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**BEFORE THE ARIZONA CORPORATION COMMISSION**

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

REC'D  
AZ CORP COMMISSION  
DOCKET CONTROL

2014 FEB 7 PM 4 26

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

**COMPLIANCE FILING PURSUANT  
TO DECISION NO. 74296**

Pursuant to Decision No. 74296, dated January 29, 2014, Navopache Electric  
Cooperative, Inc. ("NEC"), by and through undersigned counsel, hereby submits its form of Schedule  
E "Bill Estimation Methodologies Tariff" with an effective date of January 29, 2014.

RESPECTFULLY SUBMITTED this 7<sup>th</sup> day of February, 2014.

CURTIS, GOODWIN, SULLIVAN,  
UDALL & SCHWAB, P.L.C.

By:

Michael A. Curtis  
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Cooperative, Inc.

Arizona Corporation Commission

**DOCKETED**

FEB 07 2014

DOCKETED BY

**ORIGINAL**

PROOF OF AND CERTIFICATE OF MAILING

1  
2 I hereby certify that on this 7<sup>th</sup> day of February, 2014, I caused the foregoing  
3 document, with attachments, to be served on the Arizona Corporation Commission by delivering the  
4 original and thirteen (13) copies of the above to:

5 Docket Control  
6 Arizona Corporation Commission  
7 1200 West Washington  
8 Phoenix, Arizona 85007

9 With a copy of the foregoing e-mailed  
10 this 7<sup>th</sup> day of February, 2014 to:

11 Scott Hesla, Esq.  
12 shesla@azcc.gov

13 Steve Olea  
14 solea.azcc.gov

15 Nicholas J. Enoch, Esq.  
16 nicholas.enoch@azbar.org  
17 Attorneys for IBEW Local 387

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**NAVOPACHE ELECTRIC COOPERATIVE, INC.**  
**Lakeside, Arizona**

**SCHEDULE NO. E**  
**BILL ESTIMATION METHODOLOGIES TARIFF**

**Effective:** January 29, 2014.

**Availability**

To all standard offer and direct access customers in the Cooperative's Certificated Area.

**Applicability**

For the express purpose of bill estimation for all tariffs in the event a valid meter reading cannot be acquired. The Cooperative will make every reasonable attempt to secure an accurate reading of the customer's meter. This tariff is not applicable to standby, supplementary or resale service.

**Conditions for Estimated Bills**

Estimated bills will be issued only under the following conditions:

- A. Failure of a customer who reads their own meter to deliver their meter reading to the Cooperative in accordance with the requirements of the Cooperative billing cycle.
- B. Severe weather conditions, emergencies or other causes beyond the Cooperative's control which prevent the Cooperative from reading the meter.
- C. Circumstances that make it dangerous or impossible to read the meter, including but not limited to: locked gates, blocked access to meters, threatening or abusive conduct of customers, vicious or dangerous animals or missing meters.
- D. Labor shortage due to circumstances such as unforeseen illnesses, natural disasters, or other extreme events; or other work stoppages beyond the control of the Cooperative.
- E. To facilitate timely billing for customers using load profiles.

**Notice of Estimation**

Each bill based on estimated usage will indicate that it is an estimated bill and note the reason for estimation.

**Estimation Procedures**

The Cooperative currently utilizes a customer information system (CIS) and/or billing personnel for billing, bill calculations and bill estimations

- A. Bill estimation procedures and various conditions which may apply are described in detail. The various conditions described are not limited to only those mentioned.

	<b>Condition</b>	<b>Estimation Procedures</b>
1.	A kWh estimate with at least one year of history for the same customer at same premise, or new customer with at least one year of premise history	Estimate using the kWh, same month one year prior and/or the amount of usage during the preceding month, from the same premise.
2.	A kWh estimate with less than 12 months of history for the same customer at the same premise	Estimate using the kWh of the preceding month from the same premise.

**NAVOPACHE ELECTRIC COOPERATIVE, INC.**  
**Lakeside, Arizona**

**SCHEDULE NO. E**  
**BILL ESTIMATION METHODOLOGIES TARIFF**

3.	A kWh estimate with less than 12 months of history for a new customer, but with history at the premise	Estimate using the kWh of the preceding month from the same premise.
4.	A kWh estimate with no prior consumption history	Bill the fixed monthly customer charge, plus applicable taxes only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.
5.	A kW estimate with at least one year of history for the same customer at the same premise or new customer with one year of premise history	Calculate the estimate using the kW, same month one year prior and/or the preceding month, from the same premise.
6.	A kW estimate with less than 12 months of history for the same customer at the same premise	Calculate the estimate using the kW of the preceding month from the same premise.
7.	A kW estimate with less than 12 months of history for a new customer but with history at the premise	Calculate the estimate using the kW of the preceding month from the same premise.
8.	A kW estimate with no prior consumption history	Do not estimate. A service order is issued for a meter technician to obtain a valid read.
9.	Time-Of-Use estimate with at least one year of history for the same customer at the same premise or a new customer with at least one year of premise history	Time-Of-Use has two readings, "On-Peak" and "Off Peak." Calculate the estimate using the "On Peak" and "Off Peak" reads, the same month one year prior and/or the preceding month from the same premise.
10.	Time-Of-Use estimate with less than 12 months history for the same customer at the same premise	Time-Of-Use has two readings, "On-Peak" and "Off Peak." Calculate the estimate using the "On Peak" and "Off Peak" kWh of the preceding month from the same premise.
11.	Time-Of-Use estimate with less than 12 months history for a new customer but with history on the premise	Time-Of-Use has two readings, "On-Peak" and "Off Peak." Calculate the estimate using the "On Peak" and "Off Peak" kWh of the preceding month from the same premise.
12.	Time-Of-Use estimate with no prior consumption history for a new customer at new premise	Bill the fixed monthly customer charge, plus applicable taxes only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.

**B. Variance in estimation methods for differing conditions.**

Examples of differing causes for estimation include, but are not limited to:

tampering, energy diversion, damaged or destroyed meter, partial meter failure, and meter reading equipment failure.

**NAVOPACHE ELECTRIC COOPERATIVE, INC.**  
**Lakeside, Arizona**

**SCHEDULE NO. E**  
**BILL ESTIMATION METHODOLOGIES TARIFF**

In the event the meter has been tampered with or destroyed, or energy diversion has occurred, the methods referred to in "Item A" above still apply, prorating the usage if the estimation period is less than a full billing cycle. Examples of such can include, but are not limited to the following:

*Tampering and/or Energy Diversion:*

A valid read was obtained on October 1, Year Two. A tampering or energy diversion is discovered on October 15<sup>th</sup>. The meter has the same reading from October 1, Year Two. An investigation reveals the service is active and electricity is being consumed. The same service history indicated a kWh usage of 900 kWh for the month of October Year One. A manual estimate will prorate based upon a daily average of the 900 kWh divided by the number of days in the history record the same month (31) for a total of 29 kWh per day, times the number of days tampered (15), for a final estimate of 435 kWh.

If the service does not have a 12-month history, the same formula is used with the past 3-month average.

In the event the investigation reveals evidence that the tampering or energy diversion occurred for a period exceeding one month, the Cooperative will use the applicable estimation procedure to the point in time that the tampering or energy diversion may be definitely determined, or 12 months.

*Meter Damaged/Destroyed:*

The same estimation procedure is performed as prescribed in "Item A" if it is determined that the damage or destruction is caused by the customer to the point in time that the damage or destruction may be definitely determined, or 12 months.

In the event the damage or destruction is otherwise caused, the estimation procedure is the same as describe in "Item A," but the customer's responsibility is limited to 3 months for residential customers and 6 months for all other classifications of customers.

*Partial Meter Failure:*

If a meter is found to be deficient in recording any portion of the actual usage, the kW and kWh are estimated based on the percentage of deficiency for a period limited to 3 months for residential customers and 6 months for non-residential customers.

For accounts where it is determined that the meter has failed, a reading will be obtained from the new meter after 7 days. The usage will be determined by using the daily average calculated from the new meter, less 20%. Charges for under-billings of failed meters will be limited to 3 months for residential meters and 6 months for non-residential meters. In instances where the Cooperative believes the customer's usage patterns were different during the failed period than those used to determine the estimate, then the Cooperative may adjust its estimate downward.

C. Conditions when estimations are calculated by the CIS system.

The CIS system calculates the estimate when the meter of a service does not record a valid read for the normal billing cycle for any of the reasons listed under "Conditions for Estimated Bills."

D. Conditions when estimations are made manually.

The manual estimate is made by Cooperative personnel when there is a partial meter failure, weather related differences (previous year's usage is reflective of unseasonable or greatly varied

**NAVOPACHE ELECTRIC COOPERATIVE, INC.**  
**Lakeside, Arizona**

**SCHEDULE NO. E**  
**BILL ESTIMATION METHODOLOGIES TARIFF**

temperatures), or there is tampering, or a damaged/destroyed meter for less than the normal billing cycle and the bill must be prorated.

**E. Procedures to minimize the need for using estimated data.**

If feasible, the meter reader is asked to return to the service premise for a valid read. If the service has access problems an Offsite Meter Reading (OMR) or Automated Meter Reading (AMR) device may be installed. However, the Cooperative shall have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with Cooperative property used in furnishing service and to exercise any and all rights secured to it by law or the Arizona Corporation Commission.

**F. Procedures for estimating first and final bills.**

First and final bills are not estimated unless the meter fails. If the reading is not recorded for the first bill, the first bill is issued for the fixed monthly charges plus applicable taxes only. The total kWh will be billed on the first valid read. The final bill is not issued until such time a valid read is secured.

In the event of metering equipment that is damaged, destroyed or absent for the first or final bill, the estimate is the same as Items B and D above.

In the event of metering equipment failure for the first or final bill, the estimate is the same as Items B and D above.

In the event of metering equipment that is damaged, destroyed or absent for an account with a demand reading, for the first or final bill, the kWh and/or kW estimate is based on the connected equipment operating characteristics.

**G. Procedure for estimation using customer specific data.**

If there is no service history available on which to base an estimate, the kWh and/or kW estimate is based on the connected equipment operating characteristics.