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Arizona Corporation Commission

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Attorneys for Intervenor
IBEW Local 387

BEFORE THE ARIZONA
CORPORATION COMMISSION

DOCKETED BY *[Signature]*

IN THE MATTER OF THE
APPLICATION OF NAVOPACHE
ELECTRIC COOPERATIVE, INC., AN
ELECTRIC COOPERATIVE
NONPROFIT MEMBERSHIP
CORPORATION, FOR A
DETERMINATION OF 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-01787A-11-0186

NOTICE OF FILING SUMMARY
OF TESTIMONY

Pursuant to the Administrative Law Judge's Procedural Order (p. 3) dated August 22, 2011, Intervenor Local Union 387, International Brotherhood of Electrical Workers, AFL-CIO, CLC ("IBEW Local 387"), by and through undersigned counsel, hereby provides notice of its filing of the attached Summary of Testimony of G. David Vandever in this docket.

RESPECTFULLY SUBMITTED this 24th day of April, 2012.

LUBIN & ENOCH, P.C.

[Signature]
Jarrett J. Haskovec, Esq.

Attorney for Intervenor
IBEW Local 387

1 Original and thirteen (13) copies
2 of Intervenor's Notice filed
3 this 24th day of April, 2012, with:

4 Arizona Corporation Commission
5 Docket Control Center
6 1200 West Washington Street
7 Phoenix, Arizona 85007-2996

8 Copies of the foregoing
9 transmitted electronically or
10 via regular mail this same date to:

11 Lyn Farmer, Chief ALJ
12 Hearing Division
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007-2927

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2 **SUMMARY OF TESTIMONY OF G. DAVID VANDEVER**
3 **ON BEHALF OF IBEW LOCAL 387**

4 **Navopache Electric Cooperative, Inc., Rate Case**
5 **Docket No. E-01787A-11-0186**

6 Mr. G. David Vandever, Business Manager/Financial Secretary for Intervenor
7 IBEW Local 387, submitted direct testimony in this matter on February 1, 2012.

8
9 In his direct testimony, Mr. Vandever expresses IBEW Local 387's unqualified
10 support for Navopache's application for a rate hike. He notes the key role of
11 Navopache's employees, many of whom IBEW Local 387 represents, as constitutionally-
12 recognized stakeholders in this regulatory process and of the importance of ensuring that
13 Navopache is able to offer a competitive wage and benefit package to its employees. He
14 explains that such an employment package is essential to ensure that a utility like
15 Navopache is able to attract and retain highly-skilled and talented employees with a view
16 to providing safe and reliable service to customers.

17
18 Mr. Vandever further states that current rates are not sufficient to support a level
19 of labor-related expenditure necessary to attract and retain the numbers of skilled
20 electrical workers required to provide safe and reliable service well into the future. He
21 points out the extent of employee attrition and the overall workforce reduction in recent
22 years, stating that at least some portion of such attrition is the result of Navopache's
23 inability to provide more competitive wages and benefits under its existing rate structure
24 *vis-à-vis* other Arizona utilities. Finally, he notes the significant and partly avoidable
25 costs of replacing and training employees, including highly-skilled employees such as
26 Journeyman Linemen, who are lost through attrition.
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