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LOUIS DENETSOS
ATTORNEY AT LAW

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Federal

2000 AUG 24 A 11:53

Arizona
New Mexico
Navajo Nation

August 16, 2000

Arizona Corporation Commission
DOCKETED

AUG 24 2000

DOCKETED BY
JM

Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007-2996

RE: Continental Divide Electric Cooperative, Inc.

Docket No: ~~E-0182A-00-0504~~

E-01824A-00-0504

Dear Sir or Madam:

Enclosed is the original and one copy of the Response to Arizona Corporation Commission Staff's First Set of Data Requests to Continental Divide Electric Cooperative, Inc., including attached documents.

Sincerely,

Louis Denetsosie

Louis Denetsosie

Enclosures

xc: Fred Lackey, Manager (with enclosure)

Christopher C. Kempley
Assistant Chief Counsel, Legal Division
(without enclosure)

**ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO
CONTINENTAL DIVIDE ELECTRIC COOPERATIVE, IINC.
DOCKET NO. E-01824a-00-0504
AUGUST 14, 2000**

JMR – 1: When available, provide a copy of any proposed orders and final decisions of the New Mexico Public Service Commission Regarding this transaction.

As of August 15, 2000 the New Mexico Public Regulation Commission has not notified Continental Divide Electric Cooperative, Inc. of a hearing date.

Richard Shirley, Assistant Manager
CDEC
PO Box 1087
Grants, NM 87020

JMR – 2: Please identify any electric transmission and distribution assets of CDEC in Arizona that NTUA is not purchasing and the current book value of those assets.

NTUA will be purchasing all of CDEC's assets in Arizona; Continental Divide Electric Cooperative, Inc will retain nothing.

Bruce Prichard
Supervisor, Engineering Services
CDEC
PO Box 1087
Grants, NM 87020

JMR – 3: What affect will the proposed transaction have on the capital credit balances of the current customers of CDEC?

None. The Capital Credits will continue to be retired on a 20-year cycle as approved annually by the Board of Trustees.

Richard Shirley, Assistant Manager
CDEC
PO Box 1087
Grants, NM 87020

JMR – 4: Please provide the most recent copy of CDEC’s RUS Form 7.

Attached is a copy of June 2000 Form 7

JMR – 5: Provide CDEC’s capital budget for 2000 through 2002 for Arizona. Include a brief description of the projects included in the budget.

Our present Work Plan does not include any projects in Arizona between 2000 and 2002.

Bruce Prichard
Supervisor, Engineering Services
CDEC
PO Box 1087
Grants, NM 87020

JMR – 6: Has either CDEC or NTUA conducted customer comment meetings or meetings to inform customers of the proposed sale? If so, provide the dates and locations of such meetings and summary of the company presentation and customer comments.

Continental Divide Electric Cooperative, Inc. has not met with any of the affected customers. We cannot respond for NTUA.

Richard Shirley, Assistant Manager
CDEC
PO Box 1087
Grants, NM 87020

JMR – 7: Provide the following information regarding CDEC’s operations in Arizona:

- a. A list of existing employees and their positions/job titles**
- b. An explanation of the impact of the transaction on employee’s benefits, particularly pension and retirement benefits.**

- A. John Baumgardner, District Manager
Felix Paredes, Warehouseman/Office Assistant
Hazel Weigl, Service Order Clerk
Katherine Rudd, Cashier
Glenna Clark, Cashier/Receptionist
Eddie John, Line Foreman
Francis Yazzie, Journeyman Lineman
Robert Starnes, Journeyman Lineman
Donovan Williams, Apprentice Lineman
Eddie Brown, Apprentice Lineman

Thomas Burke, Apprentice Lineman
Shawn Platero, Apprentice Lineman
Jensen Peshlakai, Meter Service/Collection

BY Donna Venable
Staff Aid
CDEC
PO Box 1087
Grants, NM 87020

B. The District office location in Gallup has been responsible for the Arizona portion of CDEC's electric system. There are no layoffs or retirements anticipated

BY Richard Shirley, Assistant Manager
CDEC
PO Box 1087
Grants, NM 87020

Public reporting burden for this collection of information is estimated to average 17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officers, OIRM, AG Box 7630, Washington, DC 20250, and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0572-0032), Washington, DC 20503. OMB FORM NO. 0572-0032, Expires 03/31/95.

This data will be used by REA to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and is not confidential.

USDA-REA FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION NEW MEXICO 22 MCKINLEY BORROWER NAME AND ADDRESS CONTINENTAL DIVIDE ELECTRIC COOPERATIVE, INC. PO BOX 1087 GRANTS, NEW MEXICO 87020
INSTRUCTIONS-Submit an original and two copies to REA. Round all amounts to nearest dollar. For detailed instructions, see REA Bulletin 1717B-2	PERIOD ENDED 30-Jun-00
REA USE ONLY	

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7-CFR CHAPTER XVII, REA, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

Harlan W. Schimber

 SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

20-Jul-00

 DATE

Fred G. Lackey

 SIGNATURE OF MANAGER

20-Jul-00

 DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (a)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital.....	12,859,727	13,643,499	13,732,150	1,998,154
2. Power Production Expense.....				0
3. Cost of Purchased Power.....	9,863,850	10,459,993	10,590,853	1,468,455
4. Transmission Expense.....	12,720	10,943	13,199	1,702
5. Distribution Expense-Operation.....	651,195	768,780	678,153	121,334
6. Distribution Expense-Maintenance.....	279,778	338,924	323,417	60,784
7. Consumer Accounts Expense.....	380,518	450,116	384,180	83,159
8. Customer Service and Informational Expense.....	11,074	13,439	13,694	1,098
9. Sales Expense.....	1,342	621	1,965	(7)
10. Administrative and General Expense.....	536,846	667,844	583,314	128,309
11. Total Operation & Maintenance Expense (2 - 10)	11,737,323	12,710,660	12,588,775	1,864,834
12. Depreciation and Amortization Expense.....	620,119	669,425	668,815	114,684
13. Tax Expense - Property and Gross Receipts.....	0	0	0	0
14. Tax Expense - Other.....	0	0	0	0
15. Interest on Long-Term Debt.....	221,190	336,764	341,765	55,989
16. Interest Charged to Construction - Credit.....			0	0
17. Interest Expense - Other.....	0	0	0	0
18. Other Deductions.....	1,580	1,228	15,000	0
19. Total Cost of Electric Service (11 - 18).....	12,580,212	13,718,077	13,614,355	2,035,507
20. Patronage Capital & Operating Margins (1 - 19)	279,515	(74,578)	117,795	(37,353)
21. Non Operating Margins - Interest.....	235,917	370,563	267,186	67,177
22. Allowance for Funds Used During Construction..	0	0	0	0
23. Income (Loss) from Equity Investments.....	0	0	0	0
24. Non-Operating Margins - Other.....	223	190	0	126
25. Generation and Transmission Capital Credits.....	0	0	0	0
26. Other Capital Credits and Patronage Dividends..	0	127	0	0
27. Extraordinary Items.....	0	0	0	0
28. Patronage Capital or Margins (20 - 27).....	515,655	296,302	384,981	29,950

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connect	177	253	5. Miles Transmiss	110	110
2. Services Retired	34	39	6. Miles Distribution- Overhead	3,712	3,785
3. Total Services in Place	26,283	27,109	7. Miles Distribution- Underground	89	90
4. Idle Services (Exclude Seasonal)	3,263	3,547	8. Total Miles Energized (b + b + f)	3,911	3,985

FINANCIAL AND STATISTICAL REPORT

PERIOD ENDED

30-Jun-00

REA USE ONLY

INSTRUCTIONS - See REA Bulletin 1717B-2.

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service.....	42,501,147	30. Memberships.....	87,060
2. Construction Work in Progress.....	1,386,399	31. Patronage Capital.....	24,140,713
3. Total Utility Plant (1 + 2).....	43,887,546	32. Operating Margins - Prior Years.....	
4. Accum. Provision for Depreciation & Amort.....	20,204,055	33. Operating Margins - Current Year.....	(74,451)
5. Net Utility Plant (3 - 4).....	23,683,491	34. Non Operating Margins.....	370,753
6. Non-Utility Property (Net).....		35. Other Margins and Equities.....	
7. Investments in Subsidiary Companies.....		36. Total Margins & Equities (30 thru 35).....	24,524,075
8. Invest in Assoc Org - Patronage Capital.....	28,646	37. Long-Term Debt REA (Net).....	7,967,331
9. Invest in Assoc Org - Other - General Funds.....	1,110	(Prepayment-Unapplied \$.....)	
10. Invest in Assoc Org - Other - Nongeneral Funds.....	1,836	38. Long-Term Debt-REA-Econ. Devel. (Net).....	
11. Investments in Economic Development Projects..		39. Long-Term Debt - Other - REA Guaranteed....	
12. Other Investments.....	0	40. Long-Term Debt - Other (Net).....	3,651,201
13. Special Funds.....	399,267	41. Total Long-Term Debt (37 thru 40).....	11,618,532
14. Total Other Property & Investments (6 thru 13)....	430,859	42. Obligations Under Capital Leases.....	
15. Cash - General Funds.....	1,166,218	43. Accumulated Operating Provisions.....	399,267
16. Cash - Construction Funds - Trustee.....		44. Total Other Noncurrent Liabilities (42 + 43).....	399,267
17. Special Deposits.....	0	45. Notes Payable.....	0
18. Temporary Investments.....	12,891,003	46. Accounts Payable.....	1,875,657
19. Notes Receivable (Net).....		47. Consumers Deposits.....	551,264
20. Accounts Receivable Sales of Energy (Net).....	1,205,452	48. Other Current and Accrued Liabilities.....	1,114,550
21. Accounts Receivable - Other (Net).....	267,418	49. Total Current & Accrued Liabilities (45 thru 48)....	3,541,471
22. Materials and Supplies - Electric and Other.....	618,900	50. Deferred Credits.....	479,379
23. Prepayments.....	112,500	51. Accumulated Deferred Income Taxes.....	
24. Other Current and Accrued Assets.....	185,505	52. Total Liabilities & Other Credits	
25. Total Current and Accrued Assets (15 thru 24)....	16,446,996	(36 + 41 + 44 + 49 thru 51)	40,562,724
26. Regulatory Assets.....		ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
27. Other Deferred Debits.....	1,378	53. Balance Beginning of Year.....	11,180,835
28. Accumulated Deferred Income Taxes.....		54. Amounts Received This Year (Net).....	457,241
29. Total Assets and Other Debits (5+14+25 thru 28)	40,562,724	55. Total Contributions in Aid of Construction.....	11,569,560

PART D. NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT. REPORT ITEMS CONTAINED IN THE INSTRUCTIONS AND ADDITIONAL MATERIAL ITEMS.
(A SEPARATE SHEET MAY BE USED IF ADDITIONAL SPACE IS NEEDED.)

Estimated Unbilled Revenue Not Recorded on Line 20:	699,354
Deferred Compensation Payable at Market Value:	399,267
Other Long Term Debt-CFC	3,651,201

Related Party: Continental Divide Electric Education Foundation was formed in 1988. The Foundation is funded through unclaimed capital credits and was established to provide scholarships to members or their dependents.

CONTINENTAL DIVIDE ELECTRIC COOP INC.
FOR THE MONTH AND YEAR TO DATE JUNE 30, 2000

CLASS	T.Y. MO.	L.Y. MO.	VARIANCE	INC'D%	Y.T.D.	L.Y.T.D.	VARIANCE	INC'D%
RESIDENTIAL								
SMALL COMM.	\$832,400.78	\$794,356.14	\$38,044.64	4.7894%	\$5,579,510.41	\$5,352,453.88	\$227,056.53	4.2421%
LARGE POWER	\$383,041.38	\$358,981.37	\$24,060.01	6.7023%	\$2,342,564.28	\$2,179,970.68	\$162,593.60	7.4585%
MCKINLEY PAPER	\$629,648.70	\$576,396.04	\$53,252.66	9.2389%	\$3,689,683.84	\$3,270,879.16	\$418,804.68	12.8040%
GIANT	\$410,292.55	\$394,872.52	\$15,420.03	3.9051%	\$2,450,521.24	\$2,412,393.92	\$38,127.32	1.5805%
ENRON	\$35,025.02	\$93,527.99	(\$58,502.97)	-62.5113%	\$172,586.74	\$415,362.56	(\$242,775.82)	-58.4491%
INTERRUPTIBLES	\$206,866.65	\$206,866.65	\$0	100.0000%	\$380,918.74	\$380,918.74	\$0	100.0000%
ST. LIGHTS	\$19,015.24	\$14,699.22	\$4,316.02	29.3622%	\$120,014.20	\$79,691.22	\$40,322.98	50.5990%
MISC	\$13,967.26	\$11,872.30	\$2,094.96	17.6458%	\$75,211.04	\$71,233.80	\$3,977.24	5.5834%
	\$7,397.74	\$6,953.80	\$443.94	6.3841%	\$52,710.89	\$49,662.87	\$3,048.02	6.1374%
SUB-TOTAL	\$2,537,655.32	\$2,251,659.38	\$285,995.94	12.7016%	\$14,863,721.38	\$13,831,648.09	\$1,032,073.29	7.4617%
PASS-THRU REV	(\$539,500.88)	(\$214,582.41)	(\$324,918.47)	151.4190%	(\$1,220,221.92)	(\$971,921.55)	(\$248,300.37)	25.5474%
TOTAL REVENUE	\$1,998,154.44	\$2,037,076.97	(\$38,922.53)	-1.9107%	\$13,643,499.46	\$12,859,726.54	\$783,772.92	6.0948%

KWH SALES

CLASS	T.Y. MO.	L.Y. MO.	VARIANCE	INC'D%	Y.T.D.	L.Y.T.D.	VARIANCE	INC'D%
RESIDENTIAL								
SMALL COMM.	8,259,720	7,847,018	412,702	5.2593%	56,046,852	54,396,299	1,650,553	3.0343%
LARGE POWER	4,288,815	3,979,024	309,791	7.7856%	25,894,401	23,970,079	1,924,322	8.0280%
MCKINLEY PAPER	7,089,960	6,405,680	684,280	10.6824%	42,334,632	36,394,260	5,940,372	16.3223%
GIANT	10,384,970	9,976,176	408,794	4.0977%	61,910,450	61,001,873	908,577	1.4894%
ENRON	592,329	2,252,667	(1,660,338)	-73.7054%	3,021,693	9,788,676	(6,766,983)	-69.1307%
INTERRUPTIBLES	5,097,423	5,097,423	\$0	100.0000%	9,328,935	9,328,935	\$0	100.0000%
ST. LIGHTS	303,633	190,900	112,733	59.0534%	1,620,872	1,109,506	511,366	46.0895%
	102,022	102,022	0	0.0000%	612,132	612,132	0	0.0000%
TOTAL	36,118,872	30,753,487	5,365,385	17.4464%	200,769,967	187,272,825	13,497,142	7.2072%

CONTINENTAL DIVIDE ELECTRIC COOPERATIVE, INC.
FOR THE PERIOD ENDED JUNE 30, 2000

20-Jul-00

MONTHLY COMPARISON

YEAR-TO-DATE COMPARISON

	MONTHLY COMPARISON		YEAR-TO-DATE COMPARISON		MONTHLY COMPARISON		YEAR-TO-DATE COMPARISON		MONTHLY COMPARISON		YEAR-TO-DATE COMPARISON				
	BUDGET	CURRENT YEAR ACTUAL	LAST YEAR ACTUAL	IMPROVEMENT (IMPAIRMT)	PERCENT +/-	BUDGET	CURRENT YEAR ACTUAL	LAST YEAR ACTUAL	IMPROVEMENT (IMPAIRMT)	PERCENT +/-	BUDGET	CURRENT YEAR ACTUAL	LAST YEAR ACTUAL	IMPROVEMENT (IMPAIRMT)	PERCENT +/-
KWH PURCHASES	32,763,977	37,480,584	31,388,608			204,686,258	210,198,333	195,500,271			210,198,333	195,500,271			
KWH SOLD	31,691,353	36,118,872	30,753,487			195,582,120	200,769,967	187,272,825			200,769,967	187,272,825			
OFFICE USE	22,600	23,200	22,639			224,700	212,347	223,134			212,347	223,134			
TOTAL UNACCOUNTED FOR	1,050,024	1,338,512	612,482			8,879,438	9,216,019	8,004,312			9,216,019	8,004,312			
PERCENT SYSTEM LOSS	3.20%	3.57%	1.95%			4.34%	4.38%	4.09%			4.38%	4.09%			
NUMBER RECEIVING BILLS	23,764	24,999	23,153			23,764	24,999	23,153			24,999	23,153			
NUMBER MINIMUM BILLS	0	0	0			0	0	0			0	0			
SIX MONTHS AVE. LINE LOSS	4.28%	7.23%	5.59%			4.76%	5.23%	5.10%			5.23%	5.10%			
TOTAL MILES ENERGIZED	3,942	3,985	3,880			3,942	3,985	3,880			3,985	3,880			

EMPLOYEES:

GRANTS: PERMANENT 50
TEMPORARY 0

GALLUP: PERMANENT 14
TEMPORARY 0

TOTAL:

PERMANENT 64
TEMPORARY 0

TIER OP-TIER 1.88
M-TIER 0.78
1.88

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See REA Bulletin 1717B-2

PERIOD ENDING

12/31/2000

REA USE ONLY

PART R. POWER REQUIREMENTS DATA BASE

CLASSIFICATION	SALES AND REVENUE	JANUARY (a)	FEBRUARY (b)	MARCH (c)	APRIL (d)	MAY (e)	JUNE (f)
1. Residential Sales (excluding seasonal)	a. No. Served	20,284	20,481	20,594	20,444	21,838	21,890
	b. kWh Sold	11,913,362	6,885,227	8,543,826	11,507,643	8,937,074	8,259,720
	c. Revenue	1,303,868	866,281	784,023	833,515	819,880	670,256
2. Residential Sales Seasonal	a. No. Served						
	b. kWh Sold						
	c. Revenue						
3. Irrigation Sales	a. No. Served						
	b. kWh Sold						
	c. Revenue						
4. Comm. and Ind. 1000 kVA or Less	a. No. Served	3,016	3,117	3,119	3,106	3,093	3,097
	b. kWh Sold	11,174,259	9,956,965	10,020,728	10,678,692	14,298,794	15,555,031
	c. Revenue	1,013,702	908,111	774,350	906,680	992,889	889,470
5. Comm. and Ind. Over 1000 kVA	a. No. Served	9	9	9	9	9	9
	b. kWh Sold	12,468,631	11,759,327	12,257,409	11,762,687	11,976,361	12,202,099
	c. Revenue	488,635	476,345	458,538	462,288	451,432	419,162
6. Public Street and Highway Lighting	a. No. Served	3	3	3	3	3	3
	b. kWh Sold	102,022	102,022	102,022	102,022	102,022	102,022
	c. Revenue	11,945	11,772	11,869	12,039	11,871	11,869
7. Other Sales to Public Auth.	a. No. Served						
	b. kWh Sold						
	c. Revenue						
8. Sales for Resales- REA Borrowers	a. No. Served						
	b. kWh Sold						
	c. Revenue						
9. Sales for Resales Other	a. No. Served						
	b. kWh Sold						
	c. Revenue						
10. TOTAL No. Consumers (lines 1a-9a)		23,312	23,610	23,725	23,562	24,943	24,999
11. TOTAL kWh Sold (lines 1b-9b)		35,658,274	28,703,541	30,923,985	34,051,044	35,314,251	36,118,872
12. TOTAL Revenue Received From Sales of Electric Energy (lines 1c-9c)		2,818,149	2,262,509	2,028,779	2,214,522	2,276,072	1,990,757
13. Other Electric Revenue		14,811	4,799	9,704	6,926	9,073	7,398
14. kWh - Own Use		52,547	41,889	40,871	35,865	17,975	23,200
15. TOTAL kWh Purchased		36,422,112	33,312,779	34,363,510	31,814,190	36,805,158	37,480,584
16. TOTAL kWh Generated							
17. Cost of Purchases and Generation		2,161,892	1,838,774	1,541,872	1,677,716	1,771,284	1,465,455
18. Interchange - kWh - Net							
19. Peak-Sum All kW Input (Metered)							
[x] Coincident [] Non-Coincident		62,646.74	58,474.27	59,833.69	54,114.08	61,956.96	59,324.44

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See REA Bulletin 1717B-2

PERIOD ENDING
12/31/2000

REA USE ONLY

PART R. POWER REQUIREMENTS DATA BASE

(Continued)

(SEE PRECEDING PAGE 6 OF REA FORM 7 FOR HEADINGS OF LINE ITEM NUMBERS BELOW.)

LINE ITEM NUMBER	JULY (g)	AUGUST (h)	SEPTEMBER (i)	OCTOBER (j)	NOVEMBER (k)	DECEMBER (l)	TOTAL (Columns c - l)
1.	0	0	0	0	0	0	56,046,852
	0	0	0	0	0	0	5,277,822
2.							0
a.							0
b.							0
c.							0
3.							0
a.							0
b.							0
c.							0
4.	0	0	0	0	0	0	71,684,469
a.	0	0	0	0	0	0	5,485,202
b.	0	0	0	0	0	0	72,426,514
c.	0	0	0	0	0	0	2,756,401
5.	0	0	0	0	0	0	612,132
a.	0	0	0	0	0	0	71,364
b.	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0
6.							0
a.							0
b.							0
c.							0
7.							0
a.							0
b.							0
c.							0
8.							0
a.							0
b.							0
c.							0
9.							0
a.							0
b.							0
c.							0
10.	0	0	0	0	0	0	200,769,967
11.	0	0	0	0	0	0	13,590,789
12.	0	0	0	0	0	0	52,711
13.	0	0	0	0	0	0	212,347
14.	0	0	0	0	0	0	210,198,333
15.							0
16.	0	0	0	0	0	0	10,456,993
17.							0
18.							0
19.	0.00	0.00	0.00	0.00	0.00	0.00	356,350