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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS
SUSAN BITTER SMITH, CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

2015 SEP 17 P 4: 28
AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED
SEP 17 2015

DOCKETED BY

IN THE MATTER OF THE
APPLICATION OF GARKANE ENERGY
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 AND REQUEST FOR
WAIVER.

DOCKET NO. E-01891A-15-0176

**CERTIFICATION OF COMPLIANCE
WITH PUBLIC NOTICE
REQUIREMENTS**

Garkane Energy Cooperative, Inc. ("GEC") by and through its undersigned counsel,
hereby files this Certification of Compliance with Public Notice Requirements established by
Procedural Order dated July 2, 2015. This Certification is supported by the Affidavit of Neal
Brown attached hereto, which includes the Affidavit of Publication from the Southern Utah
News as Exhibit A and a copy of the Notice that was mailed to its clients as Exhibit B thereto.

RESPECTFULLY SUBMITTED this 17th day of September, 2015.

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

By:
William P. Sullivan, Esq.
501 East Thomas Road
Phoenix, Arizona 85012-3205
Attorneys for Garkane Energy
Cooperative, Inc.

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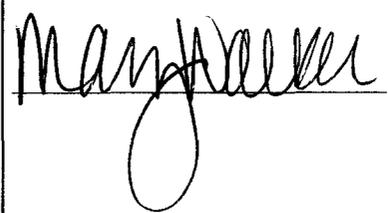
PROOF OF AND CERTIFICATE OF MAILING

I hereby certify that on this 17th day of September, 2015, I caused the foregoing document to be served on the Arizona Corporation Commission by delivering the original and thirteen (13) copies of the above to:

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

A copy of the foregoing mailed to:

Court S. Rich
Rose Law Group pc
7144 E. Stetson Drive, Suite 300
Scottsdale, Arizona 85251



1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

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4 BOB STUMP

5 BOB BURNS

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7 TOM FORESE

8 IN THE MATTER OF THE APPLICATION
9 OF GARKANE ENERGY COOPERATIVE,
10 INC., AN ELECTRIC COOPERATIVE
11 NONPROFIT MEMBERSHIP
12 CORPORATION, FOR A DETERMINATION
13 OF THE FAIR VALUE OF ITS PROPERTY
14 FOR RATEMAKING PURPOSES, TO FIX A
15 JUST AND REASONABLE RETURN
16 THEREON, AND TO APPROVE RATES
17 DESIGNED TO DEVELOP SUCH RETURN
18 AND REQUEST FOR WAIVER.

DOCKET NO. E-01891A-15-0176

**AFFIDAVIT OF NEAL BROWN RE
PUBLICATION**

14 State of Utah)
15) ss
16 County of Kane)

17 Neal Brown, being first duly sworn upon his oath deposes and says as follows:

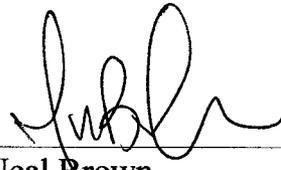
- 18 1. I am the Member Service and Marketing Manager at Garkane Energy
- 19 Cooperative, Inc.
- 20 2. In that capacity, I personally oversaw the mailing of the hearing notice and the
- 21 arranging for the publication thereof as required by the July 2, 2015 Procedural
- 22 Order entered in Docket No. E-01891A-15-0176 ("Procedural Order").
- 23 3. Garkane provided notice of the rate case in the form prescribed in the
- 24 Procedural Order by:
- 25 a. Having the notice published once in the Southern Utah News on August 13,

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2015 as evidenced by the Affidavit of Publication attached hereto as Exhibit A;

- b. Mailing via United States mail on [or over the period from] August 6, 2015 a copy of the notice in the form attached hereto as Exhibit B to each member/customer of record; and
- c. Posting the notice on the Cooperative's website as of August 10, 2015.

DATED this eleventh day of August, 2015.



 Neal Brown

SUBSCRIBED AND SWORN to before me this 11 day of August, 2015.



 Notary Public

My Commission Expires:
sep 10, 2016

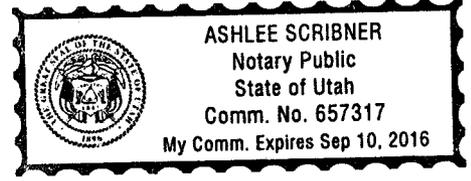


EXHIBIT A

Affidavit of Publication

STATE OF UTAH)
(SS.
COUNTY OF KANE)

COPY OF NOTICE

I, Dennis A. Brunner, being duly sworn, depose and say that I am General Manager/Publisher of the SOUTHERN UTAH NEWS, a weekly newspaper of general circulation published every Wednesday at Kanab, Utah, for Kane County, Utah and Coconino County, Arizona, and a designated agent of the Utah Press Association and the notice attached hereto,

was published in said newspaper for: **ONE**

consecutive weeks, the first publication on: **08/13/2015**

and the last on: **08/13/2015**

that said notice was published in the regular and entire issue of every number of the paper during the period and times of publication, and

that the same was published in the newspaper proper and not in a supplement and that said notice was published on www.utahlegals.com on the same day as the first newspaper publication and the notice remained on www.utahlegals.com for one week after the final publication date.

Dennis Brunner, Publisher

Subscribed and sworn to before me 8-29-15

Cindy Forrester, Notary Public

Residing in Kanab, Utah.

My commission expires: 8-24-16

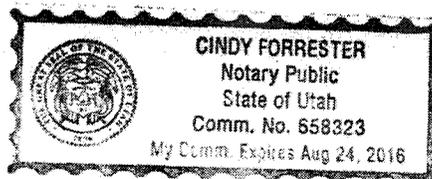


EXHIBIT B

PUBLIC NOTICE OF HEARING ON
THE APPLICATION OF GARKANE ENERGY COOPERATIVE, INC.
FOR ESTABLISHMENT OF RATES AND CHARGES, APPROVAL OF
TARIFFS, AND WAIVER OF COMMISSION RULES.
(DOCKET NO. E-01891A-15-0176)

Summary

On June 1, 2015, Garkane Energy Cooperative, Inc. ("Garkane") filed with the Arizona Corporation Commission ("Commission") an Application and Request for Waivers requesting that the Commission determine the fair value of Garkane's property for ratemaking purposes; fix a just and reasonable return thereon; approve rates, charges, and tariffs designed to result in such return; approve a Prepaid Service Tariff, a Net Metering Service Tariff, and a Line Extension Policy consistent with terms and conditions applicable to Garkane's Utah customers; approve corrected and updated Garkane Electric Service Regulations; grant Garkane a waiver of Commission rules inconsistent with the rates, tariffs, and regulations for which approval is requested, including Arizona Administrative Code ("A.A.C") R14-2-207, R14-2-2301 et seq., R14-2-203(B), R14-2-209(A), R14-4-210, and R14-2-211; and for purposes of Prepaid Service, grant Garkane a waiver of Garkane Electric Service Regulations 19, 20, 21, 22, 47, 51, and 53. Garkane made corrections to its Application through filings on June 18 and 30, 2015. Garkane's Application uses a test year ("TY") ending December 31, 2013.

For its Arizona operations, Garkane reports total adjusted TY revenues of \$4,561,894. Garkane seeks to decrease its Arizona revenues by \$152,128, or approximately 3.3%. Garkane's proposed rates and charges are intended to make its Arizona rates and charges more consistent with its Utah rates and charges. With the proposed rates and charges, each residential customer outside of Colorado City would see a base charge increase of \$9.50 and an energy charge per kWh increase of \$0.002730, which Garkane estimates would result in a bill increase from \$129.82 to \$130.20 for a customer with average usage of 1,507 kWh. Each residential customer in Colorado City would see a base charge increase of \$9.50, an energy charge per kWh increase of \$0.030730, and elimination of the current adjustment charge of \$0.037317 per kWh. Garkane estimates that a Colorado City residential customer with average usage of 2,088 kWh would see a decrease from \$242.52 to \$230.38. Garkane proposes changes to the rates and charges for other customer classes as well and to a number of service charges.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Garkane's proposed rates, tariffs, or waivers. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY GARKANE, STAFF, OR ANY INTERVENOR. THEREFORE, THE FINAL RATES APPROVED BY THE COMMISSION MAY DIFFER FROM AND MAY BE HIGHER OR LOWER THAN THE RATES REQUESTED BY GARKANE OR RECOMMENDED BY OTHER PARTIES.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from Garkane Energy Cooperative at 1802 S. Hwy 89A, Kanab, UT at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours; and on the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **March 7, 2016, at 10:00 a.m.** at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona 85007. Public comments will be taken on the first day of hearing.

Written public comments may be submitted by mailing a letter referencing Docket No. **E-01891A-15-0176** to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using the "Submit a Public Comment for a Utility" function. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

To request intervention, you must file an **original and 13 hard copies** of a written request to intervene with Docket Control, 1200 West Washington, Phoenix, AZ 85007, **no later than October 20, 2015**. You also **must** serve a copy of the request to intervene on each party of record, on the same day that you file the request to intervene with the Commission. Information about intervention and sample intervention requests are available on the Commission's website (www.azcc.gov) using the "Intervention in Utility Cases" link.

Your request to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A reference to **Docket No. E-01891A-15-0176**;
3. A short statement explaining:
 - a. Your interest in the proceeding (e.g., a customer of the utility, a shareholder of the utility, etc.),
 - b. How you will be directly and substantially affected by the outcome of the case, and
 - c. Why your intervention will not unduly broaden the issues in the case;
4. A statement certifying that you have served a copy of the request to intervene on the utility or its attorney and all other parties of record in the case; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before October 20, 2015. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor.

AD A/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.