

UNISOURCE ENERGY CORP
 Form 4
 March 13, 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 *
KISSINGER KAREN G

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)
03/09/2006

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

TUCSON, AZ 85701

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

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

(City) (State) (Zip)

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/09/2006		M	20,000	A \$ 15.281	20,000	D
Common Stock	03/09/2006		S	20,000	D \$ 30.23	0	D
Common Stock	03/09/2006		M	18,848	A \$ 18.12	18,848	D
Common Stock	03/09/2006		S	18,848	D \$ 30.23	0	D
Common Stock	03/09/2006		M	7,606	A \$ 17.84	7,606	D

Common Stock 03/09/2006 S 7,606 D \$ 30.23 0 D

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 15.281	03/09/2006		M	20,000	<u>(1)</u> 08/03/2010	Common Stock	20,000
Employee Stock Option (right to buy)	\$ 18.12	03/09/2006		M	18,848	<u>(2)</u> 01/02/2013	Common Stock	18,848
Employee Stock Option (right to buy)	\$ 17.84	03/09/2006		M	7,606	<u>(3)</u> 03/29/2014	Common Stock	7,606

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KISSINGER KAREN G 1 S. CHURCH AVENUE UE183 TUCSON, AZ 85701			Vice President	

Signatures

C. David Lamoreaux, Attorney
in Fact

03/13/2006

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The options vested in three equal installments on August 3, 2001, 2002 and 2003.
- (2) The options vested in three equal installments on January 2, 2003, 2004 and March 29, 2004.
- (3) The options vested on March 29, 2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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