

ORIGINAL



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MEMORANDUM

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TO: Docket Control Center

2016 FEB 11 A 8:15

FROM: Thomas M. Broderick
Director
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

DATE: February 11, 2016

RE: STAFF REPORT FOR TRICO ELECTRIC COOPERATIVE, INC.'S APPLICATION FOR AN EXTENSION OF ITS CERTIFICATES OF CONVENIENCE AND NECESSITY IN AREAS OF PINAL COUNTY, ARIZONA. (DOCKET NO. E-01461A-15-0292)

Attached is the Staff Report for Trico Electric Cooperative, Inc.'s application for an extension of its Certificate of Convenience and Necessity. Staff recommends that the extension of Trico's Certificate of Convenience and Necessity be approved.

TMB:RBL:red\CHH

Originator: Rick Lloyd

Arizona Corporation Commission

DOCKETED

FEB 11 2016

DOCKETED BY

Service List for: Trico Electric Cooperative, Inc.
Docket No. E-01461A-15-0292

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Snell & Wilmer LLP
One Arizona Center
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Phoenix, AZ 85004

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Chief Administrative Law Judge, Hearing Division
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**STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION**

TRICO ELECTRIC COOPERATIVE, INC.

DOCKET NO. E-01461A-15-0292

**APPLICATION FOR AN EXTENSION OF ITS CERTIFICATES OF CONVENIENCE
AND NECESSITY IN AREAS OF PINAL COUNTY, ARIZONA**

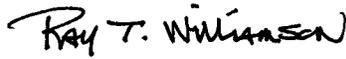
FEBRUARY 11, 2016

STAFF ACKNOWLEDGMENT

The Staff Report for Trico Electric Cooperative, Inc., Docket No. E-01461A-15-0292, was the responsibility of the Staff members listed below. Rick Lloyd prepared the Staff Report. Ray Williamson prepared Staff's Engineering Report.



Rick Lloyd
Senior Utilities Analyst



Ray Williamson
Utilities Engineer - Electrical

EXECUTIVE SUMMARY
TRICO ELECTRIC COOPERATIVE, INC.
DOCKET NO. E-01461A-15-0292

On August 14, 2015, Trico Electric Cooperative, Inc. ("Trico") filed an application for approval of an extension to its existing Certificates of Convenience and Necessity ("CC&N") to an area approximately 35 miles northwest of Tucson, in Pinal County, Arizona. The extension includes an area to be developed into portions of two master planned communities called Sundance Ridge and SaddleBrooke Unit 45.

Trico anticipates that it will need to construct approximately 0.45 miles of off-site underground 25kV facilities to serve the Sundance Ridge project. Trico states that it presently provides service to earlier phases of the SaddleBrooke development and existing 25kV facilities are sufficient to provide service to the SaddleBrooke Unit 45 project. Trico estimates the total cost of extending service to the Extension Area is approximately \$40,000.

Staff believes that the financial effects of providing service to the proposed Extension Area relative to the financial stability of Trico is de minimus.

Staff recommends approval of Trico's CC&N Extension application as submitted.

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INTRODUCTION

On August 14, 2015, Trico Electric Cooperative, Inc. ("Trico") filed an application for approval of an extension to its existing Certificates of Convenience and Necessity ("CC&N") to an area approximately 35 miles northwest of Tucson, in Pinal County, Arizona. The extension includes an area to be developed into portions of two master planned communities called Sundance Ridge and SaddleBrooke Unit 45 ("Extension Area"). CDO Ranch is the developer of Sundance Ridge, and SaddleBrooke Development Company is the developer of the SaddleBrooke Unit 45.

The SaddleBrooke Unit 45 parcel is part of the SaddleBrooke master planned community, and is the latest portion of that master planned community to be developed. Sundance Ridge is an approximate 1,650 acre master planned community. The subject application includes approximately 330 acres of the initial portion of the Sundance Ridge project in the Extension Area, with the balance being the approximate 51 acres of the SaddleBrooke Unit 45 project. A map depicting the proposed CC&N Extension Area is included as Exhibit A. A legal description of the Extension Area is provided at Exhibit B.

Trico formerly held a CC&N to serve the Sundance Ridge portion of the CC&N extension area in this case. The CC&N was later deleted on the assumption that the San Carlos Irrigation Project ("SCIP") would serve this area. However, SCIP has submitted a letter to the developers of the Sundance Ridge project, dated September 4, 2014, stating that SCIP does not have capacity to serve this development project, and has no opposition to Trico providing service to the Sundance Ridge development. A copy of this letter is located at Exhibit C.

Trico is in compliance with the decisions of the Arizona Corporation Commission.

REQUESTS FOR SERVICE

Trico has received an Application for Line Extension from CDO Ranch for a service line extension to the Sundance Ridge project. Separately, Trico received a request from SaddleBrooke Development Company on August 5, 2015, for extension of electric service to the SaddleBrooke Unit 45 project.

REQUIRED INFRASTRUCTURE

Trico anticipates that it will need to construct approximately 0.45 miles of off-site underground 25kV facilities to serve the Sundance Ridge project. Trico states that underground spare conduits exist from Trico's nearest 25kV source to the perimeter of the Sundance Ridge project. Therefore, the extension of service to the Sundance Ridge project will consist of pulling new conductors within the existing underground conduits.

Trico states that it presently provides service to earlier phases of the SaddleBrooke development, and existing 25kV facilities are sufficient to provide service to the SaddleBrooke Unit 45 project.

FINANCING

Trico estimates that the cost to extend service to the Sundance Ridge project is approximately \$40,000. To the extent necessary, Trico can obtain funding for such facilities from the U.S. Department of Agriculture, Rural Utilities Service; the National Rural Utilities Cooperative Finance Corporation; and from the application of its Rules, Regulations and Line Extension Policies.

TRICO'S FINANCIAL ABILITY TO SERVE THE AREA

Trico's annual report to the United States Department of Agriculture, Rural Utilities Service ("RUS") for the year ending December 2014, indicates that Trico generated approximately \$87.2 million in revenue which resulted in net margins (profit) of \$9.94 million. The document shows Trico holds approximately \$6.2 million in cash (general funds). The Cooperative is highly leveraged with approximately \$114.8 million in long-term debt, but most cooperatives carry high proportions of debt in their capital structure. Due to its organization as an electric cooperative, Trico can avail itself of low-interest loans and does not need to generate cash to pay quarterly dividends to shareholders as do investor-owned utilities, nor is it required to pay income taxes.

Staff believes that the financial effects of providing service to the proposed Extension Area relative to the financial stability of Trico is de minimus.

ENGINEERING ANALYSIS

An engineering analysis of the application was completed by Staff's Engineering Department. The engineering analysis concluded that Trico is a fit and proper entity to provide electric service to the area described in its application.

STAFF'S RECOMMENDATIONS

Based on Trico's experience as an electric utility, its financial strength, and the existence of adequate facilities, Staff believes that Trico is fit and proper to provide service to the requested Extension Area.

Staff further recommends Trico charge its approved rates and charges in the Extension Area until further ordered by the Commission.

Staff further recommends that Trico's application be approved as submitted.

Exhibit A

Proposed Trico CC&N Extension Area

Section 11

12

State Land

Township 10 South

Private Land



State Land

Property Boundary for Planned Sundance Ridge Subdivision
- 363.582 Acres total (+/-), of which 31.83 Acres (+/-) are in Trico's existing CC&N

Private Land

Property Boundary for Planned Unit 45 of Saddlebrooke Subdivision
- 50.55 Acres (+/-)

Section 13

Range 14 East
Range 15 East

Section 18

Section 14

35 Acres (+/-)

11.362 Acres (+/-)

11.41 Acres (+/-)

15 Acres (+/-)

72 Acres (+/-)

72.92 Acres (+/-)

50.55 Acres (+/-)

State Land

Boundary of Proposed CC&N

Private Land

Trico Electric Cooperative Existing CC&N
31.83 Acres (+/-)

72 Acres (+/-)

General Property Boundary for Planned Sundance Ridge Subdivision Phase 1
- 85.7010 Acres (+/-)

Private Land
Coronado National Forest

Saddlebrooke Subdivision

Trico Electric Cooperative Existing CC&N

Section 23

Section 24

Saddlebrooke Subdivision

Township 10 South

Exhibit B

Legal Description of Proposed Extension Area

Sundance Ridge Development Proposed Extension Area

PARCEL NO. 1:

That portion of the Southeast quarter of Section 14, and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as Follows:

BEGINNING at the Northwest corner of the Southeast quarter of said Section 14;

THENCE North 89 degrees 23 minutes 44 seconds East, along the North line of said Southeast quarter, a distance of 2632.28 feet to the Northeast corner of the Southeast quarter of said Section 14;

THENCE North 88 degrees 59 minutes 04 seconds East, along the North line of the Southwest quarter of said Section 13, a distance of 1500.00 feet;

THENCE South 01 degrees 37 minutes 58 seconds East, a distance of 767.47 feet;

Thence South 88 degrees 59 minutes 04 seconds West, a distance of 1500.00 feet to a point on the West line of said Section 13;

Thence South 89 degrees 23 minutes 44 seconds West, a distance of 2644.03 feet to a point on the West line of the Southeast quarter of said Section 14;

Thence North 00 degrees 45 minutes 17 seconds West, along said line, a distance of 767.35 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 2:

That portion of the Southeast quarter of Section 14, Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

COMMENCING at the Southeast corner of said Section 14;

THENCE North 07 degrees 09 minutes 35 seconds West, 701.50 feet to the TRUE POINT OF BEGINNING;

THENCE North 88 degrees 39 minutes 49 seconds West, 2598.16 feet to a point on the West line of the Southeast quarter of said Section 14;

THENCE North 00 degrees 45 minutes 19 seconds West along the West line of the Southeast quarter of Section 14, 1215.90 feet;

THENCE North 89 degrees 23 minutes 44 seconds East, parallel with and 767.35 feet South of the North line of the Southeast quarter of Section 14, 2449.39 feet;

THENCE South 07 degrees 12 minutes 14 seconds East, 825.04 feet;

Thence South 07 degrees 09 minutes 35 seconds East, 487.50 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 3:

That portion of the Southeast quarter of Section 14, and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Southeast corner of said Section 14;

THENCE North 07 degrees 09 minutes 35 seconds West, a distance of 1189.00 feet;

THENCE North 89 degrees 26 minutes 55 seconds East, a distance of 2744.26 feet to a point on the East line of the Southwest quarter of Section 13;

THENCE South 01 degrees 41 minutes 45 seconds East, a distance of 1182.20 feet to the Southeast corner of the Southwest quarter of Section 13;

THENCE South 89 degrees 28 minutes 03 seconds West, a distance of 2631.04 feet to the Southwest corner of Section 13 and the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 4:

That portion of the Southeast quarter of Section 14 and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Northeast corner of the Southwest quarter of Section 13;

THENCE South 01 degrees 41 minutes 45 seconds East, along the East line of said Southwest quarter, a distance of 1608.61 feet;

THENCE South 89 degrees 26 minutes 55 seconds West, a distance of 2744.26 feet;

THENCE North 07 degrees 12 minutes 14 seconds West, a distance of 825.04 feet;

THENCE North 89 degrees 23 minutes 44 seconds East, a distance of 194.64 feet to a point on the common Section line between Sections 13 and 14;

THENCE North 88 degrees 59 minutes 04 seconds East, a distance of 1500.00 feet;

THENCE North 01 degrees 37 minutes 58 seconds West, a distance of 767.47 feet to a point on the North line of the Southwest quarter of Section 13;

THENCE North 88 degrees 59 minutes 04 seconds East, along the North line of the Southwest quarter of Section 13, a distance of 1127.64 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 5:

That portion of the South half of the Southeast quarter of Section 14, Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Southeast corner of said Section 14;

THENCE Westerly along the South Section line of Section 14, a distance of 2673.5 feet;

THENCE North 00 degrees 45 minutes 19 seconds West, a distance of 698.33 feet;

THENCE South 88 degrees 39 minutes 49 seconds East, a distance of 2598.16 feet;

THENCE South 07 degrees 09 minutes 35 seconds East, a distance of 701.50 feet to the POINT OF BEGINNING.

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

SaddleBrooke Unit 45 Proposed Extension Area

A parcel of land situated within SADDLEBROOKE UNIT FORTY-FIVE (45) recorded in Cabinet G Slide 158 dated January 8, 2007 and a parcel of land situated within SADDLEBROOKE UNIT FORTY-THREE (43) recorded in Cabinet D Slide 200 dated October 8, 2003 and a parcel of land situated within SADDLEBROOKE UNIT FORTY-TWO (42) recorded in Cabinet D Slide 59 dated May 5, 2002 all records of Pinal County Recorder's Office, Pinal County Arizona, in Township 10 South, Range 14 East Section 13, Gila and Salt River Base and Meridian, Pinal County Arizona more particularly described as follows;

Beginning at the South Quarter Corner of said Section 13, said point being the TRUE POINT OF BEGINNING;

Thence North 00 degrees 23 minutes 15 seconds West a distance of 1744.59 feet;

Thence North 89 degrees 00 minutes 57 seconds East a distance of 1287.50 feet;

Thence South 00 degrees 08 minutes 11 seconds West a distance of 1697.27 feet;

Thence South 86 degrees 52 minutes 03 seconds West a distance of 1273.37 feet to the TRUE POINT OF BEGINNING.

Exhibit C

**Letter from San Carlos Irrigation Project, dated
September 4, 2014**



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
SAN CARLOS IRRIGATION PROJECT
13805 North Arizona Boulevard
Coolidge, Arizona 85228



IN REPLY REFER TO

Office of the Project Manager
15201 720 6200

September 4, 2014

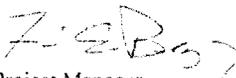
Canada Partners, L.L.C.
PO Box
Attn: Clark Reddin
PO Box 689
Oracle, AZ 85623

Re: Lack of capacity to provide electric service to CDO Ranch (360 acre development)

Dear Mr. Reddin:

Thank you for your consideration of utilizing the San Carlos Irrigation Project, (SCIP) to provide electric service to the above referenced development, located near the existing Saddlebrook development. After careful consideration SCIP has determined that its system lacks adequate capacity to provide reliable service to this development. Accordingly, SCIP has no opposition to your organization selecting TRICO Electric Cooperative (TRICO), to provide electric service to this development.

Respectfully,


Project Manager,

Attachment A
Engineering Report

MEMORANDUM

TO: Richard Lloyd
Public Utilities Analyst V
Utilities Division

FROM: Ray T. Williamson *Ray T. Williamson*
Utilities Engineer
Utilities Division

THRU: Del Smith
Engineering Supervisor
Utilities Division

DATE: January 14, 2016

RE: IN THE MATTER OF THE APPLICATION OF TRICO ELECTRIC
COOPERATIVE, INC. FOR AN EXTENSION OF ITS CERTIFICATES OF
CONVENIENCE AND NECESSITY IN AREAS OF PINAL COUNTY,
ARIZONA (DOCKET NO. E-01461A-15-0292)

GENERAL

On August 17, 2015, Trico Electric Cooperative, Inc. ("Trico") filed an application ("Application") requesting an extension of its Certificate of Convenience and Necessity ("CC&N") to serve a portion of the Pinal County, Arizona including a portion of both the Sundance Ridge development and the SaddleBrooke development. The request was made pursuant to A.R.S. §§ 40-281 and 40-282 and A.A.C. R14-2-202.

APPLICATION DETAILS

Details of the Application are:

1. Trico is a non-profit, member-owned electric distribution cooperative, which provides electric service to approximately 43,370 meters over 3,711 miles of distribution lines and 31 miles of transmission lines.
2. CDO Ranch is the developer of Sundance Ridge, a subdivision consisting of 85.7 acres located in Pinal County. Attached as Exhibit 1 is CDO Ranch's signed application to Trico requesting electric service.
3. CDO Ranch is now developing Sundance Ridge, an uncertificated area, which is located in portions of Sections 13, 14, and 23, in Range 14 East, Township 10 South of Pinal County, Arizona. CDO Ranch has also received correspondence from the San Carlos Irrigation Project ("SCIP") that SCIP lacks the capacity to serve CDO

Ranch. That letter, dated September 4, 2014, is attached as Exhibit 2 of the Application.

4. SaddleBrooke Development Company (“SDC”) is an Arizona corporation that is the developer of SaddleBrooke, a subdivision consisting of 2,500 acres located in Pinal County. Trico is already serving a majority of SaddleBrooke, and SDC has requested that Trico provide electric service to the entire development which is in an uncertificated area located in portions of Sections 13, 14, 23, 26, and 27, in Range 14 East, Township 10 South of Pinal County, Arizona. SDC is now developing the final plat for the SaddleBrooke development – known as SaddleBrooke Unit 45. SDC has reiterated to Trico its desire to have Trico serve the entire development. Attached as Exhibit 3 is a letter from SDC requesting Trico provide service to the SaddleBrooke Unit 45 development.
5. Trico formerly held a CC&N to serve the CC&N extension area in this case. The CC&N was deleted on the assumption that SCIP would serve these areas. However, as noted above, SCIP lacks capacity to serve, and Trico is willing and able to serve the proposed extension area.
6. Specifically, in Decision No. 55722 (September 10, 1987) the Arizona Corporation Commission (“Commission”) granted Trico a CC&N to provide electric service in Range 14 East, Township 10 South at Sections 22, 23, 24, 25, 26, 27, 34, 35 and 36 – or what is essentially all of the southeastern portion of Range 14 East, Township 10 South, in Pinal County.
7. Trico was also awarded a CC&N to serve the entire western portion of Range 14 East, Township 10 South – including Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32 and 33 – in Decision No. 58640 (May 27, 1994). But that decision also deleted Sections 1, 2, 3, 10, 11, 12, 13, 14 and 15 – which had been previously awarded to Trico in Decision No. 58114 (December 11, 1992). The Commission in Decision No. 58640 (which also involved Arizona Public Service Company) explained the modifications were due to circumstances involving SCIP, but that the areas deleted from Trico’s CC&N are not otherwise certificated to any other public service corporation. To date, neither Trico nor Staff know of any public service corporation that is serving or has a CC&N for any areas in Sections 1-3 or 10-15 in Range 14 East, Township 10 South, Pinal County, Arizona.
8. In Decision No. 61910 (August 27, 1999), the Commission awarded Trico a CC&N extension for Sections 32, 33 and 34 in Range 14 East, Township 9 South, so that it could serve portions of any development located in those Sections. Therefore, Trico has a CC&N to provide electric service to Sections 4, 5, 8, 9, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 in Range 14 East, Township 10 South and Sections 32, 33 and 34 in Range 14 East, Township 9, South. Attached as Exhibit 4 is a map showing Trico’s current CC&N in the vicinity of Sundance Ridge and SaddleBrooke, as well as the requested CC&N extension area.

9. Trico's CC&N also allows it to provide electric service in additional areas – as approved in Decision Nos. 35743, 39532, 51977, 57810, 64064, 65985 and 69382. Overall, Trico holds CC&Ns for approximately 2,375 square miles. Trico continues to provide excellent, member-focused service in its service area, in compliance with all applicable rules and regulations.

10. Trico already has the following facilities in the vicinity that it will use to serve Sundance Ridge and SaddleBrooke Unit 45:
 - Underground 25kV distribution facilities with sufficient capacity to provide the electrical source for SaddleBrooke Unit 45.
 - Underground spare conduits exist from Trico's nearest 25kV source to the perimeter of Sundance Ridge development and will be utilized for the extension of underground 25kV distribution.

11. Trico anticipates that approximately 0.45 miles of off-site underground 25kV facilities will be required to be installed to serve the Sundance Ridge development. No additional extension of off-site facilities are necessary to serve the SaddleBrooke Unit 45 development. These are facilities to get to the developments.

12. The estimated costs of the facilities related to extend service to Sundance Ridge is \$40,000. To the extent necessary, Trico can obtain funding for such facilities from the U.S. Department of Agriculture, Rural Utilities Service ("RUS"), the National Rural Utilities Cooperative Finance Corporation, and from the application of its Rules, Regulations and Line Extension Policies. This is for on-site facilities within the developments.

ENGINEERING EVALUATION

Electric System Characteristics

At the end of 2014, Trico served 43,050 customers of which 40,717 were residential customers, a total of 2,281 were commercial customers, and 52 were other customers. The number of total customers increased by 1.6 percent in 2011, by 1.5 percent in 2012, by 2.3 percent in 2013, and 2.8 percent in 2014. Trico projects that it will connect 55 new customers in the next 5 years.

TRICO 5 YEAR AVERAGE ANNUAL CUSTOMER DATA

Year	Total Residential Customers	Total Commercial Customers	Total Industrial Customers	Total Other Customers	Total Customers	Change in number of Customers
2010	37,659	1,991	0	38	39,688	
2011	38,174	2,097	0	44	40,315	627
2012	38,780	2,098	0	48	40,926	611
2013	39,635	2,195	0	50	41,880	954
2014	40,717	2,281	0	52	43,050	1,170

YEAR OVER YEAR PERCENT CHANGE IN CUSTOMERS

Year	Total Residential Customers	Total Commercial Customers	Total Industrial Customers	Total Other Customers	Total Customers
2010					
2011	1.4%	5.3%	0.0%	15.8%	1.6%
2012	1.6%	0.0%	0.0%	9.1%	1.5%
2013	2.2%	4.6%	0.0%	4.2%	2.3%
2014	2.7%	3.9%	0.0%	4.0%	2.8%

Actual system peak demand rose each year from 2010-2013, but dipped slightly in 2014. Energy delivered increased each year from 2010-2014.

TRICO SYSTEM STATISTICS

Year	Month	Peak Demand (MW)	Year/Year % Change	Energy Delivered (MWh)	Year/Year % Change	Losses (MWh)
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5 Year Actual						
2010	JUL	165.022		620,823		27,873
2011	JUN	173.678	5.2%	648,198	4.4%	29,542
2012	AUG	174.1	0.2%	662,418	2.2%	24,602
2013	JUN	194.672	11.8%	663,056	0.1%	49,162
2014	JUL	182.982	-6.0%	671,676	1.3%	31,336

5 Year Forecast						
2015		187.591	2.5%	691,926	3.0%	34,376
2016		193.852	3.3%	714,182	3.2%	35,482
2017		200.395	3.4%	736,971	3.2%	36,614
2018		207.213	3.4%	760,957	3.3%	37,806
2019		214.297	3.4%	785,878	3.3%	39,044

Annual System Losses

Trico's annual system losses varied from 3.58 percent to 6.9 percent. These losses are well within the industry guidelines of 10 percent losses for electric cooperatives.

LOSSES % Total Energy

Year	Losses %
2010	4.30%
2011	4.36%
2012	3.58%
2013	6.90%
2014	4.46%

Quality of Service

The outages that occur in a utility's system are an indicator of the quality of service to customers. The Trico System Average Interruption Duration Index ("SAIDI"), System Average Interruption Frequency Index ("SAIFI"), and Customer Average Interruption Duration Index ("CAIDI") interruption information are below the level of concern as outlined in the RUS Bulletins which Staff uses to judge the adequacy of Trico's reliability.¹

SYSTEM AVERAGE INTERRUPTION DURATION INDEX (SAIDI) BY CAUSE

Year	Power Supplier	Planned	All Other	Total Excluding Major Events	Major Events	All Events
2010	3.6	0.0	69.7	73.3	134.7	208.0
2011	0.0	0.0	83.1	83.1	21.6	104.7
2012	21.6	0.0	61.8	83.4	0.0	83.4
2013	0.0	0.0	44.1	44.1	75.7	119.8
2014	14.4	0.0	47.4	61.8	32.8	94.6
5-Year Average	7.9	0.0	61.2	69.1	53.0	122.1

SYSTEM AVERAGE INTERRUPTION FREQUENCY INDEX (SAIFI) BY CAUSE

Year	Power Supplier	Planned	All Other	Total Excluding Major Events	Major Events	All Events
2010	0.1	0.0	0.5	0.6	0.7	1.3
2011	0.0	0.0	0.0	0.0	0.0	0.0
2012	0.3	0.0	0.4	0.7	0.0	0.7
2013	0.0	0.0	0.5	0.5	0.5	0.9
2014	0.3	0.0	0.0	0.3	0.3	0.6
5-Year Average	0.1	0.0	0.3	0.4	0.3	0.7

CUSTOMER AVERAGE INTERRUPTION DURATION INDEX (CAIDI) BY CAUSE

Year	Power Supplier	Planned	All Other	Total Excluding Major Events	Major Events	All Events
2010	33.5	0.0	145.2	178.7	194.7	373.4
2011	18.0	0.0	116.1	134.1	0.0	134.1
2012	73.7	0.0	143.9	217.6	0.0	217.6
2013	0.0	0.0	98.0	98.0	167.1	265.1
2014	53.7	0.0	138.4	192.1	104.7	296.8
5-Year Average	35.8	0.0	128.3	164.1	93.3	257.4

CONCLUSIONS

Based on Trico's Application and Staff's review of data request responses provided by Trico, Staff's conclusions are as follows:

- a. Trico is operating and maintaining its electrical system properly.

¹ A reliability concern would exist if the "All Other" column in the SAIDI table were to exceed 200 minutes in any year.

- b. Trico is carrying out system improvements, upgrades and new additions to meet the current and projected load of the Cooperative in an efficient and reliable manner. These improvements, system upgrades and new construction are reasonable and appropriate. However, no “used and useful” determination of the proposed new construction and system upgrades was made and no particular treatment should be inferred for ratemaking or rate base purposes in the future.
- c. Trico has an acceptable level of system losses, consistent with industry guidelines.
- d. Trico has a satisfactory record of service interruptions in the historic period from 2010 through 2014 reflecting satisfactory quality of service.
- e. Trico is a fit and proper entity to provide service to the areas included in the Application for extension of its Certificates of Convenience and Necessity.
- f. Trico has or can be expected to develop the facilities needed to serve the proposed extension areas.

MEMORANDUM

TO: Rick Lloyd
Public Utilities Analyst
Utilities Division

FROM: Lori H. Miller *LHM*
GIS Specialist
Utilities Division

THRU: Del Smith *DS*
Engineering Supervisor
Utilities Division

DATE: December 11, 2015

RE: TRICO ELECTRIC COOPERATIVE, INC. – APPLICATION FOR EXTENSION
(DOCKET NO. E-01461A-15-0292) – **AMENDED MAP**

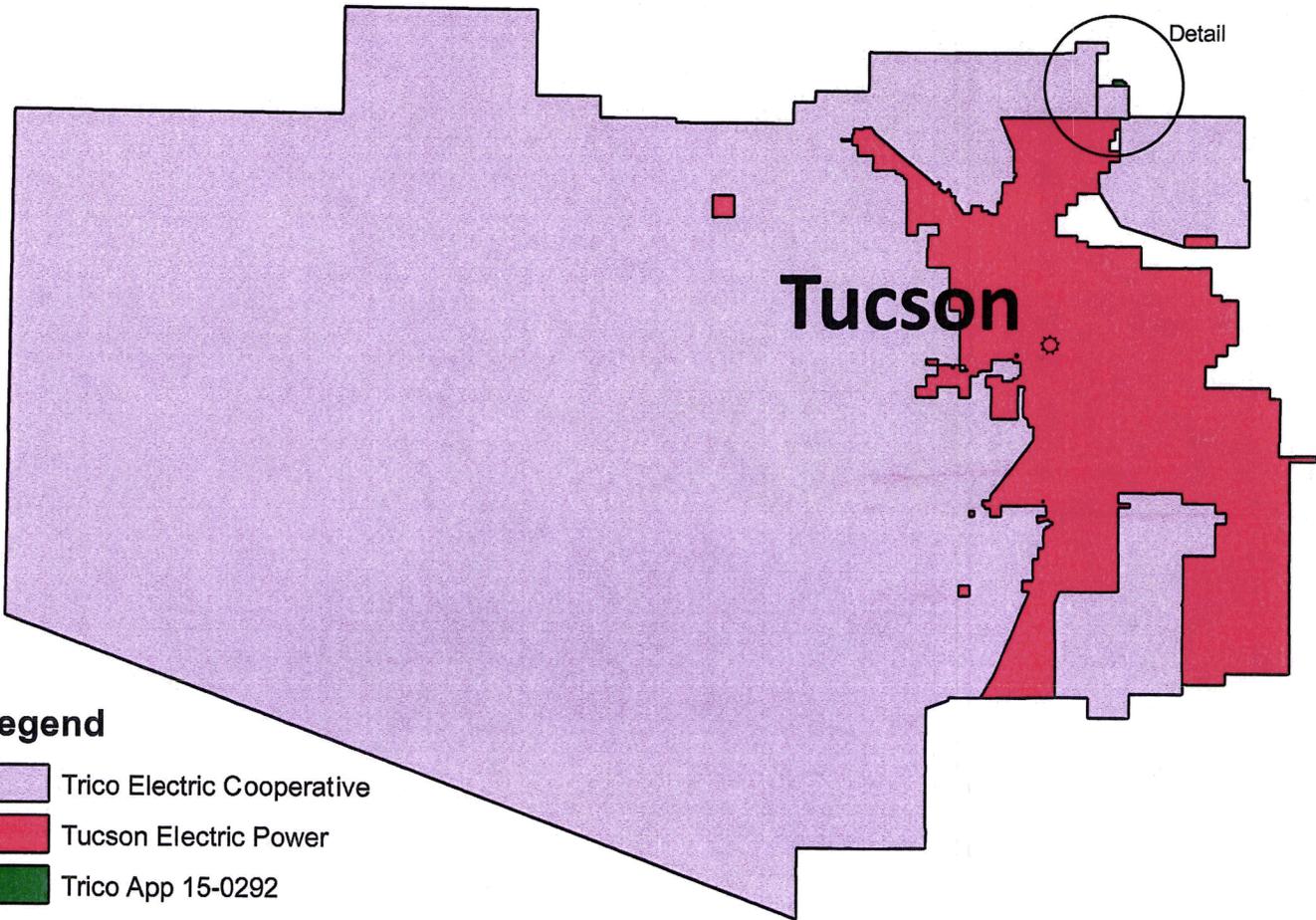
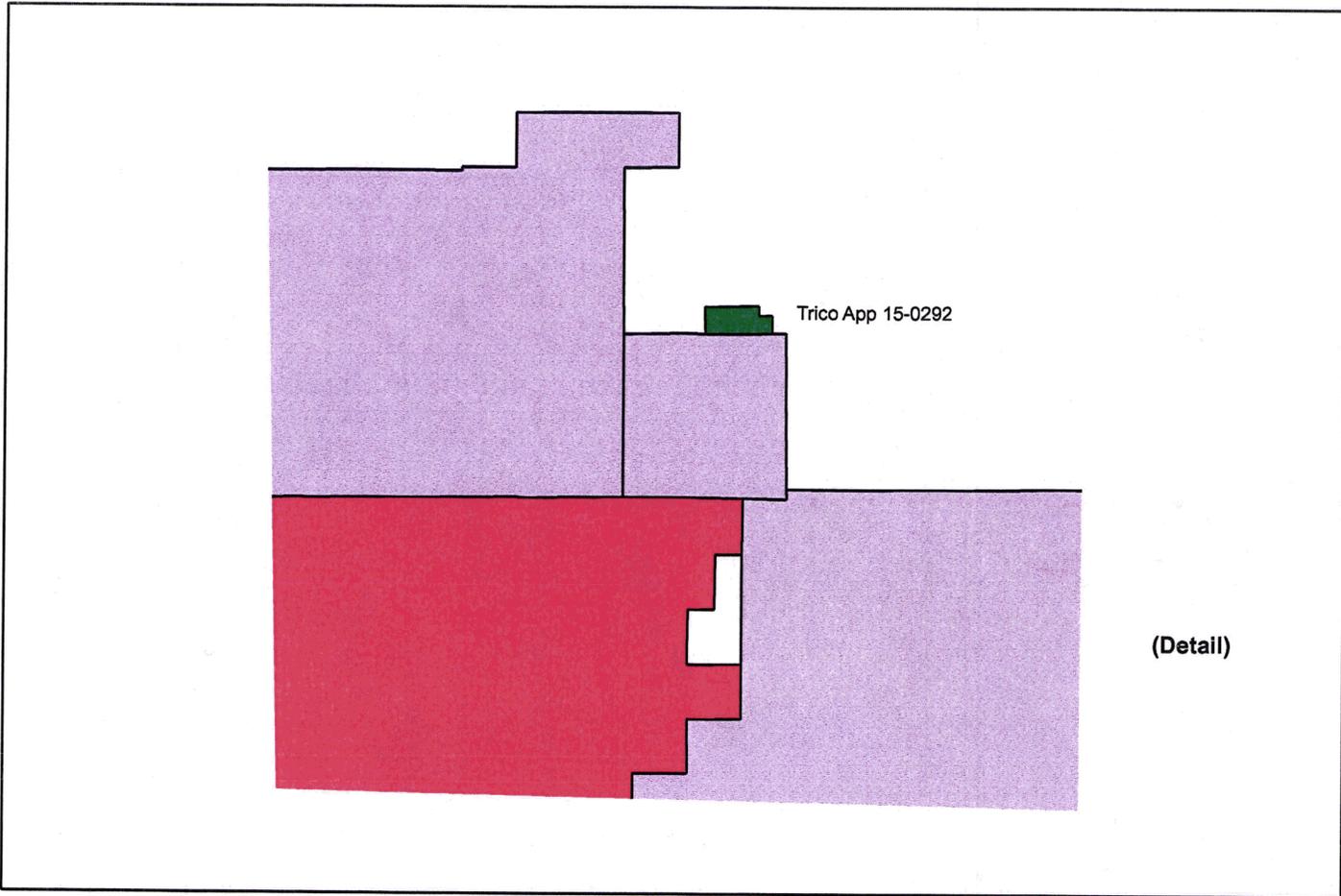
The area requested by Trico Electric Cooperative for an extension has been plotted with no complications using the legal description provided with the application (a copy of which is attached). The map originally submitted on September 14, 2015, did not include the area approved by Decision No. 55722, which has now been rectified.

Attached is a copy of the amended map and the legal description for your files.

/lhm

Attachments

cc: Mr. Jason D. Gellman
Mr. Ray Williamson
Ms. Deb Person (Hand Carried)
File



Sundance Ridge Development Proposed Extension Area

PARCEL NO. 1:

That portion of the Southeast quarter of Section 14, and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as Follows:

BEGINNING at the Northwest corner of the Southeast quarter of said Section 14;

THENCE North 89 degrees 23 minutes 44 seconds East, along the North line of said Southeast quarter, a distance of 2632.28 feet to the Northeast corner of the Southeast quarter of said Section 14;

THENCE North 88 degrees 59 minutes 04 seconds East, along the North line of the Southwest quarter of said Section 13, a distance of 1500.00 feet;

THENCE South 01 degrees 37 minutes 58 seconds East, a distance of 767.47 feet;

Thence South 88 degrees 59 minutes 04 seconds West, a distance of 1500.00 feet to a point on the West line of said Section 13;

Thence South 89 degrees 23 minutes 44 seconds West, a distance of 2644.03 feet to a point on the West line of the Southeast quarter of said Section 14;

Thence North 00 degrees 45 minutes 17 seconds West, along said line, a distance of 767.35 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 2:

That portion of the Southeast quarter of Section 14, Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

COMMENCING at the Southeast corner of said Section 14;

THENCE North 07 degrees 09 minutes 35 seconds West, 701.50 feet to the TRUE POINT OF BEGINNING;

THENCE North 88 degrees 39 minutes 49 seconds West, 2598.16 feet to a point on the West line of the Southeast quarter of said Section 14;

THENCE North 00 degrees 45 minutes 19 seconds West along the West line of the Southeast quarter of Section 14, 1215.90 feet;

THENCE North 89 degrees 23 minutes 44 seconds East, parallel with and 767.35 feet South of the North line of the Southeast quarter of Section 14, 2449.39 feet;

THENCE South 07 degrees 12 minutes 14 seconds East, 825.04 feet;

Thence South 07 degrees 09 minutes 35 seconds East, 487.50 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 3:

That portion of the Southeast quarter of Section 14, and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Southeast corner of said Section 14;

THENCE North 07 degrees 09 minutes 35 seconds West, a distance of 1189.00 feet;

THENCE North 89 degrees 26 minutes 55 seconds East, a distance of 2744.26 feet to a point on the East line of the Southwest quarter of Section 13;

THENCE South 01 degrees 41 minutes 45 seconds East, a distance of 1182.20 feet to the Southeast corner of the Southwest quarter of Section 13;

THENCE South 89 degrees 28 minutes 03 seconds West, a distance of 2631.04 feet to the Southwest corner of Section 13 and the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 4:

That portion of the Southeast quarter of Section 14 and the Southwest quarter of Section 13, all in Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Northeast corner of the Southwest quarter of Section 13;

THENCE South 01 degrees 41 minutes 45 seconds East, along the East line of said Southwest quarter, a distance of 1608.61 feet;

THENCE South 89 degrees 26 minutes 55 seconds West, a distance of 2744.26 feet;

THENCE North 07 degrees 12 minutes 14 seconds West, a distance of 825.04 feet;

THENCE North 89 degrees 23 minutes 44 seconds East, a distance of 194.64 feet to a point on the common Section line between Sections 13 and 14;

THENCE North 88 degrees 59 minutes 04 seconds East, a distance of 1500.00 feet;

THENCE North 01 degrees 37 minutes 58 seconds West, a distance of 767.47 feet to a point on the North line of the Southwest quarter of Section 13;

THENCE North 88 degrees 59 minutes 04 seconds East, along the North line of the Southwest quarter of Section 13, a distance of 1127.64 feet to the POINT OF BEGINNING;

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

PARCEL NO. 5:

That portion of the South half of the Southeast quarter of Section 14, Township 10 South, Range 14 East of the Gila and Salt River Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Southeast corner of said Section 14;

THENCE Westerly along the South Section line of Section 14, a distance of 2673.5 feet;

THENCE North 00 degrees 45 minutes 19 seconds West, a distance of 698.33 feet;

THENCE South 88 degrees 39 minutes 49 seconds East, a distance of 2598.16 feet;

THENCE South 07 degrees 09 minutes 35 seconds East, a distance of 701.50 feet to the POINT OF BEGINNING.

EXCEPT all coal and other minerals as reserved by the United States of America in the Patent to said land.

SaddleBrooke Unit 45 Proposed Extension Area

A parcel of land situated within SADDLEBROOKE UNIT FORTY-FIVE (45) recorded in Cabinet G Slide 158 dated January 8, 2007 and a parcel of land situated within SADDLEBROOKE UNIT FORTY-THREE (43) recorded in Cabinet D Slide 200 dated October 8, 2003 and a parcel of land situated within SADDLEBROOKE UNIT FORTY-TWO (42) recorded in Cabinet D Slide 59 dated May 5, 2002 all records of Pinal County Recorder's Office, Pinal County Arizona, in Township 10 South, Range 14 East Section 13, Gila and Salt River Base and Meridian, Pinal County Arizona more particularly described as follows;

Beginning at the South Quarter Corner of said Section 13, said point being the TRUE POINT OF BEGINNING;

Thence North 00 degrees 23 minutes 15 seconds West a distance of 1744.59 feet;

Thence North 89 degrees 00 minutes 57 seconds East a distance of 1287.50 feet;

Thence South 00 degrees 08 minutes 11 seconds West a distance of 1697.27 feet;

Thence South 86 degrees 52 minutes 03 seconds West a distance of 1273.37 feet to the TRUE POINT OF BEGINNING.