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## ARIZONA CORPORATION COMMISSION

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### Commission Okays Financing Plan for Tucson Electric Power

#### Plan will Help TEP Lower Costs

(Phoenix) In this morning's Open Meeting, Arizona Corporation Commissioners approved a financing plan for Tucson Electric Power (TEP). This approval is key for allowing the company to refinance long-term and short-term debt and to allow the company to build new infrastructure and maintain reliable service.

"TEP should be congratulated," said Interim Chairman Doug Little. "When a company can increase their credit rating and drop their interest rates on debt, the rate payer is the winner in the long run"

TEP also requested an increase in its debt cap not exceed \$2.2 billion. The Commission's approval allows the company to have a balanced capital structure with an improved debt to equity ratio. TEP will also be able to refinance past debt at lower rates and pay off short-term debt which is beneficial for the company's overall financial well-being.