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June 1, 2001

VIA HAND DELIVERY

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

JUN 01 2001

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Re: *Compliance Filing in Relation to Decision No. 63634; Amendment No. 1 to the Agreement Between Trico, AEPCO and PD Sierrita ("Amendment No. 1"); Docket Nos. E-01773A-01-0239 and E-01461A-01-0239*

Dear Sir/Madam:

In compliance with the second ordering paragraph at page 3 of Decision No. 63634, enclosed are 11 copies of Amendment No. 1 allowing PD Sierrita to access the competitive market.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By:
Michael M. Grant

cc: Russ Jones (w/encl.)
Patricia Cooper (w/encl.)
Dick Kurtz (w/encl.)

MMG/lmm
10421-0010/930467

AMENDMENT NO. 1
to the
AMENDED AND RESTATED
PURCHASE AND WELL SERVICE AGREEMENT
BETWEEN
TRICO ELECTRIC COOPERATIVE, INC.,
ARIZONA ELECTRIC POWER COOPERATIVE, INC.,
AND
PHELPS DODGE SIERRITA CORPORATION

This AMENDMENT NO. 1 (Amendment No. 1) to the Amended and Restated Purchase and Well Service Agreement, dated March 5, 2001 (Restated Agreement) is entered into by and among TRICO ELECTRIC COOPERATIVE, INC., an Arizona nonprofit corporation (Trico), ARIZONA ELECTRIC POWER COOPERATIVE, INC., a nonprofit electric generation and transmission cooperative corporation organized under the laws of the State of Arizona (AEPCO), and PHELPS DODGE SIERRITA, INC., a Delaware corporation authorized to do business in the State of Arizona (PD Sierrita). Trico, AEPCO, and PD Sierrita are referred to individually as "Party" and collectively as "Parties." Trico and AEPCO are sometimes collectively referred to as "Sellers."

- 1 RECITALS - This Amendment No. 1 is made with reference to the following facts, among others:
 - 1.1 Trico and AEPCO filed the Restated Agreement with the Arizona Corporation Commission (ACC) on March 20, 2001, Docket Nos. E-01773A-01-0239 and E-01461A-01-0239.
 - 1.2 In Decision No. 63634, dated May 4, 2001, the ACC ordered the Parties to add a provision to the Restated Agreement to allow the customer to access the competitive market, requiring the amendment to be filed within 30 days of Decision No. 63634.
 - 1.3 The Parties are entering into this Amendment No. 1 to comply with the ACC order in Decision No. 63634.
- 2 AMENDMENT - A new Section 2.28.5 shall be added to the Restated Agreement to read as follows:

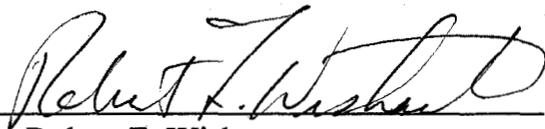
"2.28.5 Competitive Access. Notwithstanding Section 2.3 to the contrary, if PDSierrita chooses to receive direct access service during the term of this Restated Agreement, this Restated Agreement shall be terminated

as of the date that PD Sierrita begins receiving such direct access service.”

- 3 EFFECTIVE DATE AND TERM - This Amendment No. 1 shall become effective upon the date it is filed with the Arizona Corporation Commission, subject to the satisfaction of the Condition Precedent set forth in Section 2.2 of the Restated Agreement. This Amendment No. 1 shall remain in effect so long as the Restated Agreement remains in effect.
- 4 REMAINING AGREEMENT - Except as amended by this Amendment No. 1, the provisions of the Restated Agreement shall remain in full force and effect.
- 5 SIGNATURES

IN WITNESS WHEREOF, this Amendment No. 1 is hereby executed as of this _____ day of May, 2001.

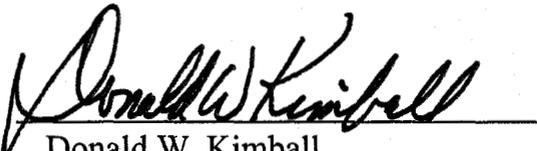
PHELPS DODGE SIERRITA, INC.

By: 
Robert F. Wishart
Its: President

TRICO ELECTRIC COOPERATIVE, INC.

By: 
George Davies
Its: President

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

By: 
Donald W. Kimball
Its: Executive Vice President and Chief Executive Officer