

<b>Form 5500</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b>  This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).  <b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b>	OMB Nos. 1210-0110 1210-0089  <div style="font-size: 24pt; font-weight: bold; text-align: center;">2024</div>  <b>This Form is Open to Public Inspection</b>
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<b>Part I</b>	<b>Annual Report Identification Information</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

**A** This return/report is for:     a multiemployer plan     a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

a single-employer plan     a DFE (specify) \_\_\_\_\_

**B** This return/report is:     the first return/report     the final return/report

an amended return/report     a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . .

**D** Check box if filing under:     Form 5558     automatic extension     the DFVC program

special extension (enter description)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . .

<b>Part II</b>	<b>Basic Plan Information—enter all requested information</b>
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<b>1a</b> Name of plan <u>TUCSON ELECTRIC POWER COMPANY SALARIED EMPLOYEES RETIREMENT PLAN</u>	<b>1b</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>2a</b> Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>TUCSON ELECTRIC POWER COMPANY</u>  <u>88 EAST BROADWAY</u> <u>MAIL STOP HQE202</u> <u>TUCSON, AZ 85701</u>	<b>1c</b> Effective date of plan <u>06/01/1953</u>  <b>2b</b> Employer Identification Number (EIN) <u>86-0062700</u>  <b>2c</b> Plan Sponsor's telephone number <u>520-571-4111</u>  <b>2d</b> Business code (see instructions) <u>221100</u>

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	09/29/2025	LEVETA FLOWERS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor		<b>3b</b> Administrator's EIN	
		<b>3c</b> Administrator's telephone number	
<b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:		<b>4b</b> EIN	
<b>a</b> Sponsor's name			
<b>c</b> Plan Name		<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year		<b>5</b>	1319
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).			
<b>a(1)</b> Total number of active participants at the beginning of the plan year .....		<b>6a(1)</b>	846
<b>a(2)</b> Total number of active participants at the end of the plan year .....		<b>6a(2)</b>	899
<b>b</b> Retired or separated participants receiving benefits.....		<b>6b</b>	351
<b>c</b> Other retired or separated participants entitled to future benefits .....		<b>6c</b>	120
<b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....		<b>6d</b>	1370
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....		<b>6e</b>	25
<b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....		<b>6f</b>	1395
<b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) .....		<b>6g(1)</b>	
<b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....		<b>6g(2)</b>	
<b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		<b>6h</b>	36
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....		<b>7</b>	

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
1A

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

<b>9a</b> Plan funding arrangement (check all that apply)		<b>9b</b> Plan benefit arrangement (check all that apply)	
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust	(4) <input type="checkbox"/> General assets of the sponsor
(3) <input checked="" type="checkbox"/> Trust	(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor	

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b>		<b>b General Schedules</b>	
(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)	(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)	(3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached <u>0</u>
(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)	(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)	(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary			
(4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____			
(5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)			

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**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

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**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

If "Yes" is checked, complete lines 11b and 11c.

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**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

**11c** Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

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<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan <u>TUCSON ELECTRIC POWER COMPANY SALARIED EMPLOYEES RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TUCSON ELECTRIC POWER COMPANY</u>	<b>D</b> Employer Identification Number (EIN) <u>86-0062700</u>	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

<b>Part I Basic Information</b>			
<b>1</b> Enter the valuation date:	Month <u>01</u>	Day <u>01</u>	Year <u>2024</u>
<b>2</b> Assets:			
<b>a</b> Market value .....	<b>2a</b>	<u>262545593</u>	
<b>b</b> Actuarial value .....	<b>2b</b>	<u>279477739</u>	
<b>3</b> Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>360</u>	<u>117643068</u>	<u>117643068</u>
<b>b</b> For terminated vested participants .....	<u>114</u>	<u>10215872</u>	<u>10215872</u>
<b>c</b> For active participants .....	<u>849</u>	<u>93504550</u>	<u>106058015</u>
<b>d</b> Total .....	<u>1323</u>	<u>221363490</u>	<u>233916955</u>
<b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>		
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>		
<b>5</b> Effective interest rate .....	<b>5</b>	<u>5.23 %</u>	
<b>6</b> Target normal cost			
<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>12733871</u>	
<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>251000</u>	
<b>c</b> Target normal cost .....	<b>6c</b>	<u>12984871</u>	

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>			
	Signature of actuary	<u>09/05/2025</u>	Date
	<u>BRIAN M ARNELL</u>	<u>23-07764</u>	Most recent enrollment number
	Type or print name of actuary	<u>480-945-0013</u>	Telephone number (including area code)
	<u>WILLIS TOWERS WATSON US LLC</u>		
	Firm name		
	<u>1144 WEST WASHINGTON STREET</u> <u>FLOOR 1</u> <u>TEMPE, AZ 85288</u>		
	Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....	10812934	24947139
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....	0	0
<b>9</b>	Amount remaining (line 7 minus line 8) .....	10812934	24947139
<b>10</b>	Interest on line 9 using prior year's actual return of <u>11.68</u> % .....	1262951	2913826
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
	<b>a</b> Present value of excess contributions (line 38a from prior year) .....		4085233
	<b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.36</u> % .....		218968
	<b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		0
	<b>c</b> Total available at beginning of current plan year to add to prefunding balance .....		4304201
	<b>d</b> Portion of (c) to be added to prefunding balance .....		0
<b>12</b>	Other reductions in balances due to elections or deemed elections .....	0	0
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....	12075885	27860965

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	102.40 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	119.47 %
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	106.59 %
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>		<b>18 Contributions made to the plan for the plan year by employer(s) and employees:</b>					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
04/15/2025	2600000	0					
07/15/2025	2600000	0					
08/15/2025	2600000	0					
09/03/2025	2600000	0					
			<b>Totals ▶</b>	<b>18(b)</b>	10400000	<b>18(c)</b>	0

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b>	0
<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b>	0
<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b>	9619662

**20** Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year?  Yes  No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?  Yes  No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

<b>Part V Assumptions Used to Determine Funding Target and Target Normal Cost</b>				
<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 4.75 %	2nd segment: 4.87 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) .....				<b>21b</b> 4
<b>22</b> Weighted average retirement age .....				<b>22</b> 63
<b>23</b> Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

<b>Part VI Miscellaneous Items</b>				
<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>26</b> Demographic and benefit information				
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....				<b>27</b>

<b>Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>				
<b>28</b> Unpaid minimum required contributions for all prior years .....				<b>28</b> 0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....				<b>29</b> 0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....				<b>30</b> 0

<b>Part VIII Minimum Required Contribution For Current Year</b>				
<b>31</b> Target normal cost and excess assets (see instructions):				
<b>a</b> Target normal cost (line 6c) .....				<b>31a</b> 12984871
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....				<b>31b</b> 5623934
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....	0		0	
<b>b</b> Waiver amortization installment .....	0		0	
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....				<b>33</b>
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....				<b>34</b> 7360937
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....	0	0	0	
<b>36</b> Additional cash requirement (line 34 minus line 35) .....				<b>36</b> 7360937
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....				<b>37</b> 9619662
<b>38</b> Present value of excess contributions for current year (see instructions)				
<b>a</b> Total (excess, if any, of line 37 over line 36)				<b>38a</b> 2258725
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....				<b>38b</b> 0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....				<b>39</b> 0
<b>40</b> Unpaid minimum required contributions for all years .....				<b>40</b> 0

<b>Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)</b>				
<b>41</b> If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021				

<b>SCHEDULE D</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>	<b>DFE/Participating Plan Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>▶ File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <hr/> <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<b>A</b> Name of plan <u>TUCSON ELECTRIC POWER COMPANY SALARIED EMPLOYEES RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN)	<u>001</u>
<b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>TUCSON ELECTRIC POWER COMPANY</u>	<b>D</b> Employer Identification Number (EIN) <u>86-0062700</u>	

<b>Part I</b>	<b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b> (Complete as many entries as needed to report all interests in DFEs)
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<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:	<u>TEP COMPANY MASTER TRUST</u>	
<b>b</b> Name of sponsor of entity listed in (a):	<u>RUSSELL TRUST COMPANY</u>	
<b>c</b> EIN-PN <u>86-0062700-003</u>	<b>d</b> Entity code <u>M</u>	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>256980139</u>
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:		
<b>b</b> Name of sponsor of entity listed in (a):		
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)



<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).  <b>► File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>01/01/2024</b> and ending <b>12/31/2024</b>	
<b>A</b> Name of plan <b>TUCSON ELECTRIC POWER COMPANY SALARIED EMPLOYEES RETIREMENT PLAN</b>	<b>B</b> Three-digit plan number (PN) <b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>TUCSON ELECTRIC POWER COMPANY</b>	<b>D</b> Employer Identification Number (EIN) <b>86-0062700</b>

<b>Part I</b>	<b>Asset and Liability Statement</b>
---------------	--------------------------------------

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

		(a) Beginning of Year	(b) End of Year
<b>Assets</b>			
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	7000000	10400000
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>		
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>		
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>	255738340	256980139
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>		
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

<b>1d</b> Employer-related investments:		<b>(a)</b> Beginning of Year	<b>(b)</b> End of Year
(1) Employer securities.....	<b>1d(1)</b>		
(2) Employer real property.....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation.....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	262738340	267380139
<b>Liabilities</b>			
<b>g</b> Benefit claims payable.....	<b>1g</b>		
<b>h</b> Operating payables.....	<b>1h</b>		
<b>i</b> Acquisition indebtedness.....	<b>1i</b>		
<b>j</b> Other liabilities.....	<b>1j</b>		
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	0	0
<b>Net Assets</b>			
<b>l</b> Net assets (subtract line 1k from line 1f).....	<b>1l</b>	262738340	267380139

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

<b>Income</b>		<b>(a)</b> Amount	<b>(b)</b> Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers.....	<b>2a(1)(A)</b>	10400000	
<b>(B)</b> Participants.....	<b>2a(1)(B)</b>		
<b>(C)</b> Others (including rollovers).....	<b>2a(1)(C)</b>		
(2) Noncash contributions.....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		10400000
<b>b Earnings on investments:</b>			
<b>(1) Interest:</b>			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>		
<b>(B)</b> U.S. Government securities.....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments.....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants).....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans.....	<b>2b(1)(E)</b>		
<b>(F)</b> Other.....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		0
<b>(2) Dividends:</b>			
<b>(A)</b> Preferred stock.....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock.....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>		
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		0
<b>(3)</b> Rents.....	<b>2b(3)</b>		
<b>(4) Net gain (loss) on sale of assets:</b>			
<b>(A)</b> Aggregate proceeds.....	<b>2b(4)(A)</b>		
<b>(B)</b> Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result.....	<b>2b(4)(C)</b>		
<b>(5) Unrealized appreciation (depreciation) of assets:</b>			
<b>(A)</b> Real estate.....	<b>2b(5)(A)</b>		
<b>(B)</b> Other.....	<b>2b(5)(B)</b>		
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		7142715
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		
<b>c</b> Other income .....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		17542715

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	12642009	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		12642009
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		
<b>h</b> Interest expense .....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>		
(4) IQPA audit fees .....	<b>2i(4)</b>	21939	
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>		
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>		
(7) Actuarial fees .....	<b>2i(7)</b>	69875	
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>	167093	
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		258907
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		12900916

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		4641799
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1)  Unmodified (2)  Qualified (3)  Disclaimer (4)  Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1)  DOL Regulation 2520.103-8 (2)  DOL Regulation 2520.103-12(d) (3)  neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CLIFTONLARSONALLEN LLP

(2) EIN: 41-0746749

**d** The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1)  This form is filed for a CCT, PSA, DCG or MTIA. (2)  It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		10000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  Yes  No  
If "Yes," enter the amount of any plan assets that reverted to the employer this year \_\_\_\_\_.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> PN(s)

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) .....  Yes  No  Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 555161.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<b>A</b> Name of plan <u>TUCSON ELECTRIC POWER COMPANY SALARIED EMPLOYEES RETIREMENT PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>TUCSON ELECTRIC POWER COMPANY</u>	<b>D</b> Employer Identification Number (EIN) <u>86-0062700</u>	

<b>Part I</b>	<b>Distributions</b>
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**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions..... 

1		0
---	--	---

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  
EIN(s): 04-3581074 91-1116938

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year..... 

3		12
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<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<b>6c</b>	

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline?.....  Yes  No  N/A

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....  Yes  No  N/A

<b>Part III</b>	<b>Amendments</b>
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**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....  Increase  Decrease  Both  No

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....  Yes  No

**11 a** Does the ESOP hold any preferred stock?.....  Yes  No

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....  Yes  No

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market?.....  Yes  No

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box  and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

<b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14b</b>	
<b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14c</b>	

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	<b>16b</b>	

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment .....

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .....

**19** If the total number of participants is 1,000 or more, complete lines (a) and (b):

**a** Enter the percentage of plan assets held as:  
 Public Equity: 52.0 % Private Equity: 1.0 % Investment-Grade Debt and Interest Rate Hedging Assets: 34.0 %  
 High-Yield Debt: 1.0 % Real Assets: 5.0 % Cash or Cash Equivalents: 7.0 % Other: 0.0 %

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:  
 0-5 years  5-10 years  10-15 years  15 years or more

**20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero?  Yes  No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:  
 Yes.  
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.  
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.  
 No. Other. Provide explanation.....

**Part VII IRS Compliance Questions**

**21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?  Yes  No

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).  
 Design-based safe harbor method  
 "Prior year" ADP test  
 "Current year" ADP test  
 N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter \_\_\_/\_\_\_/\_\_\_ (MM/DD/YYYY) and the Opinion Letter serial number \_\_\_\_\_.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**



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**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
TABLE OF CONTENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>4</b>
<b>STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>5</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>6</b>
<b>ERISA-REQUIRED SUPPLEMENTAL INFORMATION **</b>	

**\*\* SUPPLEMENTAL SCHEDULES REQUIRED BY 29 CFR 2520.103-10 OF THE DEPARTMENT OF LABOR'S RULES AND REGULATIONS FOR REPORTING AND DISCLOSURE UNDER ERISA HAVE BEEN OMITTED BECAUSE THEY ARE NOT APPLICABLE**



## INDEPENDENT AUDITORS' REPORT

Tucson Electric Power Company Pension Committee  
Tucson Electric Power Company Salaried Employees Retirement Plan  
Tucson, Arizona

### Report on the Audit of the Financial Statements

#### ***Scope and Nature of the ERISA Section 103(a)(3)(C) Audit***

We have performed audits of the accompanying financial statements of Tucson Electric Power Company Salaried Employees Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2024 and 2023, and for the years then ended stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

#### ***Opinion***

In our opinion, based on our audits and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Tucson Electric Power Company Pension Committee  
Tucson Electric Power Company Salaried Employees Retirement Plan

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



**CliftonLarsonAllen LLP**

Tucson, Arizona  
September 25, 2025

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>ASSETS</b>		
<b>INVESTMENTS (at Fair Value)</b>		
Plan Interest in Tucson Electric Power Company Master Trust (Note 6)	\$ 256,980,139	\$ 255,738,340
<b>EMPLOYER CONTRIBUTIONS RECEIVABLE</b>	10,400,000	7,000,000
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	\$ 267,380,139	\$ 262,738,340

See accompanying Notes to Financial Statements.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	2024	2023
<b>ADDITIONS:</b>		
<b>INVESTMENT INCOME</b>		
Plan's Interest in Tucson Electric Power Company Master Trust Net Investment Income (Note 6)	\$ 7,142,715	\$ 26,592,505
<b>EMPLOYER CONTRIBUTIONS</b>	10,400,000	12,000,000
Total Additions	17,542,715	38,592,505
<b>DEDUCTIONS:</b>		
<b>BENEFITS PAID TO PARTICIPANTS</b>	12,642,009	10,921,321
<b>ADMINISTRATIVE EXPENSES</b>	258,907	242,843
Total Deductions	12,900,916	11,164,164
<b>CHANGES IN NET ASSETS</b>	4,641,799	27,428,341
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		
Beginning of Year	262,738,340	235,309,999
End of Year	\$ 267,380,139	\$ 262,738,340

See accompanying Notes to Financial Statements.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 1 DESCRIPTION OF THE PLAN**

The following brief description of Tucson Electric Power Company Salaried Employees Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for more complete information on the Plan's provisions.

**General**

The Plan is a noncontributory defined benefit pension plan sponsored by Tucson Electric Power Company covering salaried employees of Tucson Electric Power Company and participating subsidiaries of UNS Energy Corporation (which was acquired by Fortis Inc. during August 2014), the parent company of the Plan Sponsor (collectively, the Company), excluding leased employees and those employed under Section 414(o) of the Internal Revenue Code (IRC), who are at least 21 years old and have completed one year of service. The Plan was established effective June 1, 1976, and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The plan was amended on January 1, 2022 to comply with provisions of the "SECURE Act" of 2019. The plan was also amended to apply the Rule of 85 to a participant's retirement date if not satisfied by termination date and to raise the age of limitations on distributions from 70.5 to 72 if a participant was born after July 1, 1949.

The Plan is administered by the Company's Pension Committee (the Committee), which is responsible for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings and monitors investment performance.

**Pension Benefits**

Employees with five years of vesting service, as defined by the Plan, are entitled to pension benefits upon retirement. The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for early and late retirement, death, and disability benefits. Benefits under the Plan are determined based upon a final pay formula. Through October 31, 1995, the amount of the normal monthly benefit was equal to 40% of the participant's average monthly earnings for the highest consecutive five of the last 15 years reduced by 1/180 for each month of credited service less than 180 months credited to the participant. Additionally, participants who separated from service on or after January 1, 1988, accrued an additional monthly benefit of 0.5% of average monthly earnings for each full year of credited service (not to exceed 10%) in excess of 15 years. On or after November 1, 1995, the amount of the normal monthly benefit is equal to the greater of (i) 40% of the participant's average monthly earnings for the highest consecutive five of the last 15 years reduced by 1/300 for each month of credited service less than 300 months credited to the participant, or (ii) the sum of the pre-November 1, 1995 formula and benefits under (i) reduced by pre-November 1, 1995 service in excess of 25 years.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 1 DESCRIPTION OF THE PLAN (CONTINUED)**

**Pension Benefits (Continued)**

The maximum annual retirement benefit shall not exceed the lesser of (i) \$90,000 in 1987 dollars, adjusted automatically for increases in the cost of living, or (ii) 100% of the participant's average annual compensation for the three consecutive calendar years during which the participant had the highest aggregate annual compensation from the Company. The participant may elect to receive benefits in the form of a lump-sum cash settlement or one of several annuity options which are the actuarial equivalent of the normal form of benefit. The Plan permits early retirement at age 55, with 10 years of vesting service, at a reduced benefit amount. However, the normal early retirement benefit will not be reduced if the sum of the participant's age and years of credited service equals at least 85.

Effective June 1, 2009, the "rule of 85" shall not apply to any participant with an employment date on or after June 1, 2009. If a participant does not meet these requirements, on the participant's termination date, the annuity starting date, or a date following the participant's termination date if, on such date, the sum of the participant's attained age at his last birthday and his years of credited service, equals at least 85. Late retirement is available after age 65 and is calculated in the same manner as the normal retirement benefit based on length of service and earnings through a participant's actual retirement date. The Plan was amended on December 2, 2013, to comply effective January 1, 2010, with the final regulations issued pursuant to Section 436 of the IRC of 1986.

**Benefits for Participants under the Prior Plan**

The Plan replaced the Tucson Electric Power Company Pension Trust Plan (prior plan) on June 1, 1976. A participant who was a participant under the prior plan may elect to receive the vested portion of the value of the participant's cash account, as defined under the prior plan, as a lump sum cash distribution in partial or full satisfaction of some forms of benefits payable to the participant or the beneficiary.

**Death and Disability Benefits**

A participant who dies while employed by the Company is entitled to a death benefit payable to the beneficiary in an amount equal to the greater of 40 times the participant's monthly earnings rate as of the date of death or cash account. The benefit is payable in the form of a lump sum cash distribution. Effective January 1, 2010, the pre-retirement death benefit was revised to remove the 40 times monthly pay lump sum death benefit, leaving the Qualified Preretirement Survivor Annuity death benefit as the primary death benefit payable under the Plan. This benefit is the survivor portion of a 50% joint and survivor annuity for death prior to 55, and 100% after age 55.

A participant becoming totally and permanently disabled after completing 10 years of vesting service may elect to receive the normal retirement benefit, computed using the participant's actual years of credited service or 15 years of credited service, whichever is greater, commencing on the normal retirement date, or an actuarial equivalent lump sum cash distribution. On July 1, 2009, the disability benefit was revised to a benefit based on continued accrual of benefits while on total and permanent disability.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 1 DESCRIPTION OF THE PLAN (CONTINUED)**

**Vesting**

Vesting in the Plan is based on five years of credited service as defined by the Plan document. Plan participants become 100% vested upon completion of five years of credited service, or upon attainment of age 60 and actively employed.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Plan are prepared using the accrual basis of accounting.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of financial statements. Actual results could differ from those estimates.

**Investment in Master Trust**

The investment assets of the Plan are combined with the investment assets of the Pension Trust Plan for Employees of Tucson Electric Power Company Represented by I.B.E.W. Local 1116 and the Pension Plan for Employees of UniSource Energy Services pursuant to a Master Trust agreement between the Company and the trustee. Use of the Master Trust permits the commingling of the trust assets of the three pension plans of the Company for investment and administrative purposes. Although assets are commingled in the Master Trust, the trustee maintains supporting records for the purpose of allocating the investment assets and net earnings (or losses) on the investment assets to the participating plans.

**Derivative Instruments in Master Trust**

The Tucson Electric Power Company Master Trust uses futures contracts as financial derivative instruments, to manage market exposure and advance the overall objectives of the Master Trust and its investment strategies. These derivatives are utilized by external investment managers retained by the Master Trust and in protective overlay strategies designed to achieve investment objectives. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. The net unrealized gains and losses associated with interim price movements on contracts are recorded as derivative assets or liabilities as disclosed in Note 6.

The Master Trust is party to certain agreements intended to manage exposure risks. Under the overlay agreement, the Master Trust may invest only in specific instrument types: U.S. Treasury futures, short-term U.S. Treasury bills, and cash vehicles. The derivative instruments held by the Master Trust are secured by assets within the Master Trust.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's Pension Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodians. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Contributions**

Company contributions are accrued by the Plan based on payments authorized by the Company's Pension Committee and funding requirements as determined by the Plan's actuary.

**Payment of Benefits**

Benefit payments to participants are recorded upon distribution.

**Administrative Expenses**

Certain administrative expenses of the Plan are paid by the Company and are excluded from these financial statements, while other expenses, including audit and actuarial expenses, are paid by the Master Trust and recorded as deductions in the accompanying statements of changes in net assets available for benefits. In addition, certain investment related expenses are included in the Plan's interest in the Master Trust Net Investment Income.

**Subsequent Events**

The Plan has evaluated subsequent events through September 25, 2025, the date the financial statements were available to be issued.

Effective January 1, 2025, the Plan was amended to close the Plan to employees hired or rehired on or after January 1, 2025.

**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)**

The accumulated plan benefits for active employees is based on their highest five-year average compensation in the previous 15 Plan years on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability, and termination of employment are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from Plan assets are excluded from accumulated plan benefits.

The actuarial present value of accumulated plan benefits is determined by an actuary from Willis Towers Watson and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of December 31, 2023 were (a) life expectancy of participants (the Pri-2012 mortality table), (b) retirement age assumptions were based on various probabilities of retirement from age 55 to age 70, and (c) investment return of 7.5%. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The computations of the actuarial present value of accumulated plan benefits were made as of January 1. Had the valuations been performed as of December 31, there would be no material differences.

The following is a summary of actuarial present value of accumulated plan benefits as of December 31, 2023:

Actuarial Present Value of Accumulated Plan Benefits:

Vested Benefits:	
Active Participants	\$ 64,895,198
Other Participants	6,833,906
Participants Currently Receiving Benefits	<u>97,046,329</u>
Total Vested Benefits	168,775,433
Nonvested Benefits	<u>8,327,938</u>
Total Actuarial Present Value of Accumulated Plan Benefits	<u><u>\$ 177,103,371</u></u>

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)**

The changes in the actuarial present value of accumulated plan benefits are summarized as follows for the year ended December 31, 2023:

Actuarial Present Value of Accumulated Plan Benefits – Beginning of Year	\$ 166,248,605
Increase (Decrease) During the Year Attributable to:	
Benefits Accumulated	7,143,520
Actuarial Losses	1,790,774
Change in Discount Period	12,594,860
Benefits Paid	(10,921,322)
Changes in Actuarial Assumptions	<u>246,934</u>
Actuarial Present Value of Accumulated Plan Benefits – End of Year	<u>\$ 177,103,371</u>

Changes in the actuarial assumptions for the year ended December 31, 2023 included a change to the mortality table.

**NOTE 4 CERTIFICATION OF INVESTMENT INFORMATION**

Russell Investments Trust Company, the trustee and qualified institution of the Plan, has supplied the Plan administrator with a certification as to the completeness and accuracy of all investment information reflected on the accompanying statements of net assets available for benefits as of December 31, 2024 and 2023, and the statements of changes in net assets available for benefits for the years then ended. The trustee also certified the fair value of the net assets of the Master Trust and investment income for the Master Trust disclosed in Note 6.

**NOTE 5 FAIR VALUE OF INVESTMENTS – MASTER TRUST**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 5 FAIR VALUE OF INVESTMENTS – MASTER TRUST (CONTINUED)**

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2024 and 2023.

*Collective Funds:* Valued at the net asset value (NAV) of units of the bank collective trust. NAV is a readily determinable fair value and is the basis for current transactions. If the Plan initiates a full redemption of the collective fund, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

*Real Estate Collective Fund and Private Equity Limited Partnership:* Valued at NAV per unit (or its equivalent) based upon the fair value of the underlying investments. NAV is used as a practical expedient to estimate fair value.

*Derivative Instruments:* Derivatives are comprised of futures contracts. These investments are classified as Level 2 under the fair value hierarchy, as their valuations are based on quoted prices in secondary markets for identical assets.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 5 FAIR VALUE OF INVESTMENTS – MASTER TRUST (CONTINUED)**

The following tables set forth by level, within the fair value hierarchy, the investments of the Master Trust assets and liabilities at fair value as of December 31:

	2024			
	Level 1	Level 2	Level 3	Total
Collective Funds	\$ -	\$ 440,352,654	\$ -	\$ 440,352,654
Investments Measured at Net Asset Value				27,045,119
Total Investment Assets at Fair Value	<u>\$ -</u>	<u>\$ 440,352,654</u>	<u>\$ -</u>	<u>\$ 467,397,773</u>
Derivative Liabilities at Fair Value	<u>\$ -</u>	<u>\$ (2,071,434)</u>	<u>\$ -</u>	<u>\$ (2,071,434)</u>
	2023			
	Level 1	Level 2	Level 3	Total
Collective Funds	\$ -	\$ 437,495,925	\$ -	\$ 437,495,925
Investments Measured at Net Asset Value				28,101,576
Total Investment Assets at Fair Value	<u>\$ -</u>	<u>\$ 437,495,925</u>	<u>\$ -</u>	<u>\$ 465,597,501</u>
Derivative Liabilities at Fair Value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The following table summarizes investments for which fair value is measured using the net asset per share practical expedient as of December 31.

Investment Type	Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	2024	2023			
Collective Fund:					
Real Estate Equity Fund	\$ 24,869,747	\$ 25,565,681	None	Quarterly	110 Days Prior to Quarter End
Private Equity:					
Pantheon USA Fund VIII LP	2,175,372	2,535,895	\$ 643,876	Quarterly	30 Days

The private equity's objective is to generate superior risk-adjusted investment returns by creating a balanced and diversified portfolio of high-quality private equity funds.

**NOTE 6 INVESTMENT IN MASTER TRUST**

The investment accounts of the Master Trust are valued at the end of each month. The net earnings or losses of the accounts for each month are allocated by the trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of all participating plans at the beginning of that period. For purposes of this allocation, all cash contributions received and distributions made by the participating plans during the month are considered as having been made immediately prior to the valuation at the end of the month.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 6 INVESTMENT IN MASTER TRUST (CONTINUED)**

The fair value of the net assets of the Master Trust at December 31 is summarized as follows:

	2024		2023	
	Master Trust	Plan's Interest	Master Trust	Plan's Interest
Investments at Fair Value:				
Collective Funds	\$ 465,222,401	\$ 253,275,088	\$ 463,061,606	\$ 251,914,759
Private Equity	2,175,372	1,184,310	2,535,895	1,379,578
Total Investments	<u>467,397,773</u>	<u>254,459,398</u>	<u>465,597,501</u>	<u>253,294,337</u>
Receivables:				
Receivables for Investments Sold	1,665,444	906,696	1,810,335	984,858
Dividends Receivable	15,875	8,643	8,917	4,851
Total Receivables	<u>1,681,319</u>	<u>915,339</u>	<u>1,819,252</u>	<u>989,709</u>
Cash - Noninterest Bearing	5,020,279	2,733,126	2,673,237	1,454,294
Derivative Instruments	(2,071,434)	(1,127,724)	-	-
Total Net Assets of the Master Trust	<u>\$ 472,027,937</u>	<u>\$ 256,980,139</u>	<u>\$ 470,089,990</u>	<u>\$ 255,738,340</u>
Plan's Interest in Master Trust as a Percent of Total		54.44%		54.40%
Plan's Interest in Master Trust		<u>\$ 256,980,139</u>		<u>\$ 255,738,340</u>

Investment income for the Master Trust for the years ended December 31 is as follows:

	2024	2023
Net Appreciation in Fair Value of Investments:		
Collective Funds	\$ 13,771,355	\$ 50,822,904
Private Equity	<u>(360,523)</u>	<u>(345,303)</u>
Total Net Appreciation in Fair Value	13,410,832	50,477,601
Other Income	<u>940,816</u>	<u>416,026</u>
Net Investment Income	14,351,648	50,893,627
Investment Management Expenses	<u>(751,531)</u>	<u>(739,345)</u>
Net Investment Income of the Master Trust	<u>\$ 13,600,117</u>	<u>\$ 50,154,282</u>
Plan's Interest in Master Trust's Net Investment Income as a Percent of Total		52.52%
Plan's Interest in Master Trust's Net Investment Income	<u>\$ 7,142,715</u>	<u>\$ 26,592,505</u>

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 7 DERIVATIVE INSTRUMENTS IN MASTER TRUST**

Derivative instruments are recorded in the Master Trust and part of the Plan's interest on the Plan's financial statements. The following are the estimated fair value of derivative instruments at December 31, 2024 and 2023 shown at the gross amounts as follows:

	2024		2023	
	Master Trust Gross Liabilities	Plan's Interest Gross Liabilities	Master Trust Gross Liabilities	Plan's Interest Gross Liabilities
Derivative Instruments:				
Futures Contracts	\$ (2,071,434)	\$ (1,127,724)	\$ -	\$ -
Total	\$ (2,071,434)	\$ (1,127,724)	\$ -	\$ -

The notional amount represents the contract amount, not the amount at risk. The following table presents the notional amounts of derivative instruments at December 31, 2024 and 2023:

	2024		2023	
	Master Trust	Plan's Interest	Master Trust	Plan's Interest
Derivative Instruments:				
Futures Contracts	\$ 76,635,919	\$ 41,720,594	\$ -	\$ -
Total	\$ 76,635,919	\$ 41,720,594	\$ -	\$ -

Any gains or (losses) recognized on derivatives are recognized in current year Master Trust net investment income. For the year ended December 31, 2024 and 2023, the amount of the gain or (loss) recognized and attributable to derivative instruments as net investment income is as follows:

	2024		2023	
	Master Trust	Plan's Interest	Master Trust	Plan's Interest
Derivative Instruments:				
Futures Contracts	\$ (2,072,888)	\$ (1,088,681)	\$ -	\$ -
Total	\$ (2,072,888)	\$ (1,088,681)	\$ -	\$ -

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 8 PLAN TERMINATION**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed subsequently).
- c. All other vested benefits (that is, vested benefits not insured by the PBGC).
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

**NOTE 9 FUNDING POLICY**

Each year the Company will contribute a sum of money necessary to fund the benefits specified by the Plan, subject to the Internal Revenue Service (IRS) full funding limit test. The amount of this annual contribution will be actuarially determined. Employees are not required to make contributions to the Plan. ERISA minimum funding requirements were met at December 31, 2024 and 2023.

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

**TUCSON ELECTRIC POWER COMPANY  
SALARIED EMPLOYEES RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024 AND 2023**

**NOTE 10 PLAN TAX STATUS**

The IRS has determined and informed the Company by a letter dated June 29, 2017, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**NOTE 11 RISKS AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**NOTE 12 PARTY-IN-INTEREST TRANSACTIONS**

The Plan's investments were held in a Master Trust managed by Russell Investments Trust Company (Russell) as of December 31, 2024 and 2023. Russell is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. For the years ended December 31, 2024 and 2023, the Plan paid Russell trustee expenses of \$387,825 and \$376,766, respectively. The Plan records these expenses as part of net investment income.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 26a Schedule of Active Participant Data as of January 1, 2024

Attained Age	Attained Years of Credited Service <sup>1</sup>										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	2	1	0	0	0	0	0	0	0	3
25-29	0	29	13	0	0	0	0	0	0	0	42
30-34	0	42	21	7	1	0	0	0	0	0	71
35-39	0	43	39	17	9	0	0	0	0	0	108
40-44	0	49	54	30	31	6	2	0	0	0	172
45-49	0	30	32	27	33	18	4	0	0	0	144
50-54	0	25	23	17	27	18	8	3	0	0	121
55-59	1	12	22	14	13	11	9	9	4	0	95
60-64	0	12	11	12	8	14	2	4	2	4	69
65-69	0	0	7	2	6	1	0	2	2	1	21
70 & over	0	0	1	0	1	0	0	0	0	1	3
<b>Total</b>	<b>1</b>	<b>244</b>	<b>224</b>	<b>126</b>	<b>129</b>	<b>68</b>	<b>25</b>	<b>18</b>	<b>8</b>	<b>6</b>	<b>849</b>

<sup>1</sup> Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
 EIN / PN: 86-0062700/001  
 Plan Sponsor: Tucson Electric Power Company  
 Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Schedule SB, Part V Statement of Actuarial Assumptions/Methods

### Economic Assumptions

#### Interest rate basis

- Applicable month September
- Interest rate basis Segment Rates from Fourth Month Preceding Valuation Date

#### Interest rates

	Reflecting Corridors	Not Reflecting Corridors
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#### Annual rates of increase

- Compensation 8.10% for 2024 and 2.75% thereafter
- Future Social Security wage bases 0.00%
- Statutory limits on compensation 0.00%

**Plan-related expenses** \$251,000

As permitted by law, rates reflecting stabilization are used to determine the funding target [and target normal cost], and thus the minimum required contribution under IRC §430 for the plan. Because these assumptions are subject to a corridor based on average interest rates over a 25-year period, they may differ from (and generally currently are higher than) current market interest rates, and may be inconsistent with other economic assumptions used in the valuation.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

## Demographic Assumptions

**Inclusion date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

**Mortality:**

■ **Healthy** Separate rates for non-annuitants and annuitants based on Pri-2012 "Employees" and "Healthy Annuitants" (participants and beneficiaries combined) tables, respectively, without collar or amount adjustments and then projected forward with a generational projection as specified in the regulations under §1.430(h)(3)-1 using the IRS adjusted Scale MP-2021 (i.e., MP-2021 with no mortality improvement for 2020-2023 and future mortality improvement capped at 0.78% for years after 2024).

■ **Disabled** Same as described above for Healthy Mortality.

**Termination** The probabilities at which participants are assumed to leave the Company by age and gender are shown below:

### Representative Termination Probabilities

Percentage leaving during the year	
Attained Age	Probability
25	12.0%
30	8.0%
35	6.0%
40	4.0%
45	4.0%
50	4.0%
55	7.0%
60	10.0%

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Disability

The rates below, adjusted by a multiplier for 0.25, reflect the probability at which participants are assumed to become disabled:

Percentage becoming disabled during the year	
Age	Rate
25	0.105%
40	0.215%
55	1.103%
70	-----

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## Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the probabilities at which participants retire by age are shown below.

Percentage retiring during the year		
Age	Eligible for Unreduced Early Retirement	Not Eligible for Unreduced Early Retirement
55	15%	2%
56	15%	2%
57	7%	2%
58	7%	2%
59	15%	5%
60	15%	5%
61	15%	2%
62	25%	25%
63	25%	25%
64	25%	25%
65	50%	50%
66	40%	40%
67	40%	40%
68	50%	50%
69	50%	50%
70	100%	100%

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Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Benefit commencement date:

- Preretirement death benefit The earlier of the date the participant would have attained age 55 or the death of the active participant at age 55 with 10 years of services or 85 points.
- Deferred vested benefit Age 65 for an annuity. Immediately if electing a lump sum.
- Disability benefit Age 65.
- Retirement benefit Upon termination of employment.

## Form of payment

20% of retirement eligible participants and 65% of pre-retirement eligible participants are assumed to elect a lump sum. Otherwise, participants are assumed to elect the normal form.

Calculation of Lump Sum: Lump sums were valued using the substitution of annuity form under IRS Regulation 1.430(d)-1(f)(4) without application of generational mortality and without recognition of the phase-in of IRC §417(e)(3) assumptions.

## Percent married

75% of males; 55% of females. Used to value pre-retirement surviving spouse benefits and in determining the optional forms expected to be elected at commencement.

## Spouse age

Wife three years younger than husband.

## Covered pay

Assumed plan compensation for the year beginning on the valuation date was determined is the current annual rate of pay.

## Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

## Methods

### Valuation date

First day of plan year

### Funding target

Present value of accrued benefits as required by regulations under IRC §430.

### Target normal cost

Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## **Decrement timing**

The approach used is called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and withdrawal decrements: the age is generally the participant's rounded age at the middle of the year.

## **Actuarial value of assets for determining minimum required contributions**

Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

## **Benefits not valued**

All benefits described in the Plan Provisions section of this report were valued based on discussions with Tucson Electric Power Company regarding the likelihood that these benefits will be paid. WTW has reviewed the plan provisions with Tucson Electric Power Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Sources of Data and Other Information

Tucson Electric Power Company furnished participant data as of 1/1/2024. Information on assets, contributions and plan provisions was supplied by Tucson Electric Power Company. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with Tucson Electric Power Company, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Assumptions Rationale - Significant Economic Assumptions

<b>Discount rate</b>	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
<b>Lump sum conversion rate</b>	As required by IRC §430, lump sum benefits are valued using “annuity substitution”, so that the interest rates assumed are effectively the same as described above for the discount rate.
<b>Plan-related expenses</b>	As required by regulations, plan-related expense are calculated by estimating the expenses to be paid from the trust during the coming year (including, for example, expected PBGC premiums and actuarial, accounting, legal, administration and trustee fees to be paid from the trust).
<b>Rates of increase in:</b>	
■ Compensation	Assumed compensation increases are based on plan sponsor expectations.
■ Assumed return for asset smoothing	The assumed return of 5.59% used for asset smoothing is the third segment rate. The expected return on assets for 2022 absent the limit for the third segment rate is 7.50%. Although determining the expected rate of return on plan assets was not within the scope of work, it is the client’s best estimate and we determined that it does not significantly conflict with what would be reasonable based on their asset allocation

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Assumptions Rationale - Significant Demographic Assumptions

<b>Healthy Mortality</b>	Assumptions used for funding purposes are as prescribed by IRC §430(h).
<b>Disabled Mortality</b>	Assumptions used for funding purposes are as prescribed by IRC §430(h).
<b>Termination</b>	Termination rates were based on an experience study conducted in 2018, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
<b>Disability</b>	Disability rates are based on a published table for pension participants (1952 Intercompany Disability Study Benefit 4, Period 4) believed to have similar characteristics to the plan population. In 2023, plan experience was reviewed and a multiplier adjustment was applied to bring the rates more in line with plan experience.
<b>Retirement</b>	Retirement rates were based on an experience study conducted in 2018, with consideration of whether any conditions have changed that would be expected to produce different results in the future.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Benefit commencement date for deferred benefits:

- Preretirement death benefit  
Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer. If the spouse elects to defer, actuarial increases from the earliest commencement date must be given, so that a later commencement date is expected to be of approximately equal value, and experience indicates that most spouses do take the benefit as soon as it is available.
- Deferred vested benefit  
Deferred vested participants' assumed commencement age is a single age intended to capture the average age at commencement. Deferred vested early commencement factors are not subsidized so that the difference between this approach and using assumed commencement rates at multiple ages is not expected to be significant.

## Form of payment

The percentage of retiring participants assumed to take lump sums is based on observed experience over the period January 1, 2013 to December 31, 2017.

## Percent married

The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.

## Spouse age

The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

## Prescribed Methods

### Funding methods

The methods used for funding purposes as described here, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430 or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Changes in Assumptions and Methods

### Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.

The mortality table used to calculate the funding target and target normal cost was changed from using a static projection of mortality improvement to a generational projection as required by guidance issued by IRS under IRC §430.

The assumed rate of compensation increase was changed from 4.50% in 2023, and 2.75% in 2024 and beyond to 8.10% in 2024, and 2.75% in 2025 and beyond.

Disability rates were updated to better reflect plan experience.

### Change in methods since prior valuation

None.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan Tucson Electric Power Company Salaried Employees Retirement Plan	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Tucson Electric Power Company	<b>D</b> Employer Identification Number (EIN) 86-0062700	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

**Part I Basic Information**

<b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2024</u>			
<b>2</b> Assets:			
<b>a</b> Market value .....	<b>2a</b>	262,545,593	
<b>b</b> Actuarial value .....	<b>2b</b>	279,477,739	
<b>3</b> Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment .....	360	117,643,068	117,643,068
<b>b</b> For terminated vested participants .....	114	10,215,872	10,215,872
<b>c</b> For active participants .....	849	93,504,550	106,058,015
<b>d</b> Total .....	1,323	221,363,490	233,916,955
<b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) .....	<input type="checkbox"/>		
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>		
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>		
<b>5</b> Effective interest rate .....	<b>5</b>	5.23%	
<b>6</b> Target normal cost			
<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	12,733,871	
<b>b</b> Expected plan-related expenses .....	<b>6b</b>	251,000	
<b>c</b> Target normal cost .....	<b>6c</b>	12,984,871	

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>	 Brian M Arnell Signature of actuary	<u>09/05/2025</u> Date <u>2307764</u> Most recent enrollment number <u>480-945-0013</u> Telephone number (including area code)
	Brian M Arnell Type or print name of actuary  Willis Towers Watson US LLC Firm name  1144 West Washington Street Floor 1 Tempe AZ 85288 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions



<b>Part V Assumptions Used to Determine Funding Target and Target Normal Cost</b>				
<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 4.75%	2nd segment: 4.87%	3rd segment: 5.59%	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code).....				<b>21b</b> 4
<b>22</b> Weighted average retirement age .....				<b>22</b> 63
<b>23</b> Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

<b>Part VI Miscellaneous Items</b>				
<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>26</b> Demographic and benefit information				
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....				<b>27</b>

<b>Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>				
<b>28</b> Unpaid minimum required contributions for all prior years .....				<b>28</b> 0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....				<b>29</b> 0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....				<b>30</b> 0

<b>Part VIII Minimum Required Contribution For Current Year</b>				
<b>31</b> Target normal cost and excess assets (see instructions):				
<b>a</b> Target normal cost (line 6c).....				<b>31a</b> 12,984,871
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....				<b>31b</b> 5,623,934
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....	0		0	
<b>b</b> Waiver amortization installment .....	0		0	
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....				<b>33</b>
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....				<b>34</b> 7,360,937
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....	0	0	0	
<b>36</b> Additional cash requirement (line 34 minus line 35).....				<b>36</b> 7,360,937
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....				<b>37</b> 9,619,662
<b>38</b> Present value of excess contributions for current year (see instructions)				
<b>a</b> Total (excess, if any, of line 37 over line 36)				<b>38a</b> 2,258,725
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....				<b>38b</b> 0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....				<b>39</b> 0
<b>40</b> Unpaid minimum required contributions for all years .....				<b>40</b> 0

<b>Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)</b>				
<b>41</b> If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021				

# **SCHEDULE SB ATTACHMENTS**

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## **Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2024**

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 26b Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2024	436,273	55,017	10,150,260	10,641,550
2025	1,198,110	61,209	10,010,741	11,270,060
2026	1,863,367	110,571	9,854,884	11,828,822
2027	2,506,909	189,473	9,682,632	12,379,014
2028	3,111,835	230,645	9,496,281	12,838,761
2029	3,707,288	292,407	9,293,446	13,293,141
2030	4,278,948	367,769	9,073,591	13,720,308
2031	4,872,074	413,726	8,837,654	14,123,454
2032	5,478,283	459,613	8,583,150	14,521,046
2033	6,042,133	513,267	8,314,006	14,869,406
2034	6,541,216	573,673	8,033,259	15,148,148
2035	6,949,283	644,519	7,738,971	15,332,773
2036	7,336,588	697,912	7,426,505	15,461,005
2037	7,792,322	737,923	7,096,649	15,626,894
2038	8,164,903	776,149	6,747,407	15,688,459
2039	8,424,998	795,319	6,389,121	15,609,438
2040	8,760,435	824,208	6,032,060	15,616,703
2041	9,098,434	842,826	5,665,965	15,607,225
2042	9,383,745	860,943	5,294,777	15,539,465
2043	9,651,325	902,546	4,923,045	15,476,916
2044	9,894,289	957,285	4,551,250	15,402,824
2045	10,047,280	998,241	4,181,808	15,227,329
2046	10,132,765	1,018,934	3,817,198	14,968,897
2047	10,232,874	1,025,218	3,459,949	14,718,041
2048	10,295,880	1,057,533	3,112,633	14,466,046
2049	10,260,931	1,086,728	2,777,837	14,125,496
2050	10,136,361	1,098,180	2,458,019	13,692,560
2051	9,938,964	1,104,251	2,155,511	13,198,726
2052	9,669,733	1,080,063	1,872,409	12,622,205
2053	9,369,762	1,061,745	1,610,478	12,041,985
2054	9,043,702	1,043,294	1,371,017	11,458,013
2055	8,706,927	1,010,471	1,154,814	10,872,212
2056	8,361,586	967,600	962,165	10,291,351
2057	7,985,728	926,254	792,815	9,704,797
2058	7,584,706	880,406	646,044	9,111,156
2059	7,174,543	833,297	520,666	8,528,506
2060	6,768,361	789,252	415,120	7,972,733
2061	6,361,246	742,278	327,590	7,431,114
2062	5,960,963	697,548	256,092	6,914,603

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
 EIN / PN: 86-0062700/001  
 Plan Sponsor: Tucson Electric Power Company  
 Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2063	5,560,438	652,039	198,582	6,411,059
2064	5,156,675	606,457	153,030	5,916,162
2065	4,752,207	563,082	117,497	5,432,786
2066	4,353,781	521,905	90,198	4,965,884
2067	3,968,397	481,759	69,538	4,519,694
2068	3,598,548	442,750	54,135	4,095,433
2069	3,245,860	405,022	42,811	3,693,693
2070	2,909,952	368,307	34,593	3,312,852
2071	2,592,947	333,157	28,689	2,954,793
2072	2,295,452	299,648	24,477	2,619,577
2073	2,018,710	267,675	21,472	2,307,857

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Schedule SB, Part V Summary of Plan Provisions

### Plan Provisions

The most recent amendment reflected in the following plan provisions was effective December 31, 2020.

**Covered employees and participation date** All employees are eligible to participate under the plan on the first day of the month coincident with or next following the later of attaining age 21 and first anniversary of hire. "Employee" means any person on the payroll whose wages are subject to withholding for the purposes of federal income tax.

### Definitions

**Vesting service** Total service from date of hire to date of termination, less any absence in excess of 12 months that is excluded from credited service, using elapsed time.

**Pension service** The number of years (including one-twelfth of a year for each month or partial month) of service from date of hire to date of termination, adjusted for certain periods of unpaid absence.

**Pensionable pay and average earnings** The monthly average of the 5 consecutive years' compensation out of the last 15 years that gives the highest average. Compensation is limited as required per IRC 401(a)(17).

**Normal retirement date (NRD)** The first of the month coincident with or next following age 65.

**Monthly pension benefit** Monthly benefit shall be equal to the greater of the benefit determined under (a) or the sum of any pre-October 31, 1995 benefit under (b) and any post-October 31, 1995 benefit determined under (c).

- (a) 40% of the participant's Average Monthly Earnings reduced by 1/300 for each 1/12th of a year of Credited Service less than 300 months credited to the participants.
- (b) Pre-October 31, 1995  
40% of the participant's Average Monthly Earnings (prorated for years of Credited Service less than 15 years) plus 0.5% per year of Credited Service in excess of 15 (maximum 10% total) as determined on October 31, 1995.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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- (c) Post-October 31, 1995  
40% of the participant's Average Monthly Earnings reduced by 1/300th for each 1/12th of a year of Credited Service less than 300 months credited to the Participant. For purposes of calculating a Participant's Post-October 31, 1995 benefit, Credited Service excludes service prior to November 1, 1995 and is limited to 25 years, reduced by the amount of the Participant's Credited Service as of October 31, 1995.

**Monthly preretirement death benefit** 50% of retirement payable had deceased participant retired the day prior to death and elected Joint and 50% Survivor Annuity. For the spouse of a participant whose death occurs after eligibility for an Early Retirement Benefit, the 50% benefit will be changed to 100%.

## Eligibility for Benefits

<b>Normal retirement</b>	Retirement on NRD.
<b>Early retirement</b>	Rule of 85 if hired prior to June 1, 2009 or age 55 and 10 years of vested service.
<b>Postponed retirement</b>	Retirement after NRD.
<b>Deferred vested termination</b>	A participant is 100% vested upon completion of 5 years of vesting service or if date of termination is after age 60.
<b>Disability</b>	Total and permanent disability of participant prior to normal retirement date and 10 years of service.
<b>Preretirement death benefit</b>	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

## Benefits Paid Upon the Following Events

<b>Normal retirement</b>	The monthly pension benefit determined as of NRD.
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Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Early retirement

Accrued benefit as of early retirement date multiplied by an early retirement factor due to earlier commencement of payments.

Age	Factor
65	100.0%
64	100.0%
63	100.0%
62	100.0%
61	96.0%
60	92.0%
59	83.3%
58	75.6%
57	68.8%
56	62.8%
55	57.4%

No reductions applicable upon attaining Rule of 85 for those hired before June 1, 2009 or upon attaining age 62 with 10 years of service.

## Postponed retirement

If retirement occurs after the normal retirement date, the late retirement income will be the normal retirement benefit calculated using credited service and final average monthly compensation as of the late retirement date.

## Deferred vested termination

Accrued Normal Retirement Benefit multiplied by vesting percentage with actuarial reductions.

## Disablement

Normal Retirement Benefit payable at age 65 assuming continued accrual of benefits while on Total and Permanent Disability.

## Preretirement death

50% of retirement payable had deceased participant retired the day prior to death and elected Joint and 50% Survivor Annuity. For the spouse of a participant whose death occurs after eligibility for an Early Retirement Benefit, the 50% benefit will be changed to 100%.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# SCHEDULE SB ATTACHMENTS

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## Other Plan Provisions

<b>Forms of payment</b>	Normal Form of Retirement Income: Ten year certain and life.  The plan provides optional payment forms, including the qualified Joint and Contingent benefit for married employees, on an actuarially equivalent basis. Actuarial equivalence for this purpose is based on a 6.0% interest rate and the UP-1984 Mortality Table. Lump-sum distributions are allowed.
<b>Pension Increases</b>	None.
<b>Plan participants' contributions</b>	None.
<b>Limits on benefits and pay</b>	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost.

## Future Plan Changes

No future plan changes were recognized in determining pension cost. WTW is not aware of any future plan changes which are required to be reflected.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
Plan Sponsor: Tucson Electric Power Company  
Valuation Date: January 1, 2024

# **SCHEDULE SB ATTACHMENTS**

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## **Schedule SB, Line 24 Change in Actuarial Assumptions**

The assumed rate of compensation increase was changed from 4.50% in 2023, and 2.75% in 2024 and beyond to 8.10% in 2024, and 2.75% in 2025 and beyond.

Disability rates were updated to better reflect plan experience.

Plan Name: Tucson Electric Power Company Salaried Employees Retirement Plan  
EIN / PN: 86-0062700/001  
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Valuation Date: January 1, 2024