

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

2017 MAR 31 P 1:08

COMMISSIONERS

Arizona Corporation Commission

TOM FORESE, Chairman
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DOCKETED

MAR 31 2017

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E-01749A-17-0091

IN THE MATTER OF THE APPLICATION OF
GRAHAM COUNTY ELECTRIC COOPERATIVE,
INC. FOR AN ACCOUNTING ORDER
AUTHORIZING THE DEFERRAL OF COSTS
ASSOCIATED WITH THE COOPERATIVE'S
POST-RETIREMENT BENEFIT OBLIGATION

Docket No. E-01749A-17-_____

APPLICATION

Graham County Electric Cooperative, Inc. ("GCEC" or the "Cooperative"), in support of
its Application, states as follows:

1. GCEC is an Arizona non-profit, electric distribution cooperative. GCEC
incorporated in 1945 and commenced operations in 1946. It currently supplies electric service to
more than 6,000 members in Graham County, Arizona.


2. In November 2000, the GCEC Board of Directors approved a change in the
Cooperative's benefit program, which eliminated retired employee spousal health care coverage
effective for retirements after June 2001. The Cooperative recently discovered that, in
connection with the prior change in spousal benefits, an error was made in the post-retirement
actuarial valuation. Specifically, even though GCEC has been providing benefits to its retired
employees in compliance with its program,¹ its books and records do not accurately reflect the
full estimate of the Cooperative's obligation. Since this discovery, the Cooperative has been

¹ GCEC currently disburses approximately \$110,000 per year for current retirees.

1 Cooperative's post-retirement benefit obligation, and (2) granting the Cooperative such other and
2 further relief as the Commission deems appropriate under the circumstances.

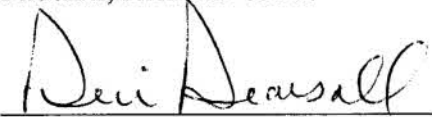
3 RESPECTFULLY SUBMITTED this 31st day of March, 2017.

4 GALLAGHER & KENNEDY, P.A.

5
6 By 
7 Jennifer A. Cranston
8 2575 East Camelback Road
9 Phoenix, Arizona 85016-9225
Attorneys for Graham County Electric
Cooperative, Inc.

10 **Original and 13 copies** filed this
11 31st day of March, 2017, with:

12 Docket Control
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007

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