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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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BOB BURNS
DOUG LITTLE
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Arizona Corporation Commission

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IN THE MATTER OF THE JOINT APPLICATION)
OF TRICO ELECTRIC COOPERATIVE, INC.)
AND TUCSON ELECTRIC POWER COMPANY)
FOR AN ORDER APPROVING A BORDERLINE)
AGREEMENT.)

DOCKET NO. E-01461 A-17-_____
E-01933 A-17-_____

JOINT APPLICATION

E-01461A-17-0121
E-01933A-17-0121

Trico Electric Cooperative, Inc. ("Trico") and Tucson Electric Power Company ("TEP") through undersigned counsel, hereby submit this Joint Application to the Arizona Corporation Commission ("Commission") for approval of a Borderline Agreement between TEP and Trico.

I. BACKGROUND.

TEP is a public service corporation engaged in the generation, transmission and distribution of electricity for the purpose of serving its customers located within a specifically designated service area in portions of Pima County, Arizona.

Trico is a member-owned electric cooperative public service corporation engaged in the distribution of electricity for the purpose of serving its customers located within portions of Pima, Pinal and Santa Cruz Counties, Arizona, pursuant to authority granted by the Commission.

II. REQUEST.

Mr. Daniel Nieves-Gonzalez and Ms. Christine Fuentes-Feliciano (collectively "Customer") are constructing a home at 3755 E. Wetstones Road, Vail, Arizona, 85641, and as recorded in sequence #20171070451 on April 17, 2017 in the Office of the County Recorder, Pima County, Arizona ("Property") located in TEP's certificated territory.

Trico has facilities in close proximity to the Property while TEP facilities are located approximately six hundred (600) feet from the Property. The estimated cost for TEP to provide a line extension to the Property is in excess of two thousand dollars (\$2,000), whereas the Customer's

1 estimated cost for Trico to extend facilities to the property is \$0, assuming Customer satisfies Trico's
2 site improvements requirements of septic or sewer, water, and a home foundation. Trico has
3 determined that it is willing to provide electric service to this Property.

4 At this time, it is in the best interest of the Customer and the public for Trico to serve the
5 Property, under the terms of the Electric Service Authorization Agreement ("Agreement"),
6 attached hereto as **Exhibit A**, until such time as TEP determines it is economically feasible for
7 TEP to serve the Property.

8 **III. ELECTRIC SERVICE AUTHORIZATION AGREEMENT.**

9 TEP and Trico have entered into an Agreement for the Property, attached hereto as **Exhibit**
10 **A**, in order for Trico to provide electric service to the Property subject to the Customer: 1)
11 executing an application for service, 2) paying any and all costs for the line extension or upgrade
12 of Trico's existing facilities necessary to enable Trico to provide the requested service, 3) securing
13 any and all easements and permits associated with Trico's provision of such service, and 4) paying
14 all applicable deposits, fees, rates and charges associated with the requested class of service
15 approved by the Commission for Trico's retail customers.

16 Trico also reserves the right to discontinue providing service to the Property. In this event
17 Trico will: 1) provide TEP and Customer written notice thereof not less than ninety (90) calendar
18 days prior to permanently ceasing to provide power to the Property, and; 2) coordinate with TEP
19 for the exchange of the service, including the transfer of any facilities paid for by Trico and
20 dedicated exclusively to providing service to the Property, at no cost to TEP and the Customer.
21 Any upgrades of Trico's facilities used to serve other customers of Trico shall remain the property of
22 Trico.

23 Pursuant to the Borderline Agreement, TEP reserves the right to provide electric service to
24 the Property in the event TEP has determined that it is economically feasible for TEP to provide
25 such service. In this event, TEP will: 1) provide Trico and Customer written notice thereof not
26

1 less than ninety (90) calendar days prior to its intended date to start providing power to the
2 Property, and 2) coordinate with Trico for the exchange of the service, including the transfer of
3 any facilities paid for by Trico and dedicated exclusively to providing service to the Property, at
4 no cost to Trico and the Customer.

5 TEP and Trico believe the Borderline Agreement to be consistent with and promote the
6 public interest, and is in the best interest of Customer.

7 TEP has no outstanding line extension agreement with the Customer or to the Property.
8 There are no easements or rights-of-way to be transferred. Customer shall be charged the
9 applicable Commission approved rate(s) by Trico. A copy of this Joint Application has been
10 mailed to Customer.

11 The name, address, telephone number, facsimile number and e-mail address of the
12 attorneys for TEP and Trico upon whom service of all documents is to be made are:

13 Bradley S. Carroll
14 Tucson Electric Power Company
15 88 East Broadway, MS HQE910
16 P.O. Box 711
17 Tucson, Arizona 85702
18 Phone: 520-884-3679
19 E-mail: bcarroll@tep.com
20 Attorney for TEP

21 Timothy J. Sabo
22 Snell & Wilmer, LLC
23 One Arizona Center
24 400 East Van Buren
25 Phoenix, Arizona 85004
26 tsabo@swlaw.com
27 Attorney for Trico

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WHEREFORE, TEP and Trico jointly request the Commission to issue its order approving the Agreement. Customer intends to commence construction on the Property in the immediate future. Therefore, TEP, Trico and Customer respectfully request prompt approval of the Agreement.

RESPECTFULLY SUBMITTED this 3rd day of May, 2017.

TRICO ELECTRIC COOPERATIVE

TUCSON ELECTRIC POWER COMPANY

By: Timothy J. Sabo
Timothy J. Sabo
Snell & Wilmer, L.L.P.
One Arizona Center
400 East Van Buren
Phoenix, Arizona 85004

By: Bradley S. Carroll
Bradley S. Carroll
Attorney for TEP
88 East Broadway, MS HQE910
P.O. Box 711
Tucson, Arizona 85702

Attorneys for Trico

1 **COPY of the foregoing hand delivered /mailed**
2 **this 3rd day of May, 2017 to:**

3 Andy Kvesic
4 General Counsel and Director, Legal Division
5 Arizona Corporation Commission
6 1200 West Washington Street
7 Phoenix, Arizona 85007

8 Elijah Abinah, Acting Director
9 Utilities Division
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Dwight D. Nodes, Chief Administrative Law Judge
14 Hearing Division
15 Arizona Corporation Commission
16 1200 West Washington
17 Phoenix, Arizona 85007

18 CC:
19 Mr. Daniel Nieves-Gonzalez
20 Ms. Christine Fuentes-Feliciano
21 1309 West Camino Mesa Sonorense
22 Sahuarita, Arizona 85629

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By: 

EXHIBIT A

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ELECTRIC SERVICE AUTHORIZATION AGREEMENT
(BORDERLINE AGREEMENT)

THIS ELECTRIC SERVICE AUTHORIZATION AGREEMENT (this "Agreement") is entered into this 3rd day of May, 2017 by and between Tucson Electric Power Company, an Arizona corporation ("TEP"), and Trico Electric Cooperative, Inc., an Arizona nonprofit corporation ("Trico").

RECITALS:

- A. The real property described in Exhibit 1 attached hereto (the "Subject Area") is within the area of TEP's Certificates of Convenience and Necessity issued by the Arizona Corporation Commission ("Commission");
- B. In TEP's opinion, it is beneficial to Mr. Daniel Nieves-Gonzalez and Ms. Christine Fuentes-Feliciano (collectively "Customer") for TEP to permit Trico to provide electric service to the Customer so long as Trico is willing to provide as hereafter agreed.

PROMISES AND COVENANTS:

NOW, THEREFORE, in consideration of the foregoing recitals and in further consideration of the following covenants, promises, and provisions, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, for themselves, their agents, employees, successors and assigns, do hereby agree as follows:

1. Trico is hereby authorized by TEP to enter the Subject Area, certificated to TEP, and construct and maintain electric service lines and facilities necessary to provide power to and serve the electric needs of the Subject Area until such time as TEP notifies Trico in writing of its intention to provide service.
2. Trico is willing to provide electric service to the Subject Area, subject to Customer: a) executing any applicable service agreements; b) paying all costs of facilities necessary to enable Trico to provide the

requested service; c) securing at no cost to Trico any and all permits and easements Trico determines are needed to provide the requested service; and d) paying all applicable deposits, fees, rates and charges associated with the requested class of service approved by the Arizona Corporation Commission for Trico's retail customers.

3. TEP reserves the right to provide electric service to the Subject Area in the event TEP has determined that it is economically feasible for TEP to provide such service. In this event, TEP will: 1) provide Trico and Customer written notice thereof not less than ninety (90) calendar days prior to its intended date to start providing power to the Subject Area, and; 2) coordinate with Trico the exchange of the service, including the transfer of any facilities paid for by Trico and dedicated exclusively to providing service to the Subject Area, at no cost to Trico and the Customer.

4. Trico also reserves the right to discontinue providing service to the Subject Area. In this event Trico will: 1) provide TEP and Customer written notice thereof not less than ninety (90) calendar days prior to permanently providing power to the Subject Area, and; 2) coordinate with TEP for the exchange of the service, including the transfer of any facilities paid for by Trico, but excluding structures from Trico's lines to the point of interconnection as reflected on Exhibit 2, which facilities will be retained by Trico. The transfer of such facilities from Trico to TEP shall be at no cost to TEP and the Customer. Any upgrades of Trico's facilities used to serve other customers of Trico shall remain the property of Trico.

5. Trico will then discontinue providing electric service to Customer in the Subject Area on a date mutually agreed upon by TEP and Trico.

6. TEP and Trico shall have no obligation, but may separately agree to allow Trico to retain any facilities Trico does not intend to use to serve the Customer.

7. The transfer to TEP of Trico's facilities dedicated exclusively to serve the Customer shall not be subject to further approval by the Commission.

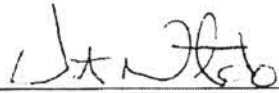
8. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest and assigns, whether arising voluntarily or by operation of law.

9. This Agreement shall become effective upon approval by the Commission.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

TRICO ELECTRIC COOPERATIVE

TUCSON ELECTRIC POWER COMPANY

By: 

By: 
Susan Gray, Vice President

EXHIBIT 1

Legal Descriptions of the "Subject Area"

**Sequence #20171070451 as recorded on April 17, 2017
in the Office of the County Recorder, Pima County, Arizona
S2 S2308.38' E696.91' W2 SE4 18.77 acres
SEC 3-17-16**

3755 E. Wetstones Road, Vail, Arizona 85641

PARCEL 1:

The South half of the following described Parcel:

That portion of the West half of the Southeast Quarter of Section 3, Township 17 South, Range 16 East, Gila and Salt River Base and Meridian, Pima County, Arizona, described as follows:

BEGINNING at a 2 1/4 " capped pipe marked 3/4 at the South Quarter corner of said Section 3;

THENCE North 89 degrees 58 minutes 21 seconds East along the South line of the Southeast Quarter of said Section 3, 612.43 feet to the centerline of Slate Drive and the TRUE POINT OF BEGINNING of the parcel herein described;

THENCE North 0 degrees 32 minutes 36 seconds West parallel to the West line of the Southeast Quarter of said Section 3, 2308.15 feet to a point in a line which is parallel to and 335.0 feet Southerly from the North line of the Southeast Quarter of said Section 3;

THENCE North 89 degrees 58 minutes 52 seconds East along said parallel line, 696.91 feet to the East line of the West half of the Southeast quarter of said Section 3;

THENCE South 0 degrees 16 minutes 04 seconds East along the East line of the West half of the Southeast Quarter of said Section 3, 2308.38 feet to the South line thereof;

THENCE South 89 degrees 58 minutes 21 seconds West along the South line of the Southeast Quarter of said Section 3, 695.81 feet to the TRUE POINT OF BEGINNING.

RESERVING UNTO GRANTOR an easement for access and utilities over the West 30.0 feet thereof.

EXHIBIT 2

Map/Survey of Subject Area

