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BEFORE THE ARIZONA CORPORATI

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**COMMISSIONERS**  
BOB STUMP - CHAIRMAN  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

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2013 MAY 22 A 11: 35  
ARIZONA CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

MAY 22 2013

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF )  
TRICO ELECTRIC COOPERATIVE, INC, AN )  
ARIZONA CORPORATION, FOR AUTHORITY )  
TO BORROW THE ADDITIONAL SUM OF )  
\$58,786,000 FROM THE UNITED STATES OF )  
AMERICA (RDUP) AND THE ADDITIONAL )  
SUM OF \$25,194,000 FROM NATIONAL RURAL )  
UTILITIES COOPERATIVE, AND TO )  
EVIDENCE SAID LOANS BY EXECUTION OF )  
LOAN AGREEMENTS, PROMISSORY NOTES )  
AND SECURITY DOCUMENTS REQUIRED BY )  
THE LENDERS. )

DOCKET NO. E-01461A-07-0433

**APPLICATION UNDER  
A.R.S. § 40-252 TO  
AMEND DECISION NO. 70399**

**(Expedited Consideration  
Requested)**

Trico Electric Cooperative, Inc. ("Trico") hereby requests the Arizona Corporation Commission to amend Decision No. 70399 (July 3, 2008) to extend the financing authority granted in that Decision for six months -- from December 31, 2013 until July 31, 2014. Due to the economic downturn, Trico's construction needs slowed and certain available Rural Utilities Service ("RUS") financing will not be fully utilized by the end of 2013. However, Trico has and will have a continuing need for construction financing and desires to utilize the remaining RUS funding that was the subject of Decision No. 70399.

In support of this Application, Trico states as follows:

1. On July 23, 2007, Trico filed an application in this docket for authorization to borrow \$83,979,000 from the United States of America through the RUS.

2. The RUS financing was intended to cover the construction of additional and supplemental facilities to meet expected growth in Trico's service area and to allow Trico to maintain its plant in sound condition to be able to continue to provide safe and reliable electric

1 service. The proposed RUS financing consisted of a 35-year amortizing loan that permitted  
2 multiple draws over an estimated five-year period.

3 3. The Commission approved the requested financing authority, subject to certain  
4 conditions, in Decision No. 70399. One of the conditions was that the financing authority granted  
5 would terminate on December 31, 2013. This termination date comported with the anticipated  
6 five-year construction work plan that would be built with the RUS financing.

7 4. In light of Decision No. 70399, Trico entered into an RUS Loan Contract dated  
8 July 1, 2008, under which the RUS issued a guarantee of a loan in the amount of \$83, 979,000 to  
9 be used by Trico to finance certain system extensions and improvements (“RUS Loan Contract”).  
10 The RUS Loan Contract had a termination date of July 31, 2013.

11 5. Due to the unforeseen downturn in the local economy and the resulting delay in the  
12 completion of planned system extensions and additions, Trico will not complete the construction  
13 plan within the anticipated five years. As of December 31, 2012, Trico had borrowed \$41,500,000  
14 of the \$83,979,000 under RUS Loan Contract. However, Trico still has and will have a continuing  
15 need for advances of the remaining balance under RUS Loan Contract to fund its construction  
16 work plans beyond the July 31, 2013 termination date. As a result, Trico sought an extension of  
17 the RUS Loan Contract.

18 6. Trico has received tentative approval from the RUS to extend the loan until July 15,  
19 2014. However, RUS also has informed Trico that Trico must obtain necessary regulatory  
20 approval by July 1, 2013 in order for the RUS extension to be effective. In order for Trico to  
21 access funds under this extension, Trico is now requesting the Commission to extend the financing  
22 authority granted in Decision No. 70399 from December 31, 2013 to July 31, 2014.

23 7. The RUS Loan Contract provides an economic source of financing for cooperatives  
24 such as Trico. Trico submits that it is in the public interest to extend the financing authority  
25 granted in Decision No. 70399 to allow Trico continued access to financing under the RUS Loan  
26 Contract.

27

1 **Relief Requested**

2 Pursuant to A.R.S. 40-252, Trico requests that the Commission re-open Decision No.  
3 70399 for the sole and limited purpose of extending the termination date for the financing  
4 authority from December 31, 2013 to July 31, 2014.

5 Trico also requests that the Commission grant this application at the Commission's June  
6 10-11, 2013 open meeting. Trico hereby waives the 10-day exception period to facilitate the  
7 expedited consideration of this Application.

8 RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of May 2013.

9 TRICO ELECTRIC COOPERATIVE, INC.

10  
11 By 

12 Michael W. Patten  
13 ROSHKA DEWULF & PATTEN, PLC  
14 One Arizona Center  
15 400 East Van Buren Street, Suite 800  
16 Phoenix, Arizona 85004

17 Attorneys for Trico Electric Cooperative, Inc.

18 Original and 13 copies of the foregoing  
19 filed this 22<sup>nd</sup> day of May 2013 with:

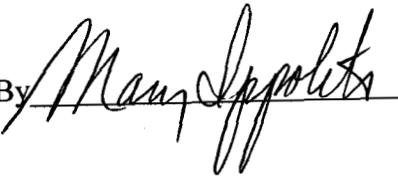
20 Docket Control  
21 Arizona Corporation Commission  
22 1200 West Washington Street  
23 Phoenix, Arizona 85007

24 Copy of the foregoing hand-delivered/mailed  
25 this 22<sup>nd</sup> day of May 2013 to:

26 Janice M. Alward, Esq.  
27 Chief Counsel, Legal Division  
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3 Arizona Corporation Commission  
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