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**GALLAGHER & KENNEDY**

P.A.

LAW OFFICES

RECEIVED

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MICHAEL M. GRANT  
DIRECT DIAL: (602) 530-8291  
E-MAIL: MMG@GKNET.COM

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2575 EAST CAMELBACK ROAD  
PHOENIX, ARIZONA 85016-9225  
PHONE: (602) 530-8000  
FAX: (602) 530-8500  
WWW.GKNET.COM

AZ CORP COMMISSION  
DOCKET CONTROL  
October 19, 2007

Arizona Corporation Commission

DOCKETED

OCT 19 2007

**HAND DELIVERED**

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

DOCKETED BY	nr
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Re: *Compliance Filing by Graham County Electric Cooperative, Inc. ("GCEC");  
Decision No. 69874 (the "Decision"); Docket No. E-01749A-07-0237*

Dear Sir/Madam:

The First Ordering Paragraph at page 8 of the Decision requires GCEC to file pertinent documents evidencing the consummation of the transaction with the Town of Thatcher. In that regard, the transaction closed on October 15, 2007, and attached is a Bill of Sale by GCEC dated October 15, 2007, conveying the identified assets to the Town.

The Decision also required GCEC to identify "specific new projects that will be funded with the gains realized from the transaction." (Decision, First Ordering Paragraph, p. 7.) In that regard, GCEC currently intends to apply all of the gains realized from the sale to Thatcher to construction of its new office building. The new headquarters facility is one of the projects comprising the Construction Work Plan which the Commission approved borrowing for in Decision No. 66382. Construction of the new building is expected to begin next month.

Very truly yours,

GALLAGHER & KENNEDY, P.A.

By:

Michael M. Grant

MMG/plp  
10430-12/1662047  
Attachment

**Original and 13 copies** filed with Docket Control this 19<sup>th</sup> day of October, 2007.

cc (w/attachment): Kimberly Battista, Compliance Section, Utilities Division (delivered)

**BILL OF SALE**

THE UNDERSIGNED, Graham County Electric Cooperative, Inc., an Arizona non-profit corporation ("Seller"), for good and valuable consideration received from the Town of Thatcher, an Arizona municipal corporation ("Buyer"), does hereby grant, bargain, sell and convey to Buyer, its successors and assigns, forever, the goods, chattels and property described on Exhibit A attached (the "Assets"), AS IS.

IN WITNESS WHEREOF, this Bill of Sale is signed this 15<sup>th</sup> day of October, 2007.

GRAHAM COUNTY ELECTRIC COOPERATIVE,  
INC., an Arizona non-profit corporation

By: Steve Lines.  
Steve Lines, General Manager

<b>THATCHER TERRITORY PURCHASE</b>	
<b>UNIT INVENTORY</b>	
	<b>TOTALS</b>
A5	3
A5-2	2
A7	1
CI	43
CI-4	1
C2	6
C3	1
C7	29
C7-1	4
C8	15
C8-1	2
C8-3	3
C9	2
C9-1	10
K11	13
K14	114
K17	10
J6	2
DD LIGHT	8
G106 TRANSFORMERS	2
G136 "	7
G310 "	33
M3-30	1
METER 1PH	30
METER 3PH	37
ANCHOR	49
30' POLE	60
35' POLE	48
40' POLE	54

# THATCHER TERRITORY PURCHASE

## WIRE INVENTORY

	LINEAR TOTAL	WIRE TOTAL
4 ACSR/3PH	9,802'	39,208'
4 ACSR/1PH	166'	332'
4 ACSRNN/3PH	1,331'	3,993'
4 SOL CU	150'	150'
6 SOL CU/3PH	11,087'	44,348'
6 SOL CUNN/3PH	5,200'	15,600'
6 SOL CU/1PH	230'	460'
2 STR CU/3PH	545'	2,180'
1/0 OKINITE/3PH	120'	360'
1/0 OKINITE/1PH	674'	674'
2 TPX	1,746'	1,746'
1/0 TPX	670'	670'
4/0 TPX	100'	100'
4 QPX	280'	280'
2 QPX	2,386'	2,386'
1/0 QPX	1,000'	1,000'
1/0 TPX URD	510'	510'
4/0 TPX URD	970'	970'
350 TPX URD	250'	250'

10430.0012/1450550v2

<b>THATCHER TERRITORY PURCHASE</b>	
<b>UNDERGROUND INVENTORY</b>	
	<i>TOTALS</i>
UA1	1
UG6	1
UG7 TRANSFORMER	1
UG17	1
UJ2-6	10
UM1-6C	3
UM1-7NC	1
UM33	1
UM5	9
UM5-6	4
UM6-1	13
UM6-6	4
UM6-10	8
UM6-15	8
UM6-22	3