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ANDY TOBIN

APR 27 2016

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IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. G-02527A-15-0319  
GRAHAM COUNTY UTILITIES, INC. - GAS )  
DIVISION FOR A DETERMINATION OF THE ) **COMPLIANCE ITEM**  
FAIR VALUE OF ITS PROPERTY FOR ) **FILING OF TARIFFS**  
RATEMAKING PURPOSES, TO FIX A JUST )  
AND REASONABLE RATE OF RETURN )  
THEREON, TO APPROVE RATES DESIGNED )  
TO DEVELOP SUCH RETURN, AND FOR )  
RELATED APPROVAL )

Graham County Utilities, Inc. ("GCU") Gas Division hereby submits to the Arizona Corporation Commission (the "Commission") its revised tariffs and rate schedules in compliance with Decision No. 75509, dated April 22, 2016.

RESPECTFULLY SUBMITTED this 26<sup>th</sup> day of April 2016.

By Than W Ashby  
Than Ashby  
Administrative Services Manager  
Graham County Electric Cooperative, Inc.  
9 W. Center St.  
PO Drawer B  
Pima, Arizona 85543

Original and thirteen (13) copies of  
GCEC's Proof of Publication  
filed this 26<sup>th</sup> day of April, 2016 with:

1 DOCKET CONTROL  
Arizona Corporation Commission  
2 1200 West Washington Street  
Phoenix, Arizona 85007  
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**GRAHAM COUNTY UTILITIES, INC.**  
**STATEMENT OF GAS RATES\***  
**EFFECTIVE MAY 1, 2016**  
**DECISION NO. 75509 DATED April 22, 2016**  
**DOCKET NO. G-02527A-15-0319**

<u>Description</u>	<u>Distribution Rate</u>
<b>Rate Schedule GA – Residential Gas Service</b>	
Monthly Service Availability Charge	\$16.35
Delivery Charge – Per Therm for all gas	\$0.37800
<b>Rate Schedule GB – Commercial Gas Service</b>	
Monthly Service Availability Charge	\$33.65
Delivery Charge – Per Therm for all gas	\$0.37994
<b>Rate Schedule GI – Irrigation Gas Service</b>	
Monthly Service Availability Charge	\$27.60
Delivery Charge – Per Therm for all gas	\$0.19050

\* The above rates do not reflect the Purchased Gas Adjustor (PGA) that is subject to adjustment as described in Schedule PGA – Purchased Gas Adjustor. All Charges are subject to adjustment for any applicable taxes or regulatory assessments.

**GRAHAM COUNTY UTILITIES, INC.**

**RATE SCHEDULE GA - RESIDENTIAL GAS SERVICE**

**I. Availability**

Available to all residential customers within the utility's certificated service area where facilities of adequate capacity and pressure are adjacent to the point of delivery.

**II. Applicability**

Applicable to all gas service supplied through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

**III. Distribution Rates**

The monthly service availability charge and per therm gas delivery charge are set forth in the currently effective Statement of Rates of this Tariff and are incorporated herein by reference.

**IV. Purchased Gas Adjustor**

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Rate Schedule PGA – Purchased Gas Adjustor."

**V. Tax Adjustments and Regulatory Assessments**

Total monthly sales for gas service are subject to adjustment for all federal, state and local governmental taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on gas utility gross revenues.

**VI. Conditions of Service**

The terms and conditions for the provision of service to the customer under this rate schedule are subject to the Rules and Regulations of the utility, as approved and modified from time to time by the ACC.

**VII. Effective Date**

This rate schedule is effective for all billings on or after May 1, 2016 as authorized by the ACC in Decision No. 75509 dated April 22, 2016.

**GRAHAM COUNTY UTILITIES, INC.**

**RATE SCHEDULE GB – COMMERCIAL GAS SERVICE**

**I. Availability**

Available to all commercial customers within the utility's certificated service area where facilities of adequate capacity and pressure are adjacent to the point of delivery.

**II. Applicability**

Applicable to all gas service supplied through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

**III. Distribution Rates**

The monthly service availability charge and per therm gas delivery charge are set forth in the currently effective Statement of Rates of this Tariff and are incorporated herein by reference.

**IV. Purchased Gas Adjustor**

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Rate Schedule PGA – Purchased Gas Adjustor."

**V. Tax Adjustments and Regulatory Assessments**

Total monthly sales for gas service are subject to adjustment for all federal, state and local governmental taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on gas utility gross revenues.

**VI. Conditions of Service**

The terms and conditions for the provision of service to the customer under this rate schedule are subject to the Rules and Regulations of the utility, as approved and modified from time to time by the ACC.

**VII. Effective Date**

This rate schedule is effective for all billings on or after May 1, 2016 as authorized by the ACC in Decision No. 75509 dated April 22, 2016.

**GRAHAM COUNTY UTILITIES, INC.**

**RATE SCHEDULE GI – IRRIGATION GAS SERVICE**

**I. Availability**

Available to all irrigation customers within the utility's certificated service area where facilities of adequate capacity and pressure are adjacent to the point of delivery.

**II. Applicability**

Applicable to all gas service supplied through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

**III. Distribution Rates**

The monthly service availability charge and per therm gas delivery charge are set forth in the currently effective Statement of Rates of this Tariff and are incorporated herein by reference.

**IV. Purchased Gas Adjustor**

The rates specified for this schedule are subject to increases or decreases in the cost of gas purchased in accordance with those provisions set forth in the "Rate Schedule PGA – Purchased Gas Adjustor."

**V. Tax Adjustments and Regulatory Assessments**

Total monthly sales for gas service are subject to adjustment for all federal, state and local governmental taxes or levies on such sales and any assessments that are or may be imposed by federal or state regulatory agencies on gas utility gross revenues.

**VI. Conditions of Service**

The terms and conditions for the provision of service to the customer under this rate schedule are subject to the Rules and Regulations of the utility, as approved and modified from time to time by the ACC.

**VII. Effective Date**

This rate schedule is effective for all billings on or after May 1, 2016 as authorized by the ACC in Decision No. 75509 dated April 22, 2016.

## **GRAHAM COUNTY UTILITES, INC. - GAS DIVISION**

### **RATE SCHEDULE PGA – PURCHASED GAS ADJUSTOR**

#### **I. Applicability**

Applicable to all therm sales of gas provided to all customers within the Utility's certificated service area.

#### **II. Gas Adjustment Procedure**

The Purchased Gas Adjustor ("PGA") rate will be increased or decreased on a monthly basis to compensate for the difference between the actual cost of natural gas and the amount the Utility recovers for its cost of natural gas. The PGA rate is based on a rolling twelve month average cost, limited by a \$0.15 per therm annual bandwidth. The PGA rate cannot vary by more than \$0.15 per therm from any rate in place during the previous twelve months as authorized by the ACC in Decision No. 71690 dated May 3, 2010.

#### **III. PGA Bank Balance**

The Utility shall establish and maintain a PGA Bank Balance (PGABB). Entries shall be made to this account each month, if appropriate, as follows:

1. A debit or credit entry equal to the difference between (a) the actual purchased gas cost for the month and (b) the amount determined by multiplying the Purchased Gas Adjustor Rate as set forth on the Statement of Charges in this Tariff by the therms billed during the month under the applicable rate schedules of this Tariff.
2. A debit or credit entry for refunds or payments authorized by the ACC.
3. A debit or credit entry for interest to be applied to over- and under-collected bank balances based on the Three Month Financial Commercial Paper Rate as published by the Federal Reserve as authorized by the ACC in Decision No. 68600 dated March 23, 2006.

#### **IV. Monthly Informational Filings**

Each month the Utility shall make a cost of gas informational filing with Commission Staff to include any and all information required by Decision No. 61225 dated October 30, 1998.

**GRAHAM COUNTY UTILITIES, INC. - GAS DIVISION**

**RATE SCHEDULE PGA – PURCHASED GAS ADJUSTOR**

*(Continued)*

**V. Additional Requirements**

A special review is required if the PGABB reaches an over- or under-collection in the amount of \$250,000 for three consecutive months as authorized by the ACC in Decision No. 71690 dated May 3, 2010. The Utility must file an application for a PGABB surcharge adjustment upon completing the Monthly Informational Filing that illustrates the threshold has been exceeded or file a notice in the docket explaining why an adjustment is not necessary at this time. The ACC, upon review, may authorize the balance to be amortized through a predetermined surcharge rate included as part of the PGA for a specified period.

**VI. Effective Date**

This rate schedule is effective for all billings on or after May 1, 2016 as authorized by the ACC in Decision No. 75509 dated April 22, 2016.