



ARIZONA CORPORATION COMMISSION

FOR IMMEDIATE RELEASE: June 23, 2009

CONTACT: Rebecca Wilder (602) 542-0844

Commission Approves Expansion of TEP's and UNS Electric's Compact Fluorescent Bulb Buydown Programs

PHOENIX, AZ—The Arizona Corporation Commission today approved additional funding allowing Tucson Electric Power (TEP) and UNS Electric to expand their respective Compact Fluorescent Lamp (CFL) Buydown Programs. TEP has been approved to increase the funding amount for the Program by \$790,724, and UNS by \$108,250. The programs promote the installation of energy efficient Energy Star[®]-approved lighting products by residential and small commercial customers in their respective service areas.

Participation in the program has been greater than anticipated, prompting the companies to seek approval for additional funding. According to TEP, during the first six months of the CFL Program's implementation (July through December 2008), customers purchased 395,491 CFL lamps which is 129.5 percent of the projected 305,471 CFL lamp sales for the entire year of 2008.

TEP and UNS negotiate discount pricing from CFL manufacturers and retailers through incentives paid to the manufacturers. Customers are referred to participating retailers (i.e. department stores, home improvement stores, lighting equipment stores and supermarkets) to purchase qualifying products that carry the Energy Star[®] label. Qualifying programs include CFLs in a variety of sizes and configurations. In addition, the program provides customer education and sales training for participating retailers, including in-store point-of-sale displays.

The target market for the program includes residential and small commercial customers although it is available to all customers. While compact fluorescent bulbs are more expensive than traditional incandescent lamps, they last longer and customers see significant savings from reduced power and energy use.

TEP and UNS each continue to anticipate a 3 percent increase in the program per year. Analyses show that the program would provide demand savings of 0.0051 kW and energy savings of 56 kWh annually, on average, per bulb.

"Today's decision will help to ensure that the customers of utility companies in Southern Arizona have the tools necessary to reduce their electricity costs," **Chairman Kris Mayes** said. "More and more Arizonans are turning to -- and turning on -- CFL lightbulbs as a way to reduce their electricity bills and help the environment."

"I am delighted to vote to expand this important rebate program for customers of UNS and TEP," said **Commissioner Paul Newman**. "These popular programs help customers save on energy."

“As I mentioned in today's Open Meeting, I applaud the company for their aggressive and positive response to their ratepayers who want to participate in energy efficiency programs,” said **Commissioner Sandra Kennedy**.

“I am happy to see the success of the CFL buydown program, and I believe the Commission's action today will perpetuate that success,” said **Commissioner Gary Pierce**.

“These programs have been cost-effective while producing tremendous environmental benefits,” said **Commissioner Bob Stump**. “Projections show a savings of over 137 million gallons of water and over 108 million pounds of CO₂. I commend TEP and UNS for their success.”

###