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BEFORE THE ARIZONA CORPORATION CC

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AZ CORP COMMISSION
DOCKET CONTROL

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

IN THE MATTER OF THE APPLICATION OF SOUTHWEST TRANSMISSION COOPERATIVE, INC. FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON AND TO APPROVE RATES DESIGNED TO DEVELOP SUCH RETURN	DOCKET NO. E-04100A-09-0496 **STAFF'S NOTICE OF FILING DIRECT TESTIMONY ON RATE DESIGN AND COST OF CAPITAL**

Staff of the Arizona Corporation Commission ("Staff") hereby files the Direct Testimony of Dennis M. Kalbarczyk in the above docket.

RESPECTFULLY SUBMITTED this 28th day of June 2010.

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Legal Division
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Original and thirteen (13) copies of the foregoing filed this 28th day of June 2010 with:

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Arizona Corporation Commission
DOCKETED
JUN 28 2010
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GARY PIERCE
Commissioner
PAUL NEWMAN
Commissioner
SANDRA D. KENNEDY
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IN THE MATTER OF THE APPLICATION OF SOUTHWEST TRANSMISSION COOPERATIVE, INC. FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON AND TO APPROVE RATES DESIGNED TO DEVELOP SUCH RETURN	)	DOCKET NO. E-04100A-09-0496

DIRECT

TESTIMONY

OF

DENNIS M. KALBARCZYK

ON BEHALF OF

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

JUNE 28, 2010

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Dennis M. Kalbarczyk. My business address is 910 Piketown Road, Harrisburg, Pennsylvania 17112.

Q. By whom are you employed and in what capacity?

A. I am the principal of Utility Rate Resources, and maintain a professional relationship with the Liberty Consulting Group, Inc., ("Liberty"). Liberty has been engaged by the Arizona Corporation Commission ("ACC" or "Commission") to assist the Utilities Division ("Staff") in the review of Southwest Transmission Cooperative Inc.'s ("Southwest" or "SWTC") application for a general rate increase in the proceeding at Docket No. E-04100A-09-0496.

Q. Briefly summarize your education background and professional qualification.

A. I graduated in 1971 with a Bachelor of Science Degree in Accounting from Husson College (now Husson University), in Bangor, Maine. In 1969, I received an Associate in Art Degree in Accounting from Strayer College (now Strayer University), in Washington D.C. I am the principal in Utility Rate Resources, which was formed in October 1990. I have prepared over fifty rate case filings which included almost all key aspects such as revenue requirement elements, rate of return, cost of service, rate design, and other specialty tariff rate design matters.

I was employed by Drazen-Brubaker & Associates, Inc. from March 1988 to September 1990. I presented testimony and prepared financial statements necessary for applications for Certificates of Public Convenience before the Pennsylvania Public Utility Commission ("PaPUC"). Additionally, I was responsible for the preparation and filing of rate cases, and testified on behalf of utilities under PaPUC regulation. Prior to March 1988, I was employed

by Metropolitan Edison Company, a subsidiary of GPU Energy, formerly General Public Utilities. I spent three years in the utility's Rate Revenue Requirement Department as a Senior Financial Analyst. My responsibilities included the preparation, review, and analysis of financial reports, budgets, and management responsibility for rate and regulatory matters before the PaPUC.

From 1975 through 1985, I was employed by the PaPUC, serving primarily in the performance of financial and operations audits and in rate proceedings. I testified on revenue requirements matters in nearly all the major electric rate cases during my time at the PaPUC, and performed audits on electric, gas, and water companies for compliance with Commission regulations in the areas of energy cost, coal and gas contracts, and affiliated service contracts. I testified in Energy Cost Rate, Gas Cost Rate, and Coal Compliance proceedings. I actively participated in developing the Commission's first set of regulations on Fuel Procurement Policy and Procedures, Tariffs and Procedures on Energy Cost Rates for electric companies and Gas Cost Rates for gas companies, and designed computerized procedures for electric utilities to report fossil fuel purchases to the PaPUC. From 1972 to 1975 I held progressive degrees of responsibilities with Certified Public Accounting firms performing accounting, auditing and tax preparation duties.

I have specialized in the area of utility rate and economic consulting related to the financial aspects of public utility rates and regulation. My work has encompassed rate case filings, certificates of public convenience, expert testimony, and financial applications for funding by the Pennsylvania Infrastructure Investment Authority. I have participated in regulatory and legal proceedings concerning investor-owned and municipal utilities, and testified before governmental agencies and courts, and have represented utilities as well as consumers of utility services. From 2002 to date, I have been providing senior level consulting services to

Liberty, participating in an audit of electricity distribution service costs for inclusion in revenue requirement before at the Illinois Commerce Commission, and serving as a team member on focused audits (for the New Jersey Board of Public Utilities) addressing financing, accounting, and affiliate charges of National Utilities Inc. (Elizabethtown Gas), South Jersey Gas, and New Jersey Natural Gas. I have also participated in Liberty examinations of fuel adjustment mechanism costs and issues for staffs of the Arizona Corporation Commission and the Nova Scotia Utility and Review Board.

I have testified in more than 60 rate and regulatory matters on behalf of state regulatory commissions, utilities, municipal authorities, and various consumer groups.

Q. What do you understand to be the nature of this proceeding?

A. On October 16, 2009, Southwest Transmission Cooperative, Inc. ("SWTC") filed a general rate application with the Commission, requesting an overall revenue increase of approximately $7.65 million. SWTC's increase request reflects a 29.65 percent increase over a test-period adjusted rate base of approximately $79.7 million, and would produce a rate of return of 9.39 percent. SWTC is requesting approval of all new rates by January 2011, including:

- The Network Services Rate's monthly revenue requirement of $2,247,574
- The Point-to-Point Services Rate of $3.709/kW month
- A System Control and Load Dispatch Rate of $0.245/kW month.

SWTC estimates the monthly bill impact of this requested wholesale transmission rate increase on the retail consumer to be approximately $4.60 for a retail user of 1,000 kWh.

Q. What is the purpose of your testimony?

A. I am addressing on behalf of the Staff SWTC's fully allocated cost of service study and proposed rate design as submitted by SWTC witness Dr. Jay Zarnikau.

II. ALLOCATED COST OF SERVICE STUDY AND RATE DESIGN

Q. Provide a brief overview of SWTC's allocated cost of service study and proposed rate design.

A. A fundamental criterion for establishing an adequate rate design is that it should reflect the cost of providing service to the customer or appropriate customer class based upon the cost causative factors commensurate with the customer or class service requirements. In order to determine appropriate rates, the total annual cost of providing service or the annual revenue requirement must be allocated among the various customers or customer classes based upon their respective cost causative factors. A detailed fully allocated cost of service study is generally performed to determine the cost of service for the respective customer classes. Then, an appropriate rate design is developed for the purpose of designing rates that will recover those costs. From a ratemaking perspective, rates based upon the fully allocated costs of service study are deemed to be cost-based.

In certain circumstances it may be appropriate to deviate from this approach; however, care must be taken to minimize the impact on customers, given that basing rates on non-cost of service principles and techniques can create issues of cross subsidization among classes. SWTC's proposed rate design is cost-based.

Q. What costs has SWTC used to form its proposed rate design?

A. The following table summarizes SWTC's adjusted current and proposed test year revenues, operating expenses, net income (margins), and overall rates of return under

current and SWTC proposed rates. The table also provides a summary of Staff's adjusted revenue requirements under Staff proposed rates. In summary, under SWTC's current rates revenues will produce a negative margin of $169,830 and a negative overall rate of return of 0.21 percent when compared to its adjusted revenue requirement claims. Revenues under SWTC's proposed rates would produce a positive margin of $7,483,591 and a positive overall rate of return of 9.39 percent. Staff's adjusted proposed revenue requirement and cost of capital would produce a positive margin of $8,309,218 and a positive 10.50 percent overall rate of return. Staff witness Smith will address revenue requirement component allowances and adjustments; Staff witness Vickroy address cost of capital.

Table I – Cost of Service Summary

	SWTC Claim		Staff Adjusted	
Revenues	**Current**	**Proposed**	**Current**	**Proposed**
Network Transmission Service	$22,328,219	$29,754,459	$22,328,219	$29,749,860
Point-to-Point	3,484,662	3,711,841	3,484,662	3,711,841
Total Electric Revenue	$25,812,881	$33,466,300	$25,812,881	$33,461,701
Other Operating Revenue	598,408	598,408	598,408	598,408
Special Contracts & Other	1,365,938	1,365,940	1,365,938	1,365,940
Total Operating Revenue	$27,777,227	$35,430,648	$27,777,227	$35,426,049
Operating Expenses	27,947,057	27,947,057	27,116,831	27,947,057
Operating Income (Margins)	($169,830)	$ 7,483,591	$ 660,396	$ 8,309,218
Income Taxes	-	-	-	-
Net Income (Margins)	($169,830)	$ 7,483,591	$ 660,396	$ 8,309,218
Rate Base	$79,668,372	$79,668,372	$79,146,274	$79,146,274
Rate of Return	-0.21%	9.39%	0.83%	10.50%

Q. What is your understanding of SWTC's proposed rate design?

A. SWTC is a non-profit electric transmission cooperative subject to certain Federal Energy Regulatory Commission ("FERC") jurisdictional requirements; specifically, SWTC must comply with FERC Order 888 and maintain an Open Access Transmission Tariff ("OATT"). The Commission has jurisdiction over the rates and charges applied by SWTC to its six Class

A and three Class B members. Consistent with FERC's OATT requirements, SWTC seeks approval of proposed monthly Network Services Rate, Point-to-Point Service Rate and an ancillary service rate for System Control and Load Dispatch, one of six ancillary service rates provided for under regulation. The following table summarizes SWTC's and Staff's proposed rates to that of current rates, along with the respective percentage increase under said proposals.

Table II- Current and Proposed SWTC/STAFF RATES WITH % INCREASE

		SWTC Claim		STAFF Adjusted	
Transmission Services	**Current**	**Proposed**	**% Inc.**	**Proposed**	**% Inc.**
Firm Network Service -$Monthly Rev. Req.*	$ 1,608,258	$ 2,247,574	39.75%	$ 2,247,326	39.74%
Firm Network Service -$Annual Rev. Req.*	$19,299,096	$26,970,890	39.75%	$26,967,912	39.74%
Firm Network Service -MohElec 2 $ Monthly Rev.Req.*	$ 1,608,258	$ 2,162,827	34.48%	$ 2,155,588	34.03%
Firm Network Service - Moh Elec 2 $ Annual Rev.Req.*	$19,299,096	$25,953,928	34.48%	$25,867,053	34.03%
Firm Point-to-Point Transmission ($/kW)	$ 3.423	$ 3.709	8.36%	$ 3.709	8.36%
Non-Firm Point-to-Point Transmission $/kW)	$ 3.423	$ 3.709	8.36%	$ 3.709	8.36%
Mandatory Ancillary Services:					
Sch. 1- Sys Control & Load Dispatch - ($/kW)	$ 0.289	$ 0.245	-15.22%	$ 0.245	-15.22%
Sch. 2- Network Var Support/Voltage Control- ($/kW)	$ 0.120	$ 0.066	-45.00%	$ 0.074	-38.26%
Sch.2- Point-to-Point VarSupport/VoltageContrl- ($/kW)	$ 0.094	$ 0.049	-47.87%	$ 0.055	-41.65%
FERC Optional Ancillary Services – AEPCO					
Sch. 3- Network - Req. & Freq. Resp ($/kW)	$ 0.4720	$ 0.3862	-18.18%	$ 0.4006	-15.12%
Sch. 4- Network - Eng Imbalance - +/-1.5% ($/MW)	$ 23.25	$ 36.68	57.76%	$ 36.68	57.78%
Sch. 5- Network - Oper. Reserves - Spinning ($/kW)	$ 0.7130	$ 0.5121	-28.18%	$ 0.5311	-25.50%
Sch. 6- Network - Oper. Reserve - Supplemental ($/kW)	$ 0.4610	$ 0.3652	-20.78%	$ 0.3783	-17.95%
Direct Assignment Facilities					
Trico Electric Only - ($/mth)**	$ 128,777	$ 128,777		$ 128,777	

* Memb Rate: $ annual rev req /12 x ratio of Memb's Currnt 12mth avg Load to that of same Sum Total Membs.Load
** Cost Alloc & assoc. charges for transmission construction by distribution cooperative - Trico Only

Q. Please describe SWTC's allocated Cost of Service study and proposed rate design methods.

A. I have reviewed SWTC's cost of service study and proposed rate design methods. SWTC

witness Zarnikau prepared a fully allocated cost of service study based upon Southwest's as-filed transmission revenue requirement study; *i.e.*, total pro forma operating expenses less other revenues plus its requested margin requirements. Witness Zarnikau's direct testimony (at pages 3-6) explains the underlying process and methods he employed in preparing his study and proposed rate design. His testimony explains that SWTC is using the same cost allocation and rate design methods in this proceeding as used in the prior rate proceeding. SWTC has used the same basic approach since it commenced operations in 2001. Witness Zarnikau's study merely updates the elements of the claimed, underlying revenue requirements and billing determinants, as they relate to the pro forma test period discussed by SWTC witness Pierson in his testimony (presented in Schedules A through F).

Q. What is your opinion of SWTC's fully allocated Cost of Service study and proposed rate design?

A. I have reviewed SWTC witness Zarnikau's testimony, supporting exhibits, work papers, and SWTC's answer to interrogatories. SWTC provides the costs for ancillary services, broken down by FERC-defined types of ancillary services (see SWTC filing Schedule G-2A, pages 2-14). Additionally, SWTC provides a breakdown of the Direct Assignment Facilities ("DAF") costs and related monthly charge to which Trico is the only distribution cooperative member which has a DAF. I believe that the fully allocated cost of service study based upon the as-filed revenue requirements and proposed rate design methods is reasonably consistent with the prior rate case filing methods and is in compliance with Finding of Fact No. 45 in Decision No. 68072. With regard to similarities between the prior and current rate filings, I note one minor change in methods. The Network Services Rates' monthly revenue requirement provides for a discounted rate to Mohave Electric Cooperative, Inc. ("MEC") Unit 2 ("MEC2"). This change insulates this cooperative member's unit 2 facilities from certain costs associated with system improvements that do not directly benefit MEC2.

Q. Briefly describe your review process.

A. I validated all of SWTC's allocated cost of service study calculations and the flow through of calculation results to the exhibits contained in SWTC's application. I reviewed the methods used to develop the underlying allocation factors, and I examined the allocated costs that resulted from the application of these factors to the as-filed revenue requirement elements for each rate-design component proposed by SWTC. I also compared the methods used here and in the prior rate-case filing. This review confirmed that the methods and approach here were the same as applied in the prior rate case filing. There was one small exception; *i.e.*, the MEC2 network service rate.

I confirmed that the derivation of the various transmission rates provided for under FERC Order 888, (firm or non-firm Point-to-Point and firm Network services and mandatory/option ancillary service charges) consistently used the same annual revenue requirement carrying costs elements to develop the fully allocated cost of service for each type of service to be provided. I also confirmed that the development of each respective rate was: (a) based upon the resultant allocated revenue requirement for each transmission service offered, and then (b) divided by the same appropriate billing determinant approach as used in the prior rate case proceeding. For example, the development of the firm Point-to-Point rate in the instant filing was based upon the annual transmission requirement divided by the coincidental peak demand divided by 12 to arrive at the proposed monthly rate. The same approach was applied in the prior proceeding. Similar to the prior rate proceeding, the development of the Network annual service rate was based upon the product of the annual transmission revenue requirement less the Point-to-Point revenues divided by 12 to arrive at the proposed monthly rate.

My overall conclusion is that the approach used to develop rate design in the instant proceeding mirrors the approach used in the prior proceeding.

Q. Briefly identify the primary rates which SWTC requests that the commission approve.

A. The primary rates identified by SWTC in witness Zarnikau's testimony are: (a) Network Services Rate's monthly revenue requirement of $2,247,574, (b) Point-to-Point Services Rate of $3.709/kW month, and (c) a System Control and Load Dispatch Rate of $0.245/kW month. In addition to the above, his study and rate design also reflect a MEC2 Network Services Rate's monthly revenue requirement of $2,162,827.

Q. Are you recommending approval of SWTC's above referenced fully allocated Cost of Service study and rate design as-filed and requested?

A. No. I have no reason to oppose SWTC's fully allocated cost of service study methods. However, Staff witnesses Smith and Vickroy proposed adjustments to SWTC's pro forma test year revenue requirement claim elements such as operating expenses, other revenues, and net income (margin and/or overall rate of return). I have updated the fully allocated cost of service study methods, but incorporating the adjustments of Staff witnesses Smith and Vickroy. The updated study includes my proposed rate design necessary to produce Staff's proposed revenue requirement. The results of my study are attached as DMK-Schedules G and H, respectively. In order to provide for ease of comparison, I used the same Schedule G and H references as those in SWTC witness Zarnikau's testimony and supporting exhibits.

Finally, DMK- Schedule A-1 provides a proof of revenue by rate class which demonstrates that Staff's proposed rates and other revenues will produce approximately the same $7,648,823 revenue increase as reflected in Staff witness Smith's testimony at Attachment RCS-2, Schedule A, page 1, Column E, line 1. For the reasons noted herein, I recommend adoption of Staff's proposed rates as summarized in my testimony at Table II above.

Q. Does that conclude your testimony?

A. Yes.

Southwest Transmission Cooperative, Inc.

PROOF OF REVENUE SUMMARY BY RATE CLASS - Present and Proposed Rates - Staff Adjusted

	Revenues				Rates			
	Current	Proposed	Increase	% Inc.	Current	Proposed	Increase	% Inc.
Class A - Firm Network Services								
Anza	$ 353,604	$ 494,114	$ 140,510	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Duncan Valley	209,785	293,146	83,362	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Graham County Electric	1,188,106	1,660,220	472,114	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Mohave Electric 1	5,391,298	7,533,620	2,142,322	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Mohave Electric 2	372,811	499,688	126,877	34.03%	$ 1,608,258	$ 2,155,588	$ 547,330	34.03%
Sulphur Springs Valley 1	5,775,237	8,070,123	2,294,886	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Sulphur Springs Valley 2	235,853	329,573	93,720	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Trico Electric	4,938,762	6,901,261	1,962,499	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Total Firm Members	$ 18,465,457	$ 25,781,746	$ 7,316,289	39.62%				
Other - Firm Network Services								
Safford	570,690	797,463	226,773	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Thatcher	262,949	367,437	104,487	39.74%	$ 1,608,258	$ 2,247,326	$ 639,068	39.74%
Total Other	833,639	1,164,900	331,260	39.74%				
Total Network Services	$ 19,299,096	$ 26,946,646	$ 7,647,550	39.63%				
Point-to-Point Services								
Network Transmission Rate								
AEPCO	$ 1,971,648	$ 2,136,384	$ 164,736	8.36%	$ 3.423	$ 3.709	$ 0.286	8.36%
Sulphur Springs	830,954	900,382	69,428	8.36%	$ 3.423	$ 3.709	$ 0.286	8.36%
MW&E Stafford Wheeling	410,760	445,080	34,320	8.36%	$ 3.423	$ 3.709	$ 0.286	8.36%
Total Point-to-Point	$ 3,213,362	$ 3,481,846	$ 268,484	8.36%				
Total Electric Revenue	$ 22,512,458	$ 30,428,492	$ 7,916,034					
Other Operating Revenues								
Class A - System Control & Load Dispatch								
Anza	$ 27,863	$ 23,621	$ (4,242)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Duncan Valley	16,525	14,009	(2,516)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Graham County Electric	93,798	79,518	(14,281)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Mohave Electric 1	414,376	351,287	(63,088)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Mohave Electric 2	33,113	28,072	(5,041)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Sulphur Springs Valley 1	431,569	365,863	(65,706)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Sulphur Springs Valley 2	8,250	6,994	(1,256)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Trico Electric	392,797	332,994	(59,803)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Total Other Members	$ 1,418,292	$ 1,202,358	$ (215,934)	-15.22%				
Other - System Control & Load Dispatch								
Safford	44,705	37,898	(6,806)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Thatcher	20,808	17,640	(3,168)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Total Other	65,513	55,538	(9,974)	-15.22%				
Other - System Control & Load Dispatch								
AEPCO	$ 166,464	$ 141,120	$ (25,344)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
Sulphur Springs	70,156	59,475	(10,681)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
MW&E Stafford Wheeling	34,680	29,400	(5,280)	-15.22%	$ 0.289	$ 0.245	$ (0.044)	-15.22%
	$ 271,300	$ 229,995	$ (41,305)	-15.22%				
Total System Control & Load Dispatch	$ 1,755,105	$ 1,487,892	$ (267,213)					
Adj. Other System Control & Load Disp.	70,639	70,639	-					
Total Sch 1 Revenue Credit	$ 1,825,744	$ 1,558,531	$ (267,213)					
Class A - Direct Assignment Facilities								
Trico Electric	1,545,318	1,545,318	-	0.00%				
Other Operating Revenues	598,408	598,408	-					
Special Contracts	1,295,300	1,295,300	-					
Total Other Operating Revenue	$ 5,264,770	$ 4,997,557	$ (267,213)					
Total Network Services	$ 27,777,228	$ 35,426,049	$ 7,648,821	27.54%				
Revenues Per Staff Attach. RCS-2, Sch. A, Columns, D-E, Line 1	$ 27,777,227	$ 35,426,050	$ 7,648,823					
Proof	$ (1)	$ 1	$ 2					

Southwest Transmission Cooperative, Inc.

DMK SCH. G-1

Cost of Service Summary - Present Rates - SWTC vs. Staff Adjusted

LINE NO.		PER SWTC TOTAL SYSTEM *		PER STAFF TOTAL SYSTEM
	REVENUES:			
1.	NETWORK TRANSMISSION SERVICE	$ 22,328,219		$ 22,328,219
2.	POINT-TO -POINT	3,484,662		3,484,662
3.	TOTAL ELECTRIC REVENUE:	25,812,881		25,812,881
4.	OTHER OPERATING REVENUE	598,408		598,408
5.	SPECIAL CONTRACTS & OTHER	1,365,938		1,365,938
6.	TOTAL OPERATING REVENUE	27,777,227		27,777,227
7.	OPERATING EXPENSES	27,947,057	(a)	*27,116,831*
8.	OPERATING INCOME (MARGINS)	(169,830)		660,396
9.	INCOME TAXES	-		-
10.	NET INCOME (MARGINS) (LINE 8 - LINE 9)	(169,830)		660,396
11.	RATE BASE	79,668,372	(b)	79,146,274
12.	RATE OF RETURN	-0.21%		0.83%

Source Supporting Schedule Reference

* SWTC As-Filed Schedule G-1

(a) Staff Attachment RCS-2, Sch. A, Column D, Line 2

(b) Staff Attachment RCS-2, Sch. B, Column C, Line 9

Southwest Transmission Cooperative, Inc.

DMK SCH. G-2

Cost of Service Summary - Proposed Rates - SWC vs. Staff Adjusted

LINE NO.		PER SWTC TOTAL SYSTEM *		PER STAFF TOTAL SYSTEM	
	REVENUES:				
1.	NETWORK TRANSMISSION SERVICE	$ 29,754,459		$ 29,749,860	4,599
2.	POINT-TO -POINT	3,711,841		3,711,841	
3.	TOTAL ELECTRIC REVENUE	33,466,300		33,461,701	
4.	OTHER OPERATING REVENUE	598,408		598,408	
5.	SPECIAL CONTRACTS & OTHER	1,365,940		1,365,940	
6.	TOTAL OPERATING REVENUE	35,430,648		35,426,049	
7.	OPERATING EXPENSES	27,947,057	(a)	*27,116,831*	
8.	OPERATING INCOME (MARGINS)	7,483,591		8,309,218	
9.	INCOME TAXES	-		-	
10.	NET INCOME (MARGINS) (LINE 6 - LINE 7)	7,483,591		8,309,218	
11.	RATE BASE	79,668,372	(b)	79,146,274	
12.	RATE OF RETURN	9.39%		10.50%	

Source Supporting Schedule Reference

* SWTC As-Filed Schedule G-2

(a) Staff Attachment RCS-2, Sch. A, Column D, Line 2

(b) Staff Attachment RCS-2, Sch. B, Column C, Line 9

Southwest Transmission Cooperative, Inc.

Derivation Of Revenue Requirement And Rates - SWTC vs. Staff Adjusted

LINE NO.		PER SWTC TOTAL *		PER STAFF TOTAL
1.	OPERATING EXPENSES (EXCL. REVENUE TAX)	$ 27,947,057		$ 27,116,831
2.	INTEREST & OTHER DEDUCTIONS:	4,761,153		4,761,153
3.	TOTAL OPERATING EXPENSES (INC. INTEREST)	32,708,210		31,877,984
4.	PLUS MARGIN REQUIREMENT	2,823,336		3,722,263
	LESS OTHER REVENUES:			
5.	OTHER OPERATING REVENUE	598,408		598,408
6.	SPECIAL CONTRACTS	1,295,300		1,295,300
7.	DIRECT ASSIGNMENT FACILITIES	1,545,318		1,545,318
8.	SYS. CTL. & LOAD DSPTCH N/I SP.CONT.	1,558,531		1,558,531
9.	TOTAL OTHER INCOME	4,997,557		4,997,557
10.	NON-OPERATING MARGINS	100,898	(a)	174,198
11.	PLUS EXTRAORDINARY ITEMS	-		-
12.	NET REVENUE REQUIREMENT BEFORE REV. TAX	30,433,091		30,428,492
13.	REVENUE TAX			-
14.	ANNUAL TRANSMISSION REVENUE REQUIREMENT	$ 30,433,091		$ 30,428,492

Source Supporting Schedule Reference

* SWTC As-Filed Schedule G-2A 1

(a) Staff Attachment RCS-2, Sch. C-5 (3yr Norm. of $219,800) addition for gain sharing $ 73,300

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

	Point-to-Point	Network				Translate Rates to Monthly Rates	
Schedule 7&8/Network Transmission Rates	$3.709 /kW-mo	$2,247,326	G-2A, Page 3 for Point-to-Point			wk	0.85593 Sched 7
MANDATORY ANCILLARY SERVICES						Day	0.12363
Schedule 1 System Control & load Dispatch	$0.245	$0.245 /kW-mo	G-2A, Page 5			on-pk	0.00508
						off-peak	0.00891
Schedule 2 Var support / voltage Control	$0.055	$0.074 /kW-mo	G-2A, Page 6			wk	0.05654 Sched 1
						Day	0.00817
TOTAL MANDATORY SVCS	$4.009	$2,247,326 /kW-mo				on-pk	0.00034
						off-peak	0.00059
FERC OPTIONAL ANCILLARY SVCS - AEPCO						wk	0.01266 Sched 2
	Gen Cap Rate	% Req'd	=	$/kW-mo		Day	0.00183
Schedule 3 Cost of Reg. & Frequency Response	$8.976	4.46%	=	$0.4006	G-2A, Page 7	on-pk	0.00008
			=			off-peak	0.00013
Schedule 5 Operating Reserves- Spinning	$9.928	5.35%	=	$0.5311	G-2A, Page 7	wk	0.09245 Sched 3
			=			Day	0.01335
						on-pk	0.00055
Schedule 6 Operating Reserve- Supplemental	$7.062	5.36%	=	$0.3783	G-2A, Page 7	off-peak	0.00096
			=				
Schedule 4 Energy Imbalance - AEPCO		Energy in kind deviation +/-1.5%				wk	0.12257 Sched 5
						Day	0.01770
AEPCO pays positive imbalance		$36.68 $/MWh			G-2A, Page 10	on-pk	0.00073
						off-peak	0.00128
Customer pays negative imbalance		$100.00 $/MWh				wk	0.08729 Sched 6
						Day	0.01261
Non-FERC Replacement Capacity - AEPCO				$3.200	G-2A, Page 7	on-pk	0.00052
						off-peak	0.00091
						wk	0.85593 Sched 7
Losses	0.0297					Day	0.12363
					Loss Study	on-pk	0.00508
						off-peak	0.00891

Notes:

* Regulation Capacity as a Percentage of Regulated Load

12 CP Load	OS Sales	Reg. Load	NF Whl	Reg 12 CP	Reg Cap	Reg Pct
506.12	123.00	383.12	65.00	448.12	20.00	4.46%

** Reserve percentages based on 2003 actual SRSG requirements and loads

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

SCHEDULE 7 & 8 / NETWORK TRANSMISSION RATE BASE & BILLING UNIT SUMMARY

TRANSMISSION PLANT

INTANGIBLE	$4,246,440		
TRANSMISSION	$116,505,608		
GENERAL PLANT	$12,436,299		
A/C 106	$13,360,610		
A/C 107 @ 50%	$14,143,510		
ACQUISITION ADJ & 105	$0		
Staff Attachment RCS-2, Schs. B-1&2 Rem. Plant Held Future Use & Acq.Adj.			
$ (377,214) $ (4,413) TOTAL			$160,692,467
Sch. B-1 *Sch. B-2*			
DEPRECIATION & AMORTIZATION RESERVE			
TRANSMISSION	(60,986,081)		
GENERAL PLANT	(6,472,037)		
AMORTIZATION	(1,773,954)		
TOTAL		$	(69,232,072)
NET TRANSMISSION PLANT	$91,460,395		
Staff Attachment RCS-2, Sch. B-4 Adjust M&S			
WORKING CAPITAL $ (334)	$1,829,389		
Staff Attachment RCS-2, Sch. B-3 Remove Retirement WIP			
RETIREMENT WIP $ (140,137)	$0		
TOTAL STAFF ADJUSTED RATE BASE			$93,289,784

	BU Summary			Total
TRANSMISSION LOAD	1 CP Load	683.7	683.7	Attach 1
	12 CP Load	506.1	506.1	Attach 1
NET INVESTMENT		$93,289,784	$0	$93,289,784
INTEREST & DSCR page 6	1.45	8.907%	8.907%	
ANNUAL CARRYING COSTS		$8,309,218	$0	$8,309,218
EXPENSES		$27,116,831	$0	$27,116,831
REVENUE CREDITS System Control & Load Disp.		$1,558,531	$0	$1,558,531
Direct Assignment Facility		$1,545,318	$0	$1,545,318
Other Operating Revenue		$598,408	$0	$598,408
Special Contracts & Other Wheeling		$1,295,300	$0	$1,295,300
Total of Credits		$4,997,557	$0	$4,997,557
ANNUAL REVENUE REQUIREMENTS		$30,428,492	$0	$30,428,492
TOTAL ANNUAL COSTS/KW		Point to Point Rate/1 CP kW		
	/kW-yr	$44.506	$0.000	$44.506
	/kW-month	$3.709	$0.000	$3.709

EXPENSES and EXPENSE ALLOCATION SUMMARY

	Staff Adjusted		SWTC-Claim	C-1	C-2	C-3	C-4	Totals
				STAFF Adjustments See Staff Attachemnt RCS-2, Schedules C-1 to C-4				
TRANSMISSION OP	$8,143,529	Less acct RUS 561	$8,382,829	$(218,305)	$(20,995)			$ (239,300)
TRANSMISSION MNT	$4,216,955		$4,423,221	$(188,169)	$(18,097)			$ (206,266)
A&G	$4,465,862		$4,618,438	$(112,104)	$(10,781)	$ (521)	$ (29,170)	$ (152,576)
TAXES	$1,683,865		$1,683,865	$ -	$ -			$ -
DEP EXP	$4,312,850		$4,312,850	$ -	$ -			$ -
System Control & Dispatch	$4,293,770		$4,525,854	$(211,722)	$(20,362)			$ (232,084)
TOTAL		$27,116,831	$27,947,057	$(730,300)	$(70,235)	$ (521)	$ (29,170)	$ (830,226)
				$(730,300)	$(70,235)			

Staff Allocation - Payroll and Payroll Tax Adj. allocated based upon ratio of payroll increase			
TRANSMISSION OP	256697	29.89%	29.89%
TRANSMISSION MNT	221261	25.77%	25.77%
A&G	131819	15.35%	15.35%
TAXES	0	0.00%	0.00%
DEP EXP	0	0.00%	0.00%
System Control & Dispatch	248956	28.99%	28.99%
TOTAL	$858,733	100.00%	100.00%

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Mohave Network Service 2 discounted Rate - Staff Adjusted

Twelve Months Ended March 31, 2009

SCHEDULE 7 & 8 / NETWORK TRANSMISSION RATE BASE & BILLING UNIT SUMMARY

TRANSMISSION PLANT

INTANGIBLE	$4,246,440			
TRANSMISSION	$116,505,608			
GENERAL PLANT	$12,436,299			
A/C 106	$13,360,610			
A/C 107 @ 50%	$14,143,510			
ACQUISITION ADJ & 105	$0			
Staff Attachment RCS-2, Schs. B-1&2 Rem. Plant Held Future Use & Acq.Adj.				
$ (377,214) $ (4,413) TOTAL		$160,692,467	Less: MEC NTS Discounted System Plant	$ 10,593,263
Sch. B-1 *Sch. B-2*				

DEPRECIATION & AMORTIZATION RESERVE

TRANSMISSION	(60,986,081)			
GENERAL PLANT	(6,472,037)			
AMORTIZATION	(1,773,954)		Less: MEC NTS Discounted System Plant	$ 1,743,055
TOTAL		(69,232,072)		
NET TRANSMISSION PLANT	91,460,395			
Staff Attachment RCS-2, Sch. B-4 Adjust M&S				
WORKING CAPITAL $ (334)	1,829,389			
Staff Attachment RCS-2, Sch. B-3 Remove Retirement WIP				
RETIREMENT WIP $ (140,137)	-			
TOTAL STAFF ADJUSTED RATE BASE		$93,289,784	Less: MEC NTS Discounted Rate Base	$8,850,208

EXPENSES and EXPENSE ALLOCATION SUMMARY

	Staff Adjusted			
TRANSMISSION OP	7,652,529	Less account RUS 561		
TRANSMISSION MNT	4,352,986			
A&G	4,588,747			
TAXES	1,683,865			
DEP EXP	4,312,850		Depreciation @ 2.75%	$291,315
System Control & Dispatch	4,525,854			
TOTAL		$27,116,831		

	BU Summary			Total
TRANSMISSION LOAD	1 CP Load	683.7	0	683.7
	12 CP Load	506.12	0	506.12
NET INVESTMENT		$84,439,576	$8,850,208	$93,289,784
INTEREST & TIER page 6	0.00	8.907%	8.907%	8.907%
ANNUAL CARRYING COSTS		$7,520,940	$788,278	$8,309,218
EXPENSES		$26,825,516	$291,315	$27,116,831
REVENUE CREDITS	System Control & Load Disp.	$1,558,531	$0	$1,558,531
	Direct Assignment Facility	$1,545,318	$0	$1,545,318
	Other Operating Revenue	$598,408	$0	$598,408
	Special Contracts & Other Wheeling	$1,295,300	$0	$1,295,300
	Total of Credits	$4,997,557	$0	$4,997,557
ANNUAL REVENUE REQUIREMENTS		$29,348,899	$1,079,593	$30,428,492
POINT-TO-POINT REVENUE REQUIREMENTS		$3,481,846	$0	$3,481,846
DISCOUNTED NETWORK TRANMISSION REVENUE REQUIREMENT		$25,867,053		

System Plant Additions since 2005:		Plant In Service	Accumulated Depreciation	Net Book
Apache Spare 115/69 kV Transformer Permanent Replacement	05/31/2005	$ 247,056	$ 130,085	$ 116,972
Apache Transformer Replacement	12/31/2007	2,073,093	1,091,564	981,529
Bicknell Substation Upgrade (2)	12/31/2008	3,145,320	21,624	3,123,696
Hackberry/Dos Condados OPGW	01/31/2007	270,095	31,017	239,078
Hackberry Sub Line Tap (2)	01/31/2007	102,222	6,366	95,856
Hackberry Substation (2)	03/31/2007	2,256,858	140,551	2,116,307
Hooker Tap Metering	12/31/2007	153,142	80,635	72,507
Mortensen Tap Meter	10/31/2005	114,089	60,072	54,017
Saddlebrooke Ranch Substation (2)	05/31/2007	452,462	28,178	424,284
Sandario 115 kV Transmission Line	12/31/2005	165,979	52,513	113,466

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

SCHEDULE 1: System Control and Load Dispatch

Account 556 & 557		$	4,619,118	Ex. Property taxes
Account 561			6,593	
EMS payment from AEPCO			(407,904)	
AEPCO Ancilliary Services Sched.2-6			(348,813)	
	TOTAL	$	3,868,994	
RELIABILITY PORTION	50.00%	$	1,934,497	
Generation Capacity			657,000	kW
System Control & Load Dispatch		$	0.245	/kW-mo

		Net Rated kW	
Generation Capacity (Avg of Monthly)			
Apache Units (@SRSG)		576,000	Page 5
Purchased Pwr			
(Griffith & Southpoint)		50,000	Page 7
Fed Hydro (CRSP & PD)	Total	31,000	Actual Avg
		657,000	

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

Schedule 2: COST OF REACTIVE POWER (VAR) PRODUCTION

AEPCO system investment in Power Production Facilities

		Orig Cost	Net	
1 Total production plant in service		$405,097,077	$189,399,425	Schedule G-2A, Page 9
2 Turbogenerator Systems		$54,638,869	$23,457,593	Schedule G-2A, Page 7
3 Accessory Electric Equipment		$20,143,173	$8,647,880	Schedule G-2A, Page 7
Separation of Production Plant Allocation to VAR Production		$74,782,041		
4 Generator and Exciter Systems	#2*(1-Power Factor)		$3,353,691	
5 Accessory Electric Equipment	#3*(1-Power Factor)		$1,236,372	
6 Other Power Production Facilities	1-4-5*(.25%)		$462,023	
7 Total Facilities Allocated to VAR Production			$5,052,086	
Annualized Costs Facilities Allocated to VAR Production	7*Int+DSCR	1.450	$449,984	
		8.907%		

Rates For VAR Production

	12 CP	1 CP
	506.12	683.7
$/kW/year	$0.889	$0.658
$/kW/month	$0.074	$0.055

Power Factor

	Gross Nameplate Output in kW	Pwr Factor Generator Name plate	Weighted Power factor	EAF Equivalent Availability Factor	Weighted Average
steam unit 1	77,400	0.85	10.885%	77.82%	9.97%
steam unit 2	195,000	0.85	27.424%	91.22%	29.43%
steam unit 3	195,000	0.85	27.424%	92.69%	29.90%
gas turbine 1	10,000	0.85	1.406%	83.20%	1.38%
gas turbine 2	20,000	0.9	2.978%	97.52%	3.23%
gas turbine 3	65,000	0.9	9.679%	96.26%	10.35%
gas turbine 4	42,000	0.85	5.907%	62.66%	4.35%
	604,400		85.703%		88.61%
(1-Power factor)			14.297%		

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

Schedules 3, 5 & 6: APACHE STATION COST SUPPORT BY UNIT

Gen. Units	name plate SRSG RATING	Prod Invest.	Int plt, a/c 106,107 Transm,GP $50,496,560	Accum Depreciation + Retirement WIP $6,686,195	Working Capital $21,814,465	net. Prod. Invest less TURBO	Prod $/kW	O&M Exp	A&G	Taxes	Depreciation	Annual Carrying Costs	Annual Revenue Rqt	Annual RevRqt/kW
ST1	70,000	$ 22,196,122	$ 3,021,820	$ 19,397,858	$ 1,305,423	$ 25,609,185	$ 366	$ 770,268	$ 721,390	$ 175,537	$ 460,412	$ 1,117,764	$ 3,245,372	46.36
ST2	188,000	158,500,501	21,578,540	89,808,077	9,321,909	175,068,030	931	5,500,416	5,151,380	1,253,496	3,287,764	7,981,851	23,174,907	123.27
ST3	188,000	147,868,356	20,131,061	82,477,954	8,696,599	162,459,584	864	5,131,450	4,805,828	1,169,412	3,067,222	7,446,432	21,620,344	115.00
IC1/GT1	9,000	1,946,118	264,948	1,835,175	114,457	2,325,524	258	67,536	63,250	15,391	40,368	98,004	284,549	31.62
GT2	17,000	3,077,974	419,041	2,596,304	181,025	3,524,967	207	106,814	100,036	24,342	63,846	155,002	450,041	26.47
GT3	64,000	8,614,275	1,172,763	6,330,170	506,632	9,140,287	143	298,940	279,970	68,126	178,685	433,802	1,259,523	19.68
GT4	40,000	28,708,212	3,908,387	5,898,018	1,688,419	32,248,226	806	996,256	933,038	410,000	595,492	1,445,703	4,380,489	109.51
	576,000	$ 370,911,558	$ 50,496,560	$ 208,343,556	$ 21,814,465	$ 410,375,802		$ 12,871,680	$ 12,054,892	$ 3,116,305	$ 7,693,790	$ 18,678,558	$ 54,415,225	
			$ 421,408,118											

		turbo equip 314,315,344,345	Plant dep reserve assignable to gen units	Turbo Depreciation Reserve	Net turbo plant
ST1	70,000	$ 6,344,228	$ (18,997,743)	$ (5,430,049)	$ 914,180
ST2	188,000	31,751,046	(86,950,886)	(17,418,125)	14,332,921
ST3	188,000	30,932,169	(79,812,422)	(16,695,738)	14,236,431
IC1/GT1	9,000	-	(1,800,094)	-	-
GT2	17,000	877,136	(2,540,819)	(724,062)	153,074
GT3	64,000	4,072,970	(6,174,886)	(2,919,587)	1,153,383
GT4	40,000	2,531,189	(5,380,513)	(474,397)	2,056,792
TOTAL	576000	$ 76,508,736	$ (201,657,361)	$ (43,661,958)	$ 32,846,781

Replacement

GT1	9,000	$109.512	$985,610
ST1	70,000	$46.362	$3,245,372
GT3	64,000	$19.680	$1,259,523
	143,000		$5,490,505
	$/kW/year		$38.395
	$/kW/month		$3.200

Schedule 3
Regulation

	kW Capacity	Cost/kW	Annual $
ST2	188,000	$123.271	$23,174,907
ST3	188,000	$115.002	$21,620,344
ST1	70,000	$46.362	$3,245,372
	446,000		$48,040,623
	$/kW/year		$107.714
	$/kW/month		$8.976

Schedule 5
Spinning

	kW Capacity	Cost/kW	Annual $
ST2	188,000	$123.271	$23,174,907
ST3	188,000	$115.002	$21,620,344
	376,000		$44,795,251
	$/kW/year		$119.136
	$/kW/month		$9.928

Schedule 6
Supplemental

	kW Capacity	Cost/kW	Annual $
GT4	40,000	$109.512	$4,380,489
GT2	17,000	$26.473	$450,041
	57,000		$4,830,530
	$/kW/year		$84.746
	$/kW/month		$7.062

Int plt, a/c 106,107, Transm,GP

Intangible Plant	$6,337,186	
Transmission	$2,889,491	
General Plant	$19,286,132	
Acc 106	$1,998,986	
Acc 107	$19,984,765	Acc 107 + adj. to Acc 312
	$50,496,560	
Tot. Accum. Deprec. & Amort.		-$204,796,249
		$3,138,888

D Res. Retirement WIP

Accumulated Depreciation Transmission Pla	$1,580,842
Accumulated Depreciation General and Intar	$10,016,425
Accumulated Amortization	$2,443,024
Retired Work in Progress	$3,547,307
	$17,587,598

Account 310: Land account

	SRSG RATING	
ST1	70,000	$3,915,175
ST2	188,000	$475,803
ST3	188,000	1,277,870
IC1/GT1	9,000	1,277,870
GT2	17,000	61,175
GT3	64,000	115,552
GT4	40,000	435,019
	576,000	271,887
		$3,915,175

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

DMK SCH. G-2A

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

DEBT SERVICE CALCULATIONS						
INTEREST ON LONG TERM DEBT		$	4,999,328	(a)		
PRINCIPAL PAYMENTS			3,989,942	(b)		
TOTAL DEBT SERVICE		$	8,989,270			
DSCR						INTEREST RATES
	1.45	$	13,034,441		1.45	8.907%
	1.20	$	10,787,124		1.20	6.685%
LESS:						
DEPRECIATION & AMORTIZATION		$	4,312,850	(c)		
NON-OPERATING MARGINS		$	174,198	(c)		
PLUS:						
OTHER INTEREST EXPENSE		$	248,531	(c)		
OTHER DEDUCTIONS		$	1,399	(c)		
INTEREST CHARGED TO CONSTRUCTION		$	(488,105)	(c)		
RETURN						
	1.45	$	8,309,218			
	1.20	$	6,236,099			
NET UTILITY PLANT		$	91,460,395	(d)		
WORKING CAPITAL		$	1,829,389	(d)		
RETIREMENT WIP		$	-	(d)		
TOTAL RATE BASE		$	93,289,784			

Supporting Schedules:

(a) Schedule C-1, Page 4

(b) Schedule A-2

(c) Schedule F-1, Page 2

(d) Schedule G-2A, Page 3

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements - Staff Adjusted

Twelve Months Ended March 31, 2009

AEPCO PRODUCTION PLANT ORIGINAL COST AND NET PLANT SUMMARY FOR ANCILLARY SERVICES WORKSHEETS

INTANGIBLE	$	5,290	
PRODUCTION			
STEAM 1		22,196,122	
STEAM 2		158,500,501	
STEAM 3		147,868,356	
GT 1		1,946,118	
GT 2		3,077,974	
GT 3		8,614,275	
GT 4		28,708,212	
Transmissior		2,889,491	
GENERAL PLANT		19,286,132	
A/C 106		1,998,986	
A/C 107@50%		9,992,383	
ACQUISITION ADJ		13,238	
TOTAL			$ 405,097,077

DEPRECIATION & AMORTIZATION RESERVE

PRODUCTION			
STEAM 1	$	(18,997,743)	
STEAM 2		(86,950,886)	
STEAM 3		(79,812,422)	
GT 1		(1,800,094)	
GT 2		(2,540,819)	
GT 3		(6,174,886)	
GT 4		(5,380,513)	
GENERAL & INTANGIB		(10,016,425)	
TRANSMISSION PLANT		(1,580,842)	
AMORTIZATION		(2,443,024)	
TOTAL			$ (215,697,652)

NET PRODUCTION PLANT	$	184,347,339	less turbo eqp.	$ 5,052,086
WORKING CAPITAL	$	21,814,465		
RETIREMENT WIP	$	3,547,307		
PRODUCTION PLANT RATE BASE				$ 209,709,111

EXPENSE ALLOCATION

PRODUCTION OP	$	[illegible]
PRODUCTION MNT		[illegible]
OTHER		[illegible]
* TRANSMISSION EXP		[illegible]
A&G		[illegible]
TAXES		[illegible]
DEP EXP		[illegible]
TOTAL		$ 62,373,358

PRODUCTION CAPABILITY (kW on SRSG Basis)		576,000
NET INVESTMENT		$209,709,111
INTEREST & DSCR page 6	1.45	8.907%
ANNUAL CARRYING COSTS		$ 18,678,558
ANNUAL EXPENSES		$ 62,373,358
PLANT ANNUAL REVENUE REQUIREMENTS		$ 81,051,916
PLANT ANNUAL COSTS/KW		$ 140.72
MONTH		$ 11.73
Gen Plant Fixed Charge Rate (Rev Req't/ Rate Base)		38.650%

PURCHASE POWER CAPACITY (pro-forma 2009)		Test Year Actual
Purch Pwr Avg Contract Demand kW	300,000	300,000
Southpoint	150,000	150,000
Griffith	150,000	150000
Purch Pwr Annual Demand Charges	$2,365,328	$2,365,328
Southpoint	$1,389,300	$1,389,300
Griffith	$976,028	$976,028
Purch Pwr Monthly Costs/kW	$7.884	7.88
Southpoint	$9.262	$9.262
Griffith	$6.507	$6.507
PLANT + PP Annual Rev Req't	$83,417,244	$83,417,244
Annual cost/kW	$95.225	$95.225
Monthly cost/kw	$7.935	$7.935

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

Derivation of Transmission Rates, Control Area Services and Revenue Requirements

Twelve Months Ended March 31, 2009

SCHEDULE 4: ENERGY IMBALANCE

Energy Imbalance Cost = Accts 501+547+ e-charge A/C 555/kwh

Fuel	501/547	$	88,508,998
Purchased Power	555 Energy Only		13,428,375
Non-Firm Wheeling			2,880
Firm Contracts Energy Revenues			(2,448,992)
Economy Sales Energy Revenues			(3,952,272)
		$	95,538,990

Total sales	2,604,463,779	kWh
$	36.68	$/MWh

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
POINT TO POINT TRANSMISSION SERVICES

STAFF ADJUSTED WORKSHEET

Loads in kW and rates in $ per kW-mo. unless otherwise indicated

		2008 APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2009 JAN	FEB	MAR	TOTAL
AEPCO	Firm Pt to Pt - Agrmnts -kW dt	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	576,000
	Rate p/p	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	
	Firm Pt to Pt - Agrmnts	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$2,136,384
Sulphur Springs Firm Point to Point	Loads	0	0	58,945	47,254	54,244	12,666	22,666	17,666	19,965	4,605	0	4,745	242,756
	Rate P/P	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	
	Total Dollars P/P	$0	$0	$218,627	$175,265	$201,191	$46,978	$84,068	$65,523	$74,050	$17,080	$0	$17,599	$900,382
MW&E Safford Mine wheeling	Loads	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
	Rate p/p	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	
	Total Dollars P/P	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$445,080
TOTAL Point to Point	LOADS kW	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
	REVENUE	$215,122	$215,122	$433,749	$390,387	$416,313	$262,100	$299,190	$280,645	$289,172	$232,202	$215,122	$232,721	$3,481,846
Forecast Network Loads	2010 Network	344,378	499,761	566,730	555,630	560,588	510,185	430,298	337,349	352,786	340,957	337,863	298,211	Average 427,895
Total Point to Point and Network Loads		402,378	557,761	683,675	660,884	672,832	580,851	510,964	413,015	430,751	403,562	395,863	360,956	12 CP Load 506,124

1 CP Load 683,675

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
Revenue Credits

The Following Serve as Additional Bill Credits to Network Customers

Special Contract Revenue Credits

		2008 APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2009 JAN	FEB	MAR	TOTAL
AEPCO Firm Point to Point Energy-Based	Firm Pt to Pt - Serv -kwh keep t	$10,000	$123,000	$180,000	$60,000	$110,000	$20,000	$35,000	$167,000	$187,000	$25,000	$0	$20,000	937,000
	Rate	$0.0023	$0.0053	$0.0053	$0.0047	$0.0044	$0.0056	$0.0044	$0.0029	$0.0029	$0.0031	NA	$0.0041	
	Firm Pt to Pt - Serv	$23	$650	$952	$282	$481	$112	$153	$484	$535	$76	$0	$82	$3,831
AEPCO (kWh) 3rd party sales Non-Firm	Loads in kWh			25,000	546,000	100,000	65,000	280,000	170,000	368,000				1,554,000
	Rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	$0	$0	$206	$3,024	$717	$411	$1,379	$992	$1,991	$0	$0	$0	$8,721
AEPCO Service to ED4 and ED5	Loads in kWh	361,000	91,000	1,107,000	1,013,000	694,000	280,000	441,000	157,000	1,027,000	711,000	63,000	82,000	
	Rate p/p in mils/kWh	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	1004.08	289.51	4137.59	3676.44	2531.91	736.26	1269.56	442.51	3052.6	2346.98	241.55	272	$20,001
Mohave 3rd party sales Umbrella	Loads(kWh)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	$68,387	$50,918	$23,944	$3,348	$5,204	$17,931	$35,216	$19,870	$12,123	$13,330	$7,740	$2,604	$260,615
Mohave Firm P-t-P	Loads	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132000
	Rate P/P	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	
	Total Dollars P/P	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$142,560
Sulphur Springs 3rd party sales Umbrella	Loads(kWh)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	$45	$6,740	$2,831	$20,573	$8,893	$5,884	$5,748	$2,955	$2,918	$1,109	$810	$76	$58,581
Sulphur Springs Firm Point to Point Energy Based	Loads(kWh)	0	0	0	0	0	0	0	0	0	0	0	0	
	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MWE - Safford Mine Non-Firm kWh	Loads(kWh)	7,301,231	8,078,481	10,862,433	11,486,243	15,762,613	2,359,671	2,202,364	1,694,000	4,750,831	2,468,154	2,681,600	1,267,249	70,914,870
	Rate p/p	0.0040	0.0040	0.0039	0.0039	0.0040	0.0038	0.0039	0.0038	0.0039	0.0038	0.0038	0.0044	
	kWh Dollars P/P	$28,933	$32,048	$42,799	$44,916	$62,665	$9,078	$8,500	$6,430	$18,500	$9,278	$10,271	$5,532	$278,950
Contract Minium	Minimum Charge	$0	$0	$0	$0	$0	$41,076	$41,076	$41,076	$41,076	$41,076	$41,076	$41,076	$287,532
	Total Dollars P/P	$28,933	$32,048	$42,799	$44,916	$62,665	$50,154	$49,576	$47,506	$59,576	$50,354	$51,347	$46,608	$566,482
TEP Point to Point Energy Based	Loads in kWh	0	0	0	3,964,000	0	9,635,000	5,333,000	794,000	123,000	759,000	0	85,000	
	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	$0	$0	$0	$23,388	$0	$65,521	$32,314	$4,743	$577	$17,978	$20,376	$22,201	$187,098
TEP Non Firm	Loads in kWh	163,000	712,000	1,442,000	0	40,909,000	17,000	0	0	0	0	0	0	$43,243,000
	Rate	0.0047	0.0050	0.0068	NA	0.0072	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars	$764	$3,545	$9,814	$0	$33,209	$80	$0	$0	$0	$0	$0	$0	$47,412
Total Special Contract Credits		$111,036	$106,072	$96,564	$111,088	$125,581	$152,709	$137,536	$88,872	$92,653	$97,074	$92,394	$83,723	$1,295,300

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
NETWORK INTEGRATED TRANSMISSION SERVICES

		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL	
COS Trans Revenue Requirements		$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 2,535,708	$ 30,428,492	$ 30,428,492
Avg Mo Rev from Pt to Pt Service		$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 290,154	$ 3,481,846	
Network Services Revenue Requirements		$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 2,245,554	$ 26,946,646	
Discount Revenue Shortfall		$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 1,772	$ 21,265.90	
Network Services	Network Revenue Req't	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912	
MEC Sytem Discount	Network Revenue Req't	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 25,867,053	

NETWORK		APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL	
Anza	Loads: April 08 to March 09	5,712	7,488	10,808	10,404	9,948	9,684	6,852	5,388	8,860	8,093	7,071	6,304	96,412	
	Loads: April 07 to March 08	6,463	6,132	9,936	11,832	10,716	9,036	5,592	6,564	9,156	7,440	7,596	6,408	96,876	
	12 Month Rolling Avg	8,010	8,123	8,179	8,060	7,996	8,050	8,155	8,057	8,032	8,087	8,043	8,034	96,826	
	Trans Cost	$ 39,824	$ 40,354	$ 40,716	$ 40,635	$ 40,513	$ 41,090	$ 41,748	$ 41,426	$ 41,594	$ 42,005	$ 42,008	$ 42,201		$494,114
Duncan	Loads: April 08 to March 09	3,860	6,040	6,960	5,940	6,620	5,360	4,020	2,780	4,300	3,900	3,900	3,500	57,180	
	Loads: April 07 to March 08	3,100	5,640	6,880	6,020	6,520	3,720	4,520	3,320	4,520	4,320	4,180	3,260	55,780	
	12 Month Rolling Avg	4,712	4,745	4,770	4,763	4,772	4,908	4,867	4,822	4,803	4,768	4,745	4,765	57,440	
	Trans Cost	$ 23,426	$ 23,572	$ 23,745	$ 24,015	$ 24,176	$ 25,054	$ 24,914	$ 24,791	$ 24,873	$ 24,768	$ 24,783	$ 25,028		$293,146
Graham	Loads: April 08 to March 09	20,966	31,511	39,951	39,726	36,986	32,263	24,988	18,448	20,642	19,992	18,818	20,271	324,562	
	Loads: April 07 to March 08	21,235	29,349	40,099	39,125	36,529	30,341	27,052	18,498	21,918	20,119	19,731	19,458	323,454	
	12 Month Rolling Avg	26,932	27,112	27,100	27,150	27,188	27,348	27,176	27,172	27,066	27,055	26,979	27,047	325,326	
	Trans Cost	$ 133,901	$ 134,690	$ 134,905	$ 136,879	$ 137,751	$ 139,597	$ 139,124	$ 139,710	$ 140,154	$ 140,534	$ 140,910	$ 142,064		$1,660,220
Mohave 1	Loads: April 08 to March 09	109,021	139,516	149,516	168,516	169,516	160,516	137,918	94,924	84,804	81,756	77,891	59,932	1,433,826	
	Loads: April 07 to March 08	109,021	158,516	154,516	173,516	172,516	156,516	118,918	107,021	93,804	89,758	89,891	82,925	1,504,916	
	12 Month Rolling Avg	125,410	123,826	123,410	122,993	122,743	123,076	124,826	123,818	123,068	122,402	121,402	119,486	1,476,460	
	Trans Cost	$ 623,514	$ 615,151	$ 614,341	$ 620,079	$ 621,890	$ 628,232	$ 639,027	$ 636,631	$ 637,283	$ 635,797	$ 634,073	$ 627,601		$ 7,533,620
Sulphur Springs 1	Loads: April 08 to March 09	102,796	120,334	134,334	128,334	129,334	132,334	121,334	109,334	129,334	128,700	134,451	122,700	1,493,319	
	Loads: April 07 to March 08	122,269	164,707	196,965	203,463	184,378	178,211	161,454	123,855	152,809	120,700	124,451	111,700	1,844,962	
	12 Month Rolling Avg	152,124	148,426	143,207	136,946	132,359	128,536	125,193	123,983	122,027	122,693	123,527	124,443	1,583,465	
	Trans Cost	$ 756,334	$ 737,361	$ 712,894	$ 690,426	$ 670,612	$ 656,102	$ 640,904	$ 637,478	$ 631,889	$ 637,312	$ 645,172	$ 653,642		$ 8,070,123
Trico	Loads: April 08 to March 09	85,694	125,853	164,497	149,759	155,557	140,957	116,234	91,507	90,195	85,104	80,967	72,836	1,359,160	
	Loads: April 07 to March 08	88,723	110,813	146,455	163,780	146,628	139,724	109,919	86,372	92,688	87,572	84,462	69,545	1,326,679	
	12 Month Rolling Avg	110,304	111,558	113,061	111,893	112,637	112,739	113,266	113,694	113,486	113,280	112,989	113,263	1,352,169	
	Trans Cost	$ 548,413	$ 554,202	$ 562,825	$ 564,115	$ 570,685	$ 575,468	$ 579,844	$ 584,574	$ 587,663	$ 588,418	$ 590,135	$ 594,919		$ 6,901,261
Mohave 2	Loads: April 08 to March 09	0	17,785	37,200	26,423	25,982	7,188	0	0	0	0	0	0	114,578	
	Loads: April 07 to March 08	23,684	0	0	0	2,705	10,314	0	0	0	1,755	5,281	2,240	45,979	
	12 Month Rolling Avg	1,858	3,340	6,440	8,642	10,582	10,321	10,321	10,321	10,321	10,175	9,735	9,548	101,604	
	Trans Cost	$ 8,860	$ 15,915	$ 30,750	$ 41,790	$ 51,425	$ 50,533	$ 50,681	$ 50,902	$ 51,264	$ 50,695	$ 48,769	$ 48,105		$ 499,688
Safford	Loads: April 08 to March 09	10,573	17,042	17,336	18,100	18,877	15,531	13,212	8,792	9,355	9,065	9,240	7,564	154,687	
	Loads: April 07 to March 08	11,463	14,631	16,902	17,714	19,245	15,398	14,502	8,420	9,696	9,671	9,522	8,157	155,321	
		12,869	13,070	13,106	13,139	13,108	13,119	13,011	13,042	13,014	12,964	12,940	12,891	156,273	
	Trans Cost	$ 63,984	$ 64,931	$ 65,244	$ 66,239	$ 66,412	$ 66,964	$ 66,610	$ 67,060	$ 67,390	$ 67,337	$ 67,585	$ 67,708		$ 797,463
Sulphur Springs 2	Loads: April 08 to March 09	0	28,548	0	0	0	0	0	0	0	0	0	0	28,548	
	Loads: April 07 to March 08	0	0	0	0	0	0	0	0	0	11,388	15,639	18,499	45,526	
	12 Month Rolling Avg	3,794	6,173	6,173	6,173	6,173	6,173	6,173	6,173	6,173	5,224	3,921	2,379	64,700	
	Trans Cost	$ 18,862	$ 30,666	$ 30,729	$ 31,121	$ 31,275	$ 31,509	$ 31,601	$ 31,739	$ 31,965	$ 27,134	$ 20,477	$ 12,496		$ 329,573
Thatcher	Loads: April 08 to March 09	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000	
	Loads: April 07 to March 08	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000	
		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000	
	Trans Cost	$ 29,831	$ 29,807	$ 29,868	$ 30,249	$ 30,400	$ 30,626	$ 30,716	$ 30,850	$ 31,070	$ 31,166	$ 31,338	$ 31,515		$ 367,437
TOTAL Network loads 12 mo. rolling Avg		452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263	
Total Network Loads: April 07 to March 08		390,207	498,144	579,205	621,022	585,469	550,908	448,217	357,874	389,293	358,374	365,228	327,088	5,471,029	
Total Network Loads: April 08 to March 09		344,378	499,761	566,730	555,630	560,588	510,185	430,298	337,349	352,786	340,957	337,863	298,211	5,134,736	
TOTAL NETWORK DOLLARS		$ 2,246,949	$ 2,246,649	$ 2,246,017	$ 2,245,547	$ 2,245,137	$ 2,245,175	$ 2,245,169	$ 2,245,160	$ 2,245,144	$ 2,245,168	$ 2,245,250	$ 2,245,279	$ 26,946,646	$26,425,692
Per kW-month		4.97	4.97	4.98	5.04	5.06	5.10	5.11	5.14	5.17	5.19	5.22	5.25	5.10	

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
POINT TO POINT TRANSMISSION SERVICES

Loads in kW and rates in $ per kW-mo. unless otherwise indicated

		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
AEPCO														
Firm P-t-P	Loads	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	576,000
	Rate p/p	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Firm Dollars P/P	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$1,971,648
Sulphur Springs	Loads	0	0	58,945	47,254	54,244	12,666	22,666	17,666	19,965	4,605	0	4,745	242756
Firm P-t-P	Rate P/P	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Total Dollars P/P	$0	$0	$201,769	$161,750	$185,677	$43,356	$77,586	$60,471	$68,340	$15,763	$0	$16,242	$830,954
MW&E Safford Mine	Loads	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Firm P-t-P	Rate P/P	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Firm Dollars P/P	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$410,760
TOTAL Point to Point														
	LOADS kW	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
	REVENUE	$198,534	$198,534	$400,303	$360,284	$384,211	$241,890	$276,120	$259,005	$266,874	$214,297	$198,534	$214,776	$3,213,362
Forecast Network Loads														
	2011 Network (2010 PRS)	344,378	499,761	566,730	555,630	560,588	510,185	430,298	337,349	352,786	340,957	337,863	298,211	5,134,736
Total Point to Point and Network Loads		402,378	557,761	683,675	660,884	672,832	580,851	510,964	413,015	430,751	403,562	395,863	360,956	Average 427,895
														12 CP Load 506,124
														1 CP Load 683,675

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
Revenue Credits

The Following Serve as Additional Bill Credits to Network Customers

Special Contract Revenue Credits		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
AEPCO Firm	Loads(kWh)	10,000	123,000	180,000	60,000	110,000	20,000	35,000	167,000	187,000	25,000	-	20,000	937,000
Point to Point	Rate p/p	$0.0023	$0.0053	$0.0053	$0.0047	$0.0044	$0.0056	$0.0044	$0.0029	$0.0029	$0.0031	NA	$0.0041	
Energy-Based	Total Dollars P/P	$23	$650	$952	$282	$481	$112	$153	$484	$535	$76	$0	$82	$3,831
AEPCO (kWh)	Loads in kWh	0	0	25000	546000	100000	65000	280000	170000	368000	0	0	0	1,554,000
3rd party sales	Rate	NA	NA	$0.0082	$0.0055	$0.0072	$0.0063	$0.0049	$0.0058	$0.0054	NA	NA	NA	
Non-Firm	Total Dollars P/P	$0	$0	$206	$3,024	$717	$411	$1,379	$992	$1,991	$0	$0	$0	$8,721
AEPCO	Loads in kWh	361,000	91,000	1,107,000	1,013,000	694,000	280,000	441,000	157,000	1,027,000	711,000	63,000	82,000	6,027,000
Service to ED4 and	Rate p/p in mils/kWh	$0.0028	$0.0032	$0.0037	$0.0036	$0.0036	$0.0026	$0.0029	$0.0028	$0.0030	$0.0033	$0.0038	$0.0033	
ED5	Total Dollars P/P	$1,004	$290	$4,138	$3,676	$2,532	$736	$1,270	$443	$3,053	$2,347	$242	$272	$20,001
Mohave	Loads(kWh)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-
3rd party sales	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Umbrella	Total Dollars P/P	$68,387	$50,918	$23,944	$3,348	$5,204	$17,931	$35,216	$19,870	$12,123	$13,330	$7,740	$2,604	$260,615
Mohave	Loads	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	132000
Firm P-t-P	Rate P/P	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	$1.080	
	Total Dollars P/P	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$11,880	$142,560
Sulphur Springs	Loads(kWh)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-
3rd party sales	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Umbrella	Total Dollars P/P	$45	$6,740	$2,831	$20,573	$8,893	$5,884	$5,748	$2,955	$2,918	$1,109	$810	$76	$58,581
Sulphur Springs	Loads(kWh)	0	0	0	0	0	0	0	0	0	0	0	0	-
Firm Point to	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Point Energy Based	Total Dollars P/P	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
MWE - Safford Mine	Loads(kWh)	7,301,231	8,078,481	10,862,433	11,486,243	15,762,613	2,359,671	2,202,364	1,694,000	4,750,831	2,468,154	2,681,600	1,267,249	70,914,870
Non-Firm kWh	Rate p/p	$0.0040	$0.0040	$0.0039	$0.0039	$0.0040	$0.0038	$0.0039	$0.0038	$0.0039	$0.0038	$0.0038	$0.0044	
	kWh Dollars P/P	$28,933	$32,048	$42,799	$44,916	$62,665	$9,078	$8,500	$6,430	$18,500	$9,278	$10,271	$5,532	$278,950
Contract Minium	Minimum Charge	$0	$0	$0	$0	$0	$41,076	$41,076	$41,076	$41,076	$41,076	$41,076	$41,076	$287,532
	Total Dollars P/P	$28,933	$32,048	$42,799	$44,916	$62,665	$50,154	$49,576	$47,506	$59,576	$50,354	$51,347	$46,608	$566,482
TEP Point to Point	Loads in kWh	0	0	0	3,964,000	0	9,635,000	5,333,000	794,000	123,000	759,000	0	85,000	20,693,000
Energy Based	Rate p/p	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars P/P	0	0	0	23,388	0	65,521	32,314	4,743	577	17,978	20,376	22,201	$187,098

TEP Non Firm	Loads in kWh	163,000	712,000	1,442,000	0	40,909,000	17,000	0	0	0	0	0	0	43,243,000
	Rate	$0.0047	$0.0050	$0.0068	NA	0.00717	NA	NA	NA	NA	NA	NA	NA	
	Total Dollars	$764	$3,545	$9,814	$0	$33,209	$80	$0	$0	$0	$0	$0	$0	$47,412
Total Special Contract Credits		$99,156	$94,192	$84,684	$99,208	$113,701	$140,829	$125,656	$76,992	$80,773	$85,194	$80,514	$71,843	$1,295,300

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
NETWORK INTEGRATED TRANSMISSION SERVICES

		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL	
	Network Revenue Req't	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096	
NETWORK															
Anza	Loads: April 08 to March 09	5,712	7,488	10,608	10,404	9,948	9,684	6,852	5,388	8,860	8,093	7,071	6,304	96,412	
	Loads: April 07 to March 08	6,468	6,132	9,936	11,832	10,716	9,036	5,592	6,564	9,156	7,440	7,596	6,408	96,876	
	12 Month Rolling Avg	8,010	8,123	8,179	8,060	7,996	8,050	8,155	8,057	8,032	8,087	8,043	8,034	96,826	
	Trans Cost	$ 28,500	$ 28,879	$ 29,137	$ 29,080	$ 28,992	$ 29,406	$ 29,876	$ 29,646	$ 29,766	$ 30,060	$ 30,062	$ 30,200		$353,604
Duncan	Loads: April 08 to March 09	3,860	6,040	6,960	5,940	6,620	5,360	4,020	2,780	4,300	3,900	3,900	3,500	57,180	
	Loads: April 07 to March 08	3,100	5,640	6,660	6,020	6,520	3,720	4,520	3,320	4,520	4,320	4,180	3,260	55,780	
	12 Month Rolling Avg	4,712	4,745	4,770	4,763	4,772	4,908	4,867	4,822	4,803	4,768	4,745	4,765	57,440	
	Trans Cost	$ 16,764	$ 16,869	$ 16,993	$ 17,186	$ 17,301	$ 17,930	$ 17,829	$ 17,741	$ 17,800	$ 17,725	$ 17,735	$ 17,911		$209,785
Graham	Loads: April 08 to March 09	20,966	31,511	39,951	39,726	36,986	32,263	24,988	18,448	20,642	19,992	18,818	20,271	324,562	
	Loads: April 07 to March 08	21,235	29,349	40,099	39,125	36,529	30,341	27,052	18,498	21,918	20,119	19,731	19,458	323,454	
	12 Month Rolling Avg	26,932	27,112	27,100	27,150	27,188	27,348	27,176	27,172	27,066	27,055	26,979	27,047	325,326	
	Trans Cost	$ 95,824	$ 96,388	$ 96,542	$ 97,955	$ 98,579	$ 99,900	$ 99,562	$ 99,981	$ 100,299	$ 100,571	$ 100,840	$ 101,666		$1,188,106
Mohave 1	Loads: April 08 to March 09	109,021	139,516	149,516	168,516	169,516	160,516	137,918	94,924	84,804	81,756	77,891	59,932	1,433,826	
	Loads: April 07 to March 08	109,021	158,516	154,516	173,516	172,516	156,516	116,918	107,021	93,804	89,756	89,891	82,925	1,504,916	
	12 Month Rolling Avg	125,410	123,826	123,410	122,993	122,743	123,076	124,826	123,818	123,068	122,402	121,402	119,486	1,476,460	
	Trans Cost	$ 446,207	$ 440,222	$ 439,642	$ 443,748	$ 445,044	$ 449,583	$ 457,308	$ 455,594	$ 456,060	$ 454,997	$ 453,763	$ 449,131		$5,391,298
Sulphur Springs 1	Loads: April 08 to March 09	102,796	120,334	134,334	128,334	129,334	132,334	121,334	109,334	129,334	128,700	134,451	122,700	1,493,319	
	Loads: April 07 to March 08	122,269	164,707	196,965	203,463	184,378	178,211	161,454	123,855	152,809	120,700	124,451	111,700	1,844,962	
	12 Month Rolling Avg	152,124	148,426	143,207	136,946	132,359	128,536	125,193	123,983	122,027	122,693	123,527	124,443	1,583,465	
	Trans Cost	$ 541,256	$ 527,679	$ 510,170	$ 494,090	$ 479,911	$ 469,527	$ 458,651	$ 456,199	$ 452,200	$ 456,081	$ 461,706	$ 467,767		$5,775,237
Trico	Loads: April 08 to March 09	85,694	125,853	164,497	149,759	155,557	140,957	116,234	91,507	90,195	85,104	80,967	72,836	1,359,160	
	Loads: April 07 to March 08	88,723	110,813	146,455	163,780	146,628	139,724	109,919	86,372	92,686	87,572	84,462	69,545	1,326,679	
	12 Month Rolling Avg	110,304	111,558	113,061	111,893	112,637	112,739	113,266	113,694	113,486	113,280	112,989	113,263	1,352,169	
	Trans Cost	$ 392,461	$ 396,604	$ 402,775	$ 403,699	$ 408,400	$ 411,823	$ 414,955	$ 418,340	$ 420,550	$ 421,091	$ 422,320	$ 425,743		$4,938,762
Mohave 2	Loads: April 08 to March 09	-	17,785	37,200	26,423	25,982	7,188	-	-	-	-	-	-	114,578	
	Loads: April 07 to March 08	23,684	-	-	-	2,705	10,314	-	-	-	1,755	5,281	2,240	45,979	
	12 Month Rolling Avg	1,858	3,340	6,440	8,642	10,582	10,321	10,321	10,321	10,321	10,175	9,735	9,548	101,604	
	Trans Cost	$ 6,610	$ 11,874	$ 22,942	$ 31,179	$ 38,367	$ 37,702	$ 37,812	$ 37,977	$ 38,248	$ 37,823	$ 36,386	$ 35,890		$372,811
Safford	Loads: April 08 to March 09	10,573	17,042	17,336	18,100	18,877	15,531	13,212	8,792	9,355	9,065	9,240	7,564	154,687	
	Loads: April 07 to March 08	11,463	14,631	16,902	17,714	19,245	15,398	14,502	8,420	9,696	9,671	9,522	8,157	155,321	
	12 Month Rolling Avg	12,869	13,070	13,106	13,139	13,108	13,119	13,011	13,042	13,014	12,964	12,940	12,891	156,273	
	Trans Cost	$ 45,789	$ 46,466	$ 46,691	$ 47,403	$ 47,527	$ 47,922	$ 47,668	$ 47,990	$ 48,227	$ 48,189	$ 48,366	$ 48,454		$570,690
Sulphur Springs 2	Loads: April 08 to March 09	-	28,548	-	-	-	-	-	-	-	-	-	-	28,548	
	Loads: April 07 to March 08	-	-	-	-	-	-	-	-	-	11,388	15,639	18,499	45,526	
	12 Month Rolling Avg	3,794	6,173	6,173	6,173	6,173	6,173	6,173	6,173	6,173	5,224	3,921	2,379	64,700	
	Trans Cost	$ 13,498	$ 21,945	$ 21,990	$ 22,271	$ 22,382	$ 22,549	$ 22,615	$ 22,713	$ 22,875	$ 19,418	$ 14,654	$ 8,942		$235,853
Thatcher	Loads: April 08 to March 09	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000	
	Loads: April 07 to March 08	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000	
	12 Month Rolling Avg	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000	
	Trans Cost	$ 21,348	$ 21,331	$ 21,375	$ 21,647	$ 21,755	$ 21,917	$ 21,981	$ 22,077	$ 22,234	$ 22,303	$ 22,426	$ 22,553		$262,949
TOTAL Network loads 12 mo. rolling Avg		452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263	
Total Network Loads: April 07 to March 08		390,207	498,144	579,205	621,022	585,469	550,908	448,217	357,874	389,293	358,374	365,228	327,088	5,471,029	
Total Network Loads: April 08 to March 09		344,378	499,761	566,730	555,630	560,588	510,185	430,298	337,349	352,786	340,957	337,863	298,211	5,134,736	
TOTAL NETWORK DOLLARS		$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096	$ 19,299,096

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

TRANSMISSION AND CONTROL AREA SERVICES RATES
Based on: NET PLANT NUMBERS TAKEN FROM CTS RUS 10/2001
Twelve Months Ended March 31, 2009

		Point-to-Point	Network			
Schedule 7&8/Network Transmission Rates		$3.423	$ 1,608,258	/kW-mo		
MANDATORY ANCILLARY SERVICES						
Schedule 1	System Control & load Dispatch	$0.289	$0.289	/kW-mo		
Schedule 2	Var support / voltage Control	$0.094	$0.120	/kW-mo		
	Only SW Gen Step-up Xfmrs All			/kW-mo		
	TOTAL MANDATORY SVCS	$3.806		/kW-mo		
FERC OPTIONAL ANCILLARY SVCS - AEPCO						
		Gen Cap Rate	% Req'd	=	$/kW-mo	
Schedule 3	Cost of Reg. & Frequency Response	$11.211	4.21%	=	$0.4720	
	SW Gen Step Xfmrs ST 1, ST 2 & ST 3					
Schedule 5	Operating Reserves- Spinning	$14.433	4.94%	=	$0.7130	
	SW Gen Step Xfmrs ST 2 & 3			=		
Schedule 6	Operating Reserve- Supplemental	$9.351	4.93%	=	$0.4610	
	SW Gen Step Xfmrs GT 1, GT 2			=		
Schedule 4	Energy Imbalance - AEPCO		Energy in kind deviation +/-1.5%			
	AEPCO pays positive imbalance		$23.25			
	Customer pays negative imbalance		$100.00 $/MWh			
Non-FERC	Replacement Capacity - AEPCO					$3.794
	Southwest Gen Step Xfmrs ST 1, GT 3					
Losses		0.0297				Loss Study

Notes:
* Regulation Capacity as a Percentage of Regulated Load

12 CP Load	OS Sales	Reg. Load	NF Whl	Reg 12 CP	Reg Cap	Reg Pct
550.62	140.50	410.12	65.00	475.12	20.00	4.21%

** Reserve percentages based on 1999 actual SRSG requirements and loads

Southwest Transmission Cooperative, Inc.

ANCILLARY SERVICE SCHEDULE 1 NEW RATE: - Staff Adjusted 0.245

Network Customer	Units		Revenue
Anza	96,412	$	23,621
Duncan	57,180	$	14,009
Graham	324,562	$	79,518
Mohave	1,433,826	$	351,287
Mohave #2	114,578	$	28,072
Sulphur	1,493,319	$	365,863
Sulphur #2	28,548	$	6,994
Trico	1,359,160	$	332,994
Thatcher	72,000	$	17,640
Safford	154,687	$	37,898
Total Network Customers	5,134,272	$	1,257,897

Firm Point-to-Point Customers	Units		Revenue
AEPCO	576,000	$	141,120
Sulphur Springs Firm Point to Point	242,756	$	59,475
MW&E Safford Wheeling	120,000	$	29,400
Total for Firm Point-to-Point Customers	938,756	$	229,995
Schedule 1 Revenue Credit		$	1,487,892
Adjustment for Other System Control & Load Dispatch		$	70,639
Total Schedule 1 Revenue Credit		$	1,558,531

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

DMK SCH. H-1

LINE NO.	CLASS OF SERVICE	REVENUES IN TEST YEAR (a)		PROPOSED INCREASE (b)	
		PRESENT	PROPOSED	AMOUNT	PERCENT
1.	NETWORK SERVICES	$22,328,219	$29,749,860	$7,421,642	33.24%
2	POINT-TO-POINT SERVICES	$3,484,662	$3,711,841	$227,180	6.52%
3.	TOTAL COMPANY	$25,812,880	$33,461,702	$7,648,822	29.63%

SUPPORTING SCHEDULES:
(a) H-2, Pages 13 and 15

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

LINE NO.	CLASS OF SERVICE	CUSTOMERS	kW CONSUMPTION PRESENT	kW CONSUMPTION PROPOSED	REVENUE PRESENT	REVENUE PROPOSED	PROPOSED INCREASE AMOUNT	PROPOSED INCREASE PERCENT
		(a)	(a)	(a)	(a)	(a)	(a)	(a)
	Class A MEMBER CONTRACTS:							
1.	ANZA	1	96,826	96,826	$ 381,467	$ 517,735	$ 136,268	35.72%
2.	DUNCAN	1	57,440	57,440	226,310	307,156	80,846	35.72%
3.	GRAHAM	1	325,326	325,326	1,281,904	1,739,737	457,833	35.72%
4.	MOHAVE	1	1,476,460	1,476,460	5,805,674	7,884,908	2,079,233	35.81%
5.	MOHAVE 2	1	101,604	101,604	405,924	527,760	121,835	30.01%
6.	SULPHUR	1	1,583,465	1,583,465	6,206,806	8,435,987	2,229,180	35.92%
7.	SULPHER 2	1	64,700	64,700	244,103	336,567	92,464	37.88%
8.	TRICO	1	1,352,169	1,352,169	6,876,877	8,779,573	1,902,696	27.67%
9	Class A TOTAL MEMBER CONTRACTS:	8	5,057,990	5,057,990	$ 21,429,067	$ 28,529,422	$ 7,100,356	33.13%
	OTHER FIRM NETWORK CONTRACTS:							
1.	SAFFORD	1	156,273	156,273	615,395	835,362	219,967	35.74%
2.	THATCHER	1	72,000	72,000	283,757	385,077	101,319	35.71%
3.	TOTAL FIRM CONTRACTS:	2	228,273	228,273	$ 899,152	$ 1,220,438	$ 321,286	35.73%
4.	TOTAL COMPANY	10	5,286,263	5,286,263	$ 22,328,219	$ 29,749,860	$ 7,421,642	33.24%

SUPPORTING SCHEDULES:
(a) H-2, Pages 2-11

RECAP SCHEDULES:
(b) H-1

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

ANZA

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
		0.39737												
	PRESENT:													
3.	Loads: April 08 to March 09	5,712	7,488	10,608	10,404	9,948	9,684	6,852	5,388	8,860	8,093	7,071	6,304	96,412
4.	Loads: April 07 to March 08	6,468	6,132	9,936	11,832	10,716	9,036	5,592	6,564	9,156	7,440	7,596	6,408	96,876
5.	12 Month Rolling Avg.	8,010	8,123	8,179	8,060	7,996	8,050	8,155	8,057	8,032	8,087	8,043	8,034	96,826
	PROPOSED:													
6.	Loads: April 08 to March 09	5,712	7,488	10,608	10,404	9,948	9,684	6,852	5,388	8,860	8,093	7,071	6,304	96,412
7.	Loads: April 07 to March 08	6,468	6,132	9,936	11,832	10,716	9,036	5,592	6,564	9,156	7,440	7,596	6,408	96,876
8.	12 Month Rolling Avg.	8,010	8,123	8,179	8,060	7,996	8,050	8,155	8,057	8,032	8,087	8,043	8,034	96,826
	PRESENT REVENUE :													
9.	Network Services	$ 28,500	$ 28,879	$ 29,137	$ 29,080	$ 28,992	$ 29,406	$ 29,876	$ 29,646	$ 29,766	$ 30,060	$ 30,062	$ 30,200	$ 353,604
10.	Scheduling & Ld. Control	1,651	2,164	3,066	3,007	2,875	2,799	1,980	1,557	2,561	2,339	2,044	1,822	27,863
11.	Total	$ 30,150	$ 31,043	$ 32,203	$ 32,087	$ 31,867	$ 32,204	$ 31,857	$ 31,203	$ 32,326	$ 32,399	$ 32,106	$ 32,022	$ 381,467
12.	Average Cost ($/KW)	$ 4.661	$ 5.062	$ 3.241	$ 2.712	$ 2.974	$ 3.564	$ 5.697	$ 4.754	$ 3.531	$ 4.355	$ 4.227	$ 4.997	$ 3.938
	PROPOSED REVENUE:													
13.	Network Services	$ 39,824	$ 40,354	$ 40,716	$ 40,635	$ 40,513	$ 41,090	$ 41,748	$ 41,426	$ 41,594	$ 42,005	$ 42,008	$ 42,201	$ 494,114
14.	Scheduling & Ld. Control	1,399	1,835	2,599	2,549	2,437	2,373	1,679	1,320	2,171	1,983	1,732	1,544	23,621
15.	Total	$ 41,224	$ 42,188	$ 43,315	$ 43,184	$ 42,950	$ 43,463	$ 43,427	$ 42,746	$ 43,764	$ 43,988	$ 43,741	$ 43,745	$ 517,735
16.	Average Cost ($/KWH)	$ 6.373	$ 6.880	$ 4.359	$ 3.650	$ 4.008	$ 4.810	$ 7.766	$ 6.512	$ 4.780	$ 5.912	$ 5.758	$ 6.827	$ 5.344
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 11,073	$ 11,146	$ 11,111	$ 11,098	$ 11,083	$ 11,259	$ 11,570	$ 11,543	$ 11,438	$ 11,589	$ 11,635	$ 11,723	$ 136,268
18.	PERCENT INC.	36.73%	35.91%	34.50%	34.59%	34.78%	34.96%	36.32%	36.99%	35.38%	35.77%	36.24%	36.61%	35.72%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

DUNCAN VALLEY

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requiremer	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requiremer	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	3,860	6,040	6,960	5,940	6,620	5,360	4,020	2,780	4,300	3,900	3,900	3,500	57,180
4.	Loads: April 07 to March 08	3,100	5,640	6,660	6,020	6,520	3,720	4,520	3,320	4,520	4,320	4,180	3,260	55,780
5.	12 Month Rolling Avg.	4,712	4,745	4,770	4,763	4,772	4,908	4,867	4,822	4,803	4,768	4,745	4,765	57,440
	PROPOSED:													
6.	Loads: April 08 to March 09	3,860	6,040	6,960	5,940	6,620	5,360	4,020	2,780	4,300	3,900	3,900	3,500	57,180
7.	Loads: April 07 to March 08	3,100	5,640	6,660	6,020	6,520	3,720	4,520	3,320	4,520	4,320	4,180	3,260	55,780
8.	12 Month Rolling Avg.	4,712	4,745	4,770	4,763	4,772	4,908	4,867	4,822	4,803	4,768	4,745	4,765	57,440
	PRESENT REVENUE :													
9.	Network Services	$ 16,764	$ 16,869	$ 16,993	$ 17,186	$ 17,301	$ 17,930	$ 17,829	$ 17,741	$ 17,800	$ 17,725	$ 17,735	$ 17,911	$ 209,785
10.	Scheduling & Ld. Control	1,116	1,746	2,011	1,717	1,913	1,549	1,162	803	1,243	1,127	1,127	1,012	16,525
11.	Total	$ 17,880	$ 18,615	$ 19,004	$ 18,902	$ 19,214	$ 19,479	$ 18,991	$ 18,545	$ 19,043	$ 18,852	$ 18,863	$ 18,923	$ 226,310
12.	Average Cost ($/KW)	$ 5.768	$ 3.300	$ 2.854	$ 3.140	$ 2.947	$ 5.236	$ 4.202	$ 5.586	$ 4.213	$ 4.364	$ 4.513	$ 5.804	$ 4.057
	PROPOSED REVENUE:													
13.	Network Services	$ 23,426	$ 23,572	$ 23,745	$ 24,015	$ 24,176	$ 25,054	$ 24,914	$ 24,791	$ 24,873	$ 24,768	$ 24,783	$ 25,028	$ 293,146
14.	Scheduling & Ld. Control	946	1,480	1,705	1,455	1,622	1,313	985	681	1,054	956	956	858	14,009
15.	Total	$ 24,371	$ 25,052	$ 25,451	$ 25,470	$ 25,798	$ 26,367	$ 25,899	$ 25,472	$ 25,927	$ 25,724	$ 25,738	$ 25,886	$ 307,156
16.	Average Cost ($/KWH)	$ 7.862	$ 4.442	$ 3.821	$ 4.231	$ 3.957	$ 7.088	$ 5.730	$ 7.672	$ 5.736	$ 5.955	$ 6.158	$ 7.940	$ 5.507
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 6,492	$ 6,438	$ 6,446	$ 6,568	$ 6,584	$ 6,889	$ 6,908	$ 6,928	$ 6,884	$ 6,872	$ 6,876	$ 6,963	$ 80,846
18.	PERCENT INC.	36.31%	34.58%	33.92%	34.75%	34.26%	35.37%	36.37%	37.36%	36.15%	36.45%	36.45%	36.80%	35.72%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

GRAHAM COUNTY ELECTRIC

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	20,966	31,511	39,951	39,726	36,986	32,263	24,988	18,448	20,642	19,992	18,818	20,271	324,562
4.	Loads: April 07 to March 08	21,235	29,349	40,099	39,125	36,529	30,341	27,052	18,498	21,918	20,119	19,731	19,458	323,454
5.	12 Month Rolling Avg.	26,932	27,112	27,100	27,150	27,188	27,348	27,176	27,172	27,066	27,055	26,979	27,047	325,326
	PROPOSED:													
6.	Loads: April 08 to March 09	20,966	31,511	39,951	39,726	36,986	32,263	24,988	18,448	20,642	19,992	18,818	20,271	324,562
7.	Loads: April 07 to March 08	21,235	29,349	40,099	39,125	36,529	30,341	27,052	18,498	21,918	20,119	19,731	19,458	323,454
8.	12 Month Rolling Avg.	26,932	27,112	27,100	27,150	27,188	27,348	27,176	27,172	27,066	27,055	26,979	27,047	325,326
	PRESENT REVENUE :													
9.	Network Services	$ 95,824	$ 96,388	$ 96,542	$ 97,955	$ 98,579	$ 99,900	$ 99,562	$ 99,981	$ 100,299	$ 100,571	$ 100,840	$ 101,666	$ 1,188,106
10.	Scheduling & Ld. Control	6,059	9,107	11,546	11,481	10,689	9,324	7,222	5,331	5,966	5,778	5,438	5,858	93,798
11.	Total	$ 101,883	$ 105,495	$ 108,088	$ 109,436	$ 109,268	$ 109,224	$ 106,783	$ 105,312	$ 106,264	$ 106,348	$ 106,278	$ 107,524	$ 1,281,904
12.	Average Cost ($/KW)	$ 4.798	$ 3.594	$ 2.696	$ 2.797	$ 2.991	$ 3.600	$ 3.947	$ 5.693	$ 4.848	$ 5.286	$ 5.386	$ 5.526	$ 3.963
	PROPOSED REVENUE:													
13.	Network Services	$ 133,901	$ 134,690	$ 134,905	$ 136,879	$ 137,751	$ 139,597	$ 139,124	$ 139,710	$ 140,154	$ 140,534	$ 140,910	$ 142,064	$ 1,660,220
14.	Scheduling & Ld. Control	5,137	7,720	9,788	9,733	9,062	7,904	6,122	4,520	5,057	4,898	4,610	4,966	79,518
15.	Total	$ 139,038	$ 142,410	$ 144,693	$ 146,612	$ 146,813	$ 147,501	$ 145,246	$ 144,229	$ 145,212	$ 145,432	$ 145,521	$ 147,031	$ 1,739,737
16.	Average Cost ($/KWH)	$ 6.548	$ 4.852	$ 3.608	$ 3.747	$ 4.019	$ 4.861	$ 5.369	$ 7.797	$ 6.625	$ 7.229	$ 7.375	$ 7.556	$ 5.379
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 37,155	$ 36,915	$ 36,605	$ 37,176	$ 37,545	$ 38,277	$ 38,463	$ 38,917	$ 38,947	$ 39,084	$ 39,242	$ 39,507	$ 457,833
18.	PERCENT INC.	36.47%	34.99%	33.87%	33.97%	34.36%	35.04%	36.02%	36.95%	36.65%	36.75%	36.92%	36.74%	35.72%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

MOHAVE ELECTRIC 1

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	109,021	139,516	149,516	168,516	169,516	160,516	137,918	94,924	84,804	81,756	77,891	59,932	1,433,826
4.	Loads: April 07 to March 08	109,021	158,516	154,516	173,516	172,516	156,516	116,918	107,021	93,804	89,756	89,891	82,925	1,504,916
5.	12 Month Rolling Avg.	125,410	123,826	123,410	122,993	122,743	123,076	124,826	123,818	123,068	122,402	121,402	119,486	1,476,460
	PROPOSED:													
6.	Loads: April 08 to March 09	109,021	139,516	149,516	168,516	169,516	160,516	137,918	94,924	84,804	81,756	77,891	59,932	1,433,826
7.	Loads: April 07 to March 08	109,021	158,516	154,516	173,516	172,516	156,516	116,918	107,021	93,804	89,756	89,891	82,925	1,504,916
8.	12 Month Rolling Avg.	125,410	123,826	123,410	122,993	122,743	123,076	124,826	123,818	123,068	122,402	121,402	119,486	1,476,460
	PRESENT REVENUE :													
9.	Network Services	$ 446,207	$ 440,222	$ 439,642	$ 443,748	$ 445,044	$ 449,583	$ 457,308	$ 455,594	$ 456,060	$ 454,997	$ 453,763	$ 449,131	$ 5,391,298
10.	Scheduling & Ld. Control	31,507	40,320	43,210	48,701	48,990	46,389	39,858	27,433	24,508	23,627	22,510	17,320	414,376
11.	Total	$ 477,714	$ 480,542	$ 482,852	$ 492,449	$ 494,034	$ 495,972	$ 497,167	$ 483,027	$ 480,568	$ 478,624	$ 476,274	$ 466,452	$ 5,805,674
12.	Average Cost ($/KW)	$ 4.382	$ 3.032	$ 3.125	$ 2.838	$ 2.864	$ 3.169	$ 4.252	$ 4.513	$ 5.123	$ 5.333	$ 5.298	$ 5.625	$ 3.858
	PROPOSED REVENUE:													
13.	Network Services	$ 623,514	$ 615,151	$ 614,341	$ 620,079	$ 621,890	$ 628,232	$ 639,027	$ 636,631	$ 637,283	$ 635,797	$ 634,073	$ 627,601	$ 7,533,620
14.	Scheduling & Ld. Control	26,710	34,181	36,631	41,286	41,531	39,326	33,790	23,256	20,777	20,030	19,083	14,683	351,287
15.	Total	$ 650,225	$ 649,333	$ 650,973	$ 661,365	$ 663,421	$ 667,558	$ 672,817	$ 659,888	$ 658,060	$ 655,828	$ 653,157	$ 642,284	$ 7,884,908
16.	Average Cost ($/KWH)	$ 5.964	$ 4.096	$ 4.213	$ 3.812	$ 3.846	$ 4.265	$ 5.755	$ 6.166	$ 7.015	$ 7.307	$ 7.266	$ 7.745	$ 5.239
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 172,511	$ 168,791	$ 168,120	$ 168,916	$ 169,387	$ 171,586	$ 175,651	$ 176,861	$ 177,492	$ 177,203	$ 176,883	$ 175,833	$ 2,079,233
18.	PERCENT INC.	36.11%	35.13%	34.82%	34.30%	34.29%	34.60%	35.33%	36.62%	36.93%	37.02%	37.14%	37.70%	35.81%

Southwest Transmission Cooperative, Inc.
Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

MOHAVE ELECTRIC 2

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	MEC Network Service 2 Rev. Req	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 2,155,588	$ 25,867,053
	PRESENT:													
3.	Loads: April 08 to March 09	0	17,785	37,200	26,423	25,982	7,188	0	0	0	0	0	0	114,578
4.	Loads: April 07 to March 08	23,684	0	0	0	2,705	10,314	0	0	0	1,755	5,281	2,240	45,979
5.	12 Month Rolling Avg.	1,858	3,340	6,440	8,642	10,582	10,321	10,321	10,321	10,321	10,175	9,735	9,548	101,604
	PROPOSED:													
6.	Loads: April 08 to March 09	0	17,785	37,200	26,423	25,982	7,188	0	0	0	0	0	0	114,578
7.	Loads: April 07 to March 08	23,684	0	0	0	2,705	10,314	0	0	0	1,755	5,281	2,240	45,979
8.	12 Month Rolling Avg.	1,858	3,340	6,440	8,642	10,582	10,321	10,321	10,321	10,321	10,175	9,735	9,548	101,604
	PRESENT REVENUE :													
9.	Network Services	$ 6,610	$ 11,874	$ 22,942	$ 31,179	$ 38,367	$ 37,702	$ 37,812	$ 37,977	$ 38,248	$ 37,823	$ 36,386	$ 35,890	$ 372,811
10.	Scheduling & Ld. Control	-	5,140	10,751	7,636	7,509	2,077	-	-	-	-	-	-	33,113
11.	Total	$ 6,610	$ 17,014	$ 33,693	$ 38,816	$ 45,876	$ 39,779	$ 37,812	$ 37,977	$ 38,248	$ 37,823	$ 36,386	$ 35,890	$ 405,924
12.	Average Cost ($/KW)	$ 0.279	$ 0.00	$ 0.00	$ 0.00	$ 16.960	$ 3.857	0	0	0	$ 21.551	$ 6.890	$ 16.022	$ 8.828
	PROPOSED REVENUE:													
13.	Network Services	$ 8,860	$ 15,915	$ 30,750	$ 41,790	$ 51,425	$ 50,533	$ 50,681	$ 50,902	$ 51,264	$ 50,695	$ 48,769	$ 48,105	$ 499,688
14.	Scheduling & Ld. Control	-	4,357	9,114	6,474	6,366	1,761	-	-	-	-	-	-	28,072
15.	Total	$ 8,860	$ 20,273	$ 39,864	$ 48,264	$ 57,790	$ 52,294	$ 50,681	$ 50,902	$ 51,264	$ 50,695	$ 48,769	$ 48,105	$ 527,760
16.	Average Cost ($/KWH)	$ 0.374	$ -	$ -	$ -	$ 21.364	$ 5.070	$ -	$ -	$ -	$ 28.886	$ 9.235	$ 21.475	$ 11.478
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 2,250	$ 3,259	$ 6,171	$ 9,448	$ 11,914	$ 12,515	$ 12,868	$ 12,925	$ 13,017	$ 12,872	$ 12,383	$ 12,214	$ 121,835
18.	PERCENT INC.	34.03%	19.15%	18.32%	24.34%	25.97%	31.46%	34.03%	34.03%	34.03%	34.03%	34.03%	34.03%	30.01%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

SULPHUR SPRINGS VALLEY 1

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	102,796	120,334	134,334	128,334	129,334	132,334	121,334	109,334	129,334	128,700	134,451	122,700	1,493,319
4.	Loads: April 07 to March 08	122,269	164,707	196,965	203,463	184,378	178,211	161,454	123,855	152,809	120,700	124,451	111,700	1,844,962
5.	12 Month Rolling Avg.	152,124	148,426	143,207	136,946	132,359	128,536	125,193	123,983	122,027	122,693	123,527	124,443	1,583,465
	PROPOSED:													
6.	Loads: April 08 to March 09	102,796	120,334	134,334	128,334	129,334	132,334	121,334	109,334	129,334	128,700	134,451	122,700	1,493,319
7.	Loads: April 07 to March 08	122,269	164,707	196,965	203,463	184,378	178,211	161,454	123,855	152,809	120,700	124,451	111,700	1,844,962
8.	12 Month Rolling Avg.	152,124	148,426	143,207	136,946	132,359	128,536	125,193	123,983	122,027	122,693	123,527	124,443	1,583,465
	PRESENT REVENUE :													
9.	Network Services	$ 541,256	$ 527,679	$ 510,170	$ 494,090	$ 479,911	$ 469,527	$ 458,651	$ 456,199	$ 452,200	$ 456,081	$ 461,706	$ 467,767	$ 5,775,237
10.	Scheduling & Ld. Control	29,708	34,777	38,823	37,089	37,378	38,245	35,066	31,598	37,378	37,194	38,856	35,460	431,569
11.	Total	$ 570,964	$ 562,455	$ 548,992	$ 531,179	$ 517,289	$ 507,772	$ 493,717	$ 487,797	$ 489,577	$ 493,275	$ 500,562	$ 503,227	$ 6,206,806
12.	Average Cost ($/KW)	$ 4.670	$ 3.415	$ 2.787	$ 2.611	$ 2.806	$ 2.849	$ 3.058	$ 3.938	$ 3.204	$ 4.087	$ 4.022	$ 4.505	$ 3.364
	PROPOSED REVENUE:													
13.	Network Services	$ 756,334	$ 737,361	$ 712,894	$ 690,426	$ 670,612	$ 656,102	$ 640,904	$ 637,478	$ 631,889	$ 637,312	$ 645,172	$ 653,642	$ 8,070,123
14.	Scheduling & Ld. Control	25,185	29,482	32,912	31,442	31,687	32,422	29,727	26,787	31,687	31,532	32,940	30,062	365,863
15.	Total	$ 781,519	$ 766,842	$ 745,806	$ 721,867	$ 702,299	$ 688,523	$ 670,631	$ 664,264	$ 663,575	$ 668,844	$ 678,113	$ 683,703	$ 8,435,987
16.	Average Cost ($/KWH)	$ 6.392	$ 4.656	$ 3.786	$ 3.548	$ 3.809	$ 3.864	$ 4.154	$ 5.363	$ 4.343	$ 5.541	$ 5.449	$ 6.121	$ 4.572
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 210,554	$ 204,387	$ 196,814	$ 190,688	$ 185,010	$ 180,752	$ 176,914	$ 176,468	$ 173,998	$ 175,569	$ 177,551	$ 180,476	$ 2,229,180
18.	PERCENT INC.	36.88%	36.34%	35.85%	35.90%	35.77%	35.60%	35.83%	36.18%	35.54%	35.59%	35.47%	35.86%	35.92%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

SULPHUR SPRINGS VALLEY 2

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	0	28,548	0	0	0	0	0	0	0	0	0	0	28,548
4.	Loads: April 07 to March 08	0	0	0	0	0	0	0	0	0	11,388	15,639	18,499	45,526
5.	12 Month Rolling Avg.	3,794	6,173	6,173	6,173	6,173	6,173	6,173	6,173	6,173	5,224	3,921	2,379	64,700
	PROPOSED:													
6.	Loads: April 08 to March 09	0	28,548	0	0	0	0	0	0	0	0	0	0	28,548
7.	Loads: April 07 to March 08	0	0	0	0	0	0	0	0	0	11,388	15,639	18,499	45,526
8.	12 Month Rolling Avg.	3,794	6,173	6,173	6,173	6,173	6,173	6,173	6,173	6,173	5,224	3,921	2,379	64,700
	PRESENT REVENUE :													
9.	Network Services	$ 13,498	$ 21,945	$ 21,990	$ 22,271	$ 22,382	$ 22,549	$ 22,615	$ 22,713	$ 22,875	$ 19,418	$ 14,654	$ 8,942	$ 235,853
10.	Scheduling & Ld. Control	-	8,250	-	-	-	-	-	-	-	-	-	-	8,250
11.	Total	$ 13,498	$ 30,196	$ 21,990	$ 22,271	$ 22,382	$ 22,549	$ 22,615	$ 22,713	$ 22,875	$ 19,418	$ 14,654	$ 8,942	$ 244,103
12.	Average Cost ($/KW)	-	-	-	-	-	-	-	-	-	$ 1.705	$ 0.937	$ 0.483	$ 5.362
	PROPOSED REVENUE:													
13.	Network Services	$ 18,862	$ 30,666	$ 30,729	$ 31,121	$ 31,275	$ 31,509	$ 31,601	$ 31,739	$ 31,965	$ 27,134	$ 20,477	$ 12,496	$ 329,573
14.	Scheduling & Ld. Control	-	6,994	-	-	-	-	-	-	-	-	-	-	6,994
15.	Total	$ 18,862	$ 37,660	$ 30,729	$ 31,121	$ 31,275	$ 31,509	$ 31,601	$ 31,739	$ 31,965	$ 27,134	$ 20,477	$ 12,496	$ 336,567
16.	Average Cost ($/KWH)	-	-	-	-	-	-	-	-	-	$ 2.383	$ 1.309	$ 0.675	$ 7.393
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 5,364	$ 7,464	$ 8,738	$ 8,850	$ 8,894	$ 8,960	$ 8,986	$ 9,025	$ 9,090	$ 7,716	$ 5,823	$ 3,553	$ 92,464
18.	PERCENT INC.	39.74%	24.72%	39.74%	39.74%	39.74%	39.74%	39.74%	39.74%	39.74%	39.74%	39.74%	39.74%	37.88%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

TRICO ELECTRIC

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	85,694	125,853	164,497	149,759	155,557	140,957	116,234	91,507	90,195	85,104	80,967	72,836	1,359,160
4.	Loads: April 07 to March 08	88,723	110,813	146,455	163,780	146,628	139,724	109,919	86,372	92,686	87,572	84,462	69,545	1,326,679
5.	12 Month Rolling Avg.	110,304	111,558	113,061	111,893	112,637	112,739	113,266	113,694	113,486	113,280	112,989	113,263	1,352,169
	PROPOSED:													
6.	Loads: April 08 to March 09	85,694	125,853	164,497	149,759	155,557	140,957	116,234	91,507	90,195	85,104	80,967	72,836	1,359,160
7.	Loads: April 07 to March 08	88,723	110,813	146,455	163,780	146,628	139,724	109,919	86,372	92,686	87,572	84,462	69,545	1,326,679
8.	12 Month Rolling Avg.	110,304	111,558	113,061	111,893	112,637	112,739	113,266	113,694	113,486	113,280	112,989	113,263	1,352,169
	PRESENT REVENUE :													
9.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
10.	Network Services	392,461	396,604	402,775	403,699	408,400	411,823	414,955	418,340	420,550	421,091	422,320	425,743	4,938,762
11.	Scheduling & Ld. Control	24,766	36,372	47,540	43,280	44,956	40,737	33,592	26,446	26,066	24,595	23,399	21,050	392,797
12.	Total	$ 546,004	$ 561,752	$ 579,091	$ 575,756	$ 582,133	$ 581,336	$ 577,323	$ 573,562	$ 575,393	$ 574,462	$ 574,496	$ 575,569	$ 6,876,877
13.	Average Cost ($/KW)	$ 6.154	$ 5.069	$ 3.954	$ 3.515	$ 3.970	$ 4.161	$ 5.252	$ 6.641	$ 6.208	$ 6.560	$ 6.802	$ 8.276	$ 5.184
	PROPOSED REVENUE:													
14.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
15.	Network Services	548,413	554,202	562,825	564,115	570,685	575,468	579,844	584,574	587,663	588,418	590,135	594,919	6,901,261
16.	Scheduling & Ld. Control	20,995	30,834	40,302	36,691	38,111	34,534	28,477	22,419	22,098	20,850	19,837	17,845	332,994
17.	Total	$ 698,184	$ 713,812	$ 731,903	$ 729,583	$ 737,573	$ 738,779	$ 737,098	$ 735,769	$ 738,537	$ 738,045	$ 738,749	$ 741,540	$ 8,779,573
18.	Average Cost ($/KWH)	$ 7.869	$ 6.442	$ 4.997	$ 4.455	$ 5.030	$ 5.287	$ 6.706	$ 8.519	$ 7.968	$ 8.428	$ 8.747	$ 10.663	$ 6.618
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 152,181	$ 152,060	$ 152,812	$ 153,827	$ 155,440	$ 157,443	$ 159,775	$ 162,208	$ 163,144	$ 163,583	$ 164,253	$ 165,971	$ 1,902,696
20.	PERCENT INC.	27.87%	27.07%	26.39%	26.72%	26.70%	27.08%	27.68%	28.28%	28.35%	28.48%	28.59%	28.84%	27.67%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

Safford

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	10,573	17,042	17,336	18,100	18,877	15,531	13,212	8,792	9,355	9,065	9,240	7,564	154,687
4.	Loads: April 07 to March 08	11,463	14,631	16,902	17,714	19,245	15,398	14,502	8,420	9,696	9,671	9,522	8,157	155,321
5.	12 Month Rolling Avg.	12,869	13,070	13,106	13,139	13,108	13,119	13,011	13,042	13,014	12,964	12,940	12,891	156,273
	PROPOSED:													
6.	Loads: April 08 to March 09	10,573	17,042	17,336	18,100	18,877	15,531	13,212	8,792	9,355	9,065	9,240	7,564	154,687
7.	Loads: April 07 to March 08	11,463	14,631	16,902	17,714	19,245	15,398	14,502	8,420	9,696	9,671	9,522	8,157	155,321
8.	12 Month Rolling Avg.	12,869	13,070	13,106	13,139	13,108	13,119	13,011	13,042	13,014	12,964	12,940	12,891	156,273
	PRESENT REVENUE :													
9.	Network Services	$ 45,789	$ 46,466	$ 46,691	$ 47,403	$ 47,527	$ 47,922	$ 47,668	$ 47,990	$ 48,227	$ 48,189	$ 48,366	$ 48,454	$ 570,690
10.	Scheduling & Ld. Control	3,056	4,925	5,010	5,231	5,455	4,488	3,818	2,541	2,704	2,620	2,670	2,186	44,705
11.	Total	$ 48,844	$ 51,392	$ 51,701	$ 52,633	$ 52,982	$ 52,410	$ 51,486	$ 50,531	$ 50,930	$ 50,808	$ 51,036	$ 50,640	$ 615,395
12.	Average Cost ($/KW)	$ 4.261	$ 3.513	$ 3.059	$ 2.971	$ 2.753	$ 3.404	$ 3.550	$ 6.001	$ 5.253	$ 5.254	$ 5.360	$ 6.208	$ 3.962
	PROPOSED REVENUE:													
13.	Network Services	$ 63,984	$ 64,931	$ 65,244	$ 66,239	$ 66,412	$ 66,964	$ 66,610	$ 67,060	$ 67,390	$ 67,337	$ 67,585	$ 67,708	$ 797,463
14.	Scheduling & Ld. Control	2,590	4,175	4,247	4,435	4,625	3,805	3,237	2,154	2,292	2,221	2,264	1,853	37,898
15.	Total	$ 66,574	$ 69,106	$ 69,491	$ 70,673	$ 71,037	$ 70,769	$ 69,847	$ 69,214	$ 69,682	$ 69,558	$ 69,849	$ 69,561	$ 835,362
16.	Average Cost ($/KWH)	$ 5.808	$ 4.723	$ 4.111	$ 3.990	$ 3.691	$ 4.596	$ 4.816	$ 8.220	$ 7.187	$ 7.192	$ 7.336	$ 8.528	$ 5.378
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 17,730	$ 17,714	$ 17,791	$ 18,040	$ 18,055	$ 18,359	$ 18,360	$ 18,683	$ 18,752	$ 18,750	$ 18,812	$ 18,921	$ 219,967
18.	PERCENT INC.	36.30%	34.47%	34.41%	34.27%	34.08%	35.03%	35.66%	36.97%	36.82%	36.90%	36.86%	37.36%	35.74%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

Thatcher

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000
4.	Loads: April 07 to March 08	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000
5.	12 Month Rolling Avg.	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
	PROPOSED:													
6.	Loads: April 08 to March 09	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000
7.	Loads: April 07 to March 08	5,000	7,000	7,000	7,000	7,000	7,000	7,000	5,000	5,000	5,000	5,000	5,000	72,000
8.	12 Month Rolling Avg.	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
	PRESENT REVENUE :													
9.	Network Services	$ 21,348	$ 21,331	$ 21,375	$ 21,647	$ 21,755	$ 21,917	$ 21,981	$ 22,077	$ 22,234	$ 22,303	$ 22,426	$ 22,553	$ 262,949
10.	Scheduling & Ld. Control	1,445	2,023	2,023	2,023	2,023	2,023	2,023	1,445	1,445	1,445	1,445	1,445	20,808
11.	Total	$ 22,793	$ 23,354	$ 23,398	$ 23,670	$ 23,778	$ 23,940	$ 24,004	$ 23,522	$ 23,679	$ 23,748	$ 23,871	$ 23,998	$ 283,757
12.	Average Cost ($/KW)	$ 4.559	$ 3.336	$ 3.343	$ 3.381	$ 3.397	$ 3.420	$ 3.429	$ 4.704	$ 4.736	$ 4.750	$ 4.774	$ 4.800	$ 3.941
	PROPOSED REVENUE:													
13.	Network Services	$ 29,831	$ 29,807	$ 29,868	$ 30,249	$ 30,400	$ 30,626	$ 30,716	$ 30,850	$ 31,070	$ 31,166	$ 31,338	$ 31,515	$ 367,437
14.	Scheduling & Ld. Control	1,225	1,715	1,715	1,715	1,715	1,715	1,715	1,225	1,225	1,225	1,225	1,225	17,640
15.	Total	$ 31,056	$ 31,522	$ 31,583	$ 31,964	$ 32,115	$ 32,341	$ 32,431	$ 32,075	$ 32,295	$ 32,391	$ 32,563	$ 32,740	$ 385,077
16.	Average Cost ($/KWH)	$ 6.211	$ 4.503	$ 4.512	$ 4.566	$ 4.588	$ 4.620	$ 4.633	$ 6.415	$ 6.459	$ 6.478	$ 6.513	$ 6.548	$ 5.348
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 8,263	$ 8,168	$ 8,186	$ 8,294	$ 8,337	$ 8,401	$ 8,427	$ 8,553	$ 8,615	$ 8,643	$ 8,691	$ 8,742	$ 101,319
18.	PERCENT INC.	36.25%	34.98%	34.98%	35.04%	35.06%	35.09%	35.10%	36.36%	36.38%	36.39%	36.41%	36.43%	35.71%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

CLASS A MEMBER RATES

LINE NO.		2008 APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2009 JAN	FEB	MAR	TOTAL
	PRESENT RATE:													
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	343,622	501,117	567,402	554,202	559,820	510,833	431,558	336,173	352,490	341,610	337,338	298,107	5,134,272
4.	Loads: April 07 to March 08	390,963	496,788	578,533	622,450	586,237	550,260	446,957	359,050	389,589	357,721	365,753	327,192	5,471,493
5.	12 Month Rolling Avg.	452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263
	PROPOSED:													
6.	Loads: April 08 to March 09	343,622	501,117	567,402	554,202	559,820	510,833	431,558	336,173	352,490	341,610	337,338	298,107	5,134,272
7.	Loads: April 07 to March 08	390,963	496,788	578,533	622,450	586,237	550,260	446,957	359,050	389,589	357,721	365,753	327,192	5,471,493
8.	12 Month Rolling Avg.	452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263
	PRESENT REVENUE :													
9.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
10.	Network Services	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	19,299,096
11.	Scheduling & Ld. Control	99,307	144,823	163,979	160,164	161,788	147,631	124,720	97,154	101,870	98,725	97,491	86,153	1,483,805
12.	Total	$ 1,836,341	$ 1,881,857	$ 1,901,014	$ 1,897,199	$ 1,898,822	$ 1,884,665	$ 1,861,755	$ 1,834,188	$ 1,838,904	$ 1,835,760	$ 1,834,525	$ 1,823,187	$ 22,328,219
13.	Average Cost ($/KW)	$ 4.697	$ 3.788	$ 3.286	$ 3.048	$ 3.239	$ 3.425	$ 4.165	$ 5.108	$ 4.720	$ 5.132	$ 5.016	$ 5.572	$ 4.081
	PROPOSED REVENUE:													
14.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
15.	Network Services	2,246,949	2,246,649	2,246,017	2,245,547	2,245,137	2,245,175	2,245,169	2,245,160	2,245,144	2,245,168	2,245,250	2,245,279	26,946,646
16.	Scheduling & Ld. Control	84,187	122,774	139,013	135,779	137,156	125,154	105,732	82,362	86,360	83,694	82,648	73,036	1,257,897
17.	Total	$ 2,459,913	$ 2,498,199	$ 2,513,807	$ 2,510,103	$ 2,511,070	$ 2,499,106	$ 2,479,677	$ 2,456,299	$ 2,460,281	$ 2,457,639	$ 2,456,675	$ 2,447,091	$ 29,749,860
18.	Average Cost ($/KWH)	$ 6.292	$ 5.029	$ 4.345	$ 4.033	$ 4.283	$ 4.542	$ 5.548	$ 6.841	$ 6.315	$ 6.870	$ 6.717	$ 7.479	$ 5.437
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 623,572	579,736	$ 612,794	$ 612,905	$ 612,247	$ 614,441	$ 617,923	$ 622,110	$ 621,377	$ 621,880	$ 622,150	$ 623,904	$ 7,421,642
20.	PERCENT INC.	33.96%	30.81%	32.24%	32.31%	32.24%	32.60%	33.19%	33.92%	33.79%	33.88%	33.91%	34.22%	33.24%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

Total For Network Tariff

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
1.	Network Revenue Requirement	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 1,608,258	$ 19,299,096
	PROPOSED RATE:													
2.	Network Revenue Requirement	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 2,247,326	$ 26,967,912
	PRESENT:													
3.	Loads: April 08 to March 09	343,622	501,117	567,402	554,202	559,820	510,833	431,558	336,173	352,490	341,610	337,338	298,107	5,134,272
4.	Loads: April 07 to March 08	390,963	496,788	578,533	622,450	586,237	550,260	446,957	359,050	389,589	357,721	365,753	327,192	5,471,493
5.	12 Month Rolling Avg.	452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263
	PROPOSED:													
6.	Loads: April 08 to March 09	343,622	501,117	567,402	554,202	559,820	510,833	431,558	336,173	352,490	341,610	337,338	298,107	5,134,272
7.	Loads: April 07 to March 08	390,963	496,788	578,533	622,450	586,237	550,260	446,957	359,050	389,589	357,721	365,753	327,192	5,471,493
8.	12 Month Rolling Avg.	452,013	452,373	451,446	445,759	443,557	440,272	438,988	437,082	433,990	432,648	430,280	427,856	5,286,263
	PRESENT REVENUE :													
9.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
10.	Network Services	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	1,608,258	19,299,096
11.	Scheduling & Ld. Control	99,307	144,823	163,979	160,164	161,788	147,631	124,720	97,154	101,870	98,725	97,491	86,153	1,483,805
12.	Total	$ 1,836,341	$ 1,881,857	$ 1,901,014	$ 1,897,199	$ 1,898,822	$ 1,884,665	$ 1,861,755	$ 1,834,188	$ 1,838,904	$ 1,835,760	$ 1,834,525	$ 1,823,187	$ 22,328,219
13.	Average Cost ($/KW)	$ 4.697	$ 3.788	$ 3.286	$ 3.048	$ 3.239	$ 3.425	$ 4.165	$ 5.108	$ 4.720	$ 5.132	$ 5.016	$ 5.572	$ 4.081
	PROPOSED REVENUE:													
14.	Direct Assignment Facilities	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 128,777	$ 1,545,318
15.	Network Services	2,246,949	2,246,649	2,246,017	2,245,547	2,245,137	2,245,175	2,245,169	2,245,160	2,245,144	2,245,168	2,245,250	2,245,279	26,946,646
16.	Scheduling & Ld. Control	84,187	122,774	139,013	135,779	137,156	125,154	105,732	82,362	86,360	83,694	82,648	73,036	1,257,897
17.	Total	$ 2,459,913	$ 2,498,199	$ 2,513,807	$ 2,510,103	$ 2,511,070	$ 2,499,106	$ 2,479,677	$ 2,456,299	$ 2,460,281	$ 2,457,639	$ 2,456,675	$ 2,447,091	$ 29,749,860
18.	Average Cost ($/KWH)	$ 6.292	$ 5.029	$ 4.345	$ 4.033	$ 4.283	$ 4.542	$ 5.548	$ 6.841	$ 6.315	$ 6.870	$ 6.717	$ 7.479	$ 5.437
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 623,572	$ 616,341	$ 612,794	$ 612,905	$ 612,247	$ 614,441	$ 617,923	$ 622,110	$ 621,377	$ 621,880	$ 622,150	$ 623,904	7,421,642
20.	PERCENT INC.	33.96%	32.75%	32.24%	32.31%	32.24%	32.60%	33.19%	33.92%	33.79%	33.88%	33.91%	34.22%	33.24%

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

AVERAGE COST-CLASS A MEMBERS

LINE NO.		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
	AVG COST ($/kW) - PRESENT RATES													
1.	AEC	$ 4.661	$ 5.062	$ 3.241	$ 2.712	$ 2.974	$ 3.564	$ 5.697	$ 4.754	$ 3.531	$ 4.355	$ 4.227	$ 4.997	$ 3.938
2.	DVEC	5.768	3.300	2.854	3.140	2.947	5.236	4.202	5.586	4.213	4.364	4.513	5.804	4.057
3.	GCEC	4.798	3.594	2.696	2.797	2.991	3.600	3.947	5.693	4.848	5.286	5.386	5.526	3.963
4.	MEC	4.382	3.032	3.125	2.838	2.864	3.169	4.252	4.513	5.123	5.333	5.298	5.625	3.858
	MEC2	0.279	$ 0.00	$ 0.00	$ 0.00	16.960	3.857	0	0	0	21.551	6.890	16.022	8.828
5.	SSVEC	4.670	3.415	2.787	2.611	2.806	2.849	3.058	3.938	3.204	4.087	4.022	4.505	3.364
	SSVEC2	-	-	-	-	-	-	-	-	-	1.705	0.937	0.483	5.362
6.	TEC	6.154	5.069	3.954	3.515	3.970	4.161	5.252	6.641	6.208	6.560	6.802	8.276	5.184
7.	CLASS A MEMBER AVG.	$ 4.697	$ 3.788	$ 3.286	$ 3.048	$ 3.239	$ 3.425	$ 4.165	$ 5.108	$ 4.720	$ 5.132	$ 5.016	$ 5.572	$ 4.081
	AVG COST ($/kW) - PROPOSED RATES													
8.	AEC	$ 6.373	$ 6.880	$ 4.359	$ 3.650	$ 4.008	$ 4.810	$ 7.766	$ 6.512	$ 4.780	$ 5.912	$ 5.758	$ 6.827	$ 5.344
9.	DVEC	7.862	4.442	3.821	4.231	3.957	7.088	5.730	7.672	5.736	5.955	6.158	7.940	5.507
10.	GCEC	6.548	4.852	3.608	3.747	4.019	4.861	5.369	7.797	6.625	7.229	7.375	7.556	5.379
11.	MEC	5.964	4.096	4.213	3.812	3.846	4.265	5.755	6.166	7.015	7.307	7.266	7.745	5.239
	MEC2	0.374	0.000	0.000	0.000	21.364	5.070	0.000	0.000	0.000	28.886	9.235	21.475	11.478
12.	SSVEC	6.392	4.656	3.786	3.548	3.809	3.864	4.154	5.363	4.343	5.541	5.449	6.121	4.572
	SSVEC2	-	-	-	-	-	-	-	-	-	2.383	1.309	0.675	7.393
13.	TEC	7.869	6.442	4.997	4.455	5.030	5.287	6.706	8.519	7.968	8.428	8.747	10.663	6.618
14.	CLASS A MEMBER AVG.	$ 6.292	$ 5.029	$ 4.345	$ 4.033	$ 4.283	$ 4.542	$ 5.548	$ 6.841	$ 6.315	$ 6.870	$ 6.717	$ 7.479	$ 5.437

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

BILLING UNIT AND TRANSMISSION REVENUE SUMMARY WORKSHEET
POINT TO POINT TRANSMISSION SERVICES - PRESENT RATES

AEPCO Bundled Sales

		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
AEPCO	Firm Pt to Pt - Serv	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	576,000
	Rate p/p	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Firm Pt to Pt - Serv	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$164,304	$ 1,971,648
Sulphur Springs	Loads	0	0	58,945	47,254	54,244	12,666	22,666	17,666	19,965	4,605	0	4,745	242,756
Firm Point to Point	Rate P/P	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Total Dollars P/P	$0	$0	$201,769	$161,750	$185,677	$43,356	$77,586	$60,471	$68,340	$15,763	$0	$16,242	$ 830,954
MW&E Safford	Loads	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
wheeling	Rate p/p	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	$3.423	
	Total Dollars P/P	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$34,230	$410,760
	Total Revenue	$ 198,534	$ 198,534	$ 400,303	$ 360,284	$ 384,211	$ 241,890	$ 276,120	$ 259,005	$ 266,874	$ 214,297	$ 198,534	$ 214,776	$ 3,213,362
	Total Loads	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
	Load Control & Disp	$ 16,762	$ 16,762	$ 33,797	$ 30,418	$ 32,439	$ 20,422	$ 23,312	$ 21,867	$ 22,532	$ 18,093	$ 16,762	$ 18,133	$ 271,300
	Total Revenue	$ 215,296	$ 215,296	$ 434,100	$ 390,703	$ 416,650	$ 262,312	$ 299,432	$ 280,872	$ 289,406	$ 232,390	$ 215,296	$ 232,909	$ 3,484,662

POINT TO POINT TRANSMISSION SERVICES-PROPOSED RATES

		APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
AEPCO	Firm Pt to Pt - Agrmnts k\	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	576,000
	Rate p/p	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	$3.709	
	Firm Pt to Pt - Agrmnts	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$178,032	$ 2,136,384
Sulphur Springs	Loads	0	0	58,945	47,254	54,244	12,666	22,666	17,666	19,965	4,605	0	4,745	242,756
Firm Point to Point	Rate P/P	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	
	Total Dollars P/P	$0	$0	$218,627	$175,265	$201,191	$46,978	$84,068	$65,523	$74,050	$17,080	$0	$17,599	$ 900,382
MW&E Safford	Loads	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
wheeling	Rate p/p	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	3.709	
	Total Dollars P/P	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$37,090	$445,080
	Total Revenue	$ 215,122	$ 215,122	$ 433,749	$ 390,387	$ 416,313	$ 262,100	$ 299,190	$ 280,645	$ 289,172	$ 232,202	$ 215,122	$ 232,721	$ 3,481,846
	Total Loads	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
	Load Control & Disp	$ 14,210	$ 14,210	$ 28,652	$ 25,787	$ 27,500	$ 17,313	$ 19,763	$ 18,538	$ 19,101	$ 15,338	$ 14,210	$ 15,373	$ 229,995
	Total Revenue	$ 229,332	$ 229,332	$ 462,401	$ 416,174	$ 443,813	$ 279,413	$ 318,953	$ 299,183	$ 308,274	$ 247,540	$ 229,332	$ 248,094	$ 3,711,841

Southwest Transmission Cooperative, Inc.

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized

TOTAL FOR POINT-TO-POINT TARIFF

POINT-TO-POINT TARIFF-PRESENT RATES

	APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
Total Revenue	$ 198,534	$ 198,534	$ 400,303	$ 360,284	$ 384,211	$ 241,890	$ 276,120	$ 259,005	$ 266,874	$ 214,297	$ 198,534	$ 214,776	$ 3,213,362
Total Loads	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
Load Control & Disp	$ 16,762	$ 16,762	$ 33,797	$ 30,418	$ 32,439	$ 20,422	$ 23,312	$ 21,867	$ 22,532	$ 18,093	$ 16,762	$ 18,133	$ 271,300
Total Revenue	$ 215,296	$ 215,296	$ 434,100	$ 390,703	$ 416,650	$ 262,312	$ 299,432	$ 280,872	$ 289,406	$ 232,390	$ 215,296	$ 232,909	$ 3,484,662

POINT-TO-POINT TARIFF-PROPOSED RATES

	APR	MAY	JUN	JUL	2008 AUG	SEP	OCT	NOV	DEC	JAN	2009 FEB	MAR	TOTAL
Total Revenue	$ 215,122	$ 215,122	$ 433,749	$ 390,387	$ 416,313	$ 262,100	$ 299,190	$ 280,645	$ 289,172	$ 232,202	$ 215,122	$ 232,721	$ 3,481,846
Total Loads	58,000	58,000	116,945	105,254	112,244	70,666	80,666	75,666	77,965	62,605	58,000	62,745	938,756
Load Control & Disp	$ 14,210	$ 14,210	$ 28,652	$ 25,787	$ 27,500	$ 17,313	$ 19,763	$ 18,538	$ 19,101	$ 15,338	$ 14,210	$ 15,373	$ 229,995
Total Revenue	$ 229,332	$ 229,332	$ 462,401	$ 416,174	$ 443,813	$ 279,413	$ 318,953	$ 299,183	$ 308,274	$ 247,540	$ 229,332	$ 248,094	$ 3,711,841