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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission
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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 SURREBUTTAL TESTIMONY**

Staff of the Arizona Corporation Commission ("Staff") hereby files the Surrebuttal Testimony of Ralph C. Smith and Dennis M. Kalbarczyk in the above docket.

RESPECTFULLY SUBMITTED this 18th day of August 2010.

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Ayesha Vohra, Attorney
Legal Division
Arizona Corporation Commission
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Original and thirteen (13) copies of the foregoing filed this 18th day of August 2010 with:

Docket Control
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BEFORE THE ARIZONA CORPORATION COMMISSION

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

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

SURREBUTTAL

TESTIMONY

OF

RALPH C. SMITH

(CONSULTANT)

ON BEHALF OF THE STAFF OF THE

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

AUGUST 18, 2010

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ATTACHMENTS

Copies of selected SWTC responses to discovery and other documents that are referenced in the surrebuttal testimony RCS-4

EXECUTIVE SUMMARY
SOUTHWEST TRANSMISSION COOPERATIVE, INC.
DOCKET NO. E-04100A-09-0496

My testimony and Attachment RCS-4 address the one issue from my direct testimony that was disputed in SWTC's rebuttal testimony – the ratemaking treatment of a gain that SWTC realized on the sale of a 69 kV line. In view of SWTC's rebuttal testimony and the additional explanations provided by SWTC in response to Staff data request STF 7.1 (see Attachment RCS-4), I have accepted the Cooperative's proposed treatment of this gain. This increases the amount of Staff's recommended revenue requirement for SWTC by approximately $73,000 above the amount stated in my direct testimony.

I. INTRODUCTION

A. Background and Qualifications

Q. Please state your name, position and business address.

A. Ralph C. Smith. I am a Senior Regulatory Consultant at Larkin & Associates, PLLC, 15728 Farmington Road, Livonia, Michigan 48154.

B. Purpose of Testimony

Q. What is the purpose of your surrebuttal testimony?

A. My testimony and Attachment RCS-4 address one issue that was disputed in SWTC's rebuttal testimony – the ratemaking treatment of a gain that SWTC realized on the sale of a 69 kV line.

C. Content of Attachments to Testimony

Q. Have you attached any exhibits to be filed with your surrebuttal testimony?

A. Yes. I am attaching Attachment RCS-4.

Q. What is shown in that attachment?

A. Attachment RCS-4 presents a copy of SWTC's response to data request STF 7.1, which is referenced in my testimony.

II. GAIN ON SALE OF UTILITY PROPERTY

Q. Did SWTC recently sell some of its utility property?

A. Yes. As described in the response to data request STF 2.54:

> *In 2005, SWTC sold 5.7 miles of the Davis-Rivera 69 kV line to Mohave Electric Cooperative for a little less than $643,000. SWTC recorded a gain on its books in 2005 of $243,000. In 2009, SWTC sold the remaining 3.2 miles of the Davis-Rivera 69 kV line to Mohave Electric Cooperative for $370,000 and recorded a gain on its books in 2009 of about $220,000. Both gains were recorded in the year that the sale was made.*

Q. How did you treat the gain on the sale of this utility property in your direct testimony?

A. In my direct testimony, I normalized the amount of gain over a three-year period as a reduction to SWTC's revenue requirement. Three years is the same period that SWTC proposes using for normalizing its proposed allowance for rate case costs in the current case. As shown on Attachment RCS-2, Schedule C-5, which was attached to my direct testimony, normalization of the gain over the recommended three-year period increased SWTC's net income by $73,300, and reduced SWTC's revenue requirement by a similar amount.

Q. Did SWTC take exception to this ratemaking treatment?

A. Yes. In SWTC's rebuttal testimony, the Cooperative accepted all of my recommendations with the sole exception of the treatment of the gain on sale of utility property. With respect to that gain, SWTC claimed that the gain had already been flowed through to its Class A members.[1]

[1] See, e.g., Rebuttal Testimony of SWTC witness Gary Pierson at page 2.

Q. Did you obtain additional information from SWTC concerning this issue?

A. Yes. SWTC provided additional information in response to Staff data request STF 7.1.[2]

Q. At this time are you revising your recommended ratemaking treatment for that gain?

A. Yes. In view of the Cooperative's rebuttal on this issue and the additional explanations provided by SWTC in response to Staff data request STF 7.1, I have accepted the Cooperative's proposed ratemaking treatment of this gain. This increases the amount of Staff's recommended revenue requirement for SWTC by approximately $73,000 above the amount stated in my direct testimony.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

[2] A copy of that response is included in Attachment RCS-4, attached to my surrebuttal testimony.

Southwest Transmission Cooperative, Inc.
Docket No. E-01400A-09-0496
Attachment RCS-4
Copies of SWTC's Responses to Data Requests
and Documents Referenced in the Surrebuttal Testimony of
Ralph C. Smith

Data Request/ Document	Subject	Confidential	No. of Pages	Page No.
STF 7.1	SWTC's explanation of the treatment of the gain on the sale of the 69 kV line to Mohave Electric Cooperative	No	3	2 - 4
	Total Pages Including this Page		4	

SOUTHWEST TRANSMISSION COOPERATIVE, INC.
RESPONSES TO SEVENTH SET OF DATA REQUESTS OF
ARIZONA CORPORATION COMMISSION STAFF
Docket No. E-04100A-09-0496
August 12, 2010

Sale of Property

STF 7.1 Refer to the Rebuttal Testimony of SWTC witness Gary Pierson at page 2.

a. Please show exactly how the gain on the sale of the 69 kV line was flowed through to SWTC's Class A members and indicate exactly when this was flowed through. Provide the related supporting documentation and workpapers.

b. Please explain fully why the 69 kV line was sold to Mohave Electric and why the sale occurred in two pieces, 5.7 miles in 2005 and the remaining 3.2 miles in 2009.

c. Has SWTC had any sales of property in 2010? If so, please identify each such sale and provide the related details showing the gain or loss.

d. Did SWTC have any sales of property during the rate effective period? If not, explain fully why not. If so, please identify which property SWTC is holding for sale and the approximate cost basis and market value of each such property.

e. Does SWTC intend to sell the two parcels of land in Oro Valley that were purchased in 1999? If not, explain fully why not. If so, please identify SWTC's plans for disposing of that land.

Respondent: Gary Pierson, Manager of Financial Services; James C. Burson, Senior Vice President and Chief Operating Officer; and Melanie Pearce, Director of Financial Operations

Response: a. Attached is a copy of the SAP entry showing the posting of the gain on the sale to Mohave. As described in the response to STF 2.54, the approximate $220,000 gain on the sale of the 69 kV line was posted November 30, 2009 to RUS USOA Account No. 411.6, Gains from Disposition of Plant (SAP Acct. 61350500). It shows up on SWTC's Statement of Operations as a credit to Other Deductions and is, therefore, a part of the operating margins for SWTC. There is no workpaper associated with the entry. The gain amount was simply booked to the RUS and SAP accounts as indicated. Pursuant to SWTC's by-laws, all amounts received in excess of operating costs, expenses and prior losses (i.e. margins) are received with the understanding that they are furnished by

**SOUTHWEST TRANSMISSION COOPERATIVE, INC.
RESPONSES TO SEVENTH SET OF DATA REQUESTS OF
ARIZONA CORPORATION COMMISSION STAFF
Docket No. E-04100A-09-0496
August 12, 2010**

the Members as capital. SWTC is required to account for such capital and record such capital to its members as allocated patronage capital. Therefore, gains on the sale of property which either increase margins or reduce losses flow through to the Members. This accounting treatment of such gains is also necessary in order to maintain SWTC's tax exempt status under section 501(c)(12) of the Internal Revenue Code.

b. The 69 kV line in question was built by AEPCO from Davis Bank 10 to MEC's Big Bend Substation as an interim measure to serve the growing MEC load prior to the construction of the Davis to Riviera 230 kV line and Riviera 230/69 kV Substation. The line termination was subsequently moved from Big Bend to the Riviera 69 kV bus. The line was constructed to meet the MEC retail load growth and no other stakeholders utilize the line. MEC later interconnected the Airport Substation to the line.

In 2004, MEC requested the opportunity to purchase the Riviera to Airport Tap; the sale was finalized in 2005. MEC's long range plans call for additional substations interconnecting this line. At a later date, MEC determined that they should have requested the purchase of the entire section in 2004. The line is embedded within the MEC system and was originally constructed solely for the MEC loads. SWTC does not anticipate serving any other stakeholder from this line. The SWTC Board of Directors agreed to both sales and each was subsequently approved by RUS.

c. SWTC has not had any sales of property in 2010.

d. SWTC does not have any property for sale, nor does it intend to sell any property in the foreseeable future, with the possible exception of the plant held for future use discussed in (e) below.

e. AEPCO/SWTC acquired easements and purchased a parcel of land for a substation in anticipation of the Moore Road to Thornydale project in the early 1990's. The project was abandoned and the land was transferred to plant held for future use in 1999. SWTC subsequently built the Thornydale Substation in 2000 to serve TRICO's growing load in the area. However, the easements and the property remain as SWTC assets. Recently, the SWTC Land Services and Legal Staffs have begun to review options with respect to use or disposal of the properties. The ultimate outcome for the properties is unknown at this time.

Doc.Type : SA (G/L account document) Normal document

Doc. Number	[illegible]	Company code	SWTC	Fiscal year	2009
Doc. date	12/04/2009	Posting date	[illegible]	Period	11
Calculate Tax	□				
Doc.currency	USD				
Doc.header text	Sale to Mohave				

Itm	PK	Account	Account short text	Assignment	Tx	Amount	Cost Ctr	Order	Text
1	04	10525	Mohave Electric Coop	20091130		774,000.00			Record Sale of Davis Dam Equipment to Mohave Elect
2	50	6130500	Gains from Dispositi	20091130		219,800.69-	500000		Record Sale of Davis Dam Equipment to Mohave Elect
3	50	1085001	Acc Depr-Out Rel	20091130		150,199.31-			Record Sale of Davis Dam Equipment to Mohave Elect

BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES
Chairman
GARY PIERCE
Commissioner
PAUL NEWMAN
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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

SURREBUTTAL

TESTIMONY

OF

DENNIS M. KALBARCZYK

(CONSULTANT)

ON BEHALF OF THE STAFF OF THE

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

AUGUST 18, 2010

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Derivation of Revenue Requirement and Rates	DMK G-2A Surrebuttal
Analysis of Revenue by Detailed Class - Summary	DMK H-1 Surrebuttal
Analysis of Revenue by Detailed Class	DMK H-2 Surrebuttal

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. Have you previously submitted testimony in this proceeding?

A. Yes. I previously submitted direct testimony on behalf of the Arizona Corporation Commission ("ACC" or "Commission"), Utilities Division Staff ("Staff"). It addressed my review of the application of Southwest Transmission Cooperative Inc.'s ("Southwest" or "SWTC") for a general rate increase in the proceeding at Docket No. E-04100A-09-0496.

Q. What is the purpose of your surrebuttal testimony?

A. My surrebuttal testimony responds to SWTC witness Zarnikau's rebuttal testimony addressing his fully allocated cost of service and rate design recommendations. His revised fully allocated cost of service study and proposed rate design (JWZ-Schedules G and H): (a) makes small corrections in how costs would be allocated to a discounted rate involving the Mohave Electric Cooperative ("MEC"), and (b) incorporates SWTC's revised overall revenue requirements, which Mr. Pierson's rebuttal testimony provides. I also present my revised fully allocated cost of service study and proposed rate design (DMK- Schedules G and H Surrebuttal). I accept SWTC witness Zarnikau's MEC cost allocation correction, and I incorporate Staff's revised overall revenue requirement, which Staff witness Smith's surrebuttal testimony provides.

II. ALLOCATED COST OF SERVICE STUDY AND RATE DESIGN

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

A. Witness Zarnikau's rebuttal testimony (at pages 2-4) explains that he made revisions to his allocation study for the determination of the discounted rate to MEC for its Second Network Transmission Agreement ("MEC2"). He explained that this unique agreement caused him, in his original cost allocation method, to remove from costs to be allocated to MEC under the MEC2 agreement ***all*** costs associated with the Apache Transformer Replacement and the Bicknell Substation Upgrade. Subsequent to my direct testimony, SWTC advised him that the Apache Transformer and Bicknell Substation constituted ordinary repairs and replacements to facilities previously included in the MEC2 rate base. Accordingly, only a portion of their costs should be considered "new system costs;" *i.e.*, those to be removed from costs allocated to MEC under the MEC2 agreement. I have accepted the changes, as detailed in his rebuttal testimony, and have incorporated them into my updated fully allocated cost of service study and rate design schedules.

Witness Zarnikau's cost allocation study and rate design also incorporates the $34,600,422 of revised revenue requirements advanced by SWTC witness Pierson in his rebuttal testimony.

Q. Describe your understanding of Staff's position with regard to the overall revenue requirement in the instant proceeding.

A. Staff witness Smith's surrebuttal testimony explains that SWTC accepted all of his recommendations with the exception of the treatment of the gain on sale of utility property. He further explains that he has accepted SWTC's proposed ratemaking treatment of this gain, which would increase the amount of Staff's recommended revenue requirement for SWTC over the amount noted in his direct testimony. I have confirmed

with him that adding the $73,300 increase associated with the treatment of this gain to the $35,426,050 of recommend revenue requirement from his direct testimony would produce a revised recommended revenue requirement of $35,499,350; a $7,722,123 increase over the $27,777,227 of operating revenues under present rates.

Thus, my revised fully allocated cost of service study and proposed rate design (DMK-Schedules G and H Surrebuttal) incorporate Staff's revised overall revenue requirement of $35,499,350 as discussed in Staff witness Smith's surrebuttal testimony.

Q. Please summarize SWTC's rebuttal and Staff's surrebuttal revenue requirement positions.

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

Table I – Cost of Service Summary

	SWTC Rebuttal		Staff Surrebuttal	
Revenues	**Current**	**Proposed**	**Current**	**Proposed**
Network Transmission Service	$22,328,219	$29,019,048	$22,328,219	$29,814,712
Point-to-Point	3,484,662	3,617,027	3,484,662	3,720,290
Total Electric Revenue	$25,812,881	$32,636,075	$25,812,881	$33,535,002
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	$34,600,423	$27,777,227	$35,499,350
Operating Expenses	27,116,831	27,116,831	27,116,831	27,116,831
Operating Income (Margins)	$ 660,396	$ 7,483,591	$ 660,396	$ 8,382,519
Income Taxes	-	-	-	-
Net Income (Margins)	$ 660,396	$ 7,483,591	$ 660,396	$ 8,382,519
Rate Base	$79,146,274	$79,146,274	$79,146,274	$79,146,274
Rate of Return	0.83%	9.46%	0.83%	10.59%

Q. Please summarize SWTC rebuttal and Staff's surrebuttal proposed rate design?

A. The following table summarizes SWTC's rebuttal and Staff's surrebuttal 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 Rebuttal		STAFF Surrebuttal	
Transmission Services	Current	Proposed	% Inc.	Proposed	% Inc.
Firm Network Service -$Monthly Rev. Req.*	$ 1,608,258	$ 2,187,176	36.00%	$ 2,253,611	40.13%
Firm Network Service -$Annual Rev. Req.*	$19,299,096	$26,246,111	36.00%	$27,043,332	40.13%
Firm Network Service -MohElec 2 $ Monthly Rev.Req.*	$ 1,608,258	$ 2,056,562	27.88%	$ 2,116,280	31.59%
Firm Network Service - Moh Elec 2 $ Annual Rev.Req.*	$19,299,096	$24,678,748	27.88%	$25,395,356	31.59%
Firm Point-to-Point Transmission ($/kW)	$ 3.423	$ 3.608	5.40%	$ 3.718	8.62%
Non-Firm Point-to-Point Transmission $/kW)	$ 3.423	$ 3.608	5.40%	$ 3.718	8.62%
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	$ 0.067	-44.39%	$ 0.075	-37.71%
Sch.2- Point-to-Point VarSupport/VoltageContrl-($/kW)	$ 0.094	$ 0.049	-47.45%	$ 0.055	-41.14%
FERC Optional Ancillary Services – AEPCO					
Sch. 3- Network - Req. & Freq. Resp ($/kW)	$ 0.4720	$ 0.5325	12.82%	$ 0.5474	15.98%
Sch. 4- Network - Eng Imbalance - +/-1.5% ($/MW)	$ 23.25	$ 36.68	57.78%	$ 36.68	57.78%
Sch. 5- Network - Oper. Reserves - Spinning ($/kW)	$ 0.7130	$ 0.7060	-0.98%	$ 0.7258	1.80%
Sch. 6- Network - Oper. Reserve - Supplemental ($/kW)	$ 0.4610	$ 0.4981	8.04%	$ 0.5116	10.98%
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 summarize your opinion as to SWTC's above referenced revised fully allocated Cost of Service study and rate design surrebuttal proposal.

A. I have no objection to SWTC's revised fully allocated cost of service study methods. Thus, I have revised my fully allocated cost of service study methods to incorporate SWTC's proposed surrebuttal changes to its MEC2 cost allocation proposal. However, my updated study incorporates only those revenue requirement positions adjustments agreed to by Staff. The results of my updated study are attached as DMK-Schedules G and H Surrebuttal, respectively. In order to provide for ease of comparison, I continued to use the same

Schedule G and H references as those in my direct testimony. DMK- Schedule A-1 Surrebuttal provides a proof of revenue by rate class. It demonstrates that Staff's proposed rates and other revenues will produce approximately the same $7,722,123 revenue increase as supported by Staff witness Smith's surrebuttal testimony.

Lastly, DMK Schedule B-1 Surrebuttal provides a comparison of the allocated revenue requirement to each customer member under SWTC's revised and original MEC2 cost allocation methods. In brief, the impact is minor, the revenue requirement for network transmission services to MEC2 will decrease by $10,230, or 1.93% while the remaining customer members revenue requirement will increase proportionally by .04% to account for this change in allocation method.

For the reasons noted herein, I recommend adoption of Staff's proposed rates as summarized in my surrebuttal testimony at Table II above.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

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	$ 495,496	$ 141,892	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Duncan Valley	209,785	293,966	84,181	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Graham County Electric	1,188,106	1,664,863	476,757	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Mohave Electric 1	5,391,298	7,554,689	2,163,391	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Mohave Electric 2	372,811	490,576	117,765	31.59%	$ 1,608,258	$ 2,116,280	$ 508,022	31.59%
Sulphur Springs Valley 1	5,775,237	8,092,693	2,317,456	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Sulphur Springs Valley 2	235,853	330,494	94,642	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Trico Electric	4,938,762	6,920,561	1,981,799	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Total Firm Members	$ 18,465,457	$ 25,843,339	$ 7,377,883	39.96%				
Other - Firm Network Services								
Safford	570,690	799,694	229,003	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Thatcher	262,949	368,464	105,515	40.13%	$ 1,608,258	$ 2,253,611	$ 645,353	40.13%
Total Other	833,639	1,168,158	334,518	40.13%				
Total Network Services	$ 19,299,096	$ 27,011,497	$ 7,712,401	39.96%				
Point-to-Point Services								
Network Transmission Rate								
AEPCO	$ 1,971,648	$ 2,141,568	$ 169,920	8.62%	$ 3.423	$ 3.718	$ 0.295	8.62%
Sulphur Springs	830,954	902,567	71,613	8.62%	$ 3.423	$ 3.718	$ 0.295	8.62%
MW&E Stafford Wheeling	410,760	446,160	35,400	8.62%	$ 3.423	$ 3.718	$ 0.295	8.62%
Total Point-to-Point	$ 3,213,362	$ 3,490,295	$ 276,933	8.62%				
Total Electric Revenue	$ 22,512,458	$ 30,501,792	$ 7,989,334					
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	$ 35,499,349	$ 7,722,121	27.80%				
Revenues Per Staff Attach. RCS-2, Sch. A, Columns, D-E, Line 1	$ 27,777,227	$ 35,499,350	$ 7,722,123					
Proof	$ (1)	$ 1	$ 2					

Southwest Transmission Cooperative, Inc.

DMK SCH. B-1
Surrebuttal

Analysis of Revenue by Detailed Class - Staff Adjusted
Test Year - Annualized
BASED UPON SWTC REVISED MEC ALLOCATION METHOD AND ORIGINAL MEC ALLOCATION METHOD

LINE NO.	CLASS OF SERVICE		STAFF REVENUES BASED UPON REVISED MEC ALLOC. METHOD (a)	STAFF REVENUES BASED UPON ORIGINAL MEC ALLOC. METHOD (a)	DIFFERENCES IN METHOD AMOUNT (a)	DIFFERENCES IN METHOD PERCENT (a)
	Class A MEMBER CONTRACTS:					
1.	ANZA		$ 519,117	$ 518,926	$ 191	0.04%
2.	DUNCAN		307,975	307,862	113	0.04%
3.	GRAHAM		1,744,380	1,743,738	642	0.04%
4.	MOHAVE		7,905,977	7,903,062	2,914	0.04%
5.	MOHAVE 2		518,648	528,878	(10,230)	-1.93%
6.	SULPHUR		8,458,556	8,455,434	3,122	0.04%
7.	SULPHER 2		337,489	337,361	127	0.04%
8.	TRICO		8,798,874	8,796,204	2,670	0.03%
9	Class A TOTAL MEMBER CONTRACTS:		$ 28,591,015	$ 28,591,466	$ (451)	0.00%
	OTHER FIRM NETWORK CONTRACTS:					
1.	SAFFORD		837,592	837,283	308	0.04%
2.	THATCHER		386,104	385,962	142	0.04%
3.	TOTAL FIRM CONTRACTS:		$ 1,223,696	$ 1,223,245	$ 451	0.04%
4.	TOTAL COMPANY		$ 29,814,712	$ 29,814,712	$ (0)	0.00%
	POINT-TO-POINT SERVICE:					
1.	AEPCO	Firm Pt to Pt - Agrmnts	$ 2,141,568	$ 2,141,568	-	0.00%
2.	Sulphur Springs	Firm Point to Point	902,567	902,567	-	0.00%
3.	MW&E Safford	wheeling	446,160	446,160	-	0.00%
4.	SUBTOTAL REVENUE		$ 3,490,295	$ 3,490,295	-	0.00%
5.		Load Control & Disp	229,995	229,995	-	0.00%
6.	TOTAL REVENUE		$ 3,720,290	$ 3,720,290	-	0.00%
	RATE IMPACT ANALYSIS:					
	Firm Network Service - $ Monthly Rev. Req.*		$ 2,253,611	$ 2,252,742	$ 869	0.04%
	Firm Network Service - $ Annual Rev. Req.*		$ 27,043,332	$ 27,032,900	$ 10,432	0.04%
	Firm Network Service - Moh Elec 2 $ Monthly Rev. Req.*		$ 2,116,280	$ 2,160,412	$ (44,133)	-2.04%
	Firm Network Service - Moh Elec 2 $ Annual Rev. Req.*		$ 25,395,356	$ 25,924,950	$ (529,594)	-2.04%

Southwest Transmission Cooperative, Inc.

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

DMK SCH. G-1
Surrebuttal

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

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

DMK SCH. G-2
Surrebuttal

LINE NO.		PER SWTC TOTAL SYSTEM *		PER STAFF TOTAL SYSTEM	SWTC REBUTTAL TOTAL SYSTEM	PER STAFF SURREBUTTAL TOTAL SYSTEM
	REVENUES:					
1.	NETWORK TRANSMISSION SERVICE	$ 29,754,459		$ 29,749,860	$ 29,019,048	$ 29,814,712
2.	POINT-TO -POINT	3,711,841		3,711,841	3,617,027	3,720,290
3.	TOTAL ELECTRIC REVENUE	33,466,300		33,461,701	32,636,075	33,535,002
4.	OTHER OPERATING REVENUE	598,408		598,408	598,408	598,408
5.	SPECIAL CONTRACTS & OTHER	1,365,940		1,365,940	1,365,940	1,365,940
6.	TOTAL OPERATING REVENUE	35,430,648		35,426,049	34,600,423	35,499,350
7.	OPERATING EXPENSES	27,947,057	(a)	*27,116,831*	*27,116,831*	*27,116,831*
8.	OPERATING INCOME (MARGINS)	7,483,591		8,309,218	7,483,592	8,382,519
9.	INCOME TAXES	-		-	-	-
10.	NET INCOME (MARGINS) (LINE 6 - LINE 7)	7,483,591		8,309,218	7,483,592	8,382,519
11.	RATE BASE	79,668,372	(b)	79,146,274	79,146,274	79,146,274
12.	RATE OF RETURN	9.39%		10.50%	9.46%	10.59%

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	SWTC REBUTTAL TOTAL	PER STAFF SURREBUTTAL TOTAL
1.	OPERATING EXPENSES (EXCL. REVENUE TAX)	$ 27,947,057		$ 27,116,831	$ 27,116,831	$ 27,116,831
2.	INTEREST & OTHER DEDUCTIONS:	4,761,153		4,761,153	4,761,153	4,761,153
3.	TOTAL OPERATING EXPENSES (INC. INTEREST)	32,708,210		31,877,984	31,877,984	31,877,984
4.	PLUS MARGIN REQUIREMENT	2,823,336		3,722,263	2,823,336	3,722,263
	LESS OTHER REVENUES:					
5.	OTHER OPERATING REVENUE	598,408		598,408	598,408	598,408
6.	SPECIAL CONTRACTS	1,295,300		1,295,300	1,295,300	1,295,300
7.	DIRECT ASSIGNMENT FACILITIES	1,545,318		1,545,318	1,545,318	1,545,318
8.	SYS. CTL. & LOAD DSPTCH N/I SP.CONT.	1,558,531		1,558,531	1,558,531	1,558,531
9.	TOTAL OTHER INCOME	4,997,557		4,997,557	4,997,557	4,997,557
10.	NON-OPERATING MARGINS	100,898	(a)	174,198	100,898	100,898
11.	PLUS EXTRAORDINARY ITEMS	-		-	-	-
12.	NET REVENUE REQUIREMENT BEFORE REV. TAX	30,433,091		30,428,492	29,602,865	30,501,792
13.	REVENUE TAX					-
14.	ANNUAL TRANSMISSION REVENUE REQUIREMENT	$ 30,433,091		$ 30,428,492	$ 29,602,865	$ 30,501,792

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	$ -	$ -
	Debt Service Coverage Ratio	**1.45**	**1.35**	**1.45**

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	$3.718 /kW-mo	$2,253,611	G-2A, Page 3 for Point-to-Point			wk	0.85801 Sched 7
						Day	0.12393
						on-pk	0.00509
MANDATORY ANCILLARY SERVICES							
Schedule 1 System Control & load Dispatch	$0.245	$0.245 /kW-mo	G-2A, Page 5			off-peak	0.00894
Schedule 2 Var support / voltage Control	$0.055	$0.075 /kW-mo	G-2A, Page 6			wk	0.05654 Sched 1
						Day	0.00817
						on-pk	0.00034
TOTAL MANDATORY SVCS	$4.018	$2,253,611 /kW-mo				off-peak	0.00059
FERC OPTIONAL ANCILLARY SVCS - AEPCO						wk	0.01277 Sched 2
	Gen Cap Rate	% Req'd	=	$/kW-mo		Day	0.00184
Schedule 3 Cost of Reg. & Frequency Response	$12.266	4.46%	=	$0.5474	G-2A, Page 7	on-pk	0.00008
			=			off-peak	0.00013
Schedule 5 Operating Reserves- Spinning	$13.567	5.35%	=	$0.7258	G-2A, Page 7	wk	0.12633 Sched 3
			=			Day	0.01825
						on-pk	0.00075
Schedule 6 Operating Reserve- Supplemental	$9.552	5.36%	=	$0.5116	G-2A, Page 7	off-peak	0.00132
			=				
						wk	0.16750 Sched 5
Schedule 4 Energy Imbalance - AEPCO		Energy in kind deviation +/-1.5%				Day	0.02419
						on-pk	0.00099
AEPCO pays positive imbalance		$36.68 $/MWh			G-2A, Page 10	off-peak	0.00174
Customer pays negative imbalance		$100.00 $/MWh				wk	0.11807 Sched 6
						Day	0.01705
						on-pk	0.00070
Non-FERC Replacement Capacity - AEPCO				$4.363	G-2A, Page 7	off-peak	0.00123
						wk	0.85801 Sched 7
						Day	0.12393
Losses	0.0297				Loss Study	on-pk	0.00509
						off-peak	0.00894

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	8.985%	8.985%	
ANNUAL CARRYING COSTS		$8,382,518	$0	$8,382,518
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
		$30,501,792	$0	$30,501,792
ANNUAL REVENUE REQUIREMENTS				
		Point to Point Rate/1 CP kW		
TOTAL ANNUAL COSTS/KW /kW-yr		$44.613	$0.000	$44.613
/kW-month		$3.718	$0.000	$3.718

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	$ 9,400,494
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	$ 1,196,199
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	$8,204,295

	BU Summary			Total
TRANSMISSION LOAD	1 CP Load	683.7	0	683.7
	12 CP Load	506.12	0	506.12
NET INVESTMENT		$85,085,489	$8,204,295	$93,289,784
INTEREST & TIER page 6	0.00	8.985%	8.985%	8.985%
ANNUAL CARRYING COSTS		$7,645,324	$737,194	$8,382,518
EXPENSES		$26,237,884	$878,947	$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
		$28,885,651	$1,616,141	$30,501,792
ANNUAL REVENUE REQUIREMENTS				
POINT-TO-POINT REVENUE REQUIREMENTS		$3,490,295	$0	$3,490,295
DISCOUNTED NETWORK TRANMISSION REVENUE REQUIREMENT		$25,395,356		

EXPENSES and EXPENSE ALLOCATION SUMMARY

	Staff Adjusted			
TRANSMISSION OP	8,143,529	Less account RUS 561		
TRANSMISSION MNT	4,216,955			
A&G	4,465,862			
TAXES	1,683,865			
DEP EXP	4,312,850		Depreciation @ 2.75%	$258,514
System Control & Dispatch	4,293,770			
TOTAL		$27,116,831		$ 258,514

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	1,036,546	545,782	490,765
Bicknell Substation Upgrade (2)	12/31/2008	2,989,098	20,550	2,968,548
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

Generation Capacity (Avg of Monthly)		Net Rated kW	
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

		Orig Cost	Net	
AEPCO system investment in Power Production Facilities				
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	$453,953	
		8.985%		

Rates For VAR Production		12 CP	1 CP
		506.12	683.7
	$/kW/year	$0.897	$0.664
	$/kW/month	$0.075	$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 $31,528,272	A&G $12,455,363	Taxes $2,933,343	Depreciation $8,348,168	Annual Carrying Costs $18,843,331	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	$ 1,886,718	$ 745,355	$ 175,537	$ 499,572	$ 1,127,624	$ 4,434,806	63.35
ST2	188,000	158,500,501	21,578,540	89,808,077	9,321,909	175,068,030	931	13,472,880	5,322,512	1,253,496	3,567,397	8,052,263	31,668,549	168.45
ST3	188,000	147,868,356	20,131,061	82,477,954	8,696,599	162,459,584	864	12,569,125	4,965,480	1,169,412	3,328,098	7,512,121	29,544,236	157.15
IC1/GT1	9,000	1,946,118	264,948	1,835,175	114,457	2,325,524	258	165,424	65,351	15,391	43,802	98,868	388,836	43.20
GT2	17,000	3,077,974	419,041	2,596,304	181,025	3,524,967	207	261,634	103,360	24,342	69,276	156,370	614,982	36.18
GT3	64,000	8,614,275	1,172,763	6,330,170	506,632	9,140,287	143	732,232	289,271	68,126	193,883	437,629	1,721,140	26.89
GT4	40,000	28,708,212	3,908,387	5,898,018	1,688,419	32,248,226	806	2,440,259	964,034	410,000	646,140	1,458,456	5,918,890	147.97
	576,000	$ 370,911,558	$ 50,496,560	$ 208,343,556	$ 21,814,465	$ 410,375,802		$ 31,528,272	$ 12,455,363	$ 3,116,305	$ 8,348,168	$ 18,843,331	$ 74,291,439	
			$ 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	$147.972	$1,331,750
ST1	70,000	$63.354	$4,434,806
GT3	64,000	$26.893	$1,721,140
	143,000		$7,487,696
	$/kW/year		$52.362
	$/kW/month		$4.363

Schedule 3
Regulation

	kW Capacity	Cost/kW	Annual $
ST2	188,000	$168.450	$31,668,549
ST3	188,000	$157.150	$29,544,236
ST1	70,000	$63.354	$4,434,806
	446,000		$65,647,591
	$/kW/year		$147.192
	$/kW/month		$12.266

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

Schedule 5
Spinning

	kW Capacity	Cost/kW	Annual $
ST2	188,000	$168.450	$31,668,549
ST3	188,000	$157.150	$29,544,236
	376,000		$61,212,785
	$/kW/year		$162.800
	$/kW/month		$13.567

Account 310: Land account

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

Schedule 6
Supplemental

	kW Capacity	Cost/kW	Annual $
GT4	40,000	$147.972	$5,918,890
GT2	17,000	$36.175	$614,982
	57,000		$6,533,872
	$/kW/year		$114.629
	$/kW/month		$9.552

Southwest Transmission Cooperative/Arizona Electric Power Cooperative

DMK SCH. G-2A

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

Surrebuttal

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	8.985%
	1.20	$	10,787,124		1.20	6.685%
LESS:						
DEPRECIATION & AMORTIZATION		$	4,312,850	(c)		
NON-OPERATING MARGINS		$	100,898	(c)		
PLUS:						
OTHER INTEREST EXPENSE		$	248,531	(c)		
OTHER DEDUCTIONS		$	1,399	(c)		
INTEREST CHARGED TO CONSTRUCTION		$	(488,105)	(c)		
RETURN						
	1.45	$	8,382,518			
	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	8.985%
ANNUAL CARRYING COSTS		$ 18,843,331
ANNUAL EXPENSES		$ 62,373,358
PLANT ANNUAL REVENUE REQUIREMENTS		$ 81,216,689
PLANT ANNUAL COSTS/KW		$ 141.00
MONTH		$ 11.75
Gen Plant Fixed Charge Rate (Rev Req't/ Rate Base)		38.728%

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	$83,582,017	$83,582,017
Annual cost/kW	$95.413	$95.413
Monthly cost/kw	$7.951	$7.951

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 dı	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	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	
	Firm Pt to Pt - Agrmnts	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$2,141,568
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	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	
	Total Dollars P/P	$0	$0	$219,158	$175,690	$201,679	$47,092	$84,272	$65,682	$74,230	$17,121	$0	$17,642	$902,567
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
wheeling	Rate p/p	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	
	Total Dollars P/P	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$446,160
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	$215,644	$215,644	$434,802	$391,334	$417,323	$262,736	$299,916	$281,326	$289,874	$232,765	$215,644	$233,286	$3,498,295
Forecast Network Loads														Average
	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	427,895
														12 CP Load
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	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	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
Point to Point	Rate	$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	Firm Pt to Pt - Serv	$23	$650	$952	$282	$481	$112	$153	$484	$535	$76	$0	$82	$3,831
AEPCO (kWh)	Loads in kWh			25,000	546,000	100,000	65,000	280,000	170,000	368,000				1,554,000
3rd party sales	Rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	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	
Service to ED4 and	Rate p/p in mils/kWh	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
ED5	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	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 Minimum	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	
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	0.0072	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		$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 2,541,816	$ 30,501,792	$ 30,501,792
Avg Mo Rev from Pt to Pt Service		$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 290,858	$ 3,490,295	
Network Services Revenue Requirements		$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 2,250,958	$ 27,011,497	
Discount Revenue Shortfall		$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 2,653	$ 31,834.85	(
Network Services	Network Revenue Req't	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332	
MEC Sytem Discount	Network Revenue Req't	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 25,395,356	

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	10,608	10,404	8,848	9,884	6,352	5,355	8,880	8,093	7,071	8,304	96,412	
	Loads: April 07 to March 08	8,468	6,132	9,938	11,832	10,716	9,036	5,592	6,564	9,156	7,440	7,596	8,408	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	$ 39,936	$ 40,467	$ 40,829	$ 40,749	$ 40,626	$ 41,205	$ 41,865	$ 41,542	$ 41,710	$ 42,123	$ 42,126	$ 42,319		$495,496
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	5,840	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	$ 23,491	$ 23,638	$ 23,812	$ 24,082	$ 24,244	$ 25,124	$ 24,984	$ 24,861	$ 24,943	$ 24,838	$ 24,852	$ 25,098		$293,966
Graham	Loads: April 08 to March 09	20,966	31,511	39,951	39,726	36,936	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	$ 134,276	$ 135,066	$ 135,282	$ 137,262	$ 138,136	$ 139,987	$ 139,513	$ 140,100	$ 140,546	$ 140,927	$ 141,304	$ 142,462		$1,664,863
Mohave 1	Loads: April 08 to March 09	109,021	139,516	149,516	168,516	169,516	160,516	137,918	94,824	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	88,891	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	$ 625,258	$ 616,872	$ 616,059	$ 621,813	$ 623,629	$ 629,989	$ 640,814	$ 638,412	$ 639,065	$ 637,575	$ 635,847	$ 629,356		$ 7,554,689
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	$ 758,449	$ 739,423	$ 714,888	$ 692,356	$ 672,487	$ 657,937	$ 642,696	$ 639,260	$ 633,656	$ 639,095	$ 646,976	$ 655,470		$ 8,092,693
Trico	Loads: April 08 to March 09	85,694	125,853	164,497	149,759	156,557	140,957	116,234	91,507	90,195	85,104	80,987	72,836	1,359,160	
	Loads: April 07 to March 08	88,723	110,813	146,455	163,780	148,628	139,724	108,919	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	$ 549,946	$ 555,752	$ 564,399	$ 565,693	$ 572,281	$ 577,078	$ 581,466	$ 586,209	$ 589,307	$ 590,064	$ 591,786	$ 596,583		$ 6,920,561
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	101,684	
	Trans Cost	$ 8,699	$ 15,625	$ 30,189	$ 41,028	$ 50,487	$ 49,611	$ 49,756	$ 49,973	$ 50,329	$ 49,770	$ 47,880	$ 47,228		$ 490,576
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	$ 64,163	$ 65,112	$ 65,427	$ 66,424	$ 66,598	$ 67,152	$ 66,796	$ 67,247	$ 67,579	$ 67,525	$ 67,774	$ 67,898		$ 799,694
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	$ 18,915	$ 30,752	$ 30,815	$ 31,208	$ 31,363	$ 31,597	$ 31,689	$ 31,827	$ 32,054	$ 27,210	$ 20,534	$ 12,531		$ 330,494
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	$ 29,914	$ 29,890	$ 29,952	$ 30,334	$ 30,485	$ 30,712	$ 30,802	$ 30,936	$ 31,157	$ 31,253	$ 31,425	$ 31,603		$ 368,464
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		$ 2,253,847	$ 2,252,597	$ 2,251,652	$ 2,250,949	$ 2,250,335	$ 2,250,392	$ 2,250,382	$ 2,250,368	$ 2,250,345	$ 2,250,381	$ 2,250,504	$ 2,250,546	$ 27,011,497	$26,489,086
Per kW-month		4.98	4.98	4.99	5.05	5.07	5.11	5.13	5.15	5.19	5.20	5.23	5.26	5.11	

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

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 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		2008 APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2009 JAN	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	
EDS	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	10,581	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	
		12,869	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	
		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
Surrebuttal

LINE NO.	CLASS OF SERVICE	REVENUES IN TEST YEAR (a) PRESENT	REVENUES IN TEST YEAR (a) PROPOSED	PROPOSED INCREASE (b) AMOUNT	PROPOSED INCREASE (b) PERCENT
1.	NETWORK SERVICES	$22,328,219	$29,814,712	$7,486,494	33.53%
2	POINT-TO-POINT SERVICES	$3,484,662	$3,720,290	$235,629	6.76%
3.	TOTAL COMPANY	$25,812,880	$33,535,003	$7,722,123	29.92%

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	$ 519,117	$ 137,650	36.08%
2.	DUNCAN	1	57,440	57,440	226,310	307,975	81,665	36.09%
3.	GRAHAM	1	325,326	325,326	1,281,904	1,744,380	462,476	36.08%
4.	MOHAVE	1	1,476,460	1,476,460	5,805,674	7,905,977	2,100,302	36.18%
5.	MOHAVE 2	1	101,604	101,604	405,924	518,648	112,723	27.77%
6.	SULPHUR	1	1,583,465	1,583,465	6,206,806	8,458,556	2,251,750	36.28%
7.	SULPHER 2	1	64,700	64,700	244,103	337,489	93,386	38.26%
8.	TRICO	1	1,352,169	1,352,169	6,876,877	8,798,874	1,921,996	27.95%
9	Class A TOTAL MEMBER CONTRACTS:	8	5,057,990	5,057,990	$ 21,429,067	$ 28,591,015	$ 7,161,949	33.42%
	OTHER FIRM NETWORK CONTRACTS:							
1.	SAFFORD	1	156,273	156,273	615,395	837,592	222,197	36.11%
2.	THATCHER	1	72,000	72,000	283,757	386,104	102,347	36.07%
3.	TOTAL FIRM CONTRACTS:	2	228,273	228,273	$ 899,152	$ 1,223,696	$ 324,544	36.09%
4.	TOTAL COMPANY	10	5,286,263	5,286,263	$ 22,328,219	$ 29,814,712	$ 7,486,493	33.53%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
		0.40127												
	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	$ 39,936	$ 40,467	$ 40,829	$ 40,749	$ 40,626	$ 41,205	$ 41,865	$ 41,542	$ 41,710	$ 42,123	$ 42,126	$ 42,319	$ 495,496
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	$ 41,335	$ 42,301	$ 43,428	$ 43,298	$ 43,063	$ 43,578	$ 43,544	$ 42,862	$ 43,881	$ 44,106	$ 43,858	$ 43,863	$ 519,117
16.	Average Cost ($/KWH)	$ 6.391	$ 6.898	$ 4.371	$ 3.659	$ 4.019	$ 4.823	$ 7.787	$ 6.530	$ 4.793	$ 5.928	$ 5.774	$ 6.845	$ 5.359
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 11,185	$ 11,259	$ 11,225	$ 11,211	$ 11,196	$ 11,374	$ 11,687	$ 11,659	$ 11,554	$ 11,706	$ 11,752	$ 11,841	$ 137,650
18.	PERCENT INC.	37.10%	36.27%	34.86%	34.94%	35.13%	35.32%	36.69%	37.37%	35.74%	36.13%	36.60%	36.98%	36.08%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 23,491	$ 23,638	$ 23,812	$ 24,082	$ 24,244	$ 25,124	$ 24,984	$ 24,861	$ 24,943	$ 24,838	$ 24,852	$ 25,098	$ 293,966
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	$ 24,437	$ 25,118	$ 25,517	$ 25,537	$ 25,866	$ 26,437	$ 25,969	$ 25,542	$ 25,996	$ 25,793	$ 25,808	$ 25,956	$ 307,975
16.	Average Cost ($/KWH)	$ 7.883	$ 4.454	$ 3.831	$ 4.242	$ 3.967	$ 7.107	$ 5.745	$ 7.693	$ 5.751	$ 5.971	$ 6.174	$ 7.962	$ 5.521
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 6,557	$ 6,503	$ 6,513	$ 6,635	$ 6,651	$ 6,959	$ 6,978	$ 6,997	$ 6,953	$ 6,941	$ 6,945	$ 7,033	$ 81,665
18.	PERCENT INC.	36.67%	34.94%	34.27%	35.10%	34.62%	35.73%	36.74%	37.73%	36.52%	36.82%	36.82%	37.17%	36.09%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 134,276	$ 135,066	$ 135,282	$ 137,262	$ 138,136	$ 139,987	$ 139,513	$ 140,100	$ 140,546	$ 140,927	$ 141,304	$ 142,462	$ 1,664,863
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	$ 139,413	$ 142,787	$ 145,070	$ 146,994	$ 147,198	$ 147,892	$ 145,635	$ 144,620	$ 145,603	$ 145,825	$ 145,915	$ 147,428	$ 1,744,380
16.	Average Cost ($/KWH)	$ 6.565	$ 4.865	$ 3.618	$ 3.757	$ 4.030	$ 4.874	$ 5.384	$ 7.818	$ 6.643	$ 7.248	$ 7.395	$ 7.577	$ 5.393
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 37,529	$ 37,292	$ 36,982	$ 37,559	$ 37,930	$ 38,668	$ 38,852	$ 39,308	$ 39,339	$ 39,477	$ 39,636	$ 39,904	$ 462,476
18.	PERCENT INC.	36.84%	35.35%	34.21%	34.32%	34.71%	35.40%	36.38%	37.33%	37.02%	37.12%	37.29%	37.11%	36.08%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 625,258	$ 616,872	$ 616,059	$ 621,813	$ 623,629	$ 629,989	$ 640,814	$ 638,412	$ 639,065	$ 637,575	$ 635,847	$ 629,356	$ 7,554,689
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	$ 651,968	$ 651,053	$ 652,691	$ 663,099	$ 665,160	$ 669,315	$ 674,604	$ 661,668	$ 659,842	$ 657,606	$ 654,930	$ 644,040	$ 7,905,977
16.	Average Cost ($/KWH)	$ 5.980	$ 4.107	$ 4.224	$ 3.822	$ 3.856	$ 4.276	$ 5.770	$ 6.183	$ 7.034	$ 7.327	$ 7.286	$ 7.767	$ 5.253
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 174,254	$ 170,511	$ 169,838	$ 170,650	$ 171,126	$ 173,343	$ 177,438	$ 178,641	$ 179,274	$ 178,981	$ 178,656	$ 177,588	$ 2,100,302
18.	PERCENT INC.	36.48%	35.48%	35.17%	34.65%	34.64%	34.95%	35.69%	36.98%	37.30%	37.39%	37.51%	38.07%	36.18%

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	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 2,116,280	$ 25,395,356
	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	$ 8,699	$ 15,625	$ 30,189	$ 41,028	$ 50,487	$ 49,611	$ 49,756	$ 49,973	$ 50,329	$ 49,770	$ 47,880	$ 47,228	$ 490,576
14.	Scheduling & Ld. Control	-	4,357	9,114	6,474	6,366	1,761	-	-	-	-	-	-	28,072
15.	Total	$ 8,699	$ 19,982	$ 39,303	$ 47,502	$ 56,852	$ 51,372	$ 49,756	$ 49,973	$ 50,329	$ 49,770	$ 47,880	$ 47,228	$ 518,648
16.	Average Cost ($/KWH)	$ 0.367	$ -	$ -	$ -	$ 21.018	$ 4.981	$ -	$ -	$ -	$ 28.359	$ 9.066	$ 21.084	$ 11.280
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 2,088	$ 2,968	$ 5,610	$ 8,686	$ 10,976	$ 11,593	$ 11,944	$ 11,996	$ 12,082	$ 11,948	$ 11,494	$ 11,337	$ 112,723
18.	PERCENT INC.	31.59%	17.45%	16.65%	22.38%	23.93%	29.14%	31.59%	31.59%	31.59%	31.59%	31.59%	31.59%	27.77%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 758,449	$ 739,423	$ 714,888	$ 692,356	$ 672,487	$ 657,937	$ 642,696	$ 639,260	$ 633,656	$ 639,095	$ 646,976	$ 655,470	$ 8,092,693
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	$ 783,634	$ 768,905	$ 747,799	$ 723,798	$ 704,174	$ 690,358	$ 672,423	$ 666,047	$ 665,343	$ 670,626	$ 679,917	$ 685,531	$ 8,458,556
16.	Average Cost ($/KWH)	$ 6.409	$ 4.668	$ 3.797	$ 3.557	$ 3.819	$ 3.874	$ 4.165	$ 5.378	$ 4.354	$ 5.556	$ 5.463	$ 6.137	$ 4.585
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 212,669	$ 206,449	$ 198,807	$ 192,619	$ 186,885	$ 182,587	$ 178,706	$ 178,250	$ 175,765	$ 177,351	$ 179,355	$ 182,304	$ 2,251,750
18.	PERCENT INC.	37.25%	36.71%	36.21%	36.26%	36.13%	35.96%	36.20%	36.54%	35.90%	35.95%	35.83%	36.23%	36.28%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 18,915	$ 30,752	$ 30,815	$ 31,208	$ 31,363	$ 31,597	$ 31,689	$ 31,827	$ 32,054	$ 27,210	$ 20,534	$ 12,531	$ 330,494
14.	Scheduling & Ld. Control	-	6,994	-	-	-	-	-	-	-	-	-	-	6,994
15.	Total	$ 18,915	$ 37,746	$ 30,815	$ 31,208	$ 31,363	$ 31,597	$ 31,689	$ 31,827	$ 32,054	$ 27,210	$ 20,534	$ 12,531	$ 337,489
16.	Average Cost ($/KWH)	-	-	-	-	-	-	-	-	-	$ 2.389	$ 1.313	$ 0.677	$ 7.413
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 5,417	$ 7,550	$ 8,824	$ 8,937	$ 8,981	$ 9,048	$ 9,075	$ 9,114	$ 9,179	$ 7,792	$ 5,880	$ 3,588	$ 93,386
18.	PERCENT INC.	40.13%	25.00%	40.13%	40.13%	40.13%	40.13%	40.13%	40.13%	40.13%	40.13%	40.13%	40.13%	38.26%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	549,946	555,752	564,399	565,693	572,281	577,078	581,466	586,209	589,307	590,064	591,786	596,583	6,920,561
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	$ 699,718	$ 715,362	$ 733,477	$ 731,160	$ 739,169	$ 740,388	$ 738,720	$ 737,404	$ 740,181	$ 739,691	$ 740,399	$ 743,204	$ 8,798,874
18.	Average Cost ($/KWH)	$ 7.887	$ 6.456	$ 5.008	$ 4.464	$ 5.041	$ 5.299	$ 6.721	$ 8.538	$ 7.986	$ 8.447	$ 8.766	$ 10.687	$ 6.632
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 153,714	$ 153,610	$ 154,386	$ 155,405	$ 157,036	$ 159,052	$ 161,397	$ 163,843	$ 164,788	$ 165,228	$ 165,904	$ 167,635	$ 1,921,996
20.	PERCENT INC.	28.15%	27.34%	26.66%	26.99%	26.98%	27.36%	27.96%	28.57%	28.64%	28.76%	28.88%	29.13%	27.95%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 64,163	$ 65,112	$ 65,427	$ 66,424	$ 66,598	$ 67,152	$ 66,796	$ 67,247	$ 67,579	$ 67,525	$ 67,774	$ 67,898	$ 799,694
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	$ 66,753	$ 69,288	$ 69,674	$ 70,859	$ 71,223	$ 70,957	$ 70,033	$ 69,401	$ 69,871	$ 69,746	$ 70,038	$ 69,751	$ 837,592
16.	Average Cost ($/KWH)	$ 5.823	$ 4.736	$ 4.122	$ 4.000	$ 3.701	$ 4.608	$ 4.829	$ 8.242	$ 7.206	$ 7.212	$ 7.355	$ 8.551	$ 5.393
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 17,909	$ 17,896	$ 17,973	$ 18,225	$ 18,241	$ 18,546	$ 18,547	$ 18,870	$ 18,940	$ 18,938	$ 19,001	$ 19,111	$ 222,197
18.	PERCENT INC.	36.66%	34.82%	34.76%	34.63%	34.43%	35.39%	36.02%	37.34%	37.19%	37.27%	37.23%	37.74%	36.11%

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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	$ 29,914	$ 29,890	$ 29,952	$ 30,334	$ 30,485	$ 30,712	$ 30,802	$ 30,936	$ 31,157	$ 31,253	$ 31,425	$ 31,603	$ 368,464
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	$ 31,139	$ 31,605	$ 31,667	$ 32,049	$ 32,200	$ 32,427	$ 32,517	$ 32,161	$ 32,382	$ 32,478	$ 32,650	$ 32,828	$ 386,104
16.	Average Cost ($/KWH)	$ 6.228	$ 4.515	$ 4.524	$ 4.578	$ 4.600	$ 4.632	$ 4.645	$ 6.432	$ 6.476	$ 6.496	$ 6.530	$ 6.566	$ 5.363
	CHANGE IN TOTAL COST:													
17.	REVENUE	$ 8,346	$ 8,252	$ 8,269	$ 8,379	$ 8,422	$ 8,487	$ 8,513	$ 8,639	$ 8,702	$ 8,730	$ 8,779	$ 8,830	$ 102,347
18.	PERCENT INC.	36.62%	35.33%	35.34%	35.40%	35.42%	35.45%	35.46%	36.73%	36.75%	36.76%	36.78%	36.79%	36.07%

Southwest Transmission Cooperative, Inc.

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

CLASS A MEMBER RATES

LINE NO.		APR	MAY	JUN	JUL	AUG (2008)	SEP	OCT	NOV	DEC	JAN	FEB (2009)	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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	2,253,047	2,252,597	2,251,652	2,250,949	2,250,335	2,250,392	2,250,382	2,250,368	2,250,345	2,250,381	2,250,504	2,250,546	27,011,497
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	$ 2,466,010	$ 2,504,147	$ 2,519,442	$ 2,515,505	$ 2,516,267	$ 2,504,322	$ 2,484,890	$ 2,461,507	$ 2,465,482	$ 2,462,852	$ 2,461,928	$ 2,452,359	$ 29,814,712
18.	Average Cost ($/KWH)	$ 6.308	$ 5.041	$ 4.355	$ 4.041	$ 4.292	$ 4.551	$ 5.560	$ 6.856	$ 6.328	$ 6.885	$ 6.731	$ 7.495	$ 5.449
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 629,669	585,624	$ 618,428	$ 618,306	$ 617,445	$ 619,657	$ 623,136	$ 627,318	$ 626,577	$ 627,092	$ 627,403	$ 629,172	$ 7,486,493
20.	PERCENT INC.	34.29%	31.12%	32.53%	32.59%	32.52%	32.88%	33.47%	34.20%	34.07%	34.16%	34.20%	34.51%	33.53%

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	AUG (2008)	SEP	OCT	NOV	DEC	JAN	FEB (2009)	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	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 2,253,611	$ 27,043,332
	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	2,253,047	2,252,597	2,251,652	2,250,949	2,250,335	2,250,392	2,250,382	2,250,368	2,250,345	2,250,381	2,250,504	2,250,546	27,011,497
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	$ 2,466,010	$ 2,504,147	$ 2,519,442	$ 2,515,505	$ 2,516,267	$ 2,504,322	$ 2,484,890	$ 2,461,507	$ 2,465,482	$ 2,462,852	$ 2,461,928	$ 2,452,359	$ 29,814,712
18.	Average Cost ($/KWH)	$ 6.308	$ 5.041	$ 4.355	$ 4.041	$ 4.292	$ 4.551	$ 5.560	$ 6.856	$ 6.328	$ 6.885	$ 6.731	$ 7.495	$ 5.449
	CHANGE IN TOTAL COST:													
19.	REVENUE	$ 629,669	$ 622,290	$ 618,428	$ 618,306	$ 617,445	$ 619,657	$ 623,136	$ 627,318	$ 626,577	$ 627,092	$ 627,403	$ 629,172	7,486,493
20.	PERCENT INC.	34.29%	33.07%	32.53%	32.59%	32.52%	32.88%	33.47%	34.20%	34.07%	34.16%	34.20%	34.51%	33.53%

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	$ 6.391	$ 6.898	$ 4.371	$ 3.659	$ 4.019	$ 4.823	$ 7.787	$ 6.530	$ 4.793	$ 5.928	$ 5.774	$ 6.845	$ 5.359
9.	DVEC	7.883	4.454	3.831	4.242	3.967	7.107	5.745	7.693	5.751	5.971	6.174	7.962	5.521
10.	GCEC	6.565	4.865	3.618	3.757	4.030	4.874	5.384	7.818	6.643	7.248	7.395	7.577	5.393
11.	MEC	5.980	4.107	4.224	3.822	3.856	4.276	5.770	6.183	7.034	7.327	7.286	7.767	5.253
	MEC2	0.367	0.000	0.000	0.000	21.018	4.981	0.000	0.000	0.000	28.359	9.066	21.084	11.280
12.	SSVEC	6.409	4.668	3.797	3.557	3.819	3.874	4.165	5.378	4.354	5.556	5.463	6.137	4.585
	SSVEC2	-	-	-	-	-	-	-	-	-	2.389	1.313	0.677	7.413
13.	TEC	7.887	6.456	5.008	4.464	5.041	5.299	6.721	8.538	7.986	8.447	8.766	10.687	6.632
14.	CLASS A MEMBER AVG.	$ 6.308	$ 5.041	$ 4.355	$ 4.041	$ 4.292	$ 4.551	$ 5.560	$ 6.856	$ 6.328	$ 6.885	$ 6.731	$ 7.495	$ 5.449

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 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	$3.423	$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 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	$3.423	$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	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	$3.718	
	Firm Pt to Pt - Agrmnts	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$178,464	$ 2,141,568
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	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	
	Total Dollars P/P	$0	$0	$219,158	$175,690	$201,679	$47,092	$84,272	$65,682	$74,230	$17,121	$0	$17,642	$ 902,567
MW&E Safford 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	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	3.718	
	Total Dollars P/P	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$37,180	$446,160
	Total Revenue	$ 215,644	$ 215,644	$ 434,802	$ 391,334	$ 417,323	$ 262,736	$ 299,916	$ 281,326	$ 289,874	$ 232,765	$ 215,644	$ 233,286	$ 3,490,295
	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	$ 229,854	$ 229,854	$ 463,453	$ 417,122	$ 444,823	$ 280,049	$ 319,679	$ 299,864	$ 308,975	$ 248,104	$ 229,854	$ 248,658	$ 3,720,290

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	$ 215,644	$ 215,644	$ 434,802	$ 391,334	$ 417,323	$ 262,736	$ 299,916	$ 281,326	$ 289,874	$ 232,765	$ 215,644	$ 233,286	$ 3,490,295
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	$ 229,854	$ 229,854	$ 463,453	$ 417,122	$ 444,823	$ 280,049	$ 319,679	$ 299,864	$ 308,975	$ 248,104	$ 229,854	$ 248,658	$ 3,720,290