



# Sulphur Springs Valley Electric (

ORIGINAL



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## A Touchstone Energy® Cooperative



311 E. Wilcox, Sierra Vista AZ 85635

March 1, 2011

HAND DELIVERED

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

Re: Compliance Filing of Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC")  
Consolidated Docket Nos. E-01575A-08-0328 and E-01575A-09-0453  
Commission Decision No. 71274 – Annual DSM Adjustor Filing

To Whom It May Concern:

Pursuant to Arizona Corporation Commission ("Commission") Decision No. 71274 dated September 8, 2009 ("Decision") in the above-referenced consolidated Dockets, the Commission required SSVEC to:

*... file its new proposed DSM adjustor rate with Docket Control by March 1<sup>st</sup> of each year, and that such filing be considered and adjudicated by the Commission in Open Meeting.<sup>1</sup>*

SSVEC has determined that it is not necessary to request a change in its current Commission-approved DSM adjustor rate. As reflected in the attached 2010 DSM Budget Summary, and the Proposed 2011 DSM Budget Summary, the current DSM adjustor rate of \$0.00088 per kWh approved by the Commission in the Decision is projected to be sufficient to meet the Cooperative's needs for its current DSM program, as well as to support additional DSM programs that SSVEC will be submitting for Commission approval on June 1, 2011.<sup>2</sup> Moreover, as the Decision permits SSVEC to file for a change in its DSM adjustor rate at times other than March 1<sup>st</sup> of each year should a valid need arise, SSVEC will continue to monitor its existing DSM adjustor rate in the event that SSVEC needs to file for a change in such rate prior to March 1, 2012.

If you have any questions, please do not hesitate to contact me at 520-515-3472

Arizona Corporation Commission  
**DOCKETED**

MAR 1 2011

DOCKETED BY

Respectfully Submitted,

David Bane  
Key Account Manager

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AZ CORP COMMISSION  
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Cc Docket Control (Original plus 14 copies)  
Brian Bozzo, Compliance Manager, Utilities Division

<sup>1</sup> Decision at page 46, lines 23-24 (emphasis added.)

<sup>2</sup> Notwithstanding the Decision's requirement for Commission approval of a *new* proposed DSM adjustor rate, if the Commission determines that it must also approve the existing rate under the Decision, SSVEC hereby requests that this filing be considered as SSVEC's request for such approval.



## SSVEC 2010 DSM Budget Summary

<b>2010 Budget</b>	
Touchstone EE Homes Inspections	\$ 120,000
Residential - audits	\$ 50,000
C&I - audits	\$ 4,500
DSM - Admin	\$ 25,000
DSM - Program Development	\$ 25,000
<b>Expenses</b>	
Advertising	\$ 80,000
Misc	\$ 5,000
<b>Rebates</b>	
Water Heater	\$ 25,000
Heat Pump	\$ 20,000
<b>Loan Programs</b>	
Residential Loans	\$ 200,000
Commercial Loans	\$ 150,000
<b>Budget Totals</b>	<b>\$ 704,500</b>
<b>2010 DSM Collections</b>	
YTD Collected	\$ 855,898
YTD Budget	\$ 728,673
<b>Expenses</b>	
Touchstone EE Homes	\$ 17,555
Residential Audits	\$ 49,394
C&I Audits	\$ 3,060
DSM - Admin	\$ 29,213
DSM - Program Development	\$ 10,020
<b>Expenses</b>	
Advertising	\$ 128,969
Misc	\$ 11,580
<b>Rebates</b>	
Water Heater	\$ 5,900
Heat Pump	\$ 77,500
<b>Loan Programs</b>	
Residential Loans	\$ 259,058
Commercial Loans	\$ -
<b>Expense Total</b>	<b>\$ 592,249</b>
<b>DSM Program Balance =</b>	<b>\$ 263,649</b>

### 2010 Income Summary

Carry over from 2009	\$ 125,675
2010 Collections	\$ 721,273
Loan Repayments	\$ 8,951
<b>Total for 2010</b>	<b>\$ 855,898</b>

## SSVEC Proposed 2011 DSM Budget Summary

Touchstone EE Homes Inspections	\$ 20,000
Residential - audits	\$ 75,000
C&I - audits	\$ 8,000
2nd Refrigerator Recycling *	\$ 65,000
DSM - Admin	\$ 50,000
DSM - Program Development	\$ 10,000
<b>Expenses</b>	
Advertising	\$ 100,000
Misc	\$ 10,000
<b>Rebates</b>	
Water Heater	\$ 20,000
Heat Pump	\$ 100,000
On-Demand HWP *	\$ 20,000
C&I Lighting *	\$ 50,000
<b>Loan Programs</b>	
Residential Loans	\$ 332,000
Commercial Loans	\$ 150,000
<b>Budget Totals</b>	<b>\$ 1,010,000</b>
* Proposed Additional Programs for 2011 and 2012	

### 2011 Projected Income

Carry over from 2010	\$ 263,649
2011 Collections *	\$ 714,084
Loan Repayments **	\$ 36,000
	<b>\$ 1,013,733</b>

\*kWh sales are estimated to be 811,459,389 kWh which, due to the current economy, is 95% of our forecast plan.

\*\* Estimate based on payments received in November and December of 2010.

Program note: The revolving loan fund is allowing SSVEC to continue to expand its energy saving programs without having to increase the DSM adjutor from that which was approved as part of the 2009 rate Decision.