

# ***Tucson Electric Power Company***

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Via US Mail and Email [NAESB@NAESB.org](mailto:NAESB@NAESB.org)

Ms. Rae McQuade  
Director  
North American Energy Standards Board  
1301 Fannin, Suite 2350  
Houston, TX 77002

February 5, 2008

## **Re: Order No. 698: Intraday Nomination Timeline Proposals**

Dear Ms. McQuade,

Tucson Electric Power Company ("TEP") wishes to make the following comments part of the record in the pending NAESB Wholesale Gas Quadrant's ("WGQ") discussions relating to the above referenced topic. TEP, a subsidiary of UniSource Energy Corporation, is an electric utility with more than 2,000 megawatts of generating capacity and 20,000-plus miles of power lines that provides safe, reliable electric service to more than 395,000 customers in a southern Arizona service territory spanning 1,155 square miles.

It has come to our attention that a proposal has been sponsored that contemplates the inclusion of an additional Intraday "bumping" cycle that would afford firm capacity holders an opportunity to insure that its daily nominations can be adjusted to be more closely aligned with the evening peak demands. TEP believes that such a proposal will enhance the value of firm capacity and the reliability of pipeline service. Moreover, additional value and flexibility will encourage the contracting of firm service and the related construction of necessary infrastructure. If interruptible shippers wish to avoid being "bumped" they have the option of entering into contracts for firm service.

Please post this to NAESB WGQ committee webpage.

Sincerely,



Carmine A. Tifflman  
Director – Wholesale Operations  
Tucson Electric Power Company