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BEFORE THE ARIZONA CORPORATION COMMISSION

2009 NOV 19 P 4: 35

COMMISSIONERS

- KRISTIN K. MAYES—Chairman
- GARY PIERCE
- PAUL NEWMAN
- SANDRA D. KENNEDY
- BOB STUMP

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION
OF SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC. FOR A
HEARING TO DETERMINE THE FAIR
VALUE OF ITS PROPERTY FOR
RATEMAKING PURPOSES, TO FIX A
JUST AND REASONABLE RETURN
THEREON, TO APPROVE RATES
DESIGNED TO DEVELOP SUCH RETURN
AND FOR RELATED APPROVALS.

DOCKET NO. E-01575A-08-0328

**NOTICE OF COMPLIANCE
WITH RATE CASE DECISION
AND REQUEST FOR APPROVAL
OF TARIFF IN CONNECTION
THEREWITH**

Snell & Wilmer
LLP
LAW OFFICES
One Arizona Center, 400 E. Van Buren
Phoenix, Arizona 85004-2202
(602) 382-6000

On September 8, 2009, the Arizona Corporation Commission (“Commission”) issued Decision No. 71272 (“Decision”) in the above-captioned matter. The Decision contains a requirement that within 60 days of the effective date of the Decision, Sulphur Springs Valley Electric Cooperative, Inc. (“SSVEC”) file for Commission approval, revised line extension policies.¹ On November 6, 2009, prior to the expiration of the compliance deadline, SSVEC filed a request for a brief two week extension of the compliance deadline in order to complete its work on the revised line extension policies.

In compliance with this requirement, SSVEC hereby files for Commission approval a new tariff Schedule LE – Line Extension Policies, Charges and Refunding Procedures.

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Arizona Corporation Commission
DOCKETED

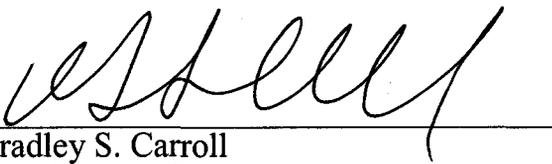
NOV 19 2009

¹ Decision at page 35, lines 18-26; page 49, lines 7-11.

DOCKETED BY

1 RESPECTFULLY SUBMITTED this 19th day of November, 2009.

2 SNELL & WILMER L.L.P.

3
4 By 

5 Bradley S. Carroll
6 One Arizona Center
7 400 East Van Buren
8 Phoenix, Arizona 85004-2202
9 Attorneys for Sulphur Springs Valley
10 Electric Cooperative, Inc.

11 ORIGINAL and 13 copies filed this
12 19th day of November, 2009, with:

13 Docket Control
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington
16 Phoenix, Arizona 85007

17 COPIES of the foregoing hand-delivered
18 this 19th day of November, 2009, to:

19 Brian Bozzo, Compliance Manager
20 Utilities Division
21 ARIZONA CORPORATION COMMISSION
22 1200 West Washington Street
23 Phoenix, Arizona 85007

24 Steve Olea Johnson, Director
25 Utilities Division
26 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Wesley C. Van Cleve, Attorney
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

...

1 COPY of the foregoing sent via U.S. Mail
2 this 19th day of November, 2009, to:

3 Jane Rodda, Administrative Law Judge
4 Hearing Division
5 ARIZONA CORPORATION COMMISSION
6 400 West Congress
7 Tucson, AZ 85701-1347

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11 By Ginty Ball

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ELECTRIC RATES

SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC.
P.O. Box 820
Willcox, Arizona 85644-0820

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Effective Date: _____ 1, 20__

STANDARD OFFER TARIFF

LINE EXTENSION POLICIES, CHARGES AND REFUNDING PROCEDURES SCHEDULE LE

This procedure describes the various procedures, charges, and credits related to the residential and non residential line extensions as authorized by the Cooperative's Service Conditions.

1. Availability of Line Extensions

- a. Subject to the availability of adequate capacity and suitable character of service at the point of beginning for an extension, SSVEC shall extend its facilities to residential and commercial Customers.
- b. Any Permanent Customer shall be eligible for a Line Extension.
- c. A standard Line Extension may be any combination of overhead or underground, single-phase or three-phase, primary or secondary as the situation warrants and as SSVEC system requirements permit.

2. Applicability

- a. Before an extension is constructed to a well, documentation that the well is capable of producing an adequate quality and quantity of water for the intended purpose may be required by SSVEC.
- b. Easements shall be furnished by the Customer at no cost to SSVEC.
- c. Any underground extensions will be at the sole discretion of SSVEC. If underground facilities are installed, the Customer shall provide all necessary trenching and select backfill where required, conduit, backfilling, compaction, and all concrete work to the specifications of SSVEC and applicable local codes, at the Customer's expense.

3. Line Extension Construction Charges

- a. The Customer shall be responsible for 100% of the actual cost of construction of a Line Extension and any applicable Attachment Charge.

- b. SSVEC shall provide the Customer with an itemized estimated invoice, known as a Cost Estimate Invoice, that contains a schedule of charges which itemizes SSVEC's estimated costs of construction to be charged to the Customer. The Cost Estimate Invoice is provided to the Customer for approval and payment prior to the start of construction. The Cost Estimate Invoice will itemize estimated charges by labor and associated overhead; materials and associated overhead; other costs such as permit, re-staking, and right-of-way if applicable; credits applied for prepaid design fees; travel costs; and if applicable, any Attachment Charge.
- c. If additional information is needed beyond what is set forth in the Cost Estimate Invoice, a Customer may request an itemized list of materials and associated costs generated from SSVEC's staking software.
- d. Once a Line Extension is complete, SSVEC will provide a Final Invoice whereby the Customer will be refunded or balance billed for any difference between the prepaid Cost Estimate Invoice and the sum of the actual cost of construction and any applicable Attachment Charge.

4. Refund of Line Extension

- a. A Customer who has paid SSVEC for a Line Extension may be refunded from other Customers who attach to the original Line Extension within one year from the date of completion of the original Line Extension. For a 2nd Customer who requests to attach, an Attachment Charge will be calculated by dividing the cost of the original Line Extension cost by two. The resulting value will be collected from the 2nd Customer and refunded to the original Line Extension Customer. If a 3rd Customer requests to attach, an Attachment Charge will be calculated by dividing the cost of the original Line Extension cost by three. The resulting value will be collected from the 3rd Customer and refunded equally to the original Line Extension Customer and the 2nd Customer.
- b. This process would continue for additional attachment requests up to one year from the date of completion of the original Line Extension. After one year from the date of completion of the original Line Extension, the original customer is no longer eligible for any further refund. Any Customer who has paid both an Attachment Charge and a new Line Extension is eligible for a refund on the new Line Extension based upon the previously-stated criteria up to one year from the date of completion.