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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

COMMISSIONERS
GARY PIERCE, CHAIRMAN
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF NAVOPACHE ELECTRIC COOPERATIVE, INC., AN ELECTRIC COOPERATIVE NONPROFIT MEMBERSHIP CORPORATION, FOR AUTHORIZATION TO SECURE A $49,329,000 RUS GUARANTEED FEDERAL FINANCING BANK LOAN AND TO PLEDGE, MORTGAGE, LIEN AND/OR ENCUMBER UTILITY ASSETS IN RELATION THERETO.	DOCKET NO. E-01787A-11-0165 NOTICE OF COMPLIANCE FILING

Navopache Electric Cooperative, Inc. ("Navopache" or "Cooperative") by and through undersigned counsel, hereby files its Notice of Compliance with Decision No. 72550 by filing the attached Capital Plan and Financial Forecast.

RESPECTFULLY SUBMITTED this 18th day of November, 2011.

Arizona Corporation Commission
DOCKETED
NOV 18 2011
DOCKETED BY

CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB, P.L.C.

By: _____
Michael A. Curtis
William P. Sullivan
Melissa A. Parham
501 East Thomas Road
Phoenix, Arizona 85012-3205
Attorneys for Navopache Electric Cooperative, Inc.

PROOF OF AND CERTIFICATE OF MAILING

I hereby certify that on this 18th day of November, 2011, I caused the foregoing document to be served on the Arizona Corporation Commission by delivering the original and thirteen (13) copies of the above to:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Copy of the foregoing emailed this
18th day of November, 2011 to:

Janice Alward, Esq.
jalward@azcc.gov

Steve Olea
solea@azcc.gov

NAVOPACHE ELECTRIC COOPERATIVE, INC.

CAPITAL PLAN AND FINANCIAL FORECAST

By Decision No. 72550, in Docket No. E-01787A-11-0165, the Commission ordered Navopache Electric Cooperative, Inc. ("Navopache") file a capital plan to achieve and maintain equity at no less than 30 percent of total capital. Additionally, the Commission ordered Navopache to file a plan to increase the Company's TIER and DSC ratio to a minimum of 1.25 and adhere to that plan. This Narrative and the attached ten year financial forecast, also included as Schedule F-2.0 in Navopache's rate filing (Docket No. E-01787A-11-0186), is provided as compliance for these Commission requirements.[1]

General Financial Goals of Navopache's Board of Directors

As a member owned electric cooperative, NEC's revenue requirement is a function of the margins and cash necessary to meet the financial objectives established by its eight member Board of Directors elected by Navopache's members. These financial objectives are set in terms of the equity level, the cash general funds level, the capital credit retirement program and the coverage ratios required by the Cooperative's lenders in the context of providing members reliable electric service at reasonable rates, while maintaining the operational and financial integrity of the electric system. Necessary capital improvements to provide reliable electric service are set forth in Navopache's Four Year Work Plan, as updated and amended and developed in conjunction with securing financing from the Rural Utilities Service ("RUS"). The Board of Directors has recently approved the filing for an adjustment in rates and charges with the following financial objectives:

- Increase the equity as a percent of capitalization to between 30% and 35%. The proposed increase in this filing is expected to raise the equity by an average of 1% – 1½% per year initially with a goal of achieving a 30% equity not later than 2019.
- Increase the Operating Times Interest Earned Ratio (OTIER) with an objective of maintaining a ratio greater than 2.00.
- Revise the line extension policy to reduce the construction allowance provided by Navopache from $1,500 to $500 thus reducing the Cooperative's capital costs related to financing and depreciation.

The financial forecast attached and included in the rate filing demonstrates Navopache's ability to achieve and maintain equity of 30% and also to maintain TIER and DSC ratios in excess of the minimum of 1.25, subject to receiving timely adjustments in rates and charges to produce the "additional revenues required" reflected on page 3 of the Forecast. Navopache's stated goal for equity as a percent of total capitalization in the rate filing is a range between 30% and 35%. At 30% Navopache is able to implement retirement of general capital credits without RUS review and approval. The TIER objective is to maintain a ratio greater than 2.00. Navopache believes such objectives will allow it to provide its members reliable electric service at reasonable rates and is committed to meeting these objectives.

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[1] Prior to docketing the ten year forecast, Navopache notified Staff of its intent to submit Schedule F-2.0 in compliance with Decision No. 72550. Staff has indicated it will await docketing to determine whether Schedule F-2.0 is "satisfactory." Staff, however, did suggest a narrative accompany Schedule F-2.0. This narrative was prepared in response to that suggestion.

An increase in the equity level to a level of 30% - 35% provides Navopache greater financial stability, lower financing costs from lenders, the ability to maintain a cash reserve which provides the Cooperative more flexibility in dealing with financing plant additions and the ability to retire capital credits without restriction.

The equity as a percent of capitalization ratio at the end of the test year (the twelve months ending April 30, 2010) was 27.85%. The equity as a percent of capitalization is expected to decline further until the proposed rates are implemented which is now projected to occur in the summer 2012. The proposed rate change is expected to improve the equity percentage by an average of 1% - 1 ½ % per year during the years after the rate change. The equity as a percent of total capitalization is projected to reach 30% in 2015 and continue to increase to 32% by 2019. The equity as a percent of total assets is projected to reach 30% by 2019.

The Financial Forecast

The financial forecast was prepared with calendar years 2007, 2008 and 2009 as the historical basis. Due to the timing of the development of the rate filing and the supporting schedules, the first forecast year is the calendar year 2010. The forecast projects the financial objectives can be reached with approval of the proposed rate increase. The forecast reflects the following:

- A proposed annual increase in rate revenue of 7.16%. In the forecast, new rates are projected to become effective in the spring or early summer of 2012. The forecast identifies the total amount of additional revenue above what is recovered from existing rates to meet the equity objectives for each forecast year. The equity objectives and coverage requirements are satisfied with the inclusion of the proposed revenue from the rate increase through 2015. An additional increase in rates may be necessary in the 2016-2017 timeframe.
- An annual system growth in kWh Sold of 1.0 - 1.5%
- Total plant additions for the period 2010 – 2013 of $51,856,000 is consistent with the work plan budget referenced in the financing application.
- The revision to NEC's line extension policy to reduce the construction allowance. This change is projected to increase the contributions in aid of construction which in turn reduces the amount of capital additions to be financed by NEC.

The following provides a brief summary of each section of the forecast.

Schedule F-2.0, Page 2 of 22, is the Ratio Summary for each forecast year. The equity ratios reflect a projected gradual growth through the year 2019. Both the DSC and TIER ratios show significant improvement with the rate change in 2012 and remain well above the 1.25 minimum for the duration of the forecast period. There are numerous other ratios summarized on this page.

Schedule F-2.0, Page 3 of 22 is the Pro Forma Balance Sheet for each forecast year.

Schedule F-2.0, Page 4 of 22 is the Pro Forma Income Statement for each forecast year. The revenue from present rates includes both the average revenue from application of the existing base rates but also the WPCA adjustor revenue associated with projected increases in power cost. The 'Add'l Revenue Required' is the total annual amount of additional revenue required to satisfy the equity growth objectives shown on Page 1. The additional revenue shown for each of the first four forecast years is

intended to be consistent with the amount of the requested rate change in the current filing of $3.4 million. Based on the forecast, additional rate changes may be necessary beginning in 2016. Schedule F-2.0, Page 5 of 22 provides the Pro Forma Income Statement in a mills per kWh format.

Schedule F-2.0, Page 6 of 22 is the General Funds Summary for the forecast period. This summary shows the sources and uses of cash for each period. Since equity as a percent of assets is less than 30% during the forecast period, Navopache has projected annual capital credit retirements of $100,000. The General Funds invested in plant is the amount needed to support the growth in equity requirement.

Schedule F-2.0, page 7 of 22 is the Determination of Load. This page reflects the number of customers, average monthly usage and annual kWh sales by revenue class.

Schedule F-2.0, pages 8 and 9 of 22 is the Determination of Revenue from Existing Rates. The average revenue for each revenue class for the forecast periods is based on the 2009 actual. The adjustment factor is the WPCA adjustment to recover the increase in average power cost projected.

Schedule F-2.0, page 10 of 22 is the Plant Investment and Loan Fund Requirement summary. The sum of the total priority items plus the non-priority items for each year represents the total Work Plan Budget for that year. The total for 2010 – 2013 is $51,856,000.

Schedule F-2.0, page 11 of 22 is the summary of the Determination of Debt and Debt Service for each lender. The notes referenced as 'Bonds' are actually long term notes with amortizations that require the principal and interest payments be specifically input. The section of the financial forecast used to identify bonds provides the needed modeling requirements to accommodate these notes.

Schedule F-2.0, page 12 of 22 is the Determination of Operating Expenses.

Schedule F-2.0, pages 13 to 20 of 22 provides the amortization of the existing individual long term notes.

Schedule F-2.0, pages 21 and 22 provides a summary of the existing note data.

NAVOPACHE ELECTRIC COOPERATIVE, INC.

BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE

TEN-YEAR FINANCIAL FORECAST

CoOPTIONS:® Ten-Year Financial Forecast
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Engineers • Architects • Consultants
Oklahoma City, Oklahoma

NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Ratio Summary

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Equity as Percent of Total Assets	24.092	26.158	25.787	25.488	23.341	25.400	26.399	27.400	27.899	28.500	29.000	29.500	30.000
Equity as Percent of Capitalization	27.329	29.948	28.659	28.179	25.554	27.695	28.651	29.656	30.126	30.709	31.190	31.675	32.164
Debt Service				1.46304	1.41434	2.03389	1.88799	1.77043	1.65979	1.66379	1.63878	1.70741	1.68660
Times Interest Earned Ratio	2.20744	2.00126	1.33557	1.44491	1.14717	2.33696	2.03757	1.82505	1.59146	1.61172	1.54822	1.52745	1.50711
Average Revenue per kWh Sold	9.46240	9.59063	9.57399	9.59152	10.58283	12.32235	12.34496	12.36814	12.35564	12.47801	12.54241	12.62767	12.70828
Percent Increase in Average Revenue		1.141	-0.173	0.183	10.126	16.657	0.183	0.171	-0.084	0.990	0.516	0.679	0.638
Total Utility Plant per kWh Sold	25.34869	25.79127	28.06532	29.77546	33.00365	34.35956	35.99606	37.16586	38.30818	39.29355	40.24810	41.16943	42.05846
Net General Funds to Total Utility Plant	6.86699	4.97455	4.61706	2.94764	0.71476	0.99999	0.99999	1.00000	1.00000	1.00000	1.00000	1.00000	0.99999
Accum Depreciation to Total Utility	40.93591	41.04602	40.75228	39.95082	37.70678	37.92464	37.62739	38.29764	38.84424	39.45829	40.13224	40.85960	41.63480
Operations and Maintenance Cost per	120.73	134.39	148.65	126.79	119.76	118.83	123.86	127.26	130.55	133.62	136.59	139.46	142.23
Administrative and General Cost per	93.04	97.42	103.16	100.94	105.39	104.85	109.29	112.29	115.19	117.90	120.52	123.05	125.50
Plant Revenue Ratio	5.42976	5.55330	5.91526	6.25446	6.91440	6.16440	6.43226	6.61585	6.83194	6.85790	6.94633	7.00222	7.05658
Rate of Return on Rate Base	7.24579	5.90590	3.55583	3.69476	2.76369	5.92006	5.04256	4.52075	3.91520	3.95366	3.78447	3.72188	3.66322
Rate Base (RBF times Net Utility Plant)	68,365,688	69,851,229	73,475,020	79,622,335	92,260,843	96,449,511	102,340,336	106,031,200	109,517,279	112,798,572	115,875,080	118,746,803	121,413,740
Rate Base Factor (RBF) Percent	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300	105.42300
% Inc. Over Present Retail Rates Req				0.00000	0.00000	8.19534	8.31172	8.41671	8.19561	9.40016	10.00625	10.83124	11.61125
Modified Debt Service Coverage				1.45659	1.40888	2.02937	1.88420	1.76729	1.65716	1.66160	1.63696	1.70587	1.68534
Modified TIER	2.15442	1.86526	1.27770	1.43101	1.13593	2.32799	2.03000	1.81671	1.58617	1.60728	1.54452	1.52441	1.50458
Rotation Cycle in Years				222.28	230.54	232.86	264.73	290.19	311.01	326.06	342.10	356.73	371.09
Percent Change in Net Plant		4.95	5.46	8.36	15.87	4.54	6.10	3.60	3.26	2.99	2.72	2.47	2.24

CoOPTIONS:® Ten-Year Financial Forecast
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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Pro Forma Balance Sheet

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets and Other Debits													
Total Utility Plant	106,582,221	112,067,674	117,633,961	125,774,473	140,488,681	147,382,816	156,139,358	163,003,358	169,867,358	176,731,358	183,595,358	190,459,358	197,323,358
Accumulated Depreciation	43,630,411	45,999,331	47,938,524	50,247,941	52,973,771	55,894,704	59,063,448	62,426,443	65,983,690	69,735,187	73,680,936	77,820,935	82,155,186
Net Utility Plant	62,951,810	66,068,343	69,695,437	75,526,531	87,514,909	91,488,111	97,075,909	100,576,914	103,883,667	106,996,170	109,914,421	112,638,422	115,168,171
Net General Funds	9,450,638	5,574,868	5,313,605	3,707,390	1,004,167	1,473,823	1,561,386	1,630,036	1,698,680	1,767,320	1,835,955	1,904,596	1,973,232
General Funds Excludable Items	1,346,839	1,343,476	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907	1,339,907
Other Assets and Debits	7,445,664	8,292,004	9,848,925	9,877,849	9,903,187	9,925,227	9,944,523	9,961,281	9,946,719	9,933,752	9,922,257	9,911,820	9,902,557
Total Assets and Other Debits	81,194,951	81,278,691	86,197,874	90,451,678	99,762,171	104,227,068	109,921,726	113,508,139	116,868,974	120,037,150	123,012,542	125,794,745	128,383,868
Liabilities and Other Credits													
Total Margins and Equities	19,561,970	21,261,512	22,228,210	23,054,380	23,286,052	26,473,679	29,019,330	31,101,234	32,806,442	34,210,593	35,673,642	37,109,452	38,515,160
Long Term Debt													
Long Term Debt - RUS	45,470,080	44,006,169	28,051,310	32,951,593	43,444,062	46,064,887	50,492,517	53,257,736	56,345,638	59,073,227	61,777,741	64,223,624	66,530,955
Long Term Debt - CFC	6,545,004	5,725,863	5,203,672	4,534,224	3,932,235	3,409,080	2,959,776	2,537,561	2,153,215	1,847,269	1,522,675	1,300,998	1,085,418
Long Term Debt - Other	0	0	10,998,415	10,605,519	10,204,149	9,794,077	9,375,068	8,946,879	8,509,259	8,061,948	7,604,679	7,137,174	6,659,147
Long Term Debt - Bonds	0	0	11,078,306	10,667,998	10,257,690	9,847,382	9,437,074	9,026,766	8,616,458	8,206,150	7,795,842	7,385,534	6,975,226
Total Long-Term Debt	52,015,084	49,732,062	55,331,703	58,759,336	67,838,157	69,115,427	72,264,434	73,768,943	75,624,570	77,188,596	78,700,938	80,047,331	81,230,746
Other Liabilities and Credits	9,617,897	10,285,127	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961	8,637,961
Total Liabilities and Other Credits	81,194,951	81,278,691	86,197,874	90,451,678	99,762,171	104,227,068	109,921,726	113,508,139	116,868,974	120,037,150	123,012,542	125,794,745	128,383,868

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Pro Forma Income Statement

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Accrual Basis													
Revenue from Present Rates	39,870,133	41,673,026	40,128,777	40,515,557	44,963,470	49,473,492	50,072,929	50,676,406	51,279,962	52,039,252	52,802,584	53,573,924	54,353,273
Add'l Revenue Required	0	0	0	0	0	3,382,356	3,472,582	3,559,448	3,507,825	4,083,352	4,410,791	4,844,612	5,269,464
Total Required Revenue	39,870,133	41,673,026	40,128,777	40,515,557	44,963,470	52,855,849	53,545,512	54,235,855	54,787,788	56,122,604	57,213,376	58,418,536	59,622,737
Cost of Power	20,240,895	21,492,678	20,242,279	20,406,022	24,645,220	28,947,160	29,271,069	29,597,578	29,924,095	30,362,163	30,782,830	31,218,689	31,659,738
Gross Margin	19,629,238	20,180,348	19,886,498	20,109,535	20,318,250	23,908,688	24,274,442	24,638,276	24,863,693	25,770,441	26,430,546	27,199,847	27,962,998
Operations and Maint Expense	4,749,158	5,389,092	5,986,832	5,181,908	4,972,403	5,011,015	5,308,738	5,542,114	5,775,490	6,008,866	6,242,242	6,475,618	6,708,994
Consumer Accounts and Sales	3,317,075	3,578,259	3,756,638	3,872,079	3,754,151	3,858,463	3,921,507	3,984,642	4,047,777	4,114,572	4,181,458	4,248,528	4,315,780
Admin and Gen and Other Deductions	3,659,953	3,906,460	4,149,097	4,125,402	4,375,811	4,421,484	4,684,180	4,890,100	5,096,020	5,301,940	5,507,860	5,713,780	5,919,700
Depreciation and Amort Expense	3,018,606	3,141,332	3,330,061	3,559,417	3,975,829	4,170,933	4,418,743	4,612,995	4,807,248	5,001,497	5,195,748	5,389,999	5,584,251
Tax Expense	75,727	51,667	51,216	628,872	690,244	736,914	780,696	815,016	849,336	883,656	917,976	952,296	986,616
Amort Deferred Debits (Non Cash)	0	0	0	0	0	0	0	0	0	0	0	0	0
Amort Deferred Credits (Non Cash)	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Expense	2,359,376	2,310,550	2,097,424	2,081,682	2,253,518	2,459,028	2,549,835	2,644,562	2,713,962	2,785,801	2,851,114	2,911,719	2,969,176
Total Operating Expenses	37,420,790	39,870,338	39,613,547	39,655,364	44,667,178	49,605,000	50,934,771	52,087,009	53,213,929	54,448,498	55,679,231	56,910,631	58,144,258
Operating Margin	2,449,343	1,802,688	515,230	860,172	296,292	3,250,848	2,610,740	2,148,845	1,573,859	1,674,106	1,534,145	1,507,905	1,478,479
Nonoperating Margins	274,384	173,706	67,242	37,073	10,041	14,738	15,813	16,300	16,986	17,673	18,359	19,045	19,732
G&T and Other Capital Credits	125,086	337,369	121,370	28,924	25,337	22,039	19,296	16,758	14,362	12,370	10,545	8,859	7,495
Net Margin	2,848,813	2,313,763	703,842	926,170	331,672	3,287,627	2,645,850	2,181,904	1,605,208	1,704,150	1,563,049	1,535,810	1,505,707
Cash Basis													
Operating Cash Before Debt Service				6,538,345	6,535,682	9,895,549	9,594,933	9,422,703	9,112,055	9,479,078	9,599,367	9,828,670	10,051,639
Total Debt Service				4,488,776	4,638,905	4,876,156	5,092,291	5,331,705	5,498,507	5,636,922	5,864,044	5,761,667	5,964,146
Cash Margins After Debt Service				2,049,569	1,896,777	5,019,393	4,502,641	4,090,998	3,613,547	3,842,156	3,735,323	4,067,003	4,087,492

CoOPTIONS: ® Ten-Year Financial Forecast
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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Pro Forma Income Statement - Mills/kWh

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Accrual Basis in Mills per kWh Sold													
Revenue from Present Rates	94.824	95.906	95.739	95.915	105.628	115.338	115.443	115.545	115.646	115.701	115.754	115.804	115.851
Add'l Revenue Required	0.000	0.000	0.000	0.000	0.000	7.885	8.006	8.115	7.910	9.078	9.669	10.472	11.231
Total Required Revenue	94.824	95.906	95.739	95.915	105.628	123.223	123.449	123.661	123.556	124.780	125.424	126.276	127.082
Cost of Power	48.139	49.463	48.294	48.308	57.898	67.484	67.484	67.484	67.484	67.483	67.482	67.481	67.481
Gross Margin	46.684	46.443	47.445	47.606	47.731	55.738	55.964	56.176	56.072	57.296	57.941	58.794	59.601
Operations and Maint Expense	11.295	12.402	14.283	12.267	11.681	11.682	12.239	12.638	13.024	13.359	13.684	13.997	14.299
Consumer Accounts and Sales	7.889	8.235	8.962	8.893	8.819	8.995	9.041	9.085	9.128	9.148	9.166	9.183	9.198
Admin and Gen and Other Deductions	8.704	8.990	9.898	9.766	10.279	10.307	10.799	11.149	11.492	11.788	12.074	12.350	12.617
Depreciation and Amort Expense	7.179	7.229	7.944	8.426	9.340	9.723	10.187	10.517	10.841	11.120	11.390	11.650	11.902
Tax Expense	0.180	0.118	0.122	1.468	1.621	1.717	1.799	1.858	1.915	1.964	2.012	2.058	2.102
Amort Deferred Debits (Non Cash)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Amort Deferred Credits (Non Cash)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interest Expense	5.611	5.318	5.004	4.928	5.293	5.732	5.878	6.029	6.120	6.193	6.250	6.293	6.328
Total Operating Expenses	88.998	91.757	94.510	93.878	104.932	115.644	117.430	118.761	120.007	121.058	122.061	123.017	123.931
Operating Margin	5.825	4.148	1.229	2.036	0.696	7.578	6.019	4.899	3.549	3.722	3.363	3.259	3.151
Nonoperating Margins	0.652	0.399	0.160	0.087	0.023	0.034	0.035	0.037	0.038	0.039	0.040	0.041	0.042
G&T and Other Capital Credits	0.297	0.776	0.289	0.068	0.059	0.051	0.044	0.038	0.032	0.027	0.023	0.019	0.016
Net Margin	6.775	5.324	1.679	2.192	0.779	7.664	6.099	4.974	3.620	3.788	3.426	3.319	3.209
Cash Basis in Mills per kWh Sold													
Operating Cash Before Debt Service				15.478	15.353	23.069	22.121	21.484	20.549	21.075	21.043	21.245	21.424
Total Debt Service				10.626	10.897	11.367	11.740	12.156	12.400	12.532	12.855	12.454	12.712
Cash Margins After Debt Service				4.852	4.455	11.701	10.380	9.327	8.149	8.542	8.188	8.791	8.712

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
General Funds Summary

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sources of General Funds													
Net General Funds Beginning of Year				5,313,605	3,707,390	1,004,167	1,473,823	1,561,386	1,630,036	1,698,680	1,767,320	1,835,955	1,904,596
Cash Margins After Debt Service				2,049,569	1,896,777	5,019,393	4,502,641	4,090,998	3,813,547	3,842,156	3,735,323	4,067,003	4,087,492
Other Proceeds				0	0	0	0	0	28,924	25,337	22,039	19,296	16,758
Sale of Excludable Items				0	0	0	0	0	0	0	0	0	0
Reimbursement				0	0	0	0	0	0	0	0	0	0
Total General Funds Available				7,363,174	5,604,167	6,023,560	5,976,465	5,652,385	5,272,508	5,566,174	5,524,683	5,922,255	6,008,847
Proposed Uses of General Funds													
Purchase of Excludable Items				0	0	0	0	0	0	0	0	0	0
Capital Credit Retirements				100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
General Funds Invested In Plant				3,555,784	4,500,000	4,449,737	4,315,078	3,922,348	3,473,828	3,698,854	3,588,727	3,917,658	3,935,614
Other Uses of General Funds				0	0	0	0	0	0	0	0	0	0
Total Uses of General Funds				3,655,784	4,600,000	4,549,737	4,415,078	4,022,348	3,573,828	3,798,854	3,688,727	4,017,658	4,035,614
Net General Funds - End of Year				3,707,390	1,004,167	1,473,823	1,561,386	1,630,036	1,698,680	1,767,320	1,835,955	1,904,596	1,973,232

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Determination of Load

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of Consumers													
RESIDENTIAL	24,303	25,051	24,534	24,784	25,034	25,284	25,534	25,784	26,034	26,284	26,534	26,784	27,034
SEASONAL	11,146	11,094	11,786	12,186	12,586	12,986	13,386	13,786	14,186	14,586	14,986	15,386	15,786
IRRIGATION	55	55	60	60	60	60	61	62	63	64	65	66	67
SMALL COMM	3,730	3,795	3,733	3,733	3,733	3,733	3,770	3,808	3,846	3,923	4,001	4,081	4,163
LARGE COMM	5	7	9	9	9	9	9	9	9	9	9	9	9
ST & HWY LT	95	96	97	97	97	97	98	99	100	102	104	106	108
PUBLIC AUTH	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
Security Lts	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Consumers	39,334	40,098	40,219	40,869	41,519	42,169	42,858	43,548	44,238	44,968	45,699	46,432	47,167
Average Monthly Usage Per Consumer													
RESIDENTIAL	655	664	716	716	716	716	716	716	716	716	716	716	716
SEASONAL	339	362	233	233	233	233	233	233	233	233	233	233	233
IRRIGATION	11,455	10,180	8,569	8,569	8,569	8,569	8,569	8,569	8,569	8,569	8,569	8,569	8,569
SMALL COMM	3,262	3,277	3,209	3,209	3,209	3,209	3,209	3,209	3,209	3,209	3,209	3,209	3,209
LARGE COMM	497,071	373,837	229,432	229,432	229,432	229,432	229,432	229,432	229,432	229,432	229,432	229,432	229,432
ST & HWY LT	622	603	597	597	597	597	597	597	597	597	597	597	597
PUBLIC AUTH	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
Security Lts	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Sales													
RESIDENTIAL	191,021,580	199,606,368	210,796,128	212,944,128	215,092,128	217,240,128	219,388,128	221,536,128	223,684,128	225,832,128	227,980,128	230,128,128	232,276,128
SEASONAL	45,341,928	46,861,056	32,953,656	34,072,056	35,190,456	36,308,856	37,427,256	38,545,656	39,664,056	40,782,456	41,900,856	43,019,256	44,137,656
IRRIGATION	7,560,300	6,718,800	6,169,680	6,169,680	6,169,680	6,169,680	6,272,508	6,375,336	6,478,164	6,580,992	6,683,820	6,786,648	6,889,476
SMALL COMM	146,007,120	149,234,580	143,750,364	143,750,364	143,750,364	143,750,364	145,175,160	146,638,464	148,101,768	151,066,884	154,070,508	157,151,148	160,308,804
LARGE COMM	29,624,260	31,402,308	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656
ST & HWY LT	709,080	694,656	694,908	694,908	694,908	694,908	702,072	709,236	716,400	730,728	745,056	759,384	773,712
PUBLIC AUTH	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
Security Lts	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Power Requirements													
Total kWh Sold	420,464,268	434,517,768	419,143,392	422,409,792	425,676,192	428,942,592	433,743,780	438,583,476	443,423,172	449,771,844	456,159,024	462,623,220	469,164,432
Systems Own Use	1,108,435	1,157,705	1,193,330	1,205,283	1,217,316	1,229,489	1,241,784	1,254,202	1,266,744	1,279,411	1,292,205	1,305,127	1,318,178
System Loss Percentage	6.82	7.59	8.41	8.44	8.44	8.44	8.44	8.44	8.44	8.44	8.44	8.44	8.44
kWh Purchased/Generated	452,447,853	471,504,946	458,951,209	462,663,887	466,244,547	469,825,339	475,082,529	480,361,911	485,681,428	492,629,155	499,619,079	506,693,257	513,851,692

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Determination of Revenue - Existing Rates

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Estimated Revenue													
RESIDENTIAL													
Total Annual kWh Sold	191,021,580	199,606,368	210,796,128	212,944,128	215,092,128	217,240,128	219,388,128	221,536,128	223,684,128	225,832,128	227,980,128	230,128,128	232,276,128
Average Revenue per kWh Sold	0.0982860	0.0997000	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150	0.0963150
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	24,303	25,051	24,534	24,784	25,034	25,284	25,534	25,784	26,034	26,284	26,534	26,784	27,034
Annual Revenue	18,774,555	19,900,764	20,302,829	20,509,713	20,716,598	20,923,482	21,130,367	21,337,252	21,544,136	21,751,021	21,957,906	22,164,790	22,371,675
Adjustment Revenue	0	0	0	0	2,056,495	4,153,846	4,194,920	4,235,992	4,277,064	4,318,136	4,359,208	4,400,279	4,441,351
SEASONAL													
Total Annual kWh Sold	45,341,928	46,861,056	32,953,656	34,072,056	35,190,456	36,308,856	37,427,256	38,545,656	39,664,056	40,782,456	41,900,856	43,019,256	44,137,656
Average Revenue per kWh Sold	0.1217310	0.1216080	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990	0.1461990
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	11,146	11,094	11,786	12,186	12,586	12,986	13,386	13,786	14,186	14,586	14,986	15,386	15,786
Annual Revenue	5,519,618	5,698,679	4,817,791	4,981,300	5,144,809	5,308,318	5,471,827	5,635,336	5,798,845	5,962,354	6,125,863	6,289,372	6,452,881
Adjustment Revenue	0	0	0	0	336,455	694,261	715,646	737,031	758,416	779,801	801,186	822,571	843,956
IRRIGATION													
Total Annual kWh Sold	7,560,300	6,718,800	6,169,680	6,169,680	6,169,680	6,169,680	6,272,508	6,375,336	6,478,164	6,580,992	6,683,820	6,786,648	6,889,476
Average Revenue per kWh Sold	0.0854980	0.0881620	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830	0.0885830
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	55	55	60	60	60	60	61	62	63	64	65	66	67
Annual Revenue	646,390	592,342	546,528	546,528	546,528	546,528	555,637	564,746	573,855	582,964	592,072	601,181	610,290
Adjustment Revenue	0	0	0	0	58,988	117,970	119,936	121,902	123,868	125,835	127,801	129,767	131,733
SMALL COMM													
Total Annual kWh Sold	146,007,120	149,234,580	143,750,364	143,750,364	143,750,364	143,750,364	145,175,160	146,638,464	148,101,768	151,066,884	154,070,508	157,151,148	160,308,804
Average Revenue per kWh Sold	0.0833390	0.0841840	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990	0.0837990
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	3,730	3,795	3,733	3,733	3,733	3,733	3,770	3,808	3,846	3,923	4,001	4,081	4,163
Annual Revenue	12,168,087	12,563,163	12,046,136	12,046,136	12,046,136	12,046,136	12,165,533	12,288,156	12,410,780	12,659,253	12,910,954	13,169,109	13,433,717
Adjustment Revenue	0	0	0	0	1,374,397	2,748,650	2,775,894	2,803,874	2,831,853	2,888,549	2,945,982	3,004,887	3,065,264
LARGE COMM													
Total Annual kWh Sold	29,824,260	31,402,308	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656	24,778,656
Average Revenue per kWh Sold	0.0608090	0.0631590	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300	0.0636300
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	6	7	9	9	9	9	9	9	9	9	9	9	9
Annual Revenue	1,813,583	1,983,338	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665	1,576,665
Adjustment Revenue	0	0	0	0	236,908	473,792	473,792	473,792	473,792	473,792	473,792	473,792	473,792

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Determination of Revenue - Existing Rates

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
ST & HWY LT													
Total Annual kWh Sold	709,080	694,656	694,908	694,908	694,908	694,908	702,072	709,236	716,400	730,728	745,056	759,384	773,712
Average Revenue per kWh Sold	0.1249480	0.1289680	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270	0.1326270
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	95	96	97	97	97	97	98	99	100	102	104	106	108
Annual Revenue	88,598	89,588	92,163	92,163	92,163	92,163	93,113	94,063	95,013	96,914	98,814	100,714	102,615
Adjustment Revenue	0	0	0	0	6,644	13,287	13,424	13,561	13,698	13,972	14,246	14,520	14,794
PUBLIC AUTH													
Total Annual kWh Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Revenue per kWh Sold	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE													
Total Annual kWh Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Revenue per kWh Sold	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
RESALE OTHER													
Total Annual kWh Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Revenue per kWh Sold	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Security Lts													
Total Annual kWh Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Revenue per kWh Sold	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
Adjustment Factor	0.0000000	0.0000000	0.0000000	0.0000000	0.0095610	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210	0.0191210
Fixed Monthly Charge Per Consumer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average Number of Consumers	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue from Rates	39,010,733	40,827,867	39,382,116	39,752,509	40,122,902	40,493,296	40,993,145	41,496,221	41,999,297	42,629,173	43,262,277	43,901,834	44,547,845
Adjustment Revenue	0	0	0	0	4,069,890	8,201,811	8,293,614	8,386,154	8,478,694	8,600,087	8,722,216	8,845,816	8,970,893
Other Revenue	846,647	857,445	755,493	763,048	770,878	778,385	786,169	794,031	801,971	809,991	818,091	826,272	834,535
Total Revenue	39,857,380	41,685,312	40,137,608	40,515,557	44,963,470	49,473,492	50,072,929	50,676,406	51,279,962	52,039,252	52,802,584	53,573,924	54,353,273

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Plant Investment & Loan Fund Requirements

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Utility Plant	102,218,119	106,582,221	112,067,674	117,633,961	125,774,473	140,488,681	147,382,816	156,139,358	163,003,358	169,867,358	176,731,358	183,595,358	190,459,358
Plus: Plant Additions and Replacements	4,786,920	6,618,513	10,223,262	9,390,512	15,964,208	8,144,135	10,006,542	8,114,000	8,114,000	8,114,000	8,114,000	8,114,000	8,114,000
Less: Retirements	424,818	1,133,060	4,656,975	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Total Utility Plant	106,582,221	112,067,674	117,633,961	125,774,473	140,488,681	147,382,816	156,139,358	163,003,358	169,867,358	176,731,358	183,595,358	190,459,358	197,323,358
Analysis of Priority Funds													
Distr - New Construction	4,289,933	5,512,699	9,127,947	9,735,000	9,344,000	10,213,000	12,164,000	10,364,000	10,364,000	10,364,000	10,364,000	10,364,000	10,364,000
Distr - System Improvement	0	205,507	0	0	0	0	0	0	0	0	0	0	0
Distr - Ordinary Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0
Distr - Subtransmission	0	0	85,599	0	0	0	0	0	0	0	0	0	0
Distr - Warehouse	0	0	0	0	7,000,000	0	0	0	0	0	0	0	0
Reimbursement of Gen Funds	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Priority Items	4,289,933	5,718,206	9,213,546	9,735,000	16,344,000	10,213,000	12,164,000	10,364,000	10,364,000	10,364,000	10,364,000	10,364,000	10,364,000
Less: Contrib In Aid of Construction				1,194,488	1,229,792	2,918,865	3,007,458	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Less: Gen Funds Invested In Plant				2,705,784	3,650,000	3,599,737	3,465,078	3,072,348	2,623,828	2,848,854	2,738,727	3,087,658	3,085,614
Total Loan Funds Reqd for Priority Items				5,834,728	11,464,208	3,694,397	5,691,463	4,191,651	4,640,171	4,415,145	4,525,272	4,196,341	4,178,385
Prior Loan Funds-RUS				0	0	0	0						
Prior Loan Funds-CFC				0	0	0	0						
Prior Loan Funds-Other				0	0	0	0						
Total Prior Loan Funds Required				0	0	0	0						
New Loans from RUS				5,834,728	11,464,208	3,694,397	5,691,463	4,191,651	4,640,171	4,415,145	4,525,272	4,196,341	4,178,385
New Loans from CFC				0	0	0	0	0	0	0	0	0	0
New Loans from Other				0	0	0	0	0	0	0	0	0	0
New Bonds				0	0	0	0	0	0	0	0	0	0
Total New Joint Loan Funds Required				5,834,728	11,464,208	3,694,397	5,691,463	4,191,651	4,640,171	4,415,145	4,525,272	4,196,341	4,178,385
Total Loan Funds				5,834,728	11,464,208	3,694,397	5,691,463	4,191,651	4,640,171	4,415,145	4,525,272	4,196,341	4,178,385
Analysis of Non-Priority Funds													
Office Headquarters	208,370	59,346	31,991	0	0	0	0	0	0	0	0	0	0
General Plant Additions	290,617	840,961	977,725	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Generation and Transmission	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Needs	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non-Priority Items	498,987	900,307	1,009,716	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Less: Gen Funds Invested In Plant				850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
Loan Funds Required - CFC				0	0	0	0	0	0	0	0	0	0
Loan Funds Required - Other				0	0	0	0	0	0	0	0	0	0
Loan Funds Required - Bonds				0	0	0	0	0	0	0	0	0	0
Total Loan Funds Required				0	0	0	0	0	0	0	0	0	0
Total New Loans Required from Others				0	0	0	0	0	0	0	0	0	0

CoOPTIONS:® Ten-Year Financial Forecast
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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Determination of Debt & Debt Service

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Debt and Debt Service-RUS													
Debt First of Year				28,051,310	32,951,593	43,444,082	46,064,887	50,492,517	53,257,736	56,345,638	59,073,227	61,777,741	64,223,624
Plus: Funds Advanced				5,834,728	11,464,208	3,894,397	5,691,463	4,191,661	4,640,171	4,415,145	4,525,272	4,196,341	4,178,365
Plus: Interest				1,081,340	1,331,696	1,595,483	1,739,274	1,885,180	2,004,607	2,122,693	2,232,878	2,337,249	2,435,543
Less: Debt Payments				2,015,784	2,303,415	2,669,076	3,003,108	3,311,611	3,556,877	3,810,249	4,053,636	4,087,706	4,306,598
Debt End of Year				32,951,593	43,444,082	46,064,887	50,492,517	53,257,736	56,345,638	59,073,227	61,777,741	64,223,624	66,530,955
Total Debt and Debt Service-CFC													
Debt First of Year				5,203,672	4,534,224	3,932,235	3,409,080	2,959,775	2,537,561	2,153,215	1,847,269	1,522,675	1,300,998
Plus: Funds Advanced				0	0	0	0	0	0	0	0	0	0
Plus: Interest				289,244	253,376	220,399	192,962	167,584	143,620	123,708	105,451	88,590	74,958
Less: Debt Payments				958,692	855,365	743,554	642,267	589,798	527,966	429,654	430,045	310,267	310,538
Debt End of Year				4,534,224	3,932,235	3,409,080	2,959,775	2,537,561	2,153,215	1,847,269	1,522,675	1,300,998	1,065,418
Total Debt and Debt Service-Other													
Debt First of Year				10,998,415	10,605,519	10,204,149	9,794,077	9,375,068	8,946,879	8,509,259	8,061,948	7,604,879	7,137,174
Plus: Funds Advanced				0	0	0	0	0	0	0	0	0	0
Plus: Interest				259,005	250,035	240,827	231,373	221,665	211,695	201,453	190,931	180,118	169,006
Less: Debt Payments				651,900	651,406	650,899	650,383	649,855	649,315	648,763	648,200	647,823	647,034
Debt End of Year				10,605,519	10,204,149	9,794,077	9,375,068	8,946,879	8,509,259	8,061,948	7,604,879	7,137,174	6,659,147
Total Debt and Debt Service-Bonds													
Debt First of Year				11,078,306	10,667,998	10,257,590	9,847,382	9,437,074	9,026,766	8,616,458	8,206,150	7,795,842	7,385,534
Plus: Funds Advanced				0	0	0	0	0	0	0	0	0	0
Plus: Interest				452,091	418,410	402,317	386,224	370,131	354,039	337,946	321,853	305,761	289,668
Less: Debt Payments				862,399	828,718	812,625	796,532	780,439	764,347	748,254	732,161	716,069	699,976
Debt End of Year				10,667,998	10,257,890	9,847,382	9,437,074	9,026,766	8,616,458	8,206,150	7,795,842	7,385,534	6,975,226

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Determination of Operating Expenses

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total kWh Requirements	452,447,853	471,504,946	458,951,209	462,683,887	466,244,547	469,825,339	476,082,529	480,381,911	485,681,428	492,829,155	499,619,079	506,693,257	513,851,692
Cost per kWh Purchased	0.0447364	0.0455831	0.0441055	0.0441055	0.0528590	0.0616126	0.0616126	0.0616126	0.0616126	0.0616126	0.0616126	0.0616126	0.0616126
Flow Through Adjustment per kWh				0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000	0.0000000
Cost of Power	20,240,895	21,492,678	20,242,279	20,406,022	24,645,220	28,947,160	29,271,069	29,597,578	29,924,095	30,352,163	30,782,830	31,218,669	31,659,738
Operating and Maint Expense	4,749,158	5,389,092	5,986,832	5,181,906	4,972,403	5,011,015	5,308,738	5,542,114	5,775,490	6,008,866	6,242,242	6,475,618	6,708,994
Ratio to Total Utility Plant - %	4.45	4.80	5.08	4.12	3.53	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Admin General and Other Deductions	3,659,953	3,906,460	4,149,097	4,125,402	4,375,611	4,421,484	4,684,180	4,890,100	5,096,020	5,301,940	5,507,860	5,713,780	5,919,700
Ratio to Total Utility Plant - %	3.43	3.48	3.52	3.28	3.11	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Depreo and Amortization	3,016,606	3,141,332	3,330,061	3,559,417	3,975,629	4,170,933	4,418,743	4,612,995	4,807,246	5,001,497	5,196,748	5,389,999	5,584,251
Ratio to Total Utility Plant - %	2.83	2.80	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83	2.83
Tax Expense	75,727	51,667	51,216	628,872	690,244	736,914	780,696	815,016	849,336	883,656	917,976	952,296	986,616
Ratio to Total Utility Plant - %	0.07	0.04	0.04	0.50	0.49	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Ratio to Total Revenue - %	0.18	0.12	0.12	1.55	1.53	1.39	1.45	1.50	1.55	1.57	1.60	1.63	1.65
Total Utility Plant	106,582,221	112,067,674	117,633,961	125,774,473	140,488,681	147,382,816	156,139,358	163,003,358	169,867,358	176,731,358	183,595,358	190,459,358	197,323,358
Consumer Acct and Sales Expense	3,317,075	3,578,259	3,756,638	3,672,079	3,754,151	3,858,463	3,921,507	3,984,642	4,047,777	4,114,572	4,181,458	4,248,528	4,315,780
Cost per Consumer Served	84.33	89.23	93.40	89.85	90.42	91.50	91.50	91.50	91.50	91.50	91.50	91.50	91.50
Average Number of Consumers	39,334	40,098	40,219	40,869	41,519	42,169	42,858	43,548	44,238	44,968	45,699	46,432	47,167

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
RUS Loan Summary

					2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1B250	1	A.	01/26/83	F. Balance First of Year	729,469	653,951	574,570	491,127	403,415	311,216	214,299	112,424	5,337	
Fixed		B.	1,780,500	G. Plus: Interest	34,758	30,895	26,833	22,564	18,077	13,360	8,401	3,189	22	
		C.	35 Years	H. Less: Payments	110,276	110,276	110,276	110,276	110,276	110,276	110,276	110,276	5,359	
		D.	5.000%	I. Balance End of Year	653,951	574,570	491,127	403,415	311,216	214,299	112,424	5,337	0	
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	
1B252	2	A.	01/26/83	F. Balance First of Year	731,646	656,240	576,975	493,655	406,073	314,009	217,236	115,511	8,582	
Fixed		B.	1,780,500	G. Plus: Interest	34,870	31,012	26,957	22,694	18,213	13,503	8,552	3,347	36	
		C.	35 Years	H. Less: Payments	110,276	110,276	110,276	110,276	110,276	110,276	110,276	110,276	8,618	
		D.	5.000%	I. Balance End of Year	656,240	576,975	493,655	406,073	314,009	217,236	115,511	8,582	0	
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	
1B260	3	A.	03/05/87	F. Balance First of Year	1,697,238	1,592,110	1,481,603	1,365,442	1,243,338	1,114,987	980,070	838,250	689,174	532,471
Fixed		B.	3,029,000	G. Plus: Interest	82,474	77,096	71,442	65,499	59,252	52,685	45,783	38,527	30,900	22,883
		C.	35 Years	H. Less: Payments	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603
		D.	5.000%	I. Balance End of Year	1,592,110	1,481,603	1,365,442	1,243,338	1,114,987	980,070	838,250	689,174	532,471	367,751
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B263	4	A.	03/05/87	F. Balance First of Year	1,745,683	1,643,033	1,535,131	1,421,709	1,302,484	1,177,160	1,045,423	906,947	761,385	608,377
Fixed		B.	3,029,000	G. Plus: Interest	84,953	79,701	74,181	68,378	62,278	55,866	49,126	42,042	34,594	26,766
		C.	35 Years	H. Less: Payments	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603	187,603
		D.	5.000%	I. Balance End of Year	1,643,033	1,535,131	1,421,709	1,302,484	1,177,160	1,045,423	906,947	761,385	608,377	447,540
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B270	5	A.	03/03/93	F. Balance First of Year	1,300,547	1,255,166	1,207,462	1,157,318	1,104,609	1,049,203	990,962	929,742	865,389	797,744
Fixed		B.	1,766,000	G. Plus: Interest	63,997	61,675	59,234	56,669	53,972	51,137	48,158	45,026	41,733	38,272
		C.	35 Years	H. Less: Payments	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378
		D.	5.000%	I. Balance End of Year	1,255,166	1,207,462	1,157,318	1,104,609	1,049,203	990,962	929,742	865,389	797,744	726,638
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B276	6	A.	03/03/93	F. Balance First of Year	1,335,708	1,292,125	1,246,313	1,198,157	1,147,537	1,094,327	1,038,395	979,601	917,800	852,836
Fixed		B.	1,766,000	G. Plus: Interest	65,796	63,566	61,222	58,758	56,168	53,446	50,585	47,577	44,415	41,091
		C.	35 Years	H. Less: Payments	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378	109,378
		D.	5.000%	I. Balance End of Year	1,292,125	1,246,313	1,198,157	1,147,537	1,094,327	1,038,395	979,601	917,800	852,836	784,549
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B280	7	A.	06/01/96	F. Balance First of Year	1,630,585	1,587,238	1,541,695	1,493,821	1,443,498	1,390,601	1,334,997	1,276,548	1,215,109	1,150,527
Fixed		B.	2,000,000	G. Plus: Interest	80,544	78,328	75,998	73,548	70,974	68,267	65,422	62,432	59,289	55,985
		C.	35 Years	H. Less: Payments	123,871	123,871	123,871	123,871	123,871	123,871	123,871	123,871	123,871	123,871
		D.	5.000%	I. Balance End of Year	1,587,238	1,541,695	1,493,821	1,443,498	1,390,601	1,334,997	1,276,548	1,215,109	1,150,527	1,082,640
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B281	8	A.	06/01/96	F. Balance First of Year	1,239,229	1,206,301	1,171,687	1,135,304	1,097,058	1,056,856	1,014,597	970,176	923,482	874,400
Fixed		B.	1,520,000	G. Plus: Interest	61,214	59,529	57,758	55,897	53,940	51,883	49,721	47,448	45,059	42,548
		C.	35 Years	H. Less: Payments	94,142	94,142	94,142	94,142	94,142	94,142	94,142	94,142	94,142	94,142
		D.	5.000%	I. Balance End of Year	1,206,301	1,171,687	1,135,304	1,097,058	1,056,856	1,014,597	970,176	923,482	874,400	822,806
		E.	Current Year Interest Rate		5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
RUS Loan Summary

				2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1B282	9 A.	08/01/96	F. Balance First of Year	1,230,300	1,198,182	1,164,421	1,128,933	1,091,629	1,052,417	1,011,198	967,871	922,327	874,452
Fixed	B.	1,500,000	G. Plus: Interest	60,786	59,142	57,415	55,699	53,691	51,685	49,576	47,359	45,029	42,580
	C.	35 Years	H. Less: Payments	92,903	92,903	92,903	92,903	92,903	92,903	92,903	92,903	92,903	92,903
	D.	5.000%	I. Balance End of Year	1,198,182	1,164,421	1,128,933	1,091,629	1,052,417	1,011,198	967,871	922,327	874,452	824,129
	E. Current Year Interest Rate			5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B283	10 A.	08/01/96	F. Balance First of Year	1,734,989	1,690,667	1,644,078	1,595,105	1,543,626	1,489,514	1,432,633	1,372,842	1,309,993	1,243,927
Fixed	B.	2,100,000	G. Plus: Interest	85,743	83,475	81,092	78,586	75,952	73,184	70,274	67,215	63,999	60,619
	C.	35 Years	H. Less: Payments	130,065	130,065	130,065	130,065	130,065	130,065	130,065	130,065	130,065	130,065
	D.	5.000%	I. Balance End of Year	1,690,667	1,644,078	1,595,105	1,543,626	1,489,514	1,432,633	1,372,842	1,309,993	1,243,927	1,174,482
	E. Current Year Interest Rate			5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B284	11 A.	08/01/96	F. Balance First of Year	864,075	832,749	810,331	786,766	761,998	735,959	708,589	679,820	649,578	617,789
Fixed	B.	1,026,000	G. Plus: Interest	42,219	41,128	39,961	38,776	37,509	36,176	34,776	33,304	31,757	30,131
	C.	35 Years	H. Less: Payments	63,546	63,546	63,546	63,546	63,546	63,546	63,546	63,546	63,546	63,546
	D.	5.000%	I. Balance End of Year	832,749	810,331	786,766	761,998	735,959	708,589	679,820	649,578	617,789	584,374
	E. Current Year Interest Rate			5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B285	12 A.	08/01/96	F. Balance First of Year	155,922	152,260	148,410	144,363	140,110	135,638	130,938	125,998	120,804	115,345
Fixed	B.	183,663	G. Plus: Interest	7,713	7,526	7,329	7,122	6,904	6,675	6,435	6,182	5,916	5,637
	C.	35 Years	H. Less: Payments	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375
	D.	5.000%	I. Balance End of Year	152,260	148,410	144,363	140,110	135,638	130,938	125,998	120,804	115,345	109,607
	E. Current Year Interest Rate			5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
1B290	13 A.	10/03/05	F. Balance First of Year	5,823,534	5,739,118	5,650,525	5,557,547	5,459,968	5,357,560	5,250,084	5,137,289	5,018,913	4,894,678
Fixed	B.	6,000,000	G. Plus: Interest	280,003	275,825	271,441	266,840	262,011	256,943	251,624	246,042	240,183	234,035
	C.	35 Years	H. Less: Payments	364,419	364,419	364,419	364,419	364,419	364,419	364,419	364,419	364,419	364,419
	D.	4.840%	I. Balance End of Year	5,739,118	5,650,525	5,557,547	5,459,968	5,357,560	5,250,084	5,137,289	5,018,913	4,894,678	4,764,294
	E. Current Year Interest Rate			4.840	4.840	4.840	4.840	4.840	4.840	4.840	4.840	4.840	4.840
1B291	14 A.	10/03/05	F. Balance First of Year	7,842,405	7,617,727	7,391,946	7,165,055	6,937,051	6,707,927	6,477,677	6,246,297	6,013,781	5,780,122
Fixed	B.	8,000,000	G. Plus: Interest	37,924	36,820	35,711	34,597	33,477	32,352	31,221	30,085	28,943	27,796
	C.	35 Years	H. Less: Payments	262,602	262,602	262,602	262,602	262,602	262,602	262,602	262,602	262,602	262,602
	D.	0.490%	I. Balance End of Year	7,617,727	7,391,946	7,165,055	6,937,051	6,707,927	6,477,677	6,246,297	6,013,781	5,780,122	5,545,316
	E. Current Year Interest Rate			0.490	0.490	0.490	0.490	0.490	0.490	0.490	0.490	0.490	0.490
	15 A.	07/01/10	F. Balance First of Year		5,834,728	5,834,728	5,771,979	5,644,583	5,514,616	5,382,026	5,246,760	5,108,764	4,967,982
Fixed	B.	5,834,728	G. Plus: Interest	58,347	116,695	116,434	114,276	111,705	109,081	106,405	103,675	100,889	98,048
	C.	35 Years	H. Less: Payments	58,347	116,695	179,183	241,671	241,671	241,671	241,671	241,671	241,671	241,671
	D.	2.000%	I. Balance End of Year	5,834,728	5,834,728	5,771,979	5,644,583	5,514,616	5,382,026	5,246,760	5,108,764	4,967,982	4,824,358
	E. Current Year Interest Rate			2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
	16 A.	07/01/11	F. Balance First of Year			11,464,208	11,464,208	11,379,660	11,205,474	11,024,171	10,835,482	10,639,105	10,434,727
Fixed	B.	11,464,208	G. Plus: Interest		229,284	458,568	457,867	452,016	444,919	437,532	429,845	421,844	413,518
	C.	35 Years	H. Less: Payments		229,284	458,568	542,395	626,222	626,222	626,222	626,222	626,222	626,222
	D.	4.000%	I. Balance End of Year		11,464,208	11,464,208	11,379,660	11,205,474	11,024,171	10,835,482	10,639,105	10,434,727	10,222,023
	E. Current Year Interest Rate				4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
RUS Loan Summary

				2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	17 A.	07/01/12	F. Balance First of Year				3,694,398	3,694,398	3,667,158	3,611,019	3,552,594	3,491,788	3,428,504
Fixed	B.	3,694,398	G. Plus: Interest			73,888	147,776	147,550	145,666	143,377	140,997	138,520	135,941
	C.	35 Years	H. Less: Payments			73,888	147,776	174,790	201,803	201,803	201,803	201,803	201,803
	D.	4.000%	I. Balance End of Year			3,694,398	3,694,398	3,667,158	3,611,019	3,552,594	3,491,788	3,428,504	3,362,642
	E. Current Year Interest Rate					4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
	18 A.	07/01/13	F. Balance First of Year					5,691,463	5,691,463	5,649,499	5,583,014	5,473,005	5,379,329
Fixed	B.	5,691,463	G. Plus: Interest				113,829	227,659	227,310	224,406	220,882	217,215	213,399
	C.	35 Years	H. Less: Payments				113,829	227,659	269,275	310,891	310,891	310,891	310,891
	D.	4.000%	I. Balance End of Year				5,691,463	5,691,463	5,649,499	5,583,014	5,473,005	5,379,329	5,281,837
	E. Current Year Interest Rate						4.000	4.000	4.000	4.000	4.000	4.000	4.000
	19 A.	07/01/14	F. Balance First of Year						4,191,651	4,191,651	4,160,745	4,097,050	4,030,761
Fixed	B.	4,191,651	G. Plus: Interest					83,833	167,666	167,409	165,270	162,675	159,975
	C.	35 Years	H. Less: Payments					83,833	167,666	198,316	228,965	228,965	228,965
	D.	4.000%	I. Balance End of Year					4,191,651	4,191,651	4,160,745	4,097,050	4,030,761	3,961,770
	E. Current Year Interest Rate							4.000	4.000	4.000	4.000	4.000	4.000
	20 A.	07/01/15	F. Balance First of Year							4,640,172	4,640,172	4,605,958	4,535,448
Fixed	B.	4,640,172	G. Plus: Interest						92,803	185,607	185,323	182,955	180,082
	C.	35 Years	H. Less: Payments						92,803	185,607	219,536	253,465	253,465
	D.	4.000%	I. Balance End of Year						4,640,172	4,640,172	4,605,958	4,535,448	4,462,065
	E. Current Year Interest Rate								4.000	4.000	4.000	4.000	4.000
	21 A.	07/01/16	F. Balance First of Year								4,415,146	4,415,146	4,382,592
Fixed	B.	4,415,146	G. Plus: Interest							88,303	176,606	176,336	174,083
	C.	35 Years	H. Less: Payments							88,303	176,606	208,890	241,173
	D.	4.000%	I. Balance End of Year							4,415,146	4,415,146	4,382,592	4,315,501
	E. Current Year Interest Rate									4.000	4.000	4.000	4.000
	22 A.	07/01/17	F. Balance First of Year									4,525,272	4,525,272
Fixed	B.	4,525,272	G. Plus: Interest								90,505	181,011	180,734
	C.	35 Years	H. Less: Payments								90,505	181,011	214,100
	D.	4.000%	I. Balance End of Year								4,525,272	4,525,272	4,491,906
	E. Current Year Interest Rate										4.000	4.000	4.000
	23 A.	07/01/18	F. Balance First of Year										4,196,341
Fixed	B.	4,196,341	G. Plus: Interest									83,927	167,654
	C.	35 Years	H. Less: Payments									83,927	167,654
	D.	4.000%	I. Balance End of Year									4,196,341	4,196,341
	E. Current Year Interest Rate											4.000	4.000
	24 A.	07/01/19	F. Balance First of Year										
Fixed	B.	4,176,385	G. Plus: Interest										83,668
	C.	35 Years	H. Less: Payments										83,668
	D.	4.000%	I. Balance End of Year										4,176,385
	E. Current Year Interest Rate												4.000

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
RUS Loan Summary

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
99 Total Debt & Debt Service	RUS										
A. Debt First of Year		28,051,310	32,951,593	43,444,082	46,064,887	50,492,517	53,267,736	56,345,638	59,073,227	61,777,741	64,223,624
B. Funds Advanced		5,834,728	11,464,208	3,694,397	5,691,483	4,181,661	4,640,171	4,415,145	4,525,272	4,196,341	4,176,385
C. Interest		1,081,340	1,331,696	1,595,483	1,739,274	1,885,180	2,004,607	2,122,693	2,232,878	2,337,249	2,435,543
D. Payments		2,015,784	2,303,415	2,669,076	3,003,108	3,311,611	3,566,877	3,810,249	4,053,636	4,087,706	4,306,596
E. Debt End of Year		32,951,593	43,444,082	46,064,887	50,492,517	53,267,736	56,345,638	59,073,227	61,777,741	64,223,624	66,530,955

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
CFC Loan Summary

					2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
9004001	1	A.	06/01/96	F. Balance First of Year	31,147									
Fixed		B.	440,000	G. Plus: Interest	1,083									
		C.	35 Years	H. Less: Payments	32,230									
		D.	5.650%	I. Balance End of Year	0									
		E.	Current Year Interest Rate* Net of discount		5.525*									
9007001	2	A.	06/01/96	F. Balance First of Year	230,112	141,923	48,644							
Fixed		B.	1,401,000	G. Plus: Interest	10,908	5,931	1,010							
		C.	35 Years	H. Less: Payments	99,097	99,210	49,654							
		D.	5.650%	I. Balance End of Year	141,923	48,644	0							
		E.	Current Year Interest Rate* Net of discount		5.525*	5.525*	5.525*							
9011001	3	A.	06/01/96	F. Balance First of Year	112,788	88,614	63,046	36,001	7,397					
Fixed		B.	430,000	G. Plus: Interest	5,737	4,372	2,929	1,403	102					
		C.	35 Years	H. Less: Payments	29,910	29,941	29,974	30,008	7,499					
		D.	5.650%	I. Balance End of Year	88,614	63,046	36,001	7,397	0					
		E.	Current Year Interest Rate* Net of discount		5.525*	5.525*	5.525*	5.525*	5.525*					
9014001	4	A.	06/01/96	F. Balance First of Year	520,036	441,505	358,316	270,197	176,855	77,979				
Fixed		B.	1,399,000	G. Plus: Interest	27,861	23,306	18,482	13,371	7,958	2,223				
		C.	35 Years	H. Less: Payments	106,394	106,495	106,601	106,713	106,833	80,203				
		D.	5.800%	I. Balance End of Year	441,505	358,316	270,197	176,855	77,979	0				
		E.	Current Year Interest Rate* Net of discount		5.675*	5.675*	5.675*	5.675*	5.675*	5.675*				
9017001	5	A.	06/01/96	F. Balance First of Year	769,019	690,680	607,821	520,179	427,480	329,432	225,725	116,034	12	
Fixed		B.	1,607,000	G. Plus: Interest	40,884	36,463	31,787	26,842	21,611	16,078	10,225	4,035	0	
		C.	35 Years	H. Less: Payments	119,223	119,323	119,429	119,541	119,659	119,784	119,917	120,057	12	
		D.	5.650%	I. Balance End of Year	690,680	607,821	520,179	427,480	329,432	225,725	116,034	12	0	
		E.	Current Year Interest Rate* Net of discount		5.525*	5.525*	5.525*	5.525*	5.525*	5.525*	5.525*	5.525*	5.525*	
9018001	6	A.	06/01/96	F. Balance First of Year	1,709,132	1,608,623	1,501,945	1,388,722	1,268,551	1,141,006	1,005,634	861,956	709,461	547,608
Fixed		B.	2,704,167	G. Plus: Interest	98,225	92,186	85,776	78,973	71,752	64,089	55,955	47,322	38,159	28,434
		C.	35 Years	H. Less: Payments	198,734	198,863	198,999	199,144	199,297	199,460	199,633	199,817	200,012	200,219
		D.	6.000%	I. Balance End of Year	1,608,623	1,501,945	1,388,722	1,268,551	1,141,006	1,005,634	861,956	709,461	547,608	375,623
		E.	Current Year Interest Rate* Net of discount		5.875*	5.875*	5.875*	5.875*	5.875*	5.875*	5.875*	5.875*	5.875*	5.875*
9019001	7	A.	06/01/96	F. Balance First of Year	1,175,111	1,139,403	1,101,316	1,060,692	1,017,363	971,149	921,856	869,280	813,203	753,391
Fixed		B.	1,559,794	G. Plus: Interest	74,071	71,739	69,251	66,597	63,767	60,748	57,528	54,094	50,431	46,524
		C.	35 Years	H. Less: Payments	109,780	109,825	109,874	109,926	109,982	110,041	110,104	110,171	110,243	110,320
		D.	6.500%	I. Balance End of Year	1,139,403	1,101,316	1,060,692	1,017,363	971,149	921,856	869,280	813,203	753,391	689,595
		E.	Current Year Interest Rate* Net of discount		6.375*	6.375*	6.375*	6.375*	6.375*	6.375*	6.375*	6.375*	6.375*	6.375*
20007	8	A.	09/18/03	F. Balance First of Year	54,229									
Fixed		B.	431,738	G. Plus: Interest	1,341									
		C.	35 Years	H. Less: Payments	55,570									
		D.	5.050%	I. Balance End of Year	0									
		E.	Current Year Interest Rate* Net of discount		4.925*									

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
CFC Loan Summary

				2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
20008	9 A.	09/18/03	F. Balance First of Year	106,012	46,462								
Fixed	B.	411,670	G. Plus: Interest	4,301	1,192								
	C.	35 Years	H. Less: Payments	63,851	47,654								
	D.	5.250%	I. Balance End of Year	46,462	0								
	E. Current Year Interest Rate* Net of discount			5.125*	5.125*								
20009	10 A.	09/18/03	F. Balance First of Year	150,026	97,931	42,912							
Fixed	B.	416,009	G. Plus: Interest	7,026	4,167	1,154							
	C.	35 Years	H. Less: Payments	59,121	59,187	44,065							
	D.	5.500%	I. Balance End of Year	97,931	42,912	0							
	E. Current Year Interest Rate* Net of discount			5.375*	5.375*	5.375*							
20010	11 A.	09/18/03	F. Balance First of Year	102,179	76,878	50,118	21,813						
Fixed	B.	230,005	G. Plus: Interest	5,127	3,700	2,188	599						
	C.	35 Years	H. Less: Payments	30,428	30,460	30,494	22,411						
	D.	5.650%	I. Balance End of Year	76,878	50,118	21,813	0						
	E. Current Year Interest Rate* Net of discount			5.525*	5.525*	5.525*	5.525*						
20011	12 A.	09/18/03	F. Balance First of Year	115,074	93,128	69,916	45,364	19,395					
Fixed	B.	224,754	G. Plus: Interest	5,908	4,670	3,360	1,975	524					
	C.	35 Years	H. Less: Payments	27,854	27,882	27,912	27,943	19,919					
	D.	5.650%	I. Balance End of Year	93,128	69,916	45,364	19,395	0					
	E. Current Year Interest Rate* Net of discount			5.525*	5.525*	5.525*	5.525*	5.525*					
20012	13 A.	09/18/03	F. Balance First of Year	106,211	89,945	72,733	54,518	35,242	14,844				
Fixed	B.	187,042	G. Plus: Interest	5,585	4,659	3,679	2,641	1,543	399				
	C.	35 Years	H. Less: Payments	21,851	21,872	21,894	21,917	21,941	15,243				
	D.	5.700%	I. Balance End of Year	89,945	72,733	54,518	35,242	14,844	0				
	E. Current Year Interest Rate* Net of discount			5.575*	5.575*	5.575*	5.575*	5.575*	5.575*				
20013	14 A.	09/18/03	F. Balance First of Year	22,594	19,133	15,470	11,594	7,492	3,151				
Fixed	B.	39,789	G. Plus: Interest	1,188	991	782	562	328	85				
	C.	35 Years	H. Less: Payments	4,649	4,654	4,658	4,663	4,669	3,236				
	D.	5.700%	I. Balance End of Year	19,133	15,470	11,594	7,492	3,151	0				
	E. Current Year Interest Rate* Net of discount			5.575*	5.575*	5.575*	5.575*	5.575*	5.575*				
	99 Total Debt & Debt Service		CFC										
	A. Debt First of Year			5,203,672	4,534,224	3,932,235	3,409,080	2,959,775	2,537,561	2,153,215	1,847,269	1,522,675	1,300,998
	B. Funds Advanced			0	0	0	0	0	0	0	0	0	0
	C. Interest			289,244	253,376	220,399	192,962	167,584	143,620	123,706	105,451	88,590	74,958
	D. Payments			958,692	855,365	743,554	642,267	589,798	527,966	429,654	430,045	310,267	310,538
	E. Debt End of Year			4,534,224	3,932,235	3,409,080	2,959,775	2,537,561	2,153,215	1,847,269	1,522,675	1,300,998	1,065,418

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
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Other Loan Summary

					2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
15	1	A.	11/19/04	F. Balance First of Year	1,328,785	1,299,912	1,269,691	1,238,037	1,204,884	1,170,159	1,133,787	1,095,692	1,055,791	1,013,999
Fixed		B.	1,443,000	G. Plus: Interest	63,042	61,838	60,167	58,828	57,013	55,323	53,552	51,698	49,756	47,722
		C.	35 Years	H. Less: Payments	91,896	91,859	91,820	91,780	91,738	91,694	91,648	91,599	91,548	91,495
		D.	4.658%	I. Balance End of Year	1,299,912	1,269,691	1,238,037	1,204,884	1,170,159	1,133,787	1,095,692	1,055,791	1,013,999	970,226
		E.	Current Year Interest Rate		4.783	4.783	4.783	4.783	4.783	4.783	4.783	4.783	4.783	4.783
30	2	A.	09/06/05	F. Balance First of Year	1,425,375	1,370,852	1,314,213	1,255,376	1,194,257	1,130,765	1,064,811	996,297	925,124	851,190
Fixed		B.	1,649,739	G. Plus: Interest	55,501	53,316	51,047	48,689	46,240	43,696	41,053	38,308	35,456	32,493
		C.	35 Years	H. Less: Payments	110,024	109,955	109,883	109,809	109,731	109,651	109,567	109,480	109,390	109,296
		D.	3.625%	I. Balance End of Year	1,370,852	1,314,213	1,255,376	1,194,257	1,130,765	1,064,811	996,297	925,124	851,190	774,387
		E.	Current Year Interest Rate		3.950	3.950	3.950	3.950	3.950	3.950	3.950	3.950	3.950	3.950
10	3	A.	06/30/09	F. Balance First of Year	8,244,275	7,934,756	7,620,246	7,300,664	6,975,928	6,645,955	6,310,661	5,969,960	5,623,764	5,271,986
Fixed		B.	10,000,000	G. Plus: Interest	140,462	135,081	129,614	124,058	118,413	112,677	106,848	100,925	94,907	88,791
		C.	35 Years	H. Less: Payments	449,981	449,592	449,196	448,794	448,386	447,971	447,549	447,121	446,685	446,243
		D.	1.603%	I. Balance End of Year	7,934,756	7,620,246	7,300,664	6,975,928	6,645,955	6,310,661	5,969,960	5,623,764	5,271,986	4,914,534
		E.	Current Year Interest Rate		1.728	1.728	1.728	1.728	1.728	1.728	1.728	1.728	1.728	1.728
	99	Total Debt & Debt Service		Other										
		A.	Debt First of Year		10,998,415	10,605,519	10,204,149	9,794,077	9,375,068	8,946,879	8,509,259	8,061,948	7,604,679	7,137,174
		B.	Funds Advanced		0	0	0	0	0	0	0	0	0	0
		C.	Interest		259,005	250,035	240,627	231,373	221,685	211,695	201,453	190,931	180,118	169,006
		D.	Payments		651,900	651,405	650,899	650,383	649,855	649,315	648,763	648,200	647,623	647,034
		E.	Debt End of Year		10,605,519	10,204,149	9,794,077	9,375,068	8,946,879	8,509,259	8,061,948	7,604,679	7,137,174	6,659,147

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Bond Summary

			2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 A.	04/04/05	F. Balance First of Year	2,571,429	2,476,191	2,380,953	2,285,715	2,190,477	2,095,239	2,000,001	1,904,763	1,809,525	1,714,287
B.	3,000,000	G. Plus: Interest	91,311	70,992	68,262	65,531	62,801	60,071	57,340	54,610	51,879	49,149
C.	0 Years	H. Less: Payments	186,549	166,230	163,500	160,769	158,039	155,309	152,578	149,848	147,117	144,387
D.	0.000%	I. Balance End of Year	2,476,191	2,380,953	2,285,715	2,190,477	2,095,239	2,000,001	1,904,763	1,809,525	1,714,287	1,619,049
E. Current Year Interest Rate			3.651	2.867	2.867	2.867	2.867	2.867	2.867	2.867	2.867	2.867
2 A.	12/09/05	F. Balance First of Year	2,177,419	2,096,774	2,016,129	1,935,484	1,854,839	1,774,194	1,693,549	1,612,904	1,532,259	1,451,614
B.	2,500,000	G. Plus: Interest	96,743	93,160	89,577	85,994	82,410	78,827	75,244	71,661	68,078	64,495
C.	0 Years	H. Less: Payments	177,388	173,805	170,222	166,639	163,055	159,472	155,889	152,306	148,723	145,140
D.	0.000%	I. Balance End of Year	2,096,774	2,016,129	1,935,484	1,854,839	1,774,194	1,693,549	1,612,904	1,532,259	1,451,614	1,370,969
E. Current Year Interest Rate			4.443	4.443	4.443	4.443	4.443	4.443	4.443	4.443	4.443	4.443
3 A.	05/16/06	F. Balance First of Year	2,143,411	2,064,025	1,984,639	1,905,253	1,825,867	1,746,481	1,667,095	1,587,709	1,508,323	1,428,937
B.	2,421,261	G. Plus: Interest	113,172	108,981	104,789	100,597	96,406	92,214	88,023	83,831	79,639	75,448
C.	0 Years	H. Less: Payments	192,558	188,367	184,175	179,983	175,792	171,600	167,409	163,217	159,025	154,834
D.	0.000%	I. Balance End of Year	2,064,025	1,984,639	1,905,253	1,825,867	1,746,481	1,667,095	1,587,709	1,508,323	1,428,937	1,349,551
E. Current Year Interest Rate			5.280	5.280	5.280	5.280	5.280	5.280	5.280	5.280	5.280	5.280
4 A.	12/31/09	F. Balance First of Year	4,186,047	4,031,008	3,875,969	3,720,930	3,565,891	3,410,852	3,255,813	3,100,774	2,945,735	2,790,696
B.	4,186,047	G. Plus: Interest	150,665	145,278	139,890	134,102	128,515	122,927	117,340	111,752	106,164	100,577
C.	0 Years	H. Less: Payments	305,904	300,317	294,729	289,141	283,554	277,966	272,379	266,791	261,203	255,616
D.	0.000%	I. Balance End of Year	4,031,008	3,875,969	3,720,930	3,565,891	3,410,852	3,255,813	3,100,774	2,945,735	2,790,696	2,635,657
E. Current Year Interest Rate			3.604	3.604	3.604	3.604	3.604	3.604	3.604	3.604	3.604	3.604
99 Total Debt & Debt Service		Bonds										
A. Debt First of Year			11,078,306	10,667,998	10,257,690	9,847,382	9,437,074	9,026,766	8,616,458	8,206,150	7,795,842	7,385,534
B. Funds Advanced			0	0	0	0	0	0	0	0	0	0
C. Interest			452,091	418,410	402,317	386,224	370,131	354,039	337,946	321,853	305,761	289,668
D. Payments			862,399	829,718	812,625	796,532	780,439	764,347	748,254	732,161	716,069	699,976
E. Debt End of Year			10,667,998	10,257,690	9,847,382	9,437,074	9,026,766	8,616,458	8,206,150	7,795,842	7,385,534	6,975,226

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Existing Loan Data

Type Loan	Issue Date	Loan I.D.	Fixed/Variable	Original Balance	Original Rate - %	Discount Rate - %	Term Pmts.	Defer. Pmts.	Payments Per Year	Current Balance	Current Payment	Current Rate - %	Rollover Freq. Yrs.
RUS	01/26/83	1B250	Fixed	1,780,500	5.000%	0.000%	420	24	12	729,469			
RUS	01/26/83	1B252	Fixed	1,780,500	5.000%	0.000%	420	24	12	731,646			
RUS	03/05/87	1B260	Fixed	3,029,000	5.000%	0.000%	420	24	12	1,697,238			
RUS	03/05/87	1B263	Fixed	3,029,000	5.000%	0.000%	420	24	12	1,745,683			
RUS	03/03/93	1B270	Fixed	1,766,000	5.000%	0.000%	420	24	12	1,300,547			
RUS	03/03/93	1B276	Fixed	1,766,000	5.000%	0.000%	420	24	12	1,335,708			
RUS	08/01/96	1B280	Fixed	2,000,000	5.000%	0.000%	420	24	12	1,630,565			
RUS	08/01/96	1B281	Fixed	1,520,000	5.000%	0.000%	420	24	12	1,239,229			
RUS	08/01/96	1B282	Fixed	1,500,000	5.000%	0.000%	420	24	12	1,230,300			
RUS	08/01/96	1B283	Fixed	2,100,000	5.000%	0.000%	420	24	12	1,734,989			
RUS	08/01/96	1B284	Fixed	1,026,000	5.000%	0.000%	420	24	12	854,075			
RUS	08/01/96	1B285	Fixed	183,663	5.000%	0.000%	420	24	12	155,922			
RUS	10/03/05	1B290	Fixed	6,000,000	4.840%	0.000%	420	24	12	5,823,534			
RUS	10/03/05	1B291	Fixed	8,000,000	0.490%	0.000%	420	24	12	7,842,405			
CFC	06/01/96	9004001	Fixed	440,000	5.650%	0.125%	140		4	31,147	8,064	5.650%	0
CFC	06/01/96	9007001	Fixed	1,401,000	5.650%	0.125%	140		4	230,112	24,836	5.650%	0
CFC	06/01/96	9011001	Fixed	430,000	5.650%	0.125%	140		4	112,788	7,510	5.650%	0
CFC	06/01/96	9014001	Fixed	1,399,000	5.800%	0.125%	140		4	520,038	26,752	5.800%	0
CFC	06/01/96	9017001	Fixed	1,607,000	5.650%	0.125%	140		4	769,019	30,037	5.650%	0
CFC	06/01/96	9018001	Fixed	2,704,167	6.000%	0.125%	140		4	1,709,132	50,206	6.000%	0
CFC	06/01/96	9019001	Fixed	1,559,794	6.500%	0.125%	140		4	1,175,111	27,808	6.500%	0
CFC	09/18/03	20007	Fixed	431,738	5.050%	0.125%	140		4	54,229	18,545	5.050%	0
CFC	09/18/03	20008	Fixed	411,670	5.250%	0.125%	140		4	106,012	15,989	5.250%	0
CFC	09/18/03	20009	Fixed	416,009	5.500%	0.125%	140		4	150,026	14,821	5.500%	0
CFC	09/18/03	20010	Fixed	230,005	5.650%	0.125%	140		4	102,179	7,636	5.650%	0
CFC	09/18/03	20011	Fixed	224,754	5.650%	0.125%	140		4	115,074	6,997	5.650%	0
CFC	09/18/03	20012	Fixed	187,042	5.700%	0.125%	140		4	106,211	5,494	5.700%	0
CFC	09/18/03	20013	Fixed	39,789	5.700%	0.125%	140		4	22,594	1,169	5.700%	0
Other	06/30/09	10	Fixed	10,000,000	1.603%	-0.125%	140		4	8,244,275	109,955	1.603%	0
Other	11/19/04	15	Fixed	1,443,000	4.658%	-0.125%	140		4	1,328,765	22,562	4.658%	0
Other	09/06/05	30	Fixed	1,649,739	3.825%	-0.125%	140		4	1,425,375	27,067	3.825%	0

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NAVOPACHE ELECTRIC COOPERATIVE, INC.
BASE CASE WITH PROPOSED RATE CHANGE AND PROPOSED LINE EXTENSION POLICY CHANGE
Existing Bonds

			Principal / Interest									
Bond Date	Original Balance	Current Balance	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
12/31/09	4,186,047	4,186,047	155,039	155,039	155,039	155,039	155,039	155,039	155,039	155,039	155,039	**********
			3	3	3	3	3	3	3	3	3	**********
04/04/05	3,000,000	2,571,429	95,238	95,238	95,238	95,238	95,238	95,238	95,238	95,238	95,238	**********
			3	2	2	2	2	2	2	2	2	**********
12/09/05	2,500,000	2,177,419	80,645	80,645	80,645	80,645	80,645	80,645	80,645	80,645	80,645	**********
			4	4	4	4	4	4	4	4	4	**********
05/16/06	2,421,261	2,143,411	79,386	79,386	79,386	79,386	79,386	79,386	79,386	79,386	79,386	**********
			5	5	5	5	5	5	5	5	5	**********

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