

ORIGINAL

NEW APPLICATION



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AZ CORP COMMISSION
DOCUMENT CONTROL

2005 SEP 20 1 P 4: 53

RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF TRICO ELECTRIC COOPERATIVE,
INC., FOR A RATE INCREASE.

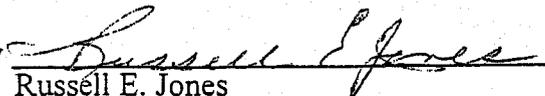
Docket No. E-01461A-05-0667

NOTICE OF FILING TARIFF

TRICO ELECTRIC COOPERATIVE, INC., the Applicant in the foregoing proceeding, pursuant to the Opinion and Order of the Arizona Corporation Commission in Decision No. 68073 entered August 17, 2005, gives notice of the filing of the attached Standard Offer Tariff regarding Estimation Methodologies, Schedule EM for approval by the Commission.

RESPECTFULLY SUBMITTED this 16th day of September, 2005.

WATERFALL ECONOMIDIS CALDWELL
HANSHAW & VILLAMANA, P.C.

By 
Russell E. Jones
D. Michael Mandig
Attorneys for Applicant, Trico Electric
Cooperative, Inc.

1 Original and 13 copies filed this 16th day of
September, 2005, with:

2 Docket Control
3 Arizona Corporation Commission
1200 W. Washington
4 Phoenix, AZ 85007

5 COPY mailed to:

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ELECTRIC RATES

TRICO ELECTRIC COOPERATIVE, INC.

8600 W. Tangerine Road

Marana, Arizona 85653

Filed by: Marvin Athey

Title: CEO/General Manager

Effective Date:

STANDARD OFFER TARIFF

ESTIMATION METHODOLOGIES SCHEDULE EM

Application

The Estimation Methodologies Rate (EM) is applicable for purposes of bill estimation for all tariffs in the event a valid meter reading can not be acquired.

This rate is not applicable to resale or standby services.

Estimation of Bill, First and Second Month

If the Cooperative is unable to read the meter on the scheduled meter read date, the Cooperative will estimate the consumption for the first and, if applicable, the second billing period thereafter giving consideration to the factors where applicable as defined below.

Estimation of Bill after Second Month

After the second consecutive month of estimating the Customer's bill for reasons other than severe weather, the Cooperative will make every reasonable attempt to secure an accurate reading of the meter.

Conditions for Estimated Bills

Estimated bills will be issued only under the following conditions:

- A. Labor shortages or work stoppages beyond the control of the Cooperative.
- B. Severe weather conditions, emergencies or other causes beyond the Cooperative's control which prevent the Cooperative from reading the meter.
- C. Circumstances that make it dangerous or impossible to read the meter, including but not limited to: locked gates, blocked access to meters, threatening or abusive conduct of customers, vicious or dangerous animals or missing meters.

Notice of Estimation

Each bill based on estimated usage will indicate that it is an estimated bill.

**ESTIMATION METHODOLOGIES
SCHEDULE EM**

Estimation Procedures

Trico currently utilizes a customer information system (CIS) for billing, bill calculations and bill estimations.

- A. Detailed descriptions of estimation procedures for each of the conditions are numbered 1-12 below include but are not limited to:

	Conditions for Estimated Bills	Estimation Procedures
1.	A kWh estimate with at least one year of history for the same customer at same service or new customer with at least one year of service history	The CIS system calculates the estimate using the kWh, same month one year prior, from the same service.
2.	A kWh estimate with less than 12 months' history for the same customer at same service.	The CIS system calculates the estimate using the average kWh of the past three months from the same service.
3.	A kWh estimate with less than 12 months' history for a new customer but with history on the service.	The CIS system calculates the estimate using the average kWh of the past three months from the same service.
4.	A kWh estimate with no prior consumption history.	The CIS system will bill the fixed monthly customer charge only. The kWh will be billed with the next valid read.
5.	A kW estimate with a least one year of history for the same customer at same service or new customer with one year of service history.	The CIS system calculates the estimate using the kW, same month one year prior, from the same service.
6.	A kW estimate with less than 12 months' history for the same customer at same service.	The CIS system calculates the estimate using the average kW of the past three months from the same service.
7.	A kW estimate with less than 12 months' history for a new customer but with history on the service.	The CIS system calculates the estimate using the average kW of the past three months from the same service.
8.	A kW estimate with no prior consumption history.	The CIS system does not estimate, a service order is issued for a meter technician to extract a valid read.
9.	Time-of-Use estimate with at least one year of history for the same customer at same service or new customer with at least one year of service history.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" kWh, same month one year prior from the same service.
10.	Time-of-Use estimate with less than 12 months' history for the same customer at same service.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" average kWh of the past three months from the same service.
11.	Time-of-Use estimate with less than 12 months' history for a new customer but with history on the service.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" average kWh of the past three months from the same service.
12.	Time-of-Use estimate with no prior consumption history for a new customer at new service.	The CIS system will bill the fixed monthly customer charge only. The kWh will be billed with the next valid read.

ESTIMATION METHODOLOGIES
SCHEDULE EM

B. Formulas used in estimating demand and usage based upon the foregoing applicable estimation procedures.

The formula used to estimate bills is as follows; the amount of the estimated kWh and/or kW is multiplied by the rates and/or charges listed in the applicable approved tariff. In addition, the CIS system will calculate the fixed monthly customer charge, monthly minimum, and any other charges as specified in the applicable approved tariff.

C. Variance in estimation methods for residential and non-residential customers

The residential (RS-1), residential time-of-use (RS-1 TOU), small commercial (GS-1, Less than 10 kW), Water Pumping (WP) and Irrigation (IR-1) tariffs estimate kWh only, there is no kW component to those tariffs.

All other General Service (GS -2, -3, -4; IS-1 and IS-2, TOD-P) rates have a kW component; therefore both the kWh and kW are estimated.

D. Variance in estimation methods for differing conditions.

Examples of differing causes for estimation include, but are not limited to: tampering, energy diversion damaged or destroyed meter, partial meter failure, and meter reading equipment failure.

In the event the meter has been tampered with or destroyed, or energy diversion has occurred, the methods referred to in items A., B. and C. still apply, prorating the usage if the estimation period is less than a full billing cycle. Examples;

Tampering and/or Energy Diversion:

A valid read was obtained on October 1, 2004. A tampering or energy diversion is discovered on October 15th, the meter has the same reading from October 1, 2004. An investigation reveals the service is active and electricity is being consumed. The same service history indicated a kWh usage of 900 kWh for the month of October 2003. A manual estimate will prorate based upon a daily average of the 900 kWh divided by the number of days in the history record the same month (31) for a total of 29 kWh per day times the number of days tampered (15) for a final estimate of 435 kWh.

If the service does not have a 12 month history the same formula is used with the past 3 month average.

In the event the investigation reveals evidence that the tampering or energy diversion occurred for a period exceeding one month, the Cooperative will use the applicable estimation procedure to the point in time that the tampering or energy diversion may be definitely fixed, or 12 months.

Meter Damaged/Destroyed:

The same estimation procedure as described in D. above is used if it is determined that the damage or destruction is caused by the customer. In the event the damage or destruction is otherwise caused, the estimation procedure is the same as described in D. above but customer responsibility is limited to 3 months for residential customers and 6 months for non-residential customers.

Partial Meter Failure:

If a meter is found to be deficient in recording any portion of the actual

ESTIMATION METHODOLOGIES
SCHEDULE EM

usage, the kW and kWh are estimated based on the percentage of deficiency for a period limited to 3 months for residential customers and 6 months for non-residential customers.

E. Conditions when estimations are calculated by the CIS system.

The CIS system calculates the estimate when the meter of a service does not record a valid read for the normal billing cycle for any of the reasons listed under "Conditions for Estimated Bills" above.

F. Conditions when estimations are made manually

The manual estimate is made when the circumstance is a partial meter failure, in the event of tamper or damaged/destroyed meter for less than the normal billing cycle and must be prorated.

H. Procedures to minimize the need for using estimated data.

If feasible, the meter reader is asked to return to the service for a valid read. If the service has access problems an Offsite Meter Reading (OMR) or Automated Meter Reading (AMR) device is usually installed.

I. Procedures for estimating first and final bills.

First and final bills are not estimated unless the meter fails. If the reading is not recorded for the first bill, the first bill is issued for the fixed monthly charge only. The kWh will be billed on the first valid read. The final bill is not issued until such time a valid read is secured.

In the event of equipment failure for the first or final bill, the estimate is the same as D. and F. above.

J. Procedure for estimation using customer specific data.

If there is no service history available to base an estimate, the kWh and/or kW estimate is based on the connected load and hours of operation of the load.

Tax Adjustment

To the charge computed in this rate schedule, including all adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Cooperative and/or the price or revenue from the electric energy or service sold and/or the volume of energy purchased for sale and/or sold hereunder.

Wholesale Power Cost Adjustment

The Cooperative shall, if purchased power cost is increased or decreased above or below the base purchased power cost of \$0.06268 per kWh sold, flow through such increases or decreases to all classes of customers.

In addition to the foregoing, all kWh sold to each customer under this rate schedule shall be subject to an additional temporary wholesale power cost adjustment, if any, that may be charged the Cooperative by its supplier of electricity which consists of an additional surcharge, a temporary credit and/or a fuel bank surcharge.

**ESTIMATION METHODOLOGIES
SCHEDULE EM**

Rules and Regulations

The Rules and Regulations and Line Extension Policies of the Cooperative as on file with the Arizona Corporation Commission shall apply to this rate schedule.

Environmental Portfolio Standard (EPS) Charge

The Cooperative shall add to its bill an EPS charge in accordance with the approved EPS tariff to help offset the costs associated with TRICO programs designed to promote alternative generation requirements that satisfy the Environmental Portfolio Standard as approved by the Arizona Corporation Commission. Other charges may be applicable subject to approval by the Arizona Corporation Commission.

Demand Side Management (DSM) Programs; DSM Adjustment Mechanism

The Cooperative shall recover its cost for pre-approved DSM programs through a separate DSM adjustment mechanism which shall provide for a separate and specific accounting for pre-approved DSM costs.