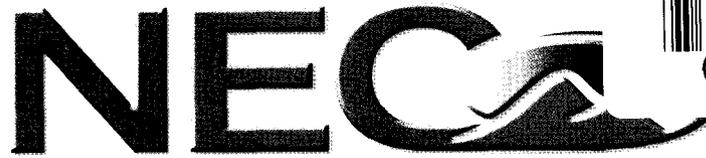


ORIGINAL



NAVOPACHE ELECTRIC COOPERATIVE



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July 9, 2012

Arizona Corporation Commission
DOCKETED

JUL 10 2012

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

DOCKETED BY

Re: Navopache Electric Cooperative, Inc. Comments to Arizona Corporation Commission Staff's Draft Proposed Rule Filed on June 15, 2012: ***Rate Case and Financing Rules for Nonprofit, Cooperatively-owned Gas, Electric or Water Utilities; Docket No. RU-00000A-12-0270***

Dear Sir/Madam:

Navopache Electric Cooperative, Inc. (NEC) provides the following comments on the Arizona Corporation Commission Staff's Proposed Rules ("Proposed Rules") filed in this docket on June 25, 2012. NEC appreciates the efforts of the ACC Staff for all of their work on the Proposed Rule and willingness to accept comments from the cooperatives in developing the Proposed Rule. NEC is supportive of the Proposed Rule with the exceptions as described in Grand Canyon State Electric Cooperative Association (GCSECA) letter dated June 28, 2012.

NEC supports GCSECA's two positions. First, a 15-year time period between full rate cases and the flexibility to file five rate cases would reduce the cost burden on our members. Secondly, NEC supports the deletion of the statutory reference to A.R.S. 42-5151. Deletion of the statute cite will remove any possible confusion on this issue, but still restrict coverage only to cooperatives/nonprofits providing electric or natural gas service, i.e., not water, sewer or telephone.

Sincerely,

Charles R. Moore, P.E.
Chief Executive Officer

Original and thirteen (13) copies

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