

ORIGINAL



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BEFORE THE ARIZONA CORPORATIO

RECEIVED

COMMISSIONERS

BOB STUMP—Chairman
GARY PIERCE
BRENDA BURNS
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SUSAN BITTER SMITH

2013 SEP 25 P 1:22

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

SEP 25 2013

DOCKETED BY

IN THE MATTER OF THE APPLICATION
OF SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC., FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS PROPERTY FOR RATEMAKING
PURPOSES, TO FIX A JUST AND
REASONABLE RATE OF RETURN
THEREON, TO APPROVE RATES
DESIGNED TO DEVELOP SUCH RETURN,
AND FOR RELATED APPROVALS.

DOCKET NO. E-01575A-13-0296

NOTICE OF MAILING CUSTOMER
NOTICE

Brownstein Hyatt Farber Schreck, LLP
One East Washington, Suite 2400
Phoenix, AZ 85004

On September 9, 2013, Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or the "Cooperative") caused a notice to be mailed to its customers via First Class Mail stating that the Cooperative intends to file a streamlined rate case on or about September 27, 2013, to increase rates and charges pursuant to A.R.S. § 40-250 and A.A.C. R14-2-107, the Arizona Corporation Commission's rule authorizing the filing of streamlined rate applications by electric and natural gas cooperatives. Attached hereto as Exhibit A is a copy of the Affidavit of John S. Blair, Chief Member Services Officer of SSVEC, evidencing completion of the mailing of the customer notice in accordance with A.A.C. R14-2-107(D).

RESPECTFULLY submitted this 25th day of September, 2013.

BROWNSTEIN HYATT FARBER SCHRECK LLP

Jeffrey W. Crockett, Esq.
One East Washington Street, Suite 2400
Phoenix, Arizona 85004
Attorneys for Sulphur Springs Electric Cooperative,
Inc.

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1 ORIGINAL and thirteen (13) copies of the
2 foregoing filed this 25th day of September, 2013, with:

3 Docket Control
4 ARIZONA CORPORATION COMMISSION
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered
8 this 25th day of September, 2013, to:

9 Lyn Farmer, Chief Administrative Law Judge
10 Hearing Division
11 ARIZONA CORPORATION COMMISSION
12 1200 West Washington Street
13 Phoenix, Arizona 85007

14 Janice Alward, Chief Counsel
15 Legal Division
16 ARIZONA CORPORATION COMMISSION
17 1200 West Washington Street
18 Phoenix, Arizona 85007

19 Steve Olea, Director
20 Utilities Division
21 ARIZONA CORPORATION COMMISSION
22 1200 West Washington Street
23 Phoenix, Arizona 85007

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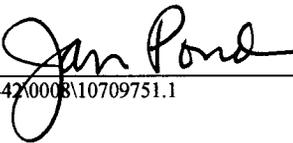

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Exhibit A

ATTACHMENT 1

IMPORTANT RATE INCREASE NOTICE – PLEASE READ

Sulphur Springs Valley Electric Cooperative (“SSVEC” or “Cooperative”) has notified the Arizona Corporation Commission (“Commission”) that it intends to file a streamlined application (“Streamlined Application”) on or about September 27, 2013, to increase its rates and charges pursuant to A.R.S. § 40-250 and A.A.C. R14-2-107 (“Rule 107”), the Commission’s rule authorizing the filing of streamlined rate applications for electric and natural gas cooperatives. SSVEC is requesting an overall rate increase of \$4,886,307, or 4.92% over actual test year total base revenue. SSVEC states that the rate increase is necessary to recover increased operating costs in the following categories: operation and maintenance, consumer accounts, customer service and information, sales, administrative and general, depreciation and amortization, taxes, interest and payroll. SSVEC further states that the rate increase will allow SSVEC to maintain the financial integrity of the Cooperative.

A residential customer with monthly energy consumption of 720 kWh (average usage) will see an increase in his/her bill of \$5.13 per month (\$95.87 to \$101.00), or 5.35%. A residential customer with monthly energy consumption of 602 kWh (median usage) will see an increase in his/her bill of \$4.61 per month (\$81.51 to \$86.12), or 5.66%. The proposed percentage increases by rate class over existing base rates are:

Residential Service	5.35%	Residential Time of Use Service	5.17%
General Service	5.90%	Gen. Svc. & Small Power TOU	6.00%
Irrigation Service	4.95%	Controlled Irrigation Service	5.00%
Large Interruptible Service	5.00%	Large Power Service	4.00%
Seasonal Power Service	3.85%	Industrial Power Service	4.00%
Large Power Time of Use (TOU) Service	4.00%	Contract Power Service	**
General Service - RV Parks	4.85%	Street Lighting	4.81%
Security Lighting	4.81%	Unmetered Service	4.10%

** Rate increases for the contract power service class are negotiated.

For a residential customer, the maximum allowable rate increase permitted for SSVEC under Rule 107 is 9% or \$8.63 per month for a customer with average usage and \$7.34 per month for a customer with median usage. SSVEC’s proposed residential customer increase is less than the maximum allowable increase.

Processing the Streamlined Application

Rule 107 provides streamlined procedures that should reduce rate case expense for processing rate applications of electric and natural gas cooperatives where (i) the requested increase in total base revenue does not exceed 6% of the actual test year total base revenue; (ii) the change in base revenue generated by any one rate class is no greater than 150% of the overall base revenue increase; (iii) there is no change greater than 25% in the customer charge within a rate schedule for residential customers; and (iv) there is no change in the rate blocks or the percentage relationship of the prices among rate blocks. You can view the entire Rule 107 at <http://images.edocket.azcc.gov/docketpdf/0000143393.pdf>. The rule requires that not sooner than 20 days or later than 50 days after providing this notice to customers, SSVEC may file its Streamlined Application to increase rates. Streamlined refers to the fact that such an application will be processed under a shorter time-frame than a rate increase application filed pursuant to A.A.C. R14-2-103 (“Rule 103”) and, therefore, receive a less comprehensive (possibly less costly) review/analysis by Commission Staff than a Rule 103 review/analysis. SSVEC’s Streamlined Application may be approved without a formal evidentiary hearing. However, the Commission may at any time - at the request of Staff, an intervenor, or on its own - require SSVEC’s rate increase application to be processed pursuant to the more comprehensive Rule 103 requirements. You can view the entire Rule 103 at http://www.azsos.gov/public_services/Title_14/14-02.htm#ARTICLE_1.

A person desiring to object to the Streamlined Application or to request intervention in the rate case shall file the objection or the intervention request not later than the date specified below. Within 14 days after the deadline for objections and intervention requests, the Commission's Utilities Division Staff must determine the eligibility and sufficiency of the Streamlined Application under Rule 107.

If the Commission receives objections from at least 1,000 SSVEC customers by October 9, 2013, SSVEC will not be eligible to use the Rule 107 streamlined rate increase application procedure, but will instead need to use the Rule 103 rate increase application process which would involve a formal evidentiary hearing and a more comprehensive (possibly more costly—SSVEC reports that the costs of the last rate case were approximately \$1,290,000 while costs of this rate case are expected to be \$200,000) review/analysis by Commission Staff.

Public Comment and Intervention

Written public comments regarding SSVEC's Streamlined Application, including objections to it being processed pursuant to the alternative Rule 107 streamlined requirements, may be submitted by mailing a letter referencing Docket No. E-01575A-13-0296 to the Commission's Consumer Services Section at 1200 W. Washington, Phoenix, Arizona 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to:

<http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm1.pdf>.

Requests to intervene may be filed in Docket No. E-01575A-13-0296 by any person entitled by law to intervene or who is directly and substantially affected by the proceeding. If you require assistance, either to provide public comment or to seek intervention, you may contact the Commission's Consumer Services Section at 602-542-4251 or 1-800-222-7000, or you may contact SSVEC during normal business hours at 520-458-4691. All motions to intervene and all objections to the Application must be filed on or before October 9, 2013.

How You Can View or Obtain a Copy of the Application and Other Filed Documents

A copy of the Streamlined Application is available for public inspection during regular business hours on SSVEC's website at www.ssvect.org; and SSVEC's offices located at 350 N. Haskell, Willcox, Arizona 85643 and 311 E. Wilcox Drive, Sierra Vista, Arizona 85635. After September 27, 2013, a copy of the Streamlined Application will also be available for public inspection during regular business hours at the Commission's Docket Control Center at 1200 W. Washington Street, Phoenix, Arizona, 85007, in the Commission's Tucson Office at 400 W. Congress, Tucson, Arizona, 85701 and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

SSVEC Contact Information

Sulphur Springs Valley Electric Cooperative, Inc.
311 E. Wilcox Drive
Sierra Vista, Arizona 85635
Phone: 520-458-4691

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, e-mail SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

ATTACHMENT 2

Company Detail	
Company Name	TMC (DBA THE MAILING COMPANY)
Address	3347 W FLOWER ST PHOENIX, AZ 85017-4816
Contact Name	POSTAL CUSTOMER
Phone Number	(602)484-0010
Profit Indicator	P
PS Form 3607R - Mailing Transaction Receipt	
Account Holder Account Number	████████
Account Holder Permit Number	████████
Account Holder Permit Type	PI
Account Holder CRID	3917353
Post Office of Permit	PHOENIX AZ 85026-9998
Post Office of Mailing	PHOENIX AZ 85026-9998
Post Office of Permit Cost Center	036364-0960
Post Office of Mailing Cost Center	036364-0960
Mailing Agent Name	
Mailing Agent CRID	
Mail Owner Name	
Mail Owner CRID	
JOB ID	
Customer Reference ID	
CAPS Transaction Number	N/A
Class of Mail	First-Class Mail and First-Class Package Service
Processing Category	Letters (may include Postcards)
Postage Statement ID	169779084
Mailing Group ID	124874036
Mailer's Mailing Date	09/09/2013
Total Pieces	38,275 pcs.
Weight of a single-piece	0.0231 lbs.
Total Weight	918.6000 lbs.
Total Number of Containers	84
Total Adjusted Postage	\$ 14,049.14
Payment Date and Time	09/09/2013 14:09
Payment Transaction Number	201325216094084M0
Mailer Figures Adjusted?	No
Person authorizing adjustment	
Name	
Phone Number	
Acceptance Site Mailer ID	
Clerk Initials	SAP
Mail Arrival Date and Time	09/09/2013 13:52