

# At a Glance: New Rates to Support Reliable, Resilient Energy Service

Tucson Electric Power has asked for a review of new, higher rates that would take effect in September 2026. We project that the proposed rates would increase residential customer bills by about 14 percent when they take effect. That would be less than the level of inflation since 2021, the year used to set TEP's current rates. TEP has invested about \$1.7 billion since then in our local grid to maintain reliability, improve resiliency and serve customers' expanding energy needs.

TEP's proposal would add about \$16 per month, on average, for households with median usage of 638 kilowatt-hours (kWh) per month, on average. The month by month impact would be higher in the summer and lower in the winter, and customers who use more energy would see higher impacts.



**Reliability:** Our proposed rates would recover \$948 million invested since 2021 in critical infrastructure, communications equipment and other technologies that have helped TEP achieve top-tier reliability metrics for 12 years straight.

**Reliability in Reserve:** Our new Roadrunner Reserve battery energy storage system in southeast Tucson will help us serve increasing energy needs during peak usage hours. It also will help protect customers from fuel price volatility and allow expanded use of clean, affordable solar energy, captured when it is most abundant and affordable.

**More Customer Assistance:** We've proposed expanding TEP's low-income discount to provide larger discounts to customers who need them most. We can also help customers reduce the impact of new rates through energy efficiency and pricing plans that allow opportunities for savings by shifting usage to off-peak periods.

## How are rates set?

Rates are set through a transparent, comprehensive process with the Arizona Corporation Commission. The public can attend hearings and provide comments.

Visit [tep.com/2026-rates](https://tep.com/2026-rates) for more information as well as programs and energy savings tips that can help make your energy bill more manageable.

