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COMMISSIONERS

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Arizona Corporation Commission

DOCKETED

AUG 01 2014

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

ORIGINAL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF THE ARIZONA ELECTRIC POWER COOPERATIVE, INC. FOR A HEARING TO DETERMINE 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-01773A-12-0305

APPLICATION TO REMOVE THE EFFECTS OF PPAs FROM AEPCO RATES

GALLAGHER & KENNEDY, P.A.
2575 E. CAMELBACK ROAD
PHOENIX, ARIZONA 85016-9225
(602) 530-8000

Pursuant to the requirements of the Third Ordering Paragraph at page 22 of AEPCO's most recent rate decision (No. 74173) (the "Decision"), AEPCO submits this Application to remove from its rates the costs and charges associated with two purchase power contracts which will expire on October 31, 2014.

Attached as Exhibit A are an exemplar All-Requirements Member tariff and an exemplar Partial-Requirements Member Schedule (the "Tariffs") which reflect a decrease in the AEPCO rates to be charged four of AEPCO's members: the Anza Electric Cooperative, Inc. ("Anza"), the Duncan Valley Electric Cooperative, Inc. ("DVEC"), the Graham County Electric Cooperative, Inc. ("GCEC") and the Trico Electric Cooperative, Inc. ("Trico"). Exhibit B is a Rate and Revenues Generated Summary for the test year ended December 31, 2011 that provides supporting detail for the calculation of the decreases stated in the Tariffs. The revised rates reflected in the Tariffs will take effect on November 1, 2014 – the day after the purchase power contracts expire.

1 costs of charges of the expiring purchase power contracts. The Commission approved that
2 request in the First Ordering Paragraph at page 23 of the Decision.

3 **REVISED TARIFFS AND SUPPORTING DETAIL**

4 The Tariffs attached as Exhibit A reflect removal from AEPCO rates costs and charges
5 relating to the South Point and Griffith contracts. The revised rates will apply to the ARMs' and
6 Trico's usage on and after November 1, 2014, the day after the PPAs expire. The form of the
7 Tariffs is the same as the tariffs filed in this docket on October 31, 2013 to put in effect the rates
8 the Commission approved in the Decision. The only revision to the Tariffs is to reflect the effect
9 of removing from rates the costs and charges associated with the PPAs. Specifically, after
10 adjusting for the expiration of the PPAs, the following charges and rates applicable to the ARMs
11 and Trico are revised: Fixed Charge, O&M Charge and Other Resources Energy Rate.
12 Expiration of the PPAs also requires slight revisions to the Purchased Power and Fuel
13 Adjustment Clause ("PPFAC") bases for Other Resources and Fixed Power Costs.

14 Exhibit B provides the detail supporting the removal of the PPAs and the corresponding
15 effects on the rates charged Anza, DVEC, GCEC and Trico. As shown on Exhibit B, pages 6
16 and 7, the revenue collected from Anza, DVEC and GCEC will drop by slightly more than 1%
17 compared to the revenues approved in the Decision while revenues received from Trico will
18 decrease by more than 8%. The reason for the disparity in the rate decreases is that most of the
19 power procured from the South Point and Griffith contracts was secured to meet the needs of
20 Trico. Correspondingly, Trico was assigned a much higher allocation of the costs of the
21 contracts than the other three members.

22 The revised rates and PPFAC bases will take effect November 1, 2014. Therefore, on or
23 before October 1, 2014, AEPCO will file revised tariffs incorporating (1) the revisions described

1 herein (to remove the costs and charges associated with the PPAs) and (2) the revised PPFAC
2 rates/charges and bank charges to be established in AEPCO's next fuel adjustor filing. Pursuant
3 to the Final Ordering Paragraph at page 20 of the Decision, AEPCO's next fuel adjustor filing is
4 scheduled to take effect on October 1, 2014. The rates stated in that PPFAC filing will be in
5 effect for the month of October until the revised tariffs take effect on November 1, 2014.²

6 **CONCLUSION**

7 As a rate decrease which also has been authorized to be filed by the Commission, another
8 Commission decision is not required in order for the revised tariffs to take effect on November 1,
9 2014. AEPCO will respond promptly to any questions concerning it. The Commission and
10 Staff's assistance in this regard is appreciated.

11 RESPECTFULLY SUBMITTED this 1st day of August, 2014.

12 GALLAGHER & KENNEDY, P.A.

13
14 By 

15 Michael M. Grant
16 Jennifer A. Cranston
17 2576 East Camelback Road
Phoenix, Arizona 85016-9225
Attorneys for Arizona Electric Cooperative, Inc.

18 **Original and 13 copies** filed this
19 1st day of August, 2014, with:

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

22
23 ² The Tariffs attached as Exhibit A include "TBD" placeholders for the revised PPFAC rates/charges and bank
charges that will go into effect on October 1, 2014.

1 **Copies** of the foregoing delivered
this 1st day of August, 2014, to:

2
3 Bridget Humphrey
4 Legal Division
5 Arizona Corporation Commission
6 1200 West Washington Street
7 Phoenix, Arizona 85007

8
9 Scott Hesla
10 Legal Division
11 Arizona Corporation Commission
12 1200 West Washington Street
13 Phoenix, Arizona 85007

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15 Charles Hains
16 Legal Division
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19 Phoenix, Arizona 85007

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21 Terri Ford
22 Utilities Division
23 Arizona Corporation Commission
24 1200 West Washington Street
Phoenix, Arizona 85007

Barbara Keene
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Candrea Allen
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 **Copies** of the foregoing mailed
2 this 1st day of August, 2014, to:

3 Michael W. Patten
4 Roshka DeWulf & Patten, PLC
5 One Arizona Center
6 400 East Van Buren Street, Suite 800
7 Phoenix, Arizona 85004
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9 Russell E. Jones
10 Waterfall, Economidis, Caldwell,
11 Hanshaw & Villamana P.C.
12 5210 East Williams Circle, Suite 800
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14 Attorneys for Trico Electric Cooperative, Inc.

15 Vincent Nitido
16 Karen Cathers
17 Trico Electric Cooperative, Inc.
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19 P.O. Box 930
20 Marana, Arizona 85653

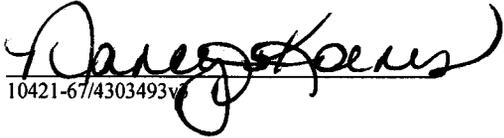
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31 Sierra Vista, Arizona 85635

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37 Phoenix, Arizona 85012-3205
38 Attorneys for Mohave Electric Cooperative, Inc.

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2 P.O. Box 1045
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3 Peggy Gillman
4 Mohave Electric Cooperative, Inc.
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5 Bullhead City, Arizona 86430

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EXHIBIT A

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

TARIFF

PERMANENT

Effective Date: November 1, 2014

AVAILABILITY

Available to all cooperative associations which are or shall be collective all-requirements Class A members ("CARM") of the Arizona Electric Power Cooperative, Inc. ("AEPCO").

MONTHLY RATE (BILLING PERIOD)

Electric power and energy furnished under this Tariff will be subject to the rates set forth in the attached Exhibit A and the terms set forth herein in addition to any applicable terms set forth in the Member's Wholesale Power Contract.

Billing Month – The first calendar month preceding the month the bill is rendered.

Demand Overrun Adjustment – If, in any hour, the CARM's metered load exceeds its Allocated Capacity, then AEPCO shall compute a Demand Overrun Adjustment for the CARM and each Member shall be charged a portion of such Demand Overrun Adjustment in proportion to that Member's demand ratio share. Such Demand Overrun Adjustment shall equal the product of the CARM's Fixed Charge multiplied by the demand overrun adjustment factor. The demand overrun adjustment factor shall be any non-negative number determined from the following formula:

$$\text{doaf} = ((\text{mbdkW}) / \text{AC}) - 1$$

Where:

doaf = Demand Overrun Adjustment Factor,
mbdkW = Metered kW of CARM, and
AC = Allocated Capacity of CARM, in kW.

In addition, Member shall pay for the energy associated with the Demand Overrun Adjustment at the then-applicable Other Resources Energy Rate.

Power Factor – Each Member shall maintain Power Factor at the time of maximum demand as close to unity as possible. If the Power Factor of Member measured at the aggregated Member's Delivery Point(s) at the time of Member peak demand is outside a bandwidth of 95% leading to 95% lagging, a Power Factor Adjustment shall be separately charged to the Member. The Power Factor Adjustment shall be the product of the Member's power factor adjustment (as set forth

below) multiplied by the quotient of the Member's demand ratio share of the CARM O&M Charge divided by the sum of the CARM's 12-month rolling average demand. The power factor adjustment shall be any non-negative number determined from the following formula:

$$pfakW = ((mkW / mpf)(bpf)) - mkW$$

Where:

pfakW = power factor adjustment in kW,
mkW = Member Metered kW,
mpf = measured power factor at the time of Member peak demand, and
bpf = 0.95.

The provisions of the power factor adjustment may be waived if power factor is detrimentally impacted as a direct result of system improvements or a change in operational procedure by AEPCO to reduce transmission losses and/or improve system reliability.

Capacity and Energy Below Allocated Capacity – If CARM is utilizing a Future Resource, Supplemental Purchase, S&G PPA in any hour to serve Native Load and CARM fails to take its required share of Minimum Base Capacity or Minimum Other Capacity, CARM shall pay a charge as set forth in Section 2.4 of Rate Schedule A to the Member's Wholesale Power Contract.

Taxes – Bills rendered are subject to adjustment for all federal, state and local government taxes or levies, including any taxes or levies imposed as a carbon tax or "cap and trade" or other carbon assessments system imposed on electricity sales or electricity production and any assessments that are or may be imposed by federal or state regulatory agencies on electric utility gross revenues.

Transmission and Ancillary Service Charges – Each Class A member shall also be billed by AEPCO for charges AEPCO incurs for the transmission of power and energy to the Class A member's delivery point(s). Such charges will be assessed to the Class A member at the rates actually charged AEPCO by the transmission provider and others for transmission service and the provision of ancillary services.

Power Cost Adjustor Rates and Power Cost Bank Charges

"Base Resources" are defined as (1) AEPCO's Steam Turbine Units 2 and 3, (2) power purchased under contract from the Western Area Power Administration and (3) economy purchases displacing base resources generation.

"Other Resources" are defined as (1) AEPCO's generation units other than Steam Turbine Units 2 and 3, (2) power purchased under contracts which serve the combined scheduled loads of AEPCO's Class A members plus power purchased under contract and economy energy purchases (other than economy purchases displacing base resources generation) made for the purpose of meeting the scheduled load requirements of all Class A members and (3) power purchased under contracts or resources which have been acquired to serve Class A Member load and which the Member has expressly agreed to in a participation agreement.

“Fixed Power Costs” are defined as those costs that do not vary directly with the production and/or purchase of electric power and energy. Such costs include, but are not limited to, demand charges, reservation charges, and wheeling expenses that do not vary directly with energy take.

The monthly bill computed under this Tariff shall, using the procedures stated herein, be increased or decreased by the monthly fixed costs adjustor charge, the monthly bank charges and an amount equal to the result of multiplying the kWh derived from each resource type by the applicable Power Cost Adjustor Rate for Base Resources and Other Resources where:

Base Resources Adjustor Rate

BF = BPC - \$0.02958

BF = Base Resources Power Cost Adjustor Rate in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

BPC = The Commission-allowed pro forma fuel costs of Base Resources generation, the purchased power costs of Base Resources and wheeling costs associated with Base Resources in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

Allowable Base Resources fuel, purchased power and wheeling costs include:

- A. The costs of fossil fuel and natural gas consumed in AEPCO’s Steam Generating Units 2 and 3 as recorded in RUS Account 501 (excluding those costs identified as Fixed Power Costs), plus
- B. The actual costs associated with Base Resources power purchased for reasons other than identified in paragraph (C) below as recorded in RUS Account 555 (excluding those costs identified as Fixed Power Costs), plus
- C. The cost of energy purchased when such energy is purchased on an economic dispatch basis to substitute for higher cost Base Resources energy as recorded in RUS Account 555, plus
- D. The firm and non-firm wheeling expenses associated with the delivery of Base Resources energy as recorded in RUS Account 565 (excluding those costs identified as Fixed Power Costs) excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to the CARM, less
- E. The energy costs recovered through non-tariff contractual firm sales of Base Resources power and energy as recorded in RUS Account 447, less
- F. The energy costs recovered through inter-system economy energy and/or intra-system resource transfer sales of Base Resources power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

Base Resources Bank Charge

$$\text{BBC} = \text{BBA} / 6 *$$

BBC = Base Resources Bank Charge in dollars per month, rounded to the nearest cent (\$0.01).

BBA = The "Base Resources Bank Account" represents allowable accumulated fuel, purchased power and wheeling costs in dollars over- or under-collected in the past from Base Resources, rounded to the nearest cent (\$0.01).

* The BBC for each individual CARM is based on the accumulated (over)/under collected BBA for that individual Member.

Other Resources Adjustor Rate

$$\text{OF} = \text{OPC} - \$0.03899$$

OF = Other Resources Power Cost Adjustor Rate in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

OPC = The Commission-allowed pro forma fuel costs of Other Resources generation, Other Resources purchased power and wheeling costs associated with Other Resources in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

Allowable Other Resources fuel, purchased power and wheeling costs include:

- A. The costs of fossil fuel and natural gas consumed in AEPCO's Steam Generating Units 1, 4, 5 and 6 as recorded in RUS Accounts 501 and 547 (excluding those costs identified as Fixed Power Costs), plus
- B. The actual costs associated with Other Resources purchased power for reasons other than identified in paragraph (C) below as recorded in RUS Account 555 (excluding those costs identified as Fixed Power Costs), plus
- C. The cost of Other Resources energy purchased when such energy is purchased on an economic dispatch basis. Included therein are such costs as those charged for economy energy purchases and the charges resulting from a scheduled outage of Other Resources generation units. All such kinds of Other Resources energy being purchased by AEPCO to substitute for its own higher cost Other Resources energy as recorded in RUS Account 555, plus
- D. The firm and non-firm wheeling expenses associated with the delivery of Other Resources energy as recorded in RUS Account 565 (excluding those costs identified as Fixed Power Costs), excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to the CARM, less

- E. The energy costs recovered through non-tariff contractual firm sales of Other Resources power and energy as recorded in RUS Account 447, less
- F. The energy costs recovered through inter-system economy energy and/or intra-system resource transfer sales of Other Resources power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

Other Resources Bank Charge

$$\text{OBC} = \text{OBA} / 6 *$$

OBC = Other Resources Bank Charge in dollars per month, rounded to the nearest cent (\$0.01).

OBA = The "Other Resources Bank Account" represents allowable accumulated fuel, purchased power and wheeling costs in dollars over- or under-collected in the past from Other Resources, rounded to the nearest cent (\$0.01).

* The OBC for each individual CARM is based on the accumulated (over)/under collected OBA for that individual Member.

Fixed Power Costs Adjustor Charge

$$\text{FC} = \text{FPC} - \$174,959 *$$

FC = Fixed Power Costs Adjustor Charge in dollars per month, rounded to the nearest cent (\$0.01).

FPC = The Commission-allowed pro forma fixed fuel costs of Base and Other Resources generation, fixed costs of Base and Other Resources purchased power and fixed wheeling costs associated with Base and Other Resources in dollars, rounded to the nearest cent (\$0.01).

Allowable fixed fuel, purchased power and wheeling costs include:

- A. The fixed costs of fossil fuel and natural gas consumed in AEPCO's Steam Generating Units as recorded in RUS Accounts 501 and 547, plus
- B. The fixed costs associated with purchased power as recorded in RUS Account 555, plus
- C. The fixed wheeling expenses associated with the delivery of Base and Other Resources energy as recorded in RUS Account 565, excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to the CARM, less

D. The demand and other fixed costs recovered through non-tariff contractual firm sales of power and energy as recorded in RUS Account 447, less

E. The demand and other fixed costs recovered through inter-system economy energy and/or intra-system resource transfer sales of power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

* The FC is apportioned among the CARMs and allocated to each CARM based upon each CARM's monthly Demand Ratio Share. The Demand Ratio Share is calculated each month as the percentage of each CARM's 12-month rolling average demand to the total of the CARMs' 12-month rolling average demand.

Fixed Power Costs Bank Charge

$$FBC = FBA / 6 *$$

FBC = Fixed Power Costs Bank Charge in dollars per month, rounded to the nearest cent (\$0.01).

FBA = The "Fixed Power Costs Bank Account" represents allowable accumulated fixed fuel, purchased power and wheeling costs in dollars over- or under-collected in the past, rounded to the nearest cent (\$0.01).

* The FBC for each individual CARM is based on the accumulated (over)/under collected FBA for that individual Member.

For purposes of calculating the Power Cost Bank Charges, AEPCO shall separately track each individual CARM's BBA, OBA and FBA. In addition, on a calendar semi-annual basis, AEPCO shall compute the Power Cost Adjustor Rates as specified herein based upon a rolling 12-month average of allowable fuel, purchased power and wheeling costs for the BPC, the OPC and the FPC. AEPCO shall initially file by March 1, 2014 and thereafter on March 1 and September 1 of the month preceding the effective date of the revised Power Cost Adjustor Rates and Power Cost Bank Charges (i.e., April 1 or October 1): (1) calculations supporting the revised Adjustor Rates and Bank Charges with the Director, Utilities Division, and (2) a Tariff reflecting the revised Adjustor Rates and Bank Charges with the Commission, which Tariff shall be effective for billings after the first day of the following month and which shall continue in effect until revised pursuant to the procedures specified herein.

EXHIBIT A

Effective Date	November 1, 2014 (1)
Collective All-Requirements Members:	
Total Fixed Charge/Month	\$272,777 (2)
Total O&M Charge/Month	\$456,549 (2)
Base Resources Energy Rate – \$/kWh	\$0.02958
Other Resources Energy Rate – \$/kWh	\$0.03899

Adjustor Rates/Charges

Base Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Other Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Fixed Power Costs Adjustor Charge – Total \$/mo. (2)	\$TBD*

Bank Charges

Anza Electric Cooperative, Inc.

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

Duncan Valley Electric Cooperative, Inc.

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

Graham County Electric Cooperative, Inc.

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

- (1) Rates are effective for service provided on and after this date.
- (2) The Total Fixed Charge, the Total O&M Charge, and the Fixed Power Costs Adjustor Charge are apportioned among the CARMs and allocated to each CARM based upon each CARM's monthly Demand Ratio Share. The Demand Ratio Share is calculated each month as the percentage of each CARM's 12-month rolling average demand to the total of the CARMs' 12-month rolling average demand.

* Effective October 1, 2014 and determined and revised as set forth in the Tariff.

Arizona Electric Power Cooperative, Inc.

Partial-Requirements Schedule Rates and Fixed Charge (Effective November 1, 2014)

Service provided to Mohave Electric Cooperative, Inc. ("MEC"), Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") and Trico Electric Cooperative, Inc. ("Trico") by the Arizona Electric Power Cooperative, Inc. ("AEPCO") under the Partial Requirements Capacity and Energy Agreements shall be at the rates set forth in the attached Exhibit A and subject to the terms set forth herein in addition to any applicable terms set forth in the Members' Partial Requirements Capacity and Energy Agreements.

Billing Month – The first calendar month preceding the month the bill is rendered.

Demand Overrun Adjustment – If, in any hour, (i) Member's scheduled load (if Member is not in AEPCO's Control Area) or (ii) Member's metered load less capacity obtained from sources outside the Dispatch Pool (if Member is in AEPCO's Control Area) exceeds its Allocated Capacity, then Member shall be charged a Demand Overrun Adjustment. Such Demand Overrun Adjustment shall equal the product of Member's Fixed Charge multiplied by the demand overrun adjustment factor. The demand overrun adjustment factor shall be any non-negative number determined from the following formula:

$$\text{doaf} = ((\text{mbdkW}) / \text{AC}) - 1$$

Where:

- doaf = Demand Overrun Adjustment Factor,
- mbdkW = Member Schedule in kW or Metered kW less capacity from sources outside the Dispatch Pool, as applicable, and
- AC = Allocated Capacity of Member, in kW.

In addition, Member shall pay for the energy associated with the Demand Overrun Adjustment at the then-applicable Other Resources Energy Rate.

Power Factor – Each Member shall maintain Power Factor at the time of maximum demand as close to unity as possible. If the Power Factor of Member measured at the aggregated Member's Delivery Point(s) at the time of Member's peak demand is outside a bandwidth of 95% leading to 95% lagging, a Power Factor Adjustment shall be separately charged to the Member. The Power Factor Adjustment shall be the product of the Member's power factor adjustment (as set forth below) multiplied by the quotient of the Member's O&M Charge divided by the sum of the Member's 12-month rolling average demand. The power factor adjustment kW shall be any non-negative number determined from the following formula:

$$pfakW = ((mkW / mpf)(bpf)) - mkW$$

Where:

pfakW = power factor adjustment in kW,
 mkW = Member Metered kW,
 mpf = measured power factor at the time of Member peak demand, and
 bpf = 0.95.

The provisions of the power factor adjustment may be waived if power factor is detrimentally impacted as a direct result of system improvements or a change in operational procedure by AEPCO to reduce transmission losses and/or improve system reliability.

Taxes – Bills rendered are subject to adjustment for all federal, state and local government taxes or levies, including any taxes or levies imposed as a carbon tax or “cap and trade” or other carbon assessments system imposed on electricity sales or electricity production and any assessments that are or may be imposed by federal or state regulatory agencies on electric utility gross revenues.

Power Cost Adjustor Rates and Power Cost Bank Charges

“Base Resources” are defined as (1) AEPCO’s Steam Turbine Units 2 and 3, (2) power purchased under contract from the Western Area Power Administration and (3) economy purchases displacing base resources generation.

“Other Resources” are defined as (1) AEPCO’s generation units other than Steam Turbine Units 2 and 3, (2) power purchased under contracts which serve the combined scheduled loads of AEPCO’s Class A members plus power purchased under contract and economy energy purchases (other than economy purchases displacing base resources generation) made for the purpose of meeting the scheduled load requirements of all Class A members and (3) power purchased under contracts or resources which have been acquired to serve Class A Member load and which the Member has expressly agreed to in a participation agreement.

“Fixed Power Costs” are defined as those costs that do not vary directly with the production and/or purchase of electric power and energy. Such costs include, but are not limited to, demand charges, reservation charges, and wheeling expenses that do not vary directly with energy take.

The monthly bill computed under this Tariff shall, using the procedures stated herein, be increased or decreased by the monthly fixed costs adjustor charge, the monthly bank charges and an amount equal to the result of multiplying the kWh derived from each resource type by the applicable Power Cost Adjustor Rate for Base Resources and Other Resources where:

Base Resources Adjustor Rate

BF = BPC – BFB

BF = Base Resources Power Cost Adjustor Rate in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

BPC = The Commission-allowed pro forma fuel costs of Base Resources generation, purchased power costs of Base Resources and wheeling costs associated with Base Resources in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

BFB = The Base Resources Fuel Base or BFB is \$0.02931 for MEC, \$0.02975 for SSVEC and \$0.02984 for Trico.

Allowable Base Resources fuel, purchased power and wheeling costs include:

- A. The costs of fossil fuel and natural gas consumed in AEPCO's Steam Generating Units 2 and 3 as recorded in RUS Account 501 (excluding those costs identified as Fixed Power Costs), plus
- B. The actual costs associated with Base Resources power purchased for reasons other than identified in paragraph (C) below as recorded in RUS Account 555 (excluding those costs identified as Fixed Power Costs), plus
- C. The cost of energy purchased when such energy is purchased on an economic dispatch basis to substitute for higher cost Base Resources energy as recorded in RUS Account 555, plus
- D. The firm and non-firm wheeling expenses associated with the delivery of Base Resources energy as recorded in RUS Account 565 (excluding those costs identified as Fixed Power Costs), excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to AEPCO's all-requirements Class A members, less
- E. The energy costs recovered through non-tariff contractual firm sales of Base Resources power and energy as recorded in RUS Account 447, less
- F. The energy costs recovered through inter-system economy energy and/or intra-system resource transfer sales of Base Resources power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

Base Resources Bank Charge

BBC = $BBA / 6$

BBC = Base Resources Bank Charge in dollars per month rounded to the nearest cent (\$0.01).

BBA = The "Base Resources Bank Account" represents allowable accumulated fuel, purchased power and wheeling costs in dollars over- or under-collected in the past from Base Resources, rounded to the nearest cent (\$0.01).

Other Resources Adjustor Rate

OF = OPC – OFB

OF = Other Resources Power Cost Adjustor Rate in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

OPC = The Commission-allowed pro forma fuel costs of Other Resources generation, Other Resources purchased power and wheeling costs associated with Other Resources in dollars per kWh, rounded to the nearest one-thousandth of a cent (\$0.00001).

OFB = The Other Resources Fuel Base or OFB is \$0.04118 for MEC, \$0.04139 for SSVEC and \$0.03723 for Trico.

Allowable Other Resources fuel, purchased power and wheeling costs include:

- A. The costs of fossil fuel and natural gas consumed in AEPCO's Steam Generating Units 1, 4, 5 and 6 as recorded in RUS Accounts 501 and 547 (excluding those costs identified as Fixed Power Costs), plus
- B. The actual costs associated with Other Resources purchased power for reasons other than identified in paragraph (C) below as recorded in RUS Account 555 (excluding those costs identified as Fixed Power Costs), plus
- C. The cost of Other Resources energy purchased when such energy is purchased on an economic dispatch basis. Included therein are such costs as those charged for economy energy purchases and the charges resulting from a scheduled outage of Other Resources generation units. All such kinds of Other Resources energy being purchased by AEPCO to substitute for its own higher cost Other Resources energy as recorded in RUS Account 555, plus
- D. The firm and non-firm wheeling expenses associated with the delivery of Other Resources energy as recorded in RUS Account 565 (excluding those costs identified as Fixed Power Costs), excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to AEPCO's all-requirements Class A members, less
- E. The energy costs recovered through non-tariff contractual firm sales of Other Resources power and energy as recorded in RUS Account 447, and less
- F. The energy costs recovered through inter-system economy energy and/or intra-system resource transfer sales of Other Resources power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

Other Resources Bank Charge

$$\text{OBC} = \text{OBA} / 6$$

OBC = Other Resources Bank Charge in dollars per month, rounded to the nearest cent (\$0.01).

OBA = The "Other Resources Bank Account" represents allowable accumulated fuel, purchased power and wheeling costs in dollars over- or under-collected in the past from Other Resources, rounded to the nearest cent (\$0.01).

Fixed Power Costs Adjustor Charge

$$\text{FC} = \text{FPC} - \text{FFB}$$

FC = Fixed Power Costs Adjustor Charge in dollars per month, rounded to the nearest cent (\$0.01).

FPC = The Commission-allowed pro forma fixed fuel costs of Base and Other Resources generation, fixed costs of Base and Other Resources purchased power and fixed wheeling costs associated with Base and Other Resources in dollars, rounded to the nearest cent (\$0.01).

FFB = The Fixed Power Costs Base or FFB is \$549,433.00 for MEC, \$486,509.00 for SSVEC and \$323,828.00 for Trico.

Allowable fixed fuel, purchased power and wheeling costs include:

- A. The fixed costs of fossil fuel and natural gas consumed in AEPCO's Steam Generating Units as recorded in RUS Accounts 501 and 547, plus
- B. The fixed costs associated with purchased power as recorded in RUS Account 555, plus
- C. The fixed wheeling expenses associated with the delivery of Base and Other Resources energy as recorded in RUS Account 565, excepting network service transmission payments made by AEPCO to Southwest Transmission Cooperative, Inc. for electric power and energy furnished to AEPCO's all-requirements Class A members, less
- D. The demand and other fixed costs recovered through non-tariff contractual firm sales of power and energy as recorded in RUS Account 447, less
- E. The demand and other fixed costs recovered through inter-system economy energy and/or intra-system resource transfer sales of power and energy sold on an economic dispatch basis as recorded in RUS Account 447.

Fixed Power Costs Bank Charge

$$FBC = FBA / 6$$

FBC = Fixed Power Costs Bank Charge in dollars per month, rounded to the nearest cent (\$0.01).

FBA = The "Fixed Power Costs Bank Account" represents allowable accumulated fixed fuel, purchased power and wheeling costs in dollars over- or under-collected in the past, rounded to the nearest cent (\$0.01).

For purposes of calculating the Power Cost Bank Charges, AEPCO shall separately track each individual Partial-Requirements Member's BBA, OBA, and FBA. In addition, on a calendar semi-annual basis, AEPCO shall compute the Power Cost Adjustor Rates as specified herein based upon a rolling 12-month average of allowable fuel, purchased power and wheeling costs for the BPC, the OPC and the FPC. AEPCO shall initially file by March 1, 2014 and thereafter on March 1 and September 1 of the month preceding the effective date of the revised Power Cost Adjustor Rates and Power Cost Bank Charges (i.e., April 1 or October 1): (1) calculations supporting the revised Adjustor Rates and Bank Charges with the Director, Utilities Division, and (2) a Tariff reflecting the revised Adjustor Rates and Bank Charges with the Commission, which Tariff shall be effective for billings after the first day of the following month and which shall continue in effect until revised pursuant to the procedures specified herein.

EXHIBIT A

Effective Date	November 1, 2014 (1)		
	MEC	SSVEC	Trico
Partial-Requirements Members:			
Fixed Charge – \$/month	\$856,617	\$758,513	\$504,878
O&M Charge – \$/month	\$1,433,723	\$1,269,525	\$845,015
Base Resources Energy Rate – \$/kWh	\$0.02931	\$0.02975	\$0.02984
Other Resources Energy Rate – \$/kWh	\$0.04118	\$0.04139	\$0.03723

Adjustor Rates/Charges

MEC

Base Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Other Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Fixed Power Costs Adjustor Charge – Total \$/mo.	\$TBD*

SSVEC

Base Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Other Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Fixed Power Costs Adjustor Charge – Total \$/mo.	\$TBD*

Trico

Base Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Other Resources Power Cost Adjustor Rate – \$/kWh	\$TBD*
Fixed Power Costs Adjustor Charge – Total \$/mo.	\$TBD*

Bank Charges

MEC

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

SSVEC

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

Trico

Base Resources Bank Charge – \$/mo.	\$TBD*
Other Resources Bank Charge – \$/mo.	\$TBD*
Fixed Power Costs Bank Charge – \$/mo.	\$TBD*

(1) Rates are effective for service provided on and after this date.

* Effective October 1, 2014 and determined and revised as set forth in the Tariff.

EXHIBIT B

Arizona Electric Power Cooperative, Inc.

***Rate and Revenues Generated Summary
Test Year Ended December 31, 2011
South Point and Griffith Adjustments per
ACC Decision No. 74173***

August 1, 2014

Arizona Electric Power Cooperative, Inc.
DERIVATION OF REVENUE REQUIREMENTS AND RATES
WITHOUT SOUTH POINT & GRIFFITH CONTRACTS
PER DECISION NO. 74173

LINE NO.	FUNCTIONAL COSTS	DECISION NO. 74173 TRICO ELECTRIC COOPERATIVE	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	TRICO WITHOUT SOUTH POINT & GRIFFITH PPA COSTS	DECISION NO. 74173 COLLECTIVE ALL REQUIREMENTS MEMBERS	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	CARM WITHOUT SOUTH POINT & GRIFFITH PPA COSTS
1	REVENUE REQUIREMENT DEVELOPMENT						
2	FIXED COSTS						
3	BASE RESOURCES	\$4,634,659	\$0	\$4,634,659	\$2,504,034	\$0	\$2,504,034
4	OTHER EXISTING RESOURCES	1,423,871	0	1,423,871	769,295	0	769,295
5	ADDITIONAL RESOURCES	2,869,233	2,869,233	0	94,850	94,850	0
6	SUB-TOTAL	\$8,927,763	\$2,869,233	\$6,058,530	\$3,368,179	\$94,850	\$3,273,329
7							
8	O&M						
9	BASE RESOURCES	\$9,602,133	\$0	\$9,602,133	\$5,187,882	\$0	\$5,187,882
10	OTHER EXISTING RESOURCES	538,052	0	538,052	290,701	0	290,701
11	ADDITIONAL RESOURCES	281,602	281,602	0	75,554	75,554	0
12	SUB-TOTAL	\$10,421,787	\$281,602	\$10,140,185	\$5,554,137	\$75,554	\$5,478,583
13							
14	ENERGY						
15	BASE RESOURCES	\$14,886,019	\$0	\$14,886,019	\$6,851,461	\$0	\$6,851,461
16	OTHER EXISTING RESOURCES	3,264,619	0	3,264,619	660,338	0	660,338
17	ADDITIONAL RESOURCES	3,395,252	258,684	3,136,568	196,707	8,551	188,156
18	SUB-TOTAL	\$21,545,890	\$258,684	\$21,287,206	\$7,708,506	\$8,551	\$7,699,955
19							
20	TOTAL RESOURCE COSTS						
21	BASE RESOURCES	\$29,122,811	\$0	\$29,122,811	\$14,543,377	\$0	\$14,543,377
22	OTHER EXISTING RESOURCES	5,226,542	0	5,226,542	1,720,334	0	1,720,334
23	ADDITIONAL RESOURCES	6,546,087	3,409,519	3,136,568	367,111	178,955	188,156
24	TOTAL	\$40,895,440	\$3,409,519	\$37,485,921	\$16,630,822	\$178,955	\$16,451,867
25							
26							
27	RATE DEVELOPMENT						
28	BILLING DETERMINANTS						
29	BILLING DEMANDS	1,466,322	0	1,466,322	509,624	0	509,624
30	BASE RESOURCE KWH	498,876,619	0	498,876,619	231,625,173	0	231,625,173
31	OTHER EXISTING RESOURCES KWH	76,467,416	0	76,467,416	15,428,608	0	15,428,608
32	ADDITIONAL RESOURCES KWH	101,255,000	5,784,000	95,471,000	6,523,000	191,000	6,332,000
33	TOTAL KWH	676,599,035	5,784,000	670,815,035	253,576,781	191,000	253,385,781
34							
35	MONTHLY CHARGES						
36	FIXED CHARGE	\$743,980	\$239,103	\$504,878	\$280,682	\$7,904	\$272,777
37	O&M CHARGE	\$868,482	\$23,467	\$845,015	\$462,845	\$6,296	\$456,549
38	BASE ENERGY CHARGE	\$0.02984	\$0.00000	\$0.02984	\$0.02958	\$0.00000	\$0.02958
39	OTHER EXISTING RESOURCE ENERGY CHARGE	\$0.03747	\$0.04472	\$0.03723	\$0.03904	\$0.04477	\$0.03899
40	ADDITIONAL RESOURCES CHARGE	\$0.03747	\$0.04472	\$0.03723	\$0.03904	\$0.04477	\$0.03899
41	AVERAGE ENERGY CHARGE	\$0.031844	\$0.044724	\$0.031733	\$0.030399	\$0.044770	\$0.030388

Arizona Electric Power Cooperative, Inc.
DERIVATION OF FUEL BASE CHARGES
WITHOUT SOUTH POINT & GRIFFITH CONTRACTS
PER DECISION NO. 74173

LINE NO.	DESCRIPTION	DECISION NO. 74173			TRICO WITHOUT SOUTH POINT & GRIFFITH PPA			DECISION NO. 74173			CARM WITHOUT SOUTH POINT & GRIFFITH PPA		
		TRICO ELECTRIC COOPERATIVE	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	SOUTH POINT & GRIFFITH PPA COSTS	TRICO ELECTRIC COOPERATIVE	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	SOUTH POINT & GRIFFITH PPA COSTS	MEMBERS REQUIREMENTS	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	SOUTH POINT & GRIFFITH PPA COSTS	MEMBERS REQUIREMENTS	SOUTH POINT & GRIFFITH PPA ADJUSTMENTS	SOUTH POINT & GRIFFITH PPA COSTS
1	FUEL BASE CHARGES:												
2	BASE RESOURCES BASE CHARGE	\$14,886,019	\$0	\$14,886,019	\$14,886,019	\$0	\$14,886,019	\$6,851,461	\$0	\$6,851,461	\$6,851,461	\$0	
3	BASE RESOURCES ENERGY COSTS	498,876,619	0	498,876,619	498,876,619	0	498,876,619	231,625,173	0	231,625,173	231,625,173	0	
4	BASE RESOURCE KWH	\$0.02984	\$0.00000	\$0.02984	\$0.02984	\$0.00000	\$0.02984	\$0.02958	\$0.00000	\$0.02958	\$0.02958	\$0.00000	
5	BASE RESOURCES BASE CHARGE - \$/kWh												
6	OTHER RESOURCES BASE CHARGE	\$6,659,871	\$2,58,684	\$6,401,187	\$6,659,871	\$2,58,684	\$6,401,187	\$857,045	\$8,551	\$848,494	\$848,494	\$8,551	
7	OTHER RESOURCES ENERGY COSTS	177,722,416	5,784,000	171,938,416	177,722,416	5,784,000	171,938,416	21,951,608	191,000	21,760,608	21,760,608	191,000	
8	OTHER RESOURCES KWH	\$0.03747	\$0.04472	\$0.03723	\$0.03747	\$0.04472	\$0.03723	\$0.03904	\$0.04477	\$0.03899	\$0.03899	\$0.04477	
9	OTHER RESOURCES BASE CHARGE - \$/kWh												
10	FIXED FUEL BASE CHARGES												
11	FIXED COSTS:												
12	FIXED COAL COSTS	\$163,224	\$0	\$163,224	\$163,224	\$0	\$163,224	\$88,188	\$0	\$88,188	\$88,188	\$0	
13	FIXED GAS COSTS	924,937	0	924,937	924,937	0	924,937	499,729	0	499,729	499,729	0	
14	PURCHASED DEMAND COSTS:												
15	BASE RESOURCES	193,065	0	193,065	193,065	0	193,065	104,310	0	104,310	104,310	0	
16	OTHER RESOURCES	0	0	0	0	0	0	0	0	0	0	0	
17	ADDITIONAL RESOURCES	2,784,891	2,784,891	0	2,784,891	2,784,891	0	92,062	92,062	0	92,062	92,062	
18	TOTAL PURCHASED DEMAND COSTS	2,977,956	2,784,891	193,065	2,977,956	2,784,891	193,065	196,372	92,062	104,310	104,310	92,062	
19	TRANSMISSION OF ELECTRICITY BY OTHERS												
20	BASE RESOURCES WHEELING	2,505,727	0	2,505,727	2,505,727	0	2,505,727	1,353,805	0	1,353,805	1,353,805	0	
21	OTHER RESOURCES WHEELING	109,051	0	109,051	109,051	0	109,051	58,918	0	58,918	58,918	0	
22	ADDITIONAL RESOURCES WHEELING	219,542	219,542	0	219,542	219,542	0	7,258	7,258	0	7,258	0	
23	TOTAL WHEELING COSTS	2,834,320	219,542	2,614,778	2,834,320	219,542	2,614,778	1,419,981	7,258	1,412,723	1,412,723	7,258	
24	SUBTOTAL	6,900,437	3,004,433	3,896,004	6,900,437	3,004,433	3,896,004	2,204,270	99,320	2,104,950	2,104,950	99,320	
25	FIRM CONTRACT REVENUES	10,071	0	10,071	10,071	0	10,071	5,441	0	5,441	5,441	0	
26	TOTAL FIXED FUEL BASE COST:	\$6,890,366	\$3,004,433	\$3,885,933	\$6,890,366	\$3,004,433	\$3,885,933	\$2,198,828	\$99,320	\$2,099,509	\$2,099,509	\$99,320	
27	FIXED FUEL BASE CHARGES - PER MONTH	\$574,197	\$250,369	\$323,828	\$574,197	\$250,369	\$323,828	\$183,236	\$8,277	\$174,959	\$174,959	\$8,277	

Arizona Electric Power Cooperative, Inc.
Adjusted and Proposed Rate Tariffs
Twelve Months Ended December 31, 2011

Description	Decision 74173 Rates As Adjudicated	Proposed Rate Tariff	Increase (Decrease)
1 Collective All Requirements Members:			
2 Fixed Charge - Per Month	\$ 280,682	\$ 272,777	\$ (7,904)
3 O&M Rate - Per Month	\$ 462,845	\$ 456,549	\$ (6,296)
4			
5 Base Resources Energy Charge - \$/kWh	\$ 0.02958	\$ 0.02958	\$ (0.00000)
6 Base Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
7 Total	\$ 0.02958	\$ 0.02958	\$ (0.00000)
8			
9 Other Resources Energy Charge - \$/kWh	\$ 0.03904	\$ 0.03899	\$ (0.00005)
10 Other Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
11 Total	\$ 0.03904	\$ 0.03899	\$ (0.00005)
12			
13 Partial Requirements Customers:			
14 Mohave Electric Cooperative:			
15 Fixed Charge - Per Month	\$ 856,617	\$ 856,617	\$ -
16 O&M Rate - Per Month	\$ 1,433,723	\$ 1,433,723	\$ -
17			
18 Base Resources Energy Charge - \$/kWh	\$ 0.02931	\$ 0.02931	\$ -
19 Base Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
20 Total	\$ 0.02931	\$ 0.02931	\$ -
21			
22 Other Resources Energy Charge - \$/kWh	\$ 0.04118	\$ 0.04118	\$ -
23 Other Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
24 Total	\$ 0.04118	\$ 0.04118	\$ -
25			
26 Sulphur Springs Valley Electric Cooperative:			
27 Fixed Charge - Per Month	\$ 758,513	\$ 758,513	\$ -
28 O&M Rate - Per Month	\$ 1,269,525	\$ 1,269,525	\$ -
29			
30 Base Resources Energy Charge - \$/kWh	\$ 0.02975	\$ 0.02975	\$ -
31 Base Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
32 Total	\$ 0.02975	\$ 0.02975	\$ -
33			
34 Other Resources Energy Charge - \$/kWh	\$ 0.04139	\$ 0.04139	\$ -
35 Other Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
36 Total	\$ 0.04139	\$ 0.04139	\$ -
37			
38 Trico Electric Cooperative:			
39 Fixed Charge - Per Month	\$ 743,980	\$ 504,878	\$ (239,103)
40 O&M Rate - Per Month	\$ 868,482	\$ 845,015	\$ (23,467)
41			
42 Base Resources Energy Charge - \$/kWh	\$ 0.02984	\$ 0.02984	\$ (0.00000)
43 Base Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
44 Total	\$ 0.02984	\$ 0.02984	\$ (0.00000)
45			
46 Other Resources Energy Charge - \$/kWh	\$ 0.03747	\$ 0.03723	\$ (0.00024)
47 Other Resources Synchron. PPFAC Accrual - \$/kWh	\$ -	\$ -	\$ -
48 Total	\$ 0.03747	\$ 0.03723	\$ (0.00024)
49			

Arizona Electric Power Cooperative, Inc.
Present and Proposed PPFAC Bases
Twelve Months Ended December 31, 2011

Description	Test Period PPFAC Bases As Adjusted	Proposed PPFAC Bases	Increase (Decrease)
1 Collective All Requirements Members:			
2 Fixed Fuel Costs Base	\$183,236	\$174,959	(\$8,277)
3 Base Resources Base	\$0.02958	\$0.02958	\$0.00000
4 Other Resources Base	\$0.03904	\$0.03899	-\$0.00005
5			
6 Partial Requirements Customers:			
7 Mohave Electric Cooperative:			
8 Fixed Fuel Costs Base	\$549,433	\$549,433	\$0
9 Base Resources Base	\$0.02931	\$0.02931	\$0.00000
10 Other Resources Base	\$0.04118	\$0.04118	\$0.00000
11			
12 Sulphur Springs Valley Electric Cooperative:			
13 Fixed Fuel Costs Base	\$486,509	\$486,509	\$0
14 Base Resources Base	\$0.02975	\$0.02975	\$0.00000
15 Other Resources Base	\$0.04139	\$0.04139	\$0.00000
16			
17 Trico Electric Cooperative:			
18 Fixed Fuel Costs Base	\$574,197	\$323,828	(\$250,369)
19 Base Resources Base	\$0.02984	\$0.02984	\$0.00000
20 Other Resources Base	\$0.03747	\$0.03723	-\$0.00024

Arizona Electric Power Cooperative, Inc
Summary of Revenues Generated by Present and Proposed Rates
Twelve Months Ended December 31, 2011

Description	Revenues Generated by Rates Effective November 1, 2013			Revenues Generated by Proposed Rates without S & G PPA Costs			Revenue Increase	
	Billing Units	Billing Rate	Average Unit Cost Mills/kWh	Billing Units	Billing Rate	Average Unit Cost Mills/kWh	\$	%
1 Anza Electric Cooperative, Inc.								
2 Fixed & O&M Monthly Charges	12	\$136,003 ⁽¹⁾	31.85	12	\$133,405 ⁽¹⁾	31.26	\$ (31,170)	
3 Energy Charges:								
4 Base Resources	46,960,331	\$0.02958	29.58	46,960,331	\$0.02958	29.58		
5 Base PPFAC Accrual		\$0.00000	-		\$0.00000	-		
6 Subtotal		\$0.02958	29.58		\$0.02958	29.58	(0)	
7								
8 Other Existing Resources	4,286,751	\$0.03904	39.04	4,249,452	\$0.03899	38.99	165,695	
9 Other PPFAC Accrual		\$0.00000	-		\$0.00000	-		
10 Subtotal		\$0.03904	39.04		\$0.03899	38.99	(1,670)	
11 Total Energy Charges	51,247,082	\$0.03904	39.04	51,209,783	\$0.03899	38.99	165,695	
12 Total		\$3,188,482	62.22		\$3,155,643	61.62	\$ (32,839)	-1.03%
13								
14 Duncan Valley Electric Cooperative, Inc.								
15 Fixed & O&M Monthly Charges	12	\$90,645 ⁽¹⁾	36.73	12	\$88,914 ⁽¹⁾	36.05	\$ (20,774)	
16 Energy Charges:								
17 Base Resources	27,088,557	\$0.02958	29.58	27,088,557	\$0.02958	29.58		
18 Base PPFAC Accrual		\$0.00000	-		\$0.00000	-		
19 Subtotal		\$0.02958	29.58		\$0.02958	29.58	(0)	
20								
21 Other Existing Resources	2,527,675	\$0.03904	39.04	2,505,682	\$0.03899	38.99	97,702	
22 Other PPFAC Accrual		\$0.00000	-		\$0.00000	-		
23 Subtotal		\$0.03904	39.04		\$0.03899	38.99	97,702	
24 Total Energy Charges	29,616,232	\$0.03904	39.04	29,594,239	\$0.03899	38.99	898,980	(985)
25 Total		\$1,987,703	67.12		\$1,965,944	66.43	\$ (21,759)	-1.09%
26								
27 Graham County Electric Cooperative, Inc.								
28 Fixed & O&M Monthly Charges	12	\$516,879 ⁽¹⁾	35.91	12	\$507,007 ⁽¹⁾	35.25	\$ (118,460)	
29 Energy Charges:								
30 Base Resources	157,576,285	\$0.02958	29.58	157,576,285	\$0.02958	29.58		
31 Base PPFAC Accrual		\$0.00000	-		\$0.00000	-		
32 Subtotal		\$0.02958	29.58		\$0.02958	29.58	(0)	
33								
34 Other Existing Resources	15,137,182	\$0.03904	39.04	15,005,474	\$0.03899	38.99	585,096	
35 Other PPFAC Accrual		\$0.00000	-		\$0.00000	-		
36 Subtotal		\$0.03904	39.04		\$0.03899	38.99	585,096	
37 Total Energy Charges	172,713,467	\$0.03904	39.04	172,581,759	\$0.03899	38.99	585,096	(5,896)
38 Total		\$11,454,637	66.32		\$11,330,280	65.65	\$ (124,357)	-1.09%
39								

Arizona Electric Power Cooperative, Inc
Summary of Revenues Generated by Present and Proposed Rates
Twelve Months Ended December 31, 2011

Description	Revenues Generated by Rates Effective November 1, 2013			Revenues Generated by Proposed Rates without S & G PPA Costs			Revenue Increase					
	Billing Units	Billing Rate	Per Month	Revenues Generated \$	Average Unit Cost Mills/kWh	Billing Units	Billing Rate	Per Month	Revenues Generated \$	Average Unit Cost Mills/kWh	\$	%
1 Mohave Electric Cooperative, Inc.												
2 Fixed & O&M Monthly Charges	12	\$2,290,340	Per Month	\$ 27,484,075	40.51	12	\$2,290,340	Per Month	\$ 27,484,075	40.51	\$ -	-
3 Energy Charges:												
4 Base Resources	678,088,000	\$0.02931	Per kWh	19,875,996	29.31	678,088,000	\$0.02931	Per kWh	19,875,996	29.31	\$ -	-
5 Base PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
6 Subtotal		\$0.02931	Per kWh	19,875,996	29.31		\$0.02931	Per kWh	19,875,996	29.31	\$ -	-
7												
8 Other Existing Resources	342,000	\$0.04118	Per kWh	14,085	41.18	342,000	\$0.04118	Per kWh	14,085	41.18	\$ -	-
9 Other PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
10 Subtotal		\$0.04118	Per kWh	14,085	41.18		\$0.04118	Per kWh	14,085	41.18	\$ -	-
11 Total Energy Charges	678,430,000			19,890,080	29.32	678,430,000			19,890,080	29.32	\$ -	-
12 Total				\$ 47,374,155	69.83				\$ 47,374,155	69.83	\$ -	0.00%
13												
14 Sulphur Springs Electric Coop., Inc.												
15 Fixed & O&M Monthly Charges	12	\$2,028,038	Per Month	\$ 24,336,458	33.84	12	\$2,028,038	Per Month	\$ 24,336,458	33.84	\$ -	-
16 Energy Charges:												
17 Base Resources	718,868,000	\$0.02975	Per kWh	21,386,209	29.75	718,868,000	\$0.02975	Per kWh	21,386,209	29.75	\$ -	-
18 Base PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
19 Subtotal		\$0.02975	Per kWh	21,386,209	29.75		\$0.02975	Per kWh	21,386,209	29.75	\$ -	-
20												
21 Other Existing Resources	346,000	\$0.04139	Per kWh	14,322	41.39	346,000	\$0.04139	Per kWh	14,322	41.39	\$ -	-
22 Other PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
23 Subtotal		\$0.04139	Per kWh	14,322	41.39		\$0.04139	Per kWh	14,322	41.39	\$ -	-
24 Total Energy Charges	719,214,000			21,400,531	29.76	719,214,000			21,400,531	29.76	\$ -	-
25 Total				\$ 45,736,988	63.59				\$ 45,736,988	63.59	\$ -	0.00%
26												
27 Trico Electric Cooperative, Inc.												
28 Fixed & O&M Monthly Charges	12	\$1,612,463	Per Month	\$ 19,349,550	28.60	12	\$1,349,893	Per Month	\$ 16,198,715	24.15	\$ (3,150,835)	-
29 Energy Charges:												
30 Base Resources	498,876,619	\$0.02984	Per kWh	14,886,019	29.84	498,876,619	\$0.02984	Per kWh	14,886,019	29.84	\$ -	-
31 Base PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
32 Subtotal		\$0.02984	Per kWh	14,886,019	29.84		\$0.02984	Per kWh	14,886,019	29.84	\$ (0)	-
33												
34 Other Existing Resources	177,722,416	\$0.03747	Per kWh	6,659,871	37.47	171,938,416	\$0.03723	Per kWh	6,401,187	37.23	\$ (258,684)	-
35 Other PPFAC Accrual		\$0.00000	Per kWh	-	-		\$0.00000	Per kWh	-	-	\$ -	-
36 Subtotal		\$0.03747	Per kWh	6,659,871	37.47		\$0.03723	Per kWh	6,401,187	37.23	\$ (258,684)	-
37 Total Energy Charges	676,599,035			21,545,890	31.84	670,815,035			21,287,206	31.73	\$ (258,684)	-
38 Total				\$ 40,895,440	60.44				\$ 37,485,921	55.88	\$ (3,409,519)	-8.34%
39												
40 Total				\$ 150,637,406	64.71				\$ 147,048,932	63.33	\$ (3,588,474)	-2.38%
41												
42												

(1) Represents load ratio share of CARM Fixed & O&M Monthly Charges.