

ORIGINAL

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

2007 OCT -5 P 2:45

COMMISSIONERS

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

OCT 05 2007

DOCKETED BY
KIC MA

DOCKET NO. E-01749A-07-

E-01749A-07-0581

IN THE MATTER OF THE APPLICATION OF)
GRAHAM COUNTY ELECTRIC COOPERATIVE,)
INC. FOR APPROVAL OF RENEWABLE)
ENERGY STANDARD TARIFFS)

Graham County Electric Cooperative, Inc. ("GCEC") is hereby filing its tariff pages for the Renewable Energy Standard ("RES") Tariff and Voluntary RES Contribution Program Tariff in compliance with Decision No. 69728, dated July 30, 2007. GCEC hereby also files its RES Customer Self-Directed Tariff in compliance with RES Rule R-14-1809(A) and its annual 2006 National Rural Utilities Cooperative Finance Corporation Form 7 in compliance with the RES Rule R-14-1808(B)(1). GCEC also submits a worksheet that contains the information required by RES Rule R-14-1808(B)(2) through R-14-1808(B)(4). Finally, GCEC hereby agrees to waive the 30 day Arizona Corporation Commission deadline for processing these tariffs.

RESPECTFULLY SUBMITTED this 5th day of October, 2007.

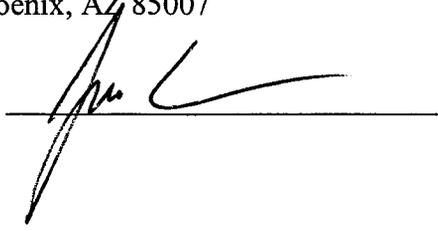
By

John Wallace
Grand Canyon State Electric Cooperative Assn. Inc.

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Original and thirteen (13) copies filed this
5th day of October, 2007, with:

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

By 

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

RENEWABLE ENERGY STANDARD TARIFF

Effective Date:

Background

On November 14, 2006, the Arizona Corporation Commission ("Commission") issued Decision No. 69127 that contained a Renewable Energy Standard ("RES") that set forth annual renewable energy requirements for all affected electric utilities in the State of Arizona as well as a requirement that each affected electric utility file with the ACC for approval a RES Tariff to fund such renewable energy requirements.

Application

On all bills for all governmental and agricultural customers with multiple meters, an RES Surcharge mandated by the Commission will be assessed monthly at the lesser of \$.000875 per kilowatt-hour of retail electricity purchased by the consumer, or:

Governmental and Agricultural Customers: \$13 per service;

Governmental and Agricultural Customers whose metered demand is 3,000 kW or more for 3 consecutive months: \$39.00 per service.

In the case of unmetered services, the Load-Serving Entity shall, for purposes of billing the RES Surcharge and subject to the caps set forth above, use the lesser of (i) the load

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

RENEWABLE ENERGY STANDARD TARIFF

Effective Date:

profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

On all bills in all other tariff service categories than those listed above, an RES Surcharge mandated by the Arizona Corporation Commission will be assessed monthly at the lesser of \$.004988 per kilowatt-hour of retail electricity purchased by the consumer, or:

Residential Customers: \$1.05 per service;

Non-Residential Customers: \$39.00 per service;

Non-Residential Customers whose metered demand is 3,000 kW or more for 3 consecutive months: \$117.00 per service.

In the case of unmetered services, the Load-Serving Entity shall, for purposes of billing the RES Surcharge and subject to the caps set forth above, use the lesser of (i) the load profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

The RES Surcharge is in addition to all other rates and charges applicable to service to the customer.

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

RENEWABLE ENERGY CUSTOMER SELF-DIRECTED TARIFF

Effective Date:

Background

On November 14, 2006, the Arizona Corporation Commission (“Commission”) issued Decision No. 69127 that contained a Renewable Energy Standard (“RES”) that set forth annual renewable energy requirements for all affected electric utilities in the State of Arizona as well as a requirement that each affected electric utility file with the ACC for approval a RES Customer Self-Directed Option Tariff as defined below.

Application

The RES Customer Self-Directed Option is applicable to single and three phase service for Non-Residential Customers with multiple meters that pay more than \$25,000 annually in RES Surcharge funds pursuant to the Renewable Energy Standard Tariff for any number of related accounts or services within the Cooperative’s service territory (“Eligible Customer”).

An Eligible Customer may apply to the Cooperative to receive funds to install Distributed Renewable Energy Resources. An Eligible Customer seeking to participate in this program shall submit to the Cooperative a written application that describes the Renewable Energy Resources that it proposes to install and the projected cost of the project. An Eligible Customer shall provide at least half of the funding necessary to complete the project described in its application.

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

RENEWABLE ENERGY CUSTOMER SELF-DIRECTED TARIFF

Effective Date:

An Eligible Customer shall enter into a contract with the Cooperative that specifies, at a minimum the following information: the type of Distributed Generation (“DG”) resource, its total estimated cost, kWh output, its completion date, the expected life of the DG system, a schedule of Eligible Customer expenditures and invoices for the DG system, Cooperative payments to an Eligible Customer for the DG system and the amount of a Security Bond or Letter of Credit necessary to ensure the future operation of the Eligible Customer’s DG System, metering equipment, maintenance, insurance and related costs.

If proposed to be connected to the Cooperative’s electrical system, an Eligible Customer’s DG Resource shall meet all of the Cooperative’s DG interconnection requirements and guidelines before being connected to the Cooperative’s electrical system.

All Renewable Energy Credits derived from the project, including generation and extra credit multipliers, shall be applied to satisfy the Cooperative’s Annual Renewable Energy Requirement.

The funds annually received by an Eligible Customer pursuant to this tariff may not exceed the amount annually paid by the Eligible Customer pursuant to the RES Surcharge Tariff.

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

VOLUNTARY RES CONTRIBUTION PROGRAM TARIFF

SCHEDULE VRES

Effective Date:

Availability

The Renewable Energy Standard (“RES”) Voluntary Contribution Program is available to all member/customers of the distribution cooperative who wish to contribute funds in support of the construction and acquisition of renewable resources.

Background

Graham County Electric Cooperative, Inc. (“the Cooperative”) is one of five Arizona Class A Members of the Arizona Electric Power Cooperative, Inc. (“AEPCO”). AEPCO has prepared and the Arizona Corporation Commission has approved in Decision No. 69728 an RES Plan which currently provides for rebate support of customer owned renewable resources or the acquisition of large scale renewable resources. The RES Plan may be modified from time to time on further application to the Commission. Funds to support the EPS Plan are collected by AEPCO’s member distribution cooperatives pursuant to Commission Rules and applicable RES Surcharge tariffs and are remitted to AEPCO for expenditure in accordance with the terms of the approved RES Plan. The purpose of this Voluntary RES Contribution Program is to allow member/consumers an option to contribute additional amounts if they desire in support of the RES Plan.

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

VOLUNTARY RES CONTRIBUTION PROGRAM TARIFF

SCHEDULE VRES

Effective Date:

Contribution Program

Participation in the Contribution Program is voluntary. Any member/customer desiring to participate in the Contribution Program may do so by signing, completing and returning to the Cooperative a form specifying the amount of the monthly contribution. Member/customers may purchase 50 kWh blocks of green energy for an additional cost of \$2.00 per block. This rate is in addition to all applicable charges contained in the tariff under which a customer takes electric service. The amount of blocks selected will then be added to the member/customer's bill on a monthly basis and all billing and payment tariffs of the Cooperative shall apply to participation in the Contribution Program. Member/customers may cancel their participation in the Contribution Program at any time by notifying the Cooperative at least 30 days in advance of the member/customer's billing date of their decision to cancel in writing on a form supplied by the Cooperative.

Elections to participate or to cancel participation in the Contribution Program may only be in writing on forms supplied by the Cooperative.

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.	BORROWER DESIGNATION AZ017
	BORROWER NAME GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.
ENDING DATE 12/31/2006	

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.

Russ Barney 3/23/07
 Signature of Office Manager or Accountant Date

Steve M Lines 3-23-07
 Signature of Manager Date

NEW AUTHORIZATION CHOICES

A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?

NRECA YES NO

B. Will you authorize CFC to share your data with other co-ops on Cooperative.com's website?

Cooperative.com YES NO

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	12,013,165	14,087,799	12,946,988	1,109,776
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	7,714,390	9,448,643	8,488,062	732,359
4. Transmission Expense	47,042	40,045	49,848	2,762
5. Distribution Expense - Operation	433,399	475,802	453,377	40,832
6. Distribution Expense - Maintenance	1,011,195	1,277,260	1,025,362	99,756
7. Consumer Accounts Expense	312,311	365,103	324,340	28,192
8. Customer Service and Informational Expense	0	0	0	0
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	827,769	836,933	860,088	86,302
11. Total Operation & Maintenance Expense (2 thru 10)	10,346,106	12,443,786	11,201,077	990,203
12. Depreciation & Amortization Expense	762,757	861,319	823,742	73,235
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	0	0
15. Interest on Long-Term Debt	964,298	1,011,804	924,528	93,437
16. Interest Charged to Construction (Credit)	0	0	0	0
17. Interest Expense - Other	6,609	10,233	7,896	759
18. Other Deductions	0	0	0	0
19. Total Cost of Electric Service (11 thru 18)	12,079,770	14,327,142	12,957,243	1,157,634
20. Patronage Capital & Operating Margins (1 minus 19)	(66,605)	(239,343)	(10,255)	(47,858)
21. Non Operating Margins - Interest	56,584	85,795	53,690	7,812
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	16,063	16,063	16,063	1,339
25. Generation & Transmission Capital Credits	0	0	0	0
26. Other Capital Credits & Patronage Dividends	81,524	117,853	81,524	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	87,566	(19,632)	141,022	(38,707)

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 Connected	196	266	5. Miles Transmission	79	79
2. Services Retired	0	0	6. Miles Distribution Overhead	1,045	1,053
3. Total Services In Place	8,743	9,009	7. Miles Distribution Underground	26	26
4. Idle Services (Exclude Seasonal)	0	0	8. Total Miles Energized (5+6+7)	1,150	1,158

CFC	BORROWER DESIGNATION
FINANCIAL AND STATISTICAL REPORT	AZ017
	YEAR ENDING
	12/31/2006

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	29,292,960	28. Memberships	29,160
2. Construction Work in Progress	1,012,289	29. Patronage Capital	7,929,042
3. Total Utility Plant (1+2)	30,305,249	30. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort	10,398,004	31. Operating Margins - Current Year	(239,343)
5. Net Utility Plant (3-4)	19,907,245	32. Non-Operating Margins	219,711
6. Nonutility Property - Net	0	33. Other Margins & Equities	8,666
7. Investment in Subsidiary Companies	0	34. Total Margins & Equities (28 thru 33)	7,947,236
8. Invest. in Assoc. Org. - Patronage Capital	1,413,233	35. Long-Term Debt CFC (Net)	14,654,311
9. Invest. in Assoc. Org. - Other - General Funds	605,570	(Payments-Unapplied (\$_____))	0
10. Invest in Assoc. Org. - Other - Nongeneral Funds	0	36. Long-Term Debt - Other (Net)	297,146
11. Investments in Economic Development Projects	0	(Payments-Unapplied (\$_____))	0
12. Other Investments	47,383	37. Total Long-Term Debt (35+36)	14,951,457
13. Special Funds	0	38. Obligations Under Capital Leases	0
14. Total Other Property & Investments (6 thru 13)	2,066,186	39. Accumulated Operating Provisions - Asset Retirement Obligations	0
15. Cash-General Funds	874,690	40. Total Other Noncurrent Liabilities (38+39)	0
16. Cash-Construction Funds-Trustee	0	41. Notes Payable	0
17. Special Deposits	3,124	42. Accounts Payable	1,033,063
18. Temporary Investments	0	43. Consumers Deposits	151,342
19. Notes Receivable - Net	122,347	44. Current Maturities Long-Term Debt	219,900
20. Accounts Receivable - Net Sales of Energy	1,069,251	45. Current Maturities Long-Term Debt-Economic Dev.	0
21. Accounts Receivable - Net Other	(160,372)	46. Current Maturities Capital Leases	0
22. Materials & Supplies - Electric and Other	458,056	47. Other Current & Accrued Liabilities	509,599
23. Prepayments	86,061	48. Total Current & Accrued Liabilities (41 thru 47)	1,913,904
24. Other Current & Accrued Assets	27,799	49. Deferred Credits	0
25. Total Current & Accrued Assets (15 thru 24)	2,480,956	50. Total Liabilities & Other Credits (34+37+40+48+49)	24,812,597
26. Deferred Debits	358,210		
27. Total Assets & Other Debits (5+14+25+26)	24,812,597		

ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
Balance Beginning of Year	2,633,480
Amounts Received This Year (Net)	371,049
TOTAL Contributions-In-Aid-Of-Construction	3,004,529

PART D. THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

**CFC
FINANCIAL AND STATISTICAL REPORT**

BORROWER DESIGNATION

AZ017

YEAR ENDING

12/31/2006

PART E. CHANGES IN UTILITY PLANT

ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE OF YEAR (e)	DEPRECIATION RATE % (f)
1. Land and Land Rights (360)	47,810	0	0	0	47,810	
2. Structures and Improvements (361)	0	0	0	0	0	
3. Station Equipment (362)	5,622,376	12,512	0	0	5,634,888	2.94%
4. Storage Battery Equipment	0	0	0	0	0	
5. Poles, Towers, and Fixtures (364)	5,872,158	266,387	11,546	0	6,126,999	2.94%
6. Overhead Conductors and Devices (365)	3,098,919	235,109	7,749	0	3,326,279	2.94%
7. Underground Conduit (366)	522,344	0	0	0	522,344	2.94%
8. Underground Conductors and Devices (367)	562,693	21,446	0	0	584,139	2.94%
9. Line Transformers (368)	4,653,008	418,219	6,061	0	5,065,166	2.94%
10. Services (369)	1,107,662	43,968	0	0	1,151,630	2.94%
11. Meters (370)	919,215	80,401	0	0	999,616	2.94%
12. Installation on Consumer's Premises (371)	189,008	18,384	0	0	207,392	2.94%
13. Leased Property on Consumer's Premises (372)	0	0	0	0	0	
14. Street Lighting (373)	0	0	0	0	0	
15. SUBTOTAL: Distribution (1 thru 14)	22,595,193	1,096,426	25,356	0	23,666,263	
16. Land and Land Rights (See Line 26)						
17. Structures and Improvements (See Line 26)						
18. Office Furniture & Equipment (391)	321,476	1,785		0	323,261	10.00%
19. Transportation Equipment (392)	1,649,843	38,224	0	0	1,688,067	20.00%
20. Stores, Tools, Shop, Garage, and Laboratory Equipment (393, 394, 395)	208,467	11,970	0	0	220,437	4.80%
21. Power-Operated Equipment (396)	183,405	4,676	0	0	188,081	6.50%
22. Communication Equipment (397)	231,972	42,345	0	0	274,317	6.50%
23. Miscellaneous Equipment (398)	3,152	0	0	0	3,152	6.50%
24. Other Tangible Property (399)	0	0	0	0	0	
25. SUBTOTAL: General Plant (18 thru 24)	2,598,315	99,000	0	0	2,697,315	
26. Headquarters Plant (389 & 390)	374,758	0	0	0	374,758	
27. Intangibles (301, 302, 303)	3,060	0	0	0	3,060	
28. Land and Land Rights, Roads and Trails (350, 359)	7,254	0	0	0	7,254	
29. Structures and Improvements (352)	0	0	0	0	0	
30. Station Equipment (353)	144,717	0	0	0	144,717	2.75%
31. Towers and Fixtures and Poles and Fixtures (354, 355)	1,643,066	0	0	0	1,643,066	2.75%
32. Overhead, Conductors, and Devices (356)	756,527	0	0	0	756,527	2.75%
33. Underground Conduit (357)	0	0	0	0	0	
34. Underground Conductor & Devices (358)	0	0	0	0	0	
35. SUBTOTAL: Transmission Plant (28 thru 34)	2,551,564	0	0	0	2,551,564	
36. Production Plant - Steam (310-316)	0	0	0	0	0	
37. Production Plant - Nuclear (320-325)	0	0	0	0	0	
38. Production Plant - Hydro (330-336)	0	0	0	0	0	
39. Production Plant - Other (340-346)	0	0	0	0	0	
40. All Other Utility Plant (102, 104-106, 114, 118)	0	0	0	0	0	
41. SUBTOTAL:(15+25+26+27+35 thru 40)	28,122,890	1,195,426	25,356	0	29,292,960	
42. Construction Work in Progress (107)	491,702	520,587			1,012,289	
43. TOTAL UTILITY PLANT (41+42)	28,614,592	1,716,013	25,356	0	30,305,249	

CFC FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION AZ017
	YEAR ENDING 12/31/2006

PART F. ANALYSIS OF ACCUMULATED PROVISION FOR DEPRECIATION - TOTAL ELECTIC PLANT

ITEM	DISTRIBUTION PLANT (a)	GENERAL PLANT (b)	TRANSMISSION PLANT (c)	OTHER PLANT (d)
1. Balance Beginning of Year	6,755,426	2,083,055	611,272	0
2. Additions - Depreciation Accruals Charged to:				
a. Depreciation Expense	676,866	114,484	69,969	0
b. Clearing Accounts and Others	0	144,206	0	0
c. Subtotal (a+b)	676,866	258,690	69,969	0
3. Less - Plant Retirements:				
a. Plant Retired	25,355	0	0	0
b. Removal Costs	31,919	0	0	0
c. Subtotal (a+b)	57,274	0	0	0
4. Plus Salvaged Materials	0	0	0	0
5. TOTAL (2c - 3c +4)	619,592	258,690	69,969	0
6. Other Adjustments - Debit or Credit	0	0	0	0
7. Balance End of Year (1+5+6)	7,375,018	2,341,745	681,241	0

AS OF 12/31/98 CFC NO LONGER REQUIRES SECTIONS "G", "N" AND "P" DATA
Those sections refer to data on, "Materials and Supplies" (G), "Annual Meeting and Board Data" (N), and Conservation Data" (P).

PART H. SERVICE INTERRUPTIONS

ITEM	Avg. Hours per Consumer by Cause	TOTAL (e)			
	Power Supplier (a)	Extreme Storm (b)	Prearranged (c)	All Other (d)	
1. Present Year	0.00	2.37	0.00	0.61	2.98
2. Five-Year Average	0.00	1.78	0.00	1.18	2.96

PART I. EMPLOYEE - HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	25	4. Payroll - Expensed	873,096
2. Employee - Hours Worked - Regular Time	51,478	5. Payroll - Capitalized	210,426
3. Employee - Hours Worked - Overtime	3,826	6. Payroll - Other	380,478

PART J. PATRONAGE CAPITAL **PART K. DUE FROM CONSUMERS FOR ELECTRIC SERVICE**

ITEM	THIS YEAR (a)	CUMULATIVE (b)	
1. General Retirement	0	749,541	1. Amount Due Over 60 Days: 22,244
2. Special Retirements	0	0	
3. Total Retirements (1+2)	0	749,541	2. Amount Written Off During Year: 23,078
4. Cash Received from Retirement of Patronage Capital by Suppliers of Electric Power	0		
5. Cash Received from Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	78,900		
6. Total Cash Received (4+5)	78,900		

PART L. KWH PURCHASED AND TOTAL COST

NAME OF SUPPLIER (a)	CFC USE ONLY SUPPLIER CODE (b)	KWH PURCHASED (c)	TOTAL COST (d)	AVERAGE COST PER KWH (cents) (e)	INCLUDED IN TOTAL COST	
					FUEL COST ADJUSTMENT (f)	WHEELING & OTHER CHARGES (or Credits) (g)
1. Arizona Electric Power Cooperative		148,962,237	9,862,636	6.62	1,068,869	0
2.		0	0	0.00	0	0
3.		0	0	0.00	0	0
4.		0	0	0.00	0	0
TOTALS		148,962,237	9,862,636	6.62	1,068,869	0

CFC FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION AZ017
	YEAR ENDING 12/31/2006

PART M. LONG-TERM LEASES (If additional space is needed, use separate sheet)

LIST BELOW ALL "RESTRICTED PROPERTY" ** HELD UNDER "LONG TERM" LEASE. (If none, State "NONE")

	NAME OF LESSOR	TYPE OF PROPERTY	RENTAL THIS YEAR
1.			\$0
2.			
3.	TOTAL		\$0

** "RESTRICTED PROPERTY" means all properties other than automobiles, trucks, tractors, other vehicles (including without limitation aircraft and ships), office and warehouse space and office equipment (including without limitation computers). "LONG TERM" means leases having unexpired terms in excess of 3 years and covering property having an initial cost in excess of \$250,000).

PART O. LONG-TERM DEBT SERVICE REQUIREMENTS

	NAME OF LENDER	BALANCE END OF YEAR	BILLED THIS YEAR			CFC USE ONLY (e)
			INTEREST (a)	PRINCIPAL (b)	TOTAL (c)	
1.	National Rural Utilities Cooperative Finance Corporation	14,858,211	986,287	195,648	1,181,935	
2.	NRECA Past Service Pension Costs	164,238	25,517	30,816	56,333	
3.	Accumulated Provision for Post Retirement Benefits	148,908	0	0	0	
4.	Current Maturities of Long-Term Debt	(219,900)	0	0	0	
5.		0	0	0	0	
6.		0	0	0	0	
7.		0	0	0	0	
8.		0	0	0	0	
9.		0	0	0	0	
10.	TOTAL (Sum of 1 thru 9)	\$14,951,457	\$1,011,804	\$226,464	\$1,238,268	

**CFC
FINANCIAL AND STATISTICAL REPORT**

**BORROWER DESIGNATION
AZ017**

YEAR ENDING 12/31/2006

PART R. POWER REQUIREMENTS DATA BASE

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
		(a)	(b)	(c)	(d)	(e)	(f)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	6,668	6,693	6,739	6,741	6,755	6,785
	b. KWH Sold	4,482,140	4,064,534	4,246,295	3,728,995	4,234,090	7,390,293
	c. Revenue	465,865	428,413	444,650	398,391	474,756	783,376
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
3. Irrigation Sales	a. No. Consumers Served	427	448	676	727	770	774
	b. KWH Sold	58,180	201,410	1,678,272	2,362,335	1,541,031	2,843,348
	c. Revenue	15,131	28,531	169,674	234,470	169,223	300,033
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	712	713	708	712	719	728
	b. KWH Sold	1,842,340	1,811,941	2,022,708	1,869,605	2,072,906	2,966,095
	c. Revenue	177,696	174,914	193,114	179,812	213,523	300,874
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	13	14	13	13	13	13
	b. KWH Sold	2,447,240	1,989,400	2,090,600	2,223,340	2,211,440	2,839,380
	c. Revenue	205,532	167,236	175,678	186,794	202,267	259,552
6. Public Street & Highway Lighting	a. No. Consumers Served	3	3	3	3	3	3
	b. KWH Sold	10,725	10,725	10,725	10,725	10,725	10,725
	c. Revenue	923	923	923	1,003	1,003	923
7. Other Sales to Public Authority	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
8. Sales for Resales-REA Borrowers	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
9. Sales for Resales-Other	a. No. Consumers Served	0	0	0	0	0	0
	b. KWH Sold	0	0	0	0	0	0
	c. Revenue	0	0	0	0	0	0
10. TOTAL No. of Consumers (lines 1a thru 9a)		7,823	7,871	8,139	8,196	8,260	8,303
11. TOTAL KWH Sold (lines 1b thru 9b)		8,840,625	8,078,010	10,048,600	10,195,000	10,070,192	16,049,841
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)		865,148	800,017	984,041	1,000,470	1,060,772	1,644,758
13. Other Electric Revenue		16,647	14,852	17,912	17,317	22,831	27,243
14. KWH - Own Use		16,668	10,925	12,161	21,272	20,666	24,180
15. TOTAL KWH Purchased		9,680,210	8,440,025	11,751,212	10,851,739	13,969,528	18,551,139
16. TOTAL KWH Generated		0	0	0	0	0	0
17. Cost of Purchases and Generation		545,050	507,793	644,753	738,672	974,387	1,179,260
18. Interchange - KWH - Net		0	0	0	0	0	0
19. Peak - Sum All KW Input (Metered) Non-coincident <u> X </u> Coincident <u> </u>		17,789	16,622	20,275	20,979	30,484	38,723

**CFC
FINANCIAL AND STATISTICAL REPORT**

BORROWER DESIGNATION

AZ017

YEAR ENDING

12/31/2006

PART R. POWER REQUIREMENTS DATA BASE (Continued)

(See preceding page 6 of CFC Form 7 for Headings of Line Item numbers below.)

LINE ITEM NUMBER		JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
		(g)	(h)	(i)	(j)	(k)	(l)	(Column a thru l) (m)
1	a.	6,778	6,824	6,895	6,873	6,899	6,965	6,817
	b.	7,829,187	6,868,012	7,042,085	4,771,833	3,622,569	5,198,557	63,478,590
	c.	826,353	732,801	733,599	517,990	408,886	559,499	6,774,578
2	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
3	a.	785	788	812	785	544	515	471
	b.	3,542,247	1,403,158	803,312	368,611	113,701	96,558	15,012,163
	c.	369,759	157,576	96,320	51,041	22,962	18,816	1,633,536
4	a.	710	722	727	732	732	736	724
	b.	2,878,720	2,648,859	2,867,772	2,314,485	1,835,968	2,210,731	27,342,130
	c.	292,127	269,967	284,926	232,224	186,613	222,343	2,728,134
5	a.	13	13	13	13	14	14	14
	b.	2,841,180	2,421,320	2,658,220	2,409,040	2,515,360	2,940,620	29,587,140
	c.	259,749	221,501	237,032	214,912	224,409	262,143	2,616,805
6	a.	3	3	3	3	3	3	3
	b.	10,725	10,725	10,725	10,725	10,725	10,725	128,700
	c.	1,003	1,004	979	979	979	979	11,624
7	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
8	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
9	a.	0	0	0	0	0	0	0
	b.	0	0	0	0	0	0	0
	c.	0	0	0	0	0	0	0
10		8,289	8,350	8,450	8,406	8,192	8,233	8,028
11		17,102,059	13,352,074	13,382,114	9,874,694	8,098,323	10,457,191	135,548,723
12		1,748,992	1,382,849	1,352,855	1,017,146	843,849	1,063,779	13,764,676
13		28,919	26,536	69,549	18,205	17,114	45,998	323,124
14		22,978	34,515	18,880	9,343	9,415	21,305	222,308
15		18,808,263	14,194,386	11,479,622	10,086,442	9,641,149	11,508,522	148,962,237
16		0	0	0	0	0	0	0
17		1,221,791	973,138	822,422	763,264	707,893	784,213	9,862,636
18		0	0	0	0	0	0	0
19		40,097	29,843	26,142	24,477	20,832	21,530	40,097

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION (All investments refer to your most recent CFC Loan Agreement) Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.		BORROWER DESIGNATION AZ017 BORROWER NAME GRAHAM COUNTY ELECTRIC COOPERATIVE, INC. MONTH ENDING 12/31/06		
7a - PART 1 - INVESTMENTS				
DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (d)	
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS				
5 Arizona electric Power Cooperative, Inc.	1,408,128	0	0	
6 Arizona electric Power Cooperative, Inc.	5	0	0	
7 Grand Canyon State Electric Cooperative	100	0	0	
8 Graham County Utilities, Inc.	5,000	0	0	
Subtotal (Line 5 thru 8)	1,413,233	0	0	
3. INVESTMENTS IN ECONOMIC DEVELOPMENT PROJECTS				
9	0	0	0	
10	0	0	0	
11	0	0	0	
12	0	0	0	
Subtotal (Line 9 thru 12)	0	0	0	
4. OTHER INVESTMENTS				
13 Investment in National Rural Utilities Cooperative Finance Corporation	0	424,433	6,503	
14 National Rural Utilities Cooperative Finance Corporation Membership	0	1,000	0	
15 National Rural Utilities Cooperative Finance Corporation Patronage Capital	0	180,137	78,161	
16 Investment in Federated Insurance	0	47,383	2,126	
Subtotal (Line 13 thru 16)	0	652,953	86,790	
5. SPECIAL FUNDS				
17	0	0	0	
18	0	0	0	
19	0	0	0	
20	0	0	0	
Subtotal (Line 17 thru 20)	0	0	0	
6. CASH - GENERAL				
21 Chase Bank	1,632,686	100,000	59,224	
22 Change Fund	0	1,800	0	
23	0	0	0	
24	0	0	0	
Subtotal (Line 21 thru 24)	1,632,686	101,800	59,224	
7. SPECIAL DEPOSITS				
25 State Compensation Fund Deposit	3,124	0	0	
26	0	0	0	
27	0	0	0	
28	0	0	0	
Subtotal (Line 25 thru 28)	3,124	0	0	
8. TEMPORARY INVESTMENTS				
29	0	0	0	
30	0	0	0	
31	0	0	0	
32	0	0	0	
Subtotal (Line 29 thru 32)	0	0	0	
9. ACCOUNTS & NOTES RECEIVABLE - NET				
33 Note Receivable - Graham County Utilities, Inc.	122,347	0	10,435	
34 Trade Accounts Receivable	1,069,251	0	0	
35	0	0	0	
36	0	0	0	
Subtotal (Line 33 thru 36)	1,191,598	0	10,435	
10. COMMITMENTS TO INVEST WITHIN 12 MONTHS BUT NOT ACTUALLY PURCHASED				
37	0	0	0	
38	0	0	0	
39	0	0	0	
40	0	0	0	
Subtotal (Line 37 thru 40)	0	0	0	
Total	4,240,641	754,753	156,449	

CFC INVESTMENTS, LOAN GUARANTEES AND LOANS - DISTRIBUTION	BORROWER DESIGNATION AZ017
(All investments refer to your most recent CFC Loan Agreement)	BORROWER NAME GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.
Submit an electronic copy and a signed hard copy to CFC. Round all amounts to the nearest dollar.	MONTH ENDING 12/31/2006

7a - PART II. LOAN GUARANTEES

Line No.	Organization & Guarantee Beneficiary (a)	Maturity Date of Guarantee Obligation (b)	Original Amount (\$) (c)	Performance Guarantee Exposure or Loan Balance (\$) (d)	Available Loans (Covered by Guarantees) (e)
1	CFC - Graham County Electric Cooperative, Inc.	11/1/2014	2,243,711	0	1,217,094
2	CFC - Graham County Electric Cooperative, Inc.	6/30/2026	550,000	0	470,620
3	CFC - Graham County Electric Cooperative, Inc.	9/30/2031	400,000	0	379,551
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			3,193,711	0	2,067,265

7a - PART III. LOANS

Line No.	Name of Organization (a)	Maturity Date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Available Loans (e)
1	CFC - Graham County Utilities, Inc.	1/15/2010	500,000	122,347	0
2			0	0	0
3			0	0	0
4			0	0	0
5			0	0	0
TOTALS (Line 1 thru 5)			500,000	122,347	0

7a - PART IV. TOTAL INVESTMENTS AND LOANS GUARANTEES

1	TOTAL (Part I, Total - Column b + Part II, Totals - Column d + Column e + Part III, Totals - Column d + Column e)			2,189,612
2	LARGER OF (a) OR (b)			4,545,787
	a. 15 percent of Total Utility Plant (CFC Form 7, Part C, Line 3)			4,545,787
	b. 50 percent of Total Equity (CFC Form 7, Part C, Line 34)			3,973,618

Graham County Electric Coop RES Funding from Surcharge

	Total \$	Average \$ per Bill	% reaching Cap
Residential	74,439	\$ 0.92	81.6%
Small Commercial	66,564	\$ 7.73	9.7%
Large Commercial & Gins	5,537	\$ 36.92	79.6%
Irrigation	3,754	\$ 0.52	1.2%
Governmental and Agricultural (Various Rates)	15,177	\$ 10.19	56.1%
Total	165,471		

Current EPS Charge	0.000875	per kWh
Proposed RES Charge	0.004988	per kWh

Proposed RES Caps

Residential	\$ 1.05
Governmental & Agricultural	\$ 13.00
Commercial & Industrial	\$ 39.00
Industrial 3MW +	\$ 117.00

Sample Customers	Average kWh	Monthly Bill Impact	
		Current EPS	Proposed RES
School	44,064	\$ 13.00	\$ 13.00
Convenience Store	30,186	\$ 13.00	\$ 39.00