

UNISOURCE ENERGY CORP
 Form 4
 October 04, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
NELSON DENNIS R

(Last) (First) (Middle)
1 S. CHURCH AVENUE, UE183
 (Street)

TUCSON, AZ 85701

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
**UNISOURCE ENERGY CORP
 [UNS]**

3. Date of Earliest Transaction (Month/Day/Year)
10/04/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Sr Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)			
				(A) or (D)	Price					
Common Stock	10/02/2006		M	V	45,000	A	\$ 18.12	45,000	D	
Common Stock	10/02/2006		S		45,000	D	\$ 33.06	0	D	
Common Stock	10/02/2006		M		9,552	A	\$ 17.84	9,552	D	
Common Stock	10/02/2006		S		9,552	D	\$ 33.06	0	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

