
<td>2000 kWh +</td>
<td>$0.773 per day</td>
</tr>
</tbody>
</table>

This charge will not be available until the first reset of Adjustment Schedule LFCR, which will be on or about March 1, 2013.

RATES (cont’)

Energy Charge:

<table>
<thead>
<tr>
<th>May – October Billing Cycles (Summer)</th>
<th>November – April Billing Cycles (Winter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.24784 per kWh during On-Peak hours, plus $0.06460 per kWh during Off-Peak hours, plus $0.04195 per kWh during Super Off-Peak hours</td>
<td>$0.20465 per kWh during On-Peak hours, plus $0.06460 per kWh during Off-Peak hours, plus $0.04195 per kWh during Super Off-Peak hours</td>
</tr>
</tbody>
</table>

Bundled Standard Offer Service consists of the following Unbundled Components:

**Unbundled Components**

Customer Accounts Charge: $ 0.238 per day

Optional Customer Accounts Charge for Opting Out of Adjustment Schedule LFCR:

<table>
<thead>
<tr>
<th>Total Monthly Metered kWh</th>
<th>Customer Accounts Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 400 kWh</td>
<td>$0.258 per day</td>
</tr>
<tr>
<td>401 to 800 kWh</td>
<td>$0.278 per day</td>
</tr>
<tr>
<td>801 to 2000 kWh</td>
<td>$0.330 per day</td>
</tr>
<tr>
<td>2001 kWh and greater</td>
<td>$0.455 per day</td>
</tr>
</tbody>
</table>

Revenue Cycle Service Charges:

- Metering: $ 0.186 per day
- Meter Reading: $ 0.062 per day
- Billing: $ 0.070 per day

System Benefits Charge: $ 0.00297 per kWh

Transmission Charge: $ 0.00520 per kWh
EXPERIMENTAL RATE SCHEDULE ET-EV
RESIDENTIAL SERVICE TIME-OF-USE
ELECTRIC VEHICLE CHARGING RATE

Delivery Charge: $0.02700 per kWh

Generation Charge:

<table>
<thead>
<tr>
<th>May – October Billing Cycles (Summer)</th>
<th>November – April Billing Cycles (Winter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.21267 per kWh during On-Peak hours, plus</td>
<td>$0.16648 per kWh during On-Peak hours, plus</td>
</tr>
<tr>
<td>$0.02943 per kWh during Off-Peak hours, plus</td>
<td>$0.02943 per kWh during Off-Peak hours, plus</td>
</tr>
<tr>
<td>$0.00678 per kWh during Super Off-Peak hours</td>
<td>$0.00678 per kWh during Super Off-Peak hours</td>
</tr>
</tbody>
</table>

DIRECT ACCESS

The bill for Direct Access customers will consist of the Unbundled Components Customer Accounts Charge, the System Benefits Charge, and the Delivery Charge, plus any applicable adjustments incorporated in this schedule. Direct Access customers must acquire and pay for generation, transmission, and revenue cycle services from a competitive third-party supplier. If any revenue cycle services are not available from a third-party supplier and must be obtained from the Company, the Unbundled Components Revenue Cycle Service Charges will be applied to the customer’s bill.

TIME PERIODS

The On-Peak time period for this rate schedule is 12 noon to 7 p.m., Monday through Friday, excluding the qualifying holidays listed below.

The Off-Peak time period for this rate schedule is 7 p.m. to 11 p.m. and 5 a.m. to 12 noon, Monday through Friday (non-holidays), all day on weekends, and qualifying holidays.

The Super Off-Peak time period for this rate schedule is 11 p.m. to 5 a.m., Monday through Friday, excluding qualifying holidays.

Qualifying holidays include: New Year’s Day (January 1), Memorial Day (last Monday in May), Independence Day (July 4), Labor Day (first Monday in September), Thanksgiving Day (fourth Thursday in November), and Christmas (December 25). When any holiday listed above falls on a Saturday, the preceding Friday will be recognized as the qualifying holiday. When any holiday listed above falls on a Sunday, the following Monday will be recognized as the qualifying holiday. Mountain Standard Time shall be used in the application of this rate schedule.

ADJUSTMENTS

1. The bill is subject to the Renewable Energy Standard as set forth in the Company’s Adjustment Schedule REAC-1 pursuant to Arizona Corporation Commission Decision No. 70313.

2. The bill is subject to the Power Supply Adjustment factor as set forth in the Company’s Adjustment Schedule PSA-1 pursuant to Arizona Corporation Commission Decision No. 67744, Arizona Corporation Commission Decision No. 69663, Arizona Corporation Commission Decision No. 71448 and 73183.

3. The bill is subject to the Transmission Cost Adjustment factor as set forth in the Company’s Adjustment Schedule TCA-1 pursuant to Arizona Corporation Commission Decision No. 67744.
ADJUSTMENTS (cont)

4. The bill is subject to the Environmental Improvement Surcharge as set forth in the Company’s Adjustment Schedule EIS pursuant to Arizona Corporation Commission Decision No. 69663 and Arizona Corporation Commission Decision No. 73183.

5. Direct Access customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge as set forth in the Company’s Adjustment Schedule RCDAC-1 pursuant to Arizona Corporation Commission Decision No. 67744.

6. The bill is subject to the Demand Side Management Adjustment Charge as set forth in the Company’s Adjustment Schedule DSMAC-1 pursuant to Arizona Corporation Commission Decision No. 67744 and Arizona Corporation Commission Decision No. 71448.

7. The bill is subject to the Lost Fixed Cost Recovery mechanism as set forth in the Company’s Adjustment Schedule LFCR pursuant to Arizona Corporation Commission Decision No. 73183, unless the customer opts out from this adjustment and is subject to the Optional Basic Service Charge.

8. The bill is subject to 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 APS 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.

CONTRACT PERIOD

Any applicable contract period will be set forth in APS’ standard agreement for service.

TERMS AND CONDITIONS

Service under this rate schedule is subject to the Company’s Schedule 1, Terms and Conditions for Standard Offer and Direct Access Services and the Company’s Schedule 10, Terms and Conditions for Direct Access. These schedules have provisions that may affect the customer’s bill. In addition, service may be subject to special terms and conditions as provided for in a customer contract or service agreement.