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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP
Chairman
GARY PIERCE
Commissioner
BRENDA BURNS
Commissioner
BOB BURNS
Commissioner
SUSAN BITTER SMITH
Commissioner

Arizona Corporation Commission

DOCKETED

SEP 23 2013

DOCKETED BY
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IN THE MATTER OF THE APPLICATION
OF GRAHAM COUNTY ELECTRIC
COOPERATIVE, INC. FOR APPROVAL OF
ITS ELECTRIC ENERGY EFFICIENCY
IMPLEMENTATION PLAN FOR 2014 AND
2015.

DOCKET NO. E-01749A-13-0184
DECISION NO. 74088
ORDER

Open Meeting
September 10 and 11, 2013
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

INTRODUCTION

1. Graham County Electric Cooperative, Inc. ("GCEC" or the "Company") is certificated to provide electric service within portions of Arizona, pursuant to authority granted by the Arizona Corporation Commission ("Commission").

2. On June 3, 2013, GCEC filed an application with the Commission requesting approval of its Electric Energy Efficiency Implementation Plan for 2014 and 2015 ("2014-2015 EE Plan").

3. GCEC's Demand Side Management ("DSM") portfolio and current adjustor rate were approved in Decision No. 73257 dated July 30, 2012, at a budget level of \$103,271 with a DSM surcharge set at \$0.0007 per kWh. GCEC is not proposing any changes to the currently approved

...

1 DSM adjustor rate mechanism or the Energy Efficiency (“EE”) programs already in place, which
2 are as follows:

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC. APPROVED ENERGY EFFICIENCY PROGRAMS/MEASURES			
Existing Measures	Decision No.	Date	Staff’s benefit-cost ratio
Refrigerator/Freezer Appliance Recycling Program	73257	7/30/2012	1.07
Residential CFL Lighting Program	73257	7/30/2012	2.19
Residential Low Income Weatherization Program	73257	7/30/2012	1.02
Residential Behavior Conservation Program	73257	7/30/2012	1.46

10 EE PLAN OVERVIEW

11 3. GCEC has had in place a DSM Plan for slightly over one year. Over the course of
12 the year, GCEC has taken steps to implement as many of the programs as possible. According to
13 GCEC’s DSM Compliance filing dated March 21, 2013, actual DSM surcharge collections for
14 2012 totaled \$48,947 while expenses for 2012 were just over \$9,000, leaving a balance in the
15 DSM account of \$39,827. Given the anticipated expense from fully implementing all of the EE
16 programs, GCEC is requesting the DSM surcharge remain at \$0.0007 per kWh with the 2014-15
17 EE Plan.

18 RECENT COMMISSION DIRECTION

19 4. During the Open Meeting held June 11, 2013, the Commission directed that a generic
20 docket be opened to address DSM and EE in the State of Arizona (Docket No. E-00000XX-13-
21 0214). The Commission approved recently filed DSM/EE Plans for certain utilities only as they
22 related to their Plans’ status quo; i.e., new programs or additions to existing programs were not
23 approved.

24 MEASUREMENT AND EVALUATION

25 5. GCEC intends to monitor and evaluate each of the programs on at least a bi-annual
26 basis to ensure they are meeting projected goals and objectives. This monitoring would include,
27 but is not limited to:

28 ...

- 1 • A review of customer accounts comparing past energy usage with current energy
- 2 usage.
- 3 • Follow-up surveys with customers regarding any changes that they may/may not
- 4 have made to their energy usage using information provided by GCEC and/or third
- 5 party contractors.
- 6 • Review and analysis of information provided by third party implementation
- 7 contractors who have assisted with the management of programs.

8 6. The Company should discontinue a program or measure upon determining it to be no
9 longer cost-effective. The Company should notify Staff in advance of discontinuing a program or
10 measure. Once a program or measure is discontinued, the Company must file acknowledgement in
11 this docket.

12 ENERGY EFFICIENCY BUDGET AND ADJUSTOR SURCHARGE

13 7. GCEC has requested a budget increase of \$8,284 to \$111,555 for 2014 and 2015. A
14 summary of GCEC's proposed budget, by program, can be seen in the table below along with
15 Staff's recommendations:

16 Table 1
17 GRAHAM COUNTY ELECTRIC COOPERATIVE
2014-2015 EE PLAN BUDGET

	<u>Current Budget</u>	<u>GCEC Proposed</u>	<u>Staff Proposed</u>
	<u>2013</u>	<u>2014-15</u>	<u>2014-15</u>
Refrigerator/Freezer Appliance Recycling Program*	\$10,079	\$8,820	\$10,079
Residential CFL Lighting Program	\$6,000	\$9,500	\$6,000
Residential LIW Program	\$49,000	\$49,500	\$49,000
Residential Conservation Behavior Program	\$23,300	\$23,300	\$23,300
Residential TOU Program	-	-	-
Advertising Budget	\$6,265	\$9,280	\$6,265
Administration Budget	\$8,627	\$11,155	\$8,627
Total Operating Cost	\$103,271	\$111,555	\$103,271

24 *The current budget for the Refrigerator/Freezer Appliance Recycling Program includes \$1,259 for advertising. GCEC's proposed
25 budget for this program shows the same advertising dollars included in the Advertising Budget. Staff's proposed budget for this
program includes \$1,259 for advertising in the Refrigerator/Freezer Appliance Recycling Program budget.

26 STAFF ANALYSIS AND RECOMMENDATIONS

27 8. Based on the above, Staff has recommended that GCEC continue with its EE
28 programs at the currently approved budget.

1 IT IS FURTHER ORDERED that the DSM surcharge remain at the current level of
2 \$0.0007 per kWh.

3 IT IS FURTHER ORDERED that should Graham County Electric Cooperative, Inc.
4 discontinue a program or measure upon determining it to be no longer cost-effective, the Company
5 shall notify Staff in advance of discontinuing a program or measure.

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IT IS FURTHER ORDERED that Graham County Electric Cooperative, Inc. not file its next Energy Efficiency Implementation Plan until further order of the Commission.

IT IS FURTHER ORDERED that Graham County Electric Cooperative, Inc.'s 2014-2015 Energy Efficiency Implementation Plan, as modified by this Decision and filed in compliance with A.A.C. R14-2-2418, is hereby deemed sufficient in meeting the filing requirements of A.A.C. R14-2-213.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

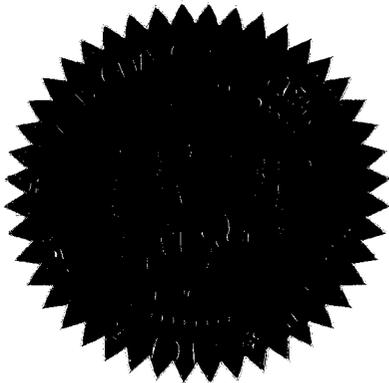

CHAIRMAN


COMMISSIONER


COMMISSIONER


COMMISSIONER


COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 23rd day of September, 2013.


JODI JERICH
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

SMO:RSP:sms\WVC

1 SERVICE LIST FOR:
2 DOCKET NO. E-01749A-13-0184
3 Than Ashby
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12 Arizona Corporation Commission
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