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Transcript Exhibit(s)

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AZ CORP COMMISSION  
DOCKET CONTROL

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Docket #(s): E-01851A-13-0252

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Arizona Corporation Commission  
**DOCKETED**  
FEB 20 2014


DOCKETED BY 

Exhibit #: A-1A - A-1E , A-2 , S1 - S2

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# *Columbus Electric Cooperative, Inc.*

P.O. BOX 631 · 900 NORTH GOLD · DEMING, NEW MEXICO 88031 · (575)546-8838

February 12, 2014

COASH & COASH, INC.  
Court Reporting  
1802 N. 7<sup>th</sup> Street  
Phoenix, AZ 85006

Re: Columbus Electric Cooperative, Inc.; Docket No. E-01851A-13-0252


Dear Sir or Madam:

As directed, please find enclosed Exhibits A-1 and A-2 from the February 11, 2014, hearing in the above referenced matter. Since there were supplemental filings to the original Application I included them as subparts of Exhibit A-1. I have attached a cover sheet for all the exhibits accompanying this letter.

Thank you for your attention to this matter and let me know if you need anything else from me.

Sincerely,

COLUMBUS ELECTRIC COOPERATIVE, INC.

By   
Charles C. Kretek,  
General Counsel

Cc: Hon. Jane Rodda, ALJ  
Mr. Brian Smith, Esq.



**COLUMBUS ELECTRIC'S EXHIBITS FOR FEBRUARY 11, 2014 HEARING**

- Exhibit A-1-A**      Application of Columbus Electric Cooperative, Inc. for an Increase in Rates and for Other Related Approvals, filed on July 22, 2013 including Direct Testimony of Chris Martinez and E.L. Moss
- Exhibit A-1-B**      Amendment to Application regarding Lighting Notice, filed on August 14, 2013
- Exhibit A-1-C**      Corrected Schedule H to Application, filed on August 16, 2013
- Exhibit A-1-D**      Supplement to Application consisting of Cost of Service Study, filed on August 15, 2013
- Exhibit A-1-E**      Supplement to Application consisting of certain Schedules pertaining to Cost of Service Study, filed on September 30, 2013
- Exhibit A-2**        Rebuttal Testimony of Chris Martinez

NEW APPLICATION

Columbus Electric Cooperat



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ORIGINAL

P.O. BOX 631 · 900 NORTH GOLD · DEMING, NEW MEXICO 88031 ·

RECEIVED  
July 18, 2013

2013 JUL 22 A 11:11

Arizona Corporation Commission  
Docket Control  
ATTN: Kay Mecca  
1200 West Washington  
Phoenix, AZ 85007-2996

AZ CORP COMMISSION  
DOCKET CONTROL

Re: Application for Rate Increase

E-01851A-13-0252

Dear Ms. Mecca:

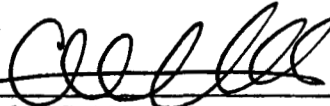
Please find enclosed an original (double rubber bands) and fifteen (15) copies of an Application for an Increase in Rates and for Other Related Approvals. The original and Copies 1 and 2 contain the Pre-Filed Testimony of both Chris Martinez and E.L. Moss, along with Exhibits 1 thorough as well as the required financial schedules. Copies 3 through 15 do not include the financial information, namely the financial schedules and Exhibits 8 and 9.

As you indicated previously there is no filing fee. I am also not asking for the return of a conformed copy, I can retrieve it from eDocket once it is posted.

Thank you for your assistance and attention to this matter. Please contact me if there are any questions or problems with the filing.

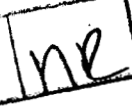
Sincerely,

COLUMBUS ELECTRIC COOPERATIVE, INC.

By   
Charles C. Kretek,  
General Counsel

Arizona Corporation Commission  
DOCKETED

JUL 22 2013

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NEW APPLICATION

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
DOCKET CONTROL

COMMISSIONERS

BOB STUMP, Chairman

GARY PIERCE

BRENDA BURNS

BOB BURNS

SUSAN BITTER SMITH

DOCKET NO. E-01851A-13-0252

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR AN INCREASE IN RATES AND FOR )  
OTHER RELATED APPROVALS )

APPLICATION

Arizona Corporation Commission

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JUL 22 2013

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1 Pursuant to A.R.S. Section 40-250 and A.A.C R14-2-103, Columbus Electric  
2 Cooperative, Inc. ("CEC" or "Cooperative"), by and through its General Counsel, and in support  
3 of this Application, states as follows:

4 1. CEC is a non-profit rural electric cooperative incorporated under the laws of the State  
5 of New Mexico and authorized to do business in the State of Arizona.

6 2. CEC is a Class C electric public service corporation that, pursuant to a Certificate of  
7 Convenience and Necessity issued by the Arizona Corporation Commission ("ACC" or  
8 "Commission") serves a small portion of Cochise County, Arizona, in addition to serving three  
9 New Mexico counties.

10 3. All aspects of CEC's operations and its annual operating budget are overseen and  
11 approved by the nine (9) elected members of the Board of Trustees.

12 4. The Board of Trustees approved the filing of this Application at a regular meeting of  
13 the Board of Trustees held on April 23, 2013.

14 5. In 2010, CEC sought and received approval of a rate adjustment in Decision No.  
15 71792 (July 12, 2010) in Docket No. E-1851A-09-0305 at which time CEC's FVRB was deemed  
16 to be the same as its OCRB, \$1,699,565 for Arizona, and CEC agrees to rely on this  
17 determination in this matter.

18 6. The primary purpose of this Application is to eliminate the volatility experienced by  
19 CEC's Arizona Customers resulting from the monthly Fuel and Purchased Power Cost Adjustor,  
20 previously approved by the Commission, by resetting CEC's base cost of power.

21 7. In order to accomplish the primary purpose CEC evaluated its rates, rate designs  
22 and structures and policies and is proposing the changes requested herein to achieve the primary  
23 purpose under rates and policies uniform throughout CEC's system.

24 8. The proposed changes will result in a nominal increase in revenue from Arizona  
25 customers of \$21,590.00, amounting to an increase of 2.577% across all customer classes, while  
26 eliminating the volatility through the uniform application of rates, rate designs and policies to all  
27 of CEC's customers.

28 9. In addition to, and in conjunction with, this Application for a new determination of  
29 CEC's base cost of power and the increase in rates, CEC is also requesting the Commission to  
30 approve:



- 1 a) A revision to the Fuel and Purchased Power Cost Adjustor ("FPPCA"), which is the  
2 mechanism that will continue to allow CEC to pass through to the customers the  
3 increase or decrease above CEC's base rate of power, originally approved in Decision  
4 No. 50226 (September 18, 1979) in Docket No. U-01750-92-0255;
- 5 b) A Temporary Fuel and Purchased Power Cost Adjustment Surcharge to recover the  
6 outstanding under-collected amount in the balancing account if/when the new rates  
7 and rate design are implemented in Arizona.
- 8 c) A new Line and Service Extension Schedules and Forms, as previously suggested by  
9 Commission Staff, which specifies the terms and conditions of service as well as the  
10 costs and fees required from the customer, as well as the credit, if any, the customer  
11 may be entitled to by the guaranteed revenue recovery of the new service;
- 12 d) Revisions to and addition of certain tariffs to clarify and define eligibility and  
13 responsibilities of CEC and its consumers.

14 10. Accompanying this Application are the rate and design schedules required by A.A.C.  
15 R14-2-103, as recently amended, and the direct testimony and attachments of Chris Martinez,  
16 Executive Vice-President and General Manager of CEC and E.L. Moss, Certified Public  
17 Accountant.

18 11. All communications, notices and correspondence regarding this Application, as well  
19 as discovery and pleadings with respect thereto, should be served upon the following:

20 Chris Martinez ([chrism@col-coop.com](mailto:chrism@col-coop.com))  
21 Charles C. Kretek ([chuckk@col-coop.com](mailto:chuckk@col-coop.com))  
22 900 N. Gold Ave.  
23 P.O. Box 631  
24 Deming, NM 88031-0631  
25 (575) 546-8838  
26 Fax: (575) 546-3128  
27

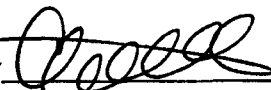
28 WHEREFORE, CEC respectfully requests that the Commission enter an Order:

- 29 A. Setting a new base cost of power for CEC;  
30 B. Approving the requested increase in rates;  
31 C. Approving the revisions to and additions of the terms and conditions various  
32 tariffs and rates; and

- 1 D. Approving the requested modification to the Fuel and Purchased Power Cost  
2 Adjustor;  
3 E. Allowing the Temporary Surcharge as requested;  
4 F. Approving the requested modifications to the Line and Service Extension Policy;  
5 G. Such other relief, both at law and in equity, as the Commission deems just and  
6 proper.

7 RESPECTULLY SUBMITTED this 18<sup>th</sup> day of July, 2013.

8  
9 Columbus Electric Cooperative, Inc.

10  
11  
12  
13 By   
14 Charles C. Kretek, General Counsel  
15 P.O. Box 631  
16 Deming, NM 88031-0631  
17 Phone: (575) 546-8838  
18 Fax: (575) 546-3128  
19 Arizona Bar No. 021174  
20  
21  
22

23 Original and thirteen (13) copies of  
24 the foregoing Motion mailed for filing  
25 this 18<sup>th</sup> day of July, 2013, to:

26  
27 Docket Control  
28 Arizona Corporation Commission  
29 1200 West Washington Street  
30 Phoenix, AZ 85007  
31

32 Copy of the foregoing Motion mailed  
33 this 18<sup>th</sup> day of July, 2013, to:

34  
35 Janice Alward  
36 Steve Olea  
37 Lyn Farmer  
38 Brian Smith  
39 1200 West Washington Street  
40 Phoenix, AZ 85007

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

**BOB STUMP, Chairman**

**GARY PIERCE**

**BRENDA BURNS**

**BOB BURNS**

**SUSAN BITTER SMITH**

**IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR AN INCREASE IN RATES AND FOR )  
OTHER RELATED APPROVALS )**

**DOCKET NO. E-01851A-13-\_\_\_\_\_**

**PRE-FILED DIRECT TESTIMONY OF CHRIS MARTINEZ**

**ON BEHALF OF**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**JULY 17, 2013**

1 **INTRODUCTION**

2 **Q: Please state your name and business address.**

3 A: My name is Chris Martinez. My business address is 900 North Gold Avenue in Deming, New  
4 Mexico and my business mailing address is P.O. Box 631, Deming, New Mexico 88031.

5 **Q: What is your position with Columbus Electric Cooperative, Inc. and how long have you  
6 been employed by the Cooperative?**

7 A: I am the Executive Vice President and General Manger for Columbus Electric Cooperative, Inc.  
8 and have been employed there since 1991, and have worked for New Mexico rural electric cooperatives  
9 since 1978. I will refer to Columbus Electric Cooperative, Inc. ("CEC" or the "Cooperative").

10 **Q: Please provide a brief description of the Cooperative.**

11 A: CEC is a rural electric cooperative headquartered at 900 N. Gold Ave. in Deming, Luna County,  
12 New Mexico, and owns and operates an electric sub-transmission and distribution system as a public  
13 utility in three counties of southwestern New Mexico, Luna, Grant and Hidalgo Counties, and a portion  
14 of eastern Arizona, Cochise County, encompassing approximately 7,000 square miles. CEC's system  
15 includes over 130 miles of transmission line, 2,098 miles of energized overhead distribution line and 82  
16 miles of underground distribution line.

17 At year-end 2012, CEC had an average of 5,259 consumers, with 4,840 (92%) located in New  
18 Mexico and 419 (8%) located in Arizona. Of the 101,612,619 kWh sold in 2012, 94,922,572 kWh  
19 (93.4%) was sold to New Mexico consumers and 6,690,047 kWh (6.6%) sold to Arizona consumers. Of  
20 the \$13,403,460 in total revenue, \$12,549,381(93.6%) was derived from New Mexico consumers and  
21 \$854,079 (6.4%) was derived from Arizona Consumers.

1 CEC is a member of Tri-State Generation and Transmission Cooperative, Inc. ("Tri-State") and  
2 purchases its full power and energy requirements from Tri-State pursuant to a Wholesale Electric  
3 Service Contract, generally described as an all-requirements contract. CEC is allowed to obtain up to  
4 five percent (5%) of its power requirements from sources other than Tri-state but does not generate its  
5 own power and energy. The cost of power is the single largest component of cost to CEC's consumers  
6 and since the last time CEC's base cost of power was determined in 2000, the cost of power and  
7 increased dramatically resulting in a large Fuel and Purchase Power Cost Adjustment Clause  
8 ("FPPCAC") each month.

9 **Q: What is the purpose of your testimony in this proceeding?**

10 A: The purpose of my testimony is to provide a general overview of the rate case Application and to  
11 provide relevant background necessary to understanding what led CEC to file this application. My  
12 testimony will provide the following:

- 13 a. A discussion of CEC's objectives in this filing and an overview of the rate filing package;
- 14 b. A discussion of the rate design and the impact on members;
- 15 c. A description of the proposed tariff changes; and
- 16 d. A discussion of the proposed changes to the service conditions.

17 **Q: What other direct testimony is being presented in support of this Application?**

18 A: E.L. Moss is the independent certified account for CEC and has prepared and will testify about  
19 the rates, schedules and rate design.

20 **Q: What are some of the factors that CEC considered in deciding to file an Application for an**  
21 **Increase in Rates?**

22 A: The margins of CEC in the past few years have been steady; however the increase in operating

1 expense led the nine member Board of Trustees to the conclusion that a modest increase in electric rates  
2 is necessary in order to maintain the financial stability of CEC. The Board of Trustees of CEC has  
3 authorized management to notify its members of a proposed increase in rates and to apply for such  
4 increase to the New Mexico Public Regulation Commission ("NMPRC") and to the Arizona  
5 Corporation Commission ("ACC"). Schedules attached reflect the actual results of operations of CEC  
6 for calendar year 2012 and includes the additional revenue from the proposed increase. There has been  
7 a dramatic increase in the cost structure in the electric industry. This includes increases in our  
8 construction costs, such as steel, concrete, and other material. There have also been increases in fuel,  
9 labor, and operational and maintenance expenses.

#### 10 BACKGROUND

11 **Q: When were CEC's current Arizona rates implemented?**

12 **A:** In Arizona, the Cooperative has not adjusted its base rate for consumers since the ACC approved  
13 rates by Decision No. 6396 (August 31, 2001) in Docket No. E-01851A-00-1016, which implemented a  
14 decrease in the base rate cost of power. In Decision No. 71792 (July 12, 1010) in Docket No. E-1851A-  
15 09-0305, CEC sought and obtained an increase only in the monthly customer charge for Arizona  
16 customers.

17 **Q: What about CEC's New Mexico rates?**

18 **A:** CEC's current rates for electric service in New Mexico were approved by operation of law on  
19 November 23, 2010 for New Mexico Consumers. In addition, the Cooperative submitted a rate  
20 filing in New Mexico on July 1, 2013, that seeks to implement identical rates structures, fees and  
21 charges now being submitted to the ACC. I have attached as Exhibit 1 to my testimony the proposed  
22 New Mexico Rates filed as Advice Notice No. 54 with the NMPRC which should be in effect for the

1 September, 2013, billing cycle for New Mexico customers by operation of New Mexico law.

2 **Q: Why does the Cooperative want identical or uniform rates and polices?**

3 A: The consumers in each separate jurisdiction are identical in characteristic, as is the geographic  
4 service area itself. CEC has historically strived to serve all consumers in a particular rate class,  
5 jurisdiction notwithstanding, under the same rate schedule. This is done for expediency from both an  
6 administrative standpoint and our members requesting rate parity. Additionally, all consumers of CEC  
7 are of equal standing, and the service requirements of consumers are all provided for in the same  
8 manner. CEC maintains revenue and fuel cost billings to consumers in each jurisdiction. The power  
9 costs applicable to consumers in each jurisdiction are separately determined. CEC does not maintain a  
10 complete accounting for operating expenses by jurisdiction: all financial statements are issued on a total  
11 system basis. The Arizona customers and revenue represent approximately 8% and 6.6% respectively,  
12 of the total CEC system. The actual operation of the total system is managed in such manner that  
13 equipment and personnel are involved in both jurisdictions so that a complete set of accounting records  
14 for each state would be impractical.

15 **Q: Has CEC notified its members of the proposed rate increase filing?**

16 A: Yes. In addition to raising the issue at the Cooperative's annual meeting of the members on  
17 March 23, 2013, the Cooperative has addressed the issue in its monthly newsletter, the *Columbus*  
18 *Currents*, and in June, 2013, a separate insert was placed in the Enchantments magazine received by all  
19 members of the Cooperative, and a copy of the insert is attached hereto as Exhibit 2. The Cooperative  
20 will provide individual notice to each of the affected Arizona by a mail insert to be included in the  
21 monthly bills, in the form directed by Commission Staff or the Hearing Division after the filing of the  
22 Application.

1 **CUSTOMER CHARGES**

2 **Q: Why is CEC also seeking an adjustment to the Customer Charge?**

3 A: As a Cooperative, it is important to have "postage stamp" rates for all customers within a rate  
4 class regardless of the customer's location. This rate structure is referred to as a "postage stamp" rate  
5 methodology because it does not vary with distance or other factors, much like the U.S. Postal stamp  
6 charge for First-Class mail. Since postage stamp rates mean all cooperative members are both, charged  
7 the same rate and have the same rates available to them, members residing in either jurisdiction feel  
8 neither disadvantaged nor perceive a subsidy.

9 **Q: What is the impact of revenue of changing both the rates and customer charges?**

10 A: The combined adjustments will result in a revenue increase in the approximate amount of  
11 \$93,364 to New Mexico consumers and \$21,638 to Arizona consumers. This increase amounts to an  
12 increase of 0.75% of revenue from New Mexico consumers and 2.58% of revenue from Arizona  
13 consumers. The total overall increase amounts to \$115,002 or 0.86% of revenue from all consumers  
14 based on revenue for the year ended December 31, 2012. This increase will vary between consumer  
15 classes and among some individual consumers within a class.

16 **FUEL AND PURCHASED POWER COST ADJUSTOR**

17 **Q: How has the Cooperative been able to operate without a general rate increase for so long?**

18 A: Since 2000, the Cooperative has experienced 12 years of wholesale power cost increases. Those  
19 increases have been passed onto customers utilizing the Fuel and Purchased Power Cost Adjustor  
20 (FPPCA). While the average FPPCA factor is approximately four cents over a year's time, the  
21 calculated monthly factor can reach extremes ranging from a low of 1 cent to a peak of 8.8 cents/kWh  
22 (New Mexico customer's having a larger and more diverse customer base do not experience the same



1 volatility). We propose as part of this case to utilize all customers in one calculation of the FPPCA in an  
2 effort to give rate parity and stability to all our customers. I have attached as Exhibit 3 the Application  
3 for Continuation of Fuel and Purchased Power Cost Adjustment Clause and Variances filed with the  
4 New Mexico Public Regulation Commission on May 21, 2013, in Docket Number 13-00180-UT. I have  
5 also attached as Exhibit 4 the Memorandum of the NMPRC staff supporting CEC's Application. The  
6 NMPRC has notified CEC that approval of the Application is tentatively scheduled for July 30, 2013.

7 **Q: Why do you believe it is in the best interests of the Cooperative and its customers to have a**  
8 **uniform Fuel and Purchased Power Cost Adjustor?**

9 A: System-wide uniformity is desirable and the most equitable means of operation. Furthermore, in  
10 CEC's current rate proceedings before the ACC and the NMPRC, CEC is seeking to set a new base cost  
11 of power along with other changes including the imposition of a uniform rate design and uniform  
12 FPPCAC and Line and Service Extension Policies in both jurisdictions. At the very least, uniformity  
13 across the entire system will reduce the amount of time and labor required for each billing cycle, and  
14 more importantly will result in largely uniform treatment of all CEC's members, regardless of their state  
15 of residence.

16 **Q: What do the respective FPPCAC calculations presently look like?**

17 A: The New Mexico and Arizona FPPCA formulae are identical with one exception. The Arizona  
18 calculation utilizes the kWh sold in the prior month multiplied against the base rate in developing the  
19 factor to be applied against the following month's sales. In New Mexico's calculation for the  
20 Agricultural Rate Class's current month's sales are combined with the remaining customer classes' prior  
21 month's sales to produce the factor.

22 The Agricultural Rate Class is seasonal and the largest revenue class on the Cooperative's

1 System accounting for approximately 43% of all annual sales. The billing period for this rate class is  
2 identical to the billing period for the Cooperative from its' power supplier, Tri-State, and is from  
3 midnight the first day of the month to midnight the last day of the month. By incorporating this rate  
4 class's current month's sales into the calculation, we minimize the shifting of cost between customers  
5 and rate classes. We propose as part of this application to utilize the New Mexico methodology in a  
6 combined regulatory jurisdiction calculation.

7 CEC has historically made two calculations each month, one for the New Mexico consumers  
8 and one for the Arizona consumers, based on the total kWh sales for the respective jurisdictions. The  
9 end result has been that customers in New Mexico and Arizona have different fuel factors and because  
10 of the load characteristics, the Arizona consumers have, at times, experienced far more volatility in the  
11 fuel factor from month to month than have their neighbors in New Mexico.

12 As discussed herein, CEC is seeking to set a new uniform base cost of power in both  
13 jurisdictions, but the periodic fluctuations in the cost of fuel and purchased power cannot be entirely  
14 accounted for in the base cost of power and the use of an FPPCA remains the best and most efficient  
15 means to accomplish recovery of such periodic increases or prompt credit in the case of periodic  
16 decreases. The amounts currently recovered, and those recovered in the future, by CEC's FPPCA do not  
17 include any costs included in CEC's base cost of power and those amounts collected are only for  
18 amounts actually expended by CEC for fuel and purchased power costs.

19 CEC will continue to use a monthly calculation but is asking for permission to perform only one  
20 calculation based on system-wide kWh sales without differentiating between New Mexico and Arizona  
21 consumers.

1 **Q: What are you proposing for a Fuel and Purchased Power Adjustor Clause?**

2 A: The Fuel and Purchased Power Cost Adjustment ("FPPCA") is proposed to be in excess or less  
3 than \$0.077950 per kWh sold. The Debt Cost Adjustment ("DCA") per kWh sold that is applicable in  
4 New Mexico does not apply to Arizona consumers.

5 **Q: Why does CEC need a Temporary Surcharge?**

6 A: Upon implementation of new rates, based on the actual base cost of power, the monthly  
7 FPPCAC will shrink to an almost indiscernible amount of each customer's monthly bill. However,  
8 because there is already an undercollected balance, CEC will still be required to recover the cost of the  
9 previously purchased fuel and purchased power but will not be able to do so under the regular FPPCAC  
10 without passing through the entire undercollected balance in one month, thereby inducing rate shock.  
11 The undercollected balance for each jurisdiction, New Mexico and Arizona, will only be collected from  
12 the respective members of each jurisdiction.

13 **Q: How much is the anticipated undercollected balance?**

14 A: CEC will not know the exact undercollected amount in the balancing account until the new rates  
15 are implemented. I have attached as Exhibit 5 to my testimony the FPPCAC calculations for 2012 and  
16 2013 for CEC's entire system and by jurisdiction. The Exhibit shows the "Balance Over/Under" and  
17 how the undercollected amount varies throughout the year. You can also see that the "Balance  
18 Over/Under" seen in 2012 is mirrored in the account this year, but that the actual amounts differ  
19 slightly. Thus, although CEC has a general idea of where the balancing account should be at any given  
20 time of year, the actual amount cannot be known until the new base rate being sought by CEC is  
21 implemented. At that point, CEC would then request the imposition of the surcharge until the  
22 undercollected amount is recovered.

1 **Q: How is CEC proposing to impose the Temporary Surcharge?**

2 **A: As in New Mexico, CEC is proposing to implement in Arizona a Temporary FPPCAC Surcharge**  
3 **of \$0.02 per kWh to recover the undercollected amount over the course of months, rather than**  
4 **recovering the entire undercollected amount in the first month after implementation of the new rates,**  
5 **2013, which would be the case if the request for the Temporary FPPCAC Surcharge is not granted by**  
6 **the ACC. CEC encountered a similar situation and sought and was granted previously granted**  
7 **permission by the NMPRC for a similar remedial action granted on June 6, 1988, in Case No. 2176 and**  
8 **the CEC's current proposed FPPCAC in New Mexico includes a Temporary FPPCAC Surcharge.**

9 CEC is also proposing to submit an additional monthly filing to the ACC specifically related to  
10 The surcharge. Upon implementation, CEC will calculate and report to the ACC Staff the total  
11 undercollected amount. Each month thereafter, CEC will submit a report, similar to the regular  
12 FPPCAC monthly reports, but dealing only with the amount collected by the surcharge and showing the  
13 monthly recovery and outstanding balance. Additionally, CEC would include a notice of explanation to  
14 its customers upon implementation of the surcharge.

15 **MODIFICATIONS TO TARIFFS AND CONDITIONS OF SERVICE**

16 **Q: Why is CEC seeking changes to the tariffs and conditions of service?**

17 **A: CEC's Application includes proposed language changes to add clarity and eliminate confusion**  
18 **For consumers. For example, our residential rate includes language that allowed for the inclusion of**  
19 **Small schools but did not provide a definition of a small school, leaving the meaning to the maximum**  
20 **Demand a single phase service is capable of carrying or the small commercial tariff with a requirement**  
21 **not to exceed 50kVa but no remedy in the event that situation occurs.**

1 **Q: CEC is also proposing new rate schedules?**

2 **A:** The Cooperative has included two additional rate schedules Arizona Schedule IS Industrial  
3 Service and Arizona Schedule LP Large Power Service. We do not have any customer currently taking  
4 service or requesting to take service under these schedules. These schedules are available to New  
5 Mexico customers and as part of our efforts to provide uniform rates for both jurisdictions they are  
6 included in this Application.

7 **Q: What is CEC's plan for Time of Use Rates?**

8 **A:** The Cooperative intends to sunset time-of-use rates in both the New Mexico and Arizona  
9 jurisdictions. The New Mexico time-of-use rates will sunset at the end of 2013 and we propose to  
10 sunset Arizona time-of-use rates no later than 90 days after ACC approval of this Application.

11 **Q: Why?**

12 **A:** The Cooperative currently has 21 residential and 2 irrigation time-of-use customers in Arizona.  
13 In 2012, the Arizona residential time-of-use customers purchased a total of 228,485kWh, 121,395 or  
14 53% on-peak and 107,090 off-peak at an average cost of \$0.1394/kWh. The remaining Arizona  
15 Customers during the same period, taking service under the standard residential rate purchased a total of  
16 2,394,625 kWh with revenues of \$362,694.62 equaling an average cost of \$0.13815/kWh. Across the  
17 Entire revenue classes the time-of-use customers averaged a slightly higher power cost.

18 The Cooperative's power supplier, Tri-State, has proposed a change in the billing structure and  
19 rates to the member systems. Tri-State provides wholesale service to 44 member distribution systems in  
20 four states, Wyoming, Colorado, Nebraska and New Mexico. The proposed rate structure became  
21 effective January 2, 2013 to all member systems except those located in New Mexico. The proposed  
22 rate was suspended by the NMPRC. The rate case in New Mexico basically consists of two

1 components, the rate methodology and the revenue requirement. The rate methodology provides a rate  
2 reduction for ten distribution systems (including CEC) and an increase for two systems. Tri-State also  
3 proposes an average 4.8% revenue requirement increase.

4 CEC's proposed change in the billing methodology is relative to our ability to effectively offer  
5 time-of-use rates. The current billing methodology to the Cooperative includes a demand charge of  
6 \$22.38 based on our coincident peak during the Tri-State peak period and an energy charge of \$0.02895,  
7 hereinafter referred to as the A-36 rate. The proposed rate, hereinafter referred to as the A-37 rate, is a  
8 seasonal average demand rate and time-of-day energy rates shown below:

9 **Seasonal Average Demand Rate Component**

10 Winter Season: \$31.74 per kilowatt-month of Monthly Average Demand;

11 Spring Season: \$28.99 per kilowatt-month of Monthly Average Demand;

12 Summer Season: \$36.18 per kilowatt-month of Monthly Average Demand;

13 Fall Season: \$28.99 per kilowatt-month of Monthly Average Demand.

14 The monthly average demand is the total monthly energy in kilowatt-hours divided by the  
15 number of hours in the month.

16 **TOD On-Peak Energy Periods**

17 On-Peak: \$0.04198 (41.98 mills) per kilowatt-hour;

18 Off-Peak: \$0.01050 (10.50 mills) per kilowatt-hour.

19 **On-Peak**

20 Sixteen (16) hours Monday through Saturday from 7:00 AM to 11:00 PM (the billing ½ hour  
21 period ending 7:30 AM through the billing ½ hour period ending at 11:00 PM) with the exception of the

1 following six (6) holidays if occurring on Monday through Saturday: New Year's Day, Memorial Day,  
2 Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

3 **Off Peak**

4 Sixteen (16) hours Monday through Saturday from 11:00 PM to 7:00 AM (the billing ½ hour  
5 period ending 11:30 PM through the billing ½ hour period ending at 7:00 AM) and all Sundays. (24  
6 hours off-peak) are classified as off-peak periods. Also, the following six (6) holidays are classified as  
7 off-peak periods (24 hours off-peak): New Year's Day, Memorial Day, Independence Day, Labor Day,  
8 Thanksgiving Day, and Christmas Day.

9 Historically the Cooperative offered time-of-use pricing to provide members with an opportunity  
10 to save money by using less electricity at times of peak demand. When Tri-State's A-37 rate goes into  
11 effect there will be no peak demand period and the only opportunity for saving results from passing  
12 through the energy differential in the wholesale rate.

13 Based on Tri-State's A-36 wholesale rate, CEC's current residential on-peak rate and off-peak  
14 rates are \$0.0975/kWh and \$0.060/kWh respectively, offering a \$0.0375/kWh differential with a nine  
15 hour off-peak window 365 days/year or 3,285 hours/year. Tri-State's A-37 rate design has an on-peak  
16 off-peak rate differential of \$0.03148 effectively reducing the rate payer benefit by \$0.00602/kWh. The  
17 shift in the start of the off-peak time period coupled with a reduced benefit of less saving per kWh, will  
18 have a diminishing effect on what is a already low participation level.

19 The Cooperative currently utilizes Elster meters to measure time-of-use consumption. If the  
20 Cooperative were forced to continue to offer time-of-use rates regardless of customer benefit or  
21 participation levels, rate change transition expense results. The meters would have to be reprogrammed  
22 with new on-peak, off-peak time periods. The Cooperative has a consumer density of 2.48 customers per

1 mile of line and Arizona customers are located 90 miles from the headquarters where the meter shop is  
2 located. This transition can be expected to take several days but more troubling is that we no longer  
3 have "postage stamp" rates for all Cooperative members; rate availability varies by regulatory  
4 jurisdiction.

### 5 LINE AND SERVICE EXTENSIONS

6 **Q: CEC is also seeking to implement a new Line and Service Extension Policy and Forms?**

7 Yes. The Cooperative has included a modified Line and Service Extension Schedule as part of  
8 this case. The Line and Service Extension Schedule currently utilized was approved by the ACC  
9 in Decision No. 56743 (December 20, 1989). CEC is asking the ACC to approve a policy and forms  
10 similar to those already filed in New Mexico and now in effect by operation of New Mexico law. I have  
11 attached as Exhibit 6, filed as Advice Notice No. 55, containing the forms relating to CEC's New  
12 Mexico Line and Extension Policy and Exhibit 7, filed as Advice Notice No. 56, containing the New  
13 Mexico Line and Service Extension Policy. Both items were filed with the NMPRC on May 2, 2013,  
14 and by operation of New Mexico Law are now in effect for CEC's New Mexico customers.

15 The Schedule ALSE, attached hereto as Exhibit 10, Line and Service Extension proposes to  
16 establish an application fee and fee schedule for customers who request CEC to prepare detailed plans,  
17 specification or cost estimates. The Cooperative does not offer "free" line extensions but does offer  
18 revenue credits that have revenue recovery guaranteed by contracts. The revenue credits will be  
19 established by policy set by the Cooperative's Board of Trustees which has already been implemented  
20 for CEC's New Mexico customers.

21 The rationale for having revenue credits established by Board of Trustees in policy is founded in  
22 the fact that CEC is a Cooperative, democratically controlled by our members. Unlike an investor



1 owned utility, CEC's owners are its rate payers and CEC does not seek to generate profits for outside  
2 investors. CEC's Board of Trustees are elected representatives directly accountable to the membership.  
3 Members contribute equitably to, and through a democratic process, control the capital of their  
4 cooperative.

5 The proposed line extension schedule has been modified to provide clarity and detail to the  
6 process of requesting service and detail the responsibilities of both the consumer and the Cooperative.

7 We also include provisions and agreements for customer built line extensions.

8 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**


9 **A: Yes.**

10

1 STATE OF NEW MEXICO )  
2 :ss  
3 COUNTY OF LUNA )  
4

5 **VERIFICATION**  
6

7 I, Chris Martinez, being first duly sworn upon oath, deposes and states that I am the Executive  
8 Vice-President and General Manager of Columbus Electric Cooperative, Inc. and that I have read the  
9 foregoing document, entitled Prepared Direct Testimony of Chris Martinez and the Application for  
10 Continuation of Fuel and Purchased Power Cost Adjustment Clause, and the same is true and correct to  
11 the best of my information, knowledge and belief.  
12

13   
14 \_\_\_\_\_  
15 Chris Martinez,  
16 Executive Vice-President and  
17 General Manager of Columbus  
18 Electric Cooperative, Inc.  
19

20 SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Chris  
21  
22 Martinez, Executive Vice-President and General Manager of Columbus Electric  
23  
24 Cooperative, Inc, on the 17<sup>th</sup> day of July, 2013.  
25

26   
27 \_\_\_\_\_  
28 NOTARY PUBLIC  
29

30 My Commission Expires:  
31 October 1, 2014  
32



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTICE OF PROPOSED RATE ADJUSTMENT**

The current rates for electric service of Columbus Electric Cooperative, Inc. ("CEC") were approved by operation of law effective May 30, 2009.

The margins of CEC in prior years have been relatively steady. Schedule CEC-3 reflects the margins for fiscal years ended July 31, 2008, 2009, and 2010, from the annual audit reports. This application for rate adjustment is based on a test year ending September 30, 2012. Also included on Schedule CEC-3 are the income and expense statements for fiscal years ended September 30, 2011 and 2012.

The margins of CEC are relatively stable, even in comparing fiscal year ends at different periods. Referring to Schedule CEC-3, the margin increase from \$533,507 in 2009 to \$1,281,179 in 2010 is partly the result of the last rate increase which became effective in early 2009, and partly from other accounting adjustments occurring during that year. The results of operations in years 2011 and 2012 are more indicative of normal operations of CEC. The margins reflected at September 30, 2012 include the proposed \$115,000 increase in revenue from the requested rate increase.

In view of expected increases in operating expenses in subsequent years, the Board of Trustees has authorized management to notify the CEC members of a proposed increase in rates, and to apply to the New Mexico Public Regulation Commission ("NMPRC") for an increase in rates. This application for the proposed rate increase will be separately filed with the Arizona Corporation Commission ("ACC").

CEC serves a total of 5,762 consumers, of which 5,297 are located in New Mexico and 483 in Arizona. The proposed revenue increase amounts to approximately \$93,410 to New Mexico consumers (0.749%), and \$21,590 to Arizona Consumers (2.577%) a total increase of \$115,000 (0.864%) from all consumers.

The rate increase applies to the following classes: Residential - \$60,000, Small Commercial - \$50,000, and Lighting - \$5,000. The proposed increase may vary among some individual consumers within a class. In addition, the application of the proposed rate designs may result in increases or decreases to individual consumers within a class.

The present rates provide for a Fuel and Purchased Power Cost Adjustment ("FPPCA") in excess of or less than the purchased power cost established in December, 2000 - \$0.04172 per Kwh sold. In addition, the present rates include a Debt Cost Adjustment ("DCA") which applies to the interest cost per Kwh at December, 2000.

In this filing, the purchased power costs has been re-based to \$0.07851, per Kwh sold, and the debt cost adjustment will also be rebased accordingly. The same FPPCA factor will apply to New Mexico and Arizona Consumers.

The energy charges in the proposed rates have been adjusted to include the amounts collected through the FPPCA and the DCA clauses in the present rates.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTICE OF PROPOSED RATE ADJUSTMENT**

Columbus has historically provided, and plans to continue to provide, service to all its consumers in each respective rate class at the same rate, jurisdictions notwithstanding. The reasons for this are:

- a) There is no difference in service characteristics of the customers in New Mexico and Arizona.
- b) All customers are members of the Cooperative in equal standing whose respective service needs are all provided for in the same manner.

The Board of Trustees is aware that some differences in rate of return will occur between jurisdictions when identical rates are applied in this manner; however, the equality of the members and the administrative benefits of uniform rate schedules for each class of customer are of far greater importance. Additionally, the customers in each jurisdiction have requested that the customer classes in the total system be served at the same rate.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

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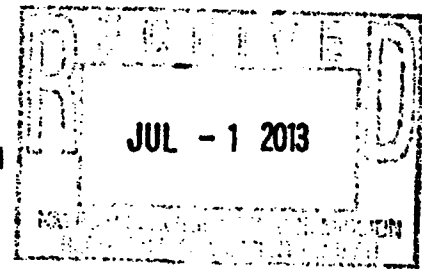
**RATES**

<u>Rate No.</u>	<u>Title of Sheet</u>
1	Fifth Revised Rate No. 1 – Residential Service
2	Fifth Revised Rate No. 2 – Small Commercial Service
3	Sixth Revised Rate No. 3 – Irrigation Service
5	Fifth Revised Rate No. 5 – Large Power Service
6	Fifth Revised Rate No. 6 – Industrial Service
7	First Revised Rate No. 7
12	Fourth Revised Rate No. 12 – Lighting Service
14	Original Rate No. 14 – Fees and Charges
15	Fourth Revised Rate No. 15 – Agricultural Service
Schedule S	First Revised Schedule S – Service to Large Smelter
Rate Rider	First Revised Rate Rider No. 1 – First Revised Schedule S – Service to Large Smelter
17	Original Rate No. 17 – Optional Renewable Resource Power Rider

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**NEW MEXICO PUBLIC REGULATION COMMISSION**



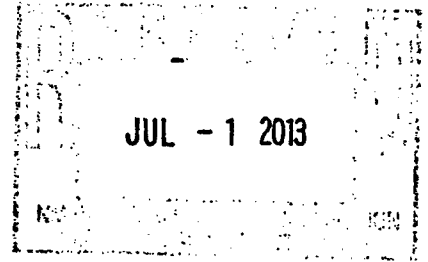
Columbus Electric Cooperative, Inc. hereby gives notice to the public and to the Commission of the filing and publishing of the following tariff schedules which are attached hereto:

<u>Fourth Revised Rate No.</u>	<u>Title of Sheet</u>	<u>Cancelling</u>	<u>Date Effective</u>
12	Lighting Service	Third Revised Rate No. 12	Thirty Days
15	Agriculture Service	Third Revised Rate No. 15	Thirty Days
<u>Fifth Revised Rate No.</u>			
1	Residential Service	Fourth Revised Rate No. 1	Thirty Days
2	Small Commercial Service	Fourth Revised Rate No. 2	Thirty Days
5	Large Power Service	Fourth Revised Rate No. 5	Thirty Days
6	Industrial Service	Fourth Revised Rate No. 6	Thirty Days
<u>Sixth Revised Rate No.</u>			
1	Irrigation Service	Fifth Revised Rate No. 3	Thirty Days

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**FIFTH REVISED RATE NO. 1**  
**CANCELLING FOURTH REVISED RATE NO. 1**  
**NEW MEXICO RESIDENTIAL SERVICE**



**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available for single-family houses, individual apartments, or separate living quarters ordinarily designated and recognized as single-family living quarters for primary domestic or home use and for livestock water pumping. Service under this Schedule is not available for multiple unit trailer parks, commercial, professional or business establishments within the utility's service area, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

**TYPE OF SERVICE:**

Single-phase, 60 cycles, at available secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 20.00
Energy Charge – All kWh	11.507¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer. This rate will not be available after December 2013:**

Customer Charge – All Customers	\$ 23.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.500¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.524¢ / kWh

Metering and timing devices must be installed to record usage during each specified time. The cost of the equipment installed is to be paid by the Cooperative.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 1**

**CANCELLING FOURTH REVISED RATE NO. 1**

**NEW MEXICO RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**ACCESSIBILITY**

Equipment used to provide service must be physically accessible.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 1**

**CANCELLING FOURTH REVISED RATE NO. 1**

**NEW MEXICO RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**LIMITATION OF THE RATE**

Electric Service under this schedule shall not be resold or shared with others.

**INTERRUPTION OF SERVICE**

The company will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

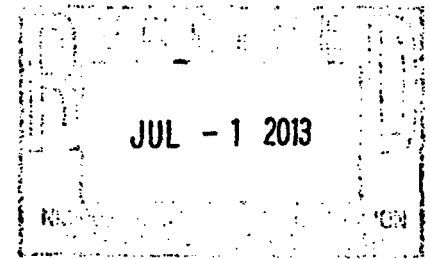
Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**



**X Numerous Changes**

**AVAILABILITY:**

**Page 1 of 3**

Available for commercial and industrial service requiring installed transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations. Customer's peak must be less than 50kW for at least 11 months during the previous 12 continuous months. Should the customer's demand exceed this 50kW requirement for two months in a continuous 12 month period, the service will be transferred to the Large Commercial Rate. The Cooperative reserves the right to install metering equipment to determine if this provision applies.

**TYPE OF SERVICE:**

Single-phase and three-phase at secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers	\$35.00
Energy Charge – All kWh	10.821¢ /kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer: This rate will not be available after December 2013:**

Customer Charge – All Customers	\$38.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.725¢/ kWh
From 9:00 p.m. to 6:00 a.m.	8.746¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate where 10 KVA or less of transformer capacity is required shall be the customer charge plus applicable taxes. For consumers requiring more than 25KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TEMPORARY SERVICE:**

The utility shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**ACCESSIBILITY:**

Equipment used to provide electric service must be physically accessible.

**LIMITATION OF THE RATE:**

Electric service under this schedule shall not be resold or shared with others.

**INTERRUPTION OF SERVICE**

The company will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**SIXTH REVISED RATE NO. 3**  
**CANCELLING FIFTH REVISED RATE NO. 3**  
**NEW MEXICO IRRIGATION SERVICE**



**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to irrigation consumers located within the utility's service area, subject to the established rules and regulations. This schedule is available **ONLY** for irrigation pumping installations of not less than 10HP.

**TYPE OF SERVICE:**

Three-phase at secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$75.00
Energy Charge – All kWh	12.20¢ /kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer. This rate will not be available after December 2013**

Customer Charge – All Customers	\$78.50
Energy Charge – All kWh	
During the period 6:00 a.m. to 9:00 p.m. MST	13.00¢ / kWh
During the period 9:00 p.m. to 6:00 a.m. MST	8.055¢ / kWh

Metering and timing devices shall be installed at Cooperative expense to record usage during each specified time.

The optional rate set forth above is voluntary and shall be applicable with the first complete billing cycle after receipt of the customer's written request. Customers electing service under the monthly time-of-use rate may transfer to the Agricultural Service rate beginning with the next complete billing cycle after receipt of written request.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SIXTH REVISED RATE NO. 3**

**CANCELLING FIFTH REVISED RATE NO. 3**

**NEW MEXICO IRRIGATION SERVICE**

**X Numerous Changes**

**Page 2 of 3**

the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The cooperative shall determine the connected horsepower by name plate rating of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.540 NMAC.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SIXTH REVISED RATE NO. 3**

**CANCELLING FIFTH REVISED RATE NO. 3**

**NEW MEXICO IRRIGATION SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**B. Primary Voltage 14,400 volts, motors =>100 H.P.**

2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others. Upon abandonment or failure to use water pumped with electric power for two irrigation seasons, or if lands are irrigated by water from other sources, the Cooperative may remove its facilities without any liability to consumer.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

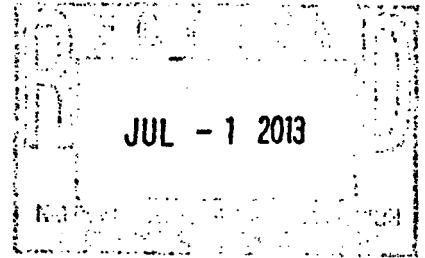


**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**



**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to consumers including existing single-phase consumers located within the utility's service area, requiring transformer capacity of 50 KVA, but not more than 350 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$360.00
Demand Charge	\$16.50 / KW
Energy Charge – All kWh	5.254¢ / kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 2 of 4**

2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**MINIMUM MONTHLY CHARGES:**

The monthly minimum charge shall be the highest one of the following charges as determined for the consumer in questions.

1. The minimum monthly charge specified in the contract for service.
2. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 3 of 4**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature:

  
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**ACCESSIBILITY:**

*Equipment used to provide electric service must be physically accessible.*

**LIMITATION OF THE RATE:**

Electric service under this schedule is not available for standby service, shall not be resold or shared with others.

Advice Notice No. 54

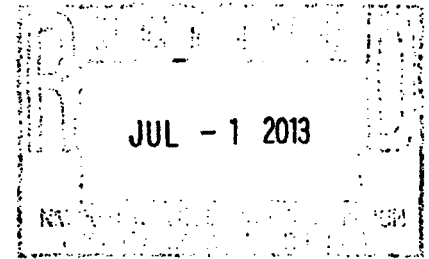
Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**



**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to consumers located within the utility's service area, requiring transformer capacity in excess of 350 KVA but not more than 2,000 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATES:**

Customer Charge – All Customers	\$600.00
Demand Charge	\$17.00 / KW
Energy Charge – All kWh	5.592¢ / kWh

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 2 of 4**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the highest one of the following charges as determined for the customer in question.

1. The minimum monthly charge specified in the contract for service.
2. \$1.25 per KVA of installed transformer capacity.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 3 of 4**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period, if applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510/kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**



**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to all consumers within the utility's service area by contract where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served, subject to the established rules and regulations.

Pursuant to the Federal Energy Policy Act of 2005, mercury vapor lamp ballast shall not be manufactured or imported after January 1, 2008. When the Company's inventory of mercury vapor ballasts and lamps is exhausted, customers will be given the option of having the lighting removed, or replaced with another type of light at the rate for the replacement light.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**RATE:** Unmetered wooden pole, where the Cooperative furnishes poles and fixtures.

175 Watt Mercury Vapor Lamps	\$15.25per month
400 Watt High Pressure Sodium	\$32.45 per month
100 Watt High Pressure Sodium	\$16.25 per month

Underground service for Cooperative owned unmetered street lighting is not available for new installations after July 1, 2013.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 2 of 4**

**MINIMUM MONTHLY RATE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above or as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

- 175 Watt Fixtures – 80 kWh per month;
- 400 Watt Fixtures – 180 kWh per month;
- 100 Watt Fixtures – 42 kWh per month.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule No. 17.9.550 NMAC.

**CONDITIONS OF SERVICE:**

1. The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
2. The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right or ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.

Advice Notice No. 54

Signature: 

Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 3 of 4**

3. All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.
4. Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
5. Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/6 pole and secondary wire for each light, not to exceed 125 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.
6. The Cooperative reserves the right to remove lamp and appurtenances at any time in the event more than two calls per year become necessary due to vandalism or other causes over and above regular maintenance required, unless the consumer agrees to pay for the additional calls and cost incurred.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**LATE PAYMENT CHARGE:**

A late payment charge of two percent (2%) per billing period or fraction thereof will be charged on all utility service bills and invoices which are delinquent per the provision of the tariff.

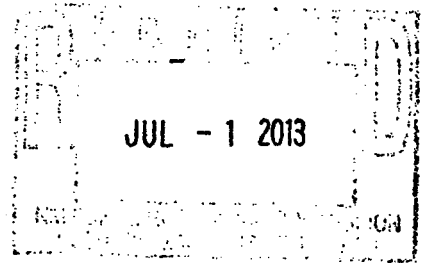
**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 17.9.540 NMAC.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**FOURTH REVISED RATE NO. 15**  
**CANCELLING THIRD REVISED RATE NO. 15**  
**NEW MEXICO AGRICULTURAL SERVICE**



**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to consumers, with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$110.00
Energy Charge – All kWh	10.493¢/kWh

The rate set forth above shall be applicable upon ten (10) days within written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 15**

**CANCELLING THIRD REVISED RATE NO. 15**

**NEW MEXICO AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 15**

**CANCELLING THIRD REVISED RATE NO. 15**

**NEW MEXICO AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

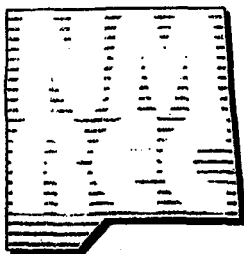
Electric service under this schedule is not available for standby service and shall not be resold or shared with others. Upon abandonment or failure to use water pumped with electric power for two irrigation seasons, or if lands are irrigated by water from other sources, the Cooperative may remove its facilities without any liability to consumer.

Advice Notice No. 54

Signature:   
Chris Martinez, General Manager

**THE REMAINING PAGES OF ADVICE NOTICE NO. 54  
COMPRISED OF SCHEDULES CEC-1 THROUGH CEC-6  
AND THE AFFIDAVIT AND PUBLISHED NOTICE  
HAVE BEEN OMITTED FOR THE SAKE OF BREVITY  
BUT ARE AVAILABLE FOR VIEWING ON  
THE NMPRC WEBSITE**





# NEW MEXICO RURAL ELECTRIC COOPERATIVE ASSOCIATION

**KEVEN J. GROENEWOLD, P.E.**  
*Executive Vice President/  
General Manager*

New Mexico's Rural Electric Self-Insurer's Fund  
Worker's Compensation Fund  
enchantment Magazine  
The Voice of New Mexico's Rural Electric Cooperatives

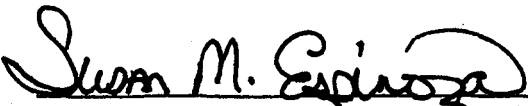
## AFFIDAVIT OF UTILITY NOTICE

STATE OF NEW MEXICO    )  
  ) ss.  
COUNTY OF SANTA FE    )

TOM CONDIT, being first duly sworn and upon his oath, states that he is the assistant editor of *enchantment*, published by the New Mexico Rural Electric Cooperative Association, Inc., and makes this affidavit on its behalf; and that he caused the attached NOTICE (Advice Notice No. 54) to be given to the consumers of Columbus Electric Cooperative, Inc., named in said notice, by causing the notice to be printed in a copy of *enchantment* which was on May 30, 2013, deposited in the United States mails, postage prepaid, addressed to each consumer at the same address to which utility service billings are rendered by Columbus Electric Cooperative, Inc.

  
\_\_\_\_\_  
Tom Condit, Assistant Editor

Subscribed and sworn before me this 3 day of June 2013.

  
\_\_\_\_\_  
Susan M. Espinoza, Notary Public  
My commission expires: December 18, 2013



A Touchstone Energy® Cooperative

614 Don Gaspar Ave • Santa Fe, New Mexico 87505 • 505-982-4671 • 505-982-0153 (Fax) • www.nmelectric.coop

EXHIBIT 2

# Notice of Proposed Rate Adjustment


Columbus Electric Cooperative, Inc., ("CEC") will file proposed rate schedules under Advice Notice No. 54 on July 1, 2013, with the New Mexico Public Regulation Commission ("Commission") which will result in a rate adjustment to Residential, Small Commercial and Street and Security Lighting consumers.

Pursuant to Rule 17,9540 NMAC and Rule 17.1.2.10 NMAC of the Commission's Rules of Practice and Procedure, CEC's consumers are notified that:

- a) This filing will result in a revenue increase from the adjustment in rates in the approximate amount of \$93,410 to New Mexico consumers, and \$21,590 to Arizona consumers. The increase amounts to an increase of .749% of income from New Mexico consumers, and 2.577% of income from Arizona consumers. The total overall increase amounts to \$115,000, or .864% of total income from all consumers, based on the income the year ended September 30, 2012. The increase in revenue applies to the Residential, Small Commercial, and Lighting rates. The rate design for all consumers - New Mexico and Arizona - are identical, which results in changes to the revenue from Irrigation and Ag Service rates between New Mexico and Arizona consumers, with no net increase in the total system revenue from these classes. The increases and changes in revenue to the various consumer classes are as follows:

	New Mexico			Arizona			Total System		
	\$ Present Revenue	\$ Revenue Increase	% Increase	\$ Present Revenue	\$ Revenue Increase	% Increase	\$ Present Revenue	\$ Revenue Increase	% Increase
Residential	\$3,571,714	\$52,525	1.47%	\$371,829	\$7,475	2.01%	\$3,943,543	\$60,000	1.52%
Irrigation	888,926	(4,011)	-0.45	46,041	4,011	8.71	934,967	-	-
Ag Service	4,467,421	(7,776)	-0.17	364,319	7,776	2.13	4,831,740	-	-
Small Commercial	1,395,860	47,855	3.43	53,131	2,145	4.04	1,448,991	50,000	3.45
Large Commercial	1,384,047	-	-	-	-	-	1,384,047	-	-
Industrial	654,679	-	-	-	-	-	654,679	-	-
Lighting	105,252	4,817	4.58	2,438	183	7.51	107,690	5,000	4.64
	\$12,467,899	\$93,410	0.749%	\$837,758	\$21,590	2.577%	\$13,305,657	\$115,000	0.864%


- b) The rate change will result in a change in the monthly customer charge, the energy charge per kWh sold, and the KW demand charge in all rates. The proposed rates include a Fuel and Purchased Power Cost Adjustment ("FPPCA") per kWh sold for power costs in excess of or less than \$0.078510. The same FPPCA per kWh sold will apply to both New Mexico and Arizona consumers. The proposed rates for New Mexico consumers also include a Debt Cost Adjustment ("DCA") per kWh for the cost of Interest on Long-Term Debt in excess of or less than the interest cost per kWh in the test year. The DCA adjustment does not apply to Arizona Consumers.



## COLUMBUS ELECTRIC COOPERATIVE, INC.

<b>Office Address</b> 900 N. Gold Post Office Box 631 Deming, NM 88031	<b>Telephone Number</b> 575-546-8838	<b>Toll Free Number</b> 1-800-950-2667	<b>Emergency Outage</b> 1-800-228-0579
<b>Website Address</b> <a href="http://www.columbusco-op.org">www.columbusco-op.org</a>		<b>Office Hours</b> 8:00 a.m. - 5:00 p.m. (M-F)	

**General Manager**  
**Chris Martinez**

Your Touchstone Energy Cooperative 

c) The present and proposed rates are as follows:

New Mexico						Arizona					
Residential	Rate 1 (3,442 Customers)					Residential	Rate 1 (389 Customers)				
	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase		KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
	0	\$12.35	\$20.00	\$7.65	61.94%		0	\$12.35	\$20.00	\$7.65	61.94%
	100	24.99	31.51	6.52	26.10		100	25.14	31.51	6.37	25.34
	250	43.94	48.77	4.83	10.98		250	44.32	48.77	4.45	10.04
	500	75.53	77.54	2.00	2.65		500	76.28	77.54	1.25	1.64
	750	107.12	106.30	(0.82)	(0.77)		750	108.25	106.30	(1.95)	(1.80)
	1000	138.71	135.07	(3.64)	(2.63)		1000	140.22	135.07	(5.15)	(3.67)
	1500	201.90	192.61	(9.29)	(4.60)		1500	204.15	192.61	(11.55)	(5.66)
	2000	265.08	250.14	(14.94)	(5.64)		2000	268.09	250.14	(17.95)	(6.69)
Customer Chg		12.35	20.00			Customer Chg		12.35	20.00		
Energy Chg		0.0864	0.11507			Energy Chg		0.0864	0.11507		
Power Cost Adj		0.038407				Power Cost Adj		0.041468			
Debt Cost Adj		0.001557									

New Mexico							Arizona						
Residential Time of Use	Rates 11, 21 (68 Customers)						Residential Time of Use	Rates 11, 21 (24 Customers)					
		KWH	Present Bill	Proposed Bill	\$ Increase	% Increase			KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
On Peak	60%	0	\$15.60	\$23.50	\$7.90	50.64%	On Peak	53%	0	\$15.60	\$23.50	\$7.90	50.64%
Off Peak	40%	100	27.86	35.03	7.17	25.73	Off Peak	47%	100	27.73	34.66	6.93	24.98
		250	46.25	52.32	6.07	13.12			250	45.94	51.40	5.47	11.90
		500	76.91	81.15	4.24	5.51			500	76.27	79.31	3.03	3.98
		750	107.56	109.97	2.41	2.24			750	106.61	107.21	0.60	0.57
		1000	138.21	138.80	0.58	0.42			1000	136.94	135.11	(1.83)	(1.34)
		1500	199.52	196.44	(3.08)	(1.54)			1500	197.61	190.92	(6.70)	(3.39)
		2000	266.83	254.09	(12.74)	(4.78)			2000	258.29	246.73	(11.56)	(4.48)
Customer Chg			15.60	23.50			Customer Chg			15.60	23.50		
Energy Chg On Peak			0.0975	0.13500			Energy Chg On Peak			0.0975	0.13500		
Energy Chg On Peak			0.0600	0.0852			Energy Chg On Peak			0.0600	0.0852		
Power Cost Adj			0.038407				Power Cost Adj			0.041468			
Debt Cost Adj			0.001557										

New Mexico						Arizona					
Irrigation	Rate 4 (122 Customers)					Irrigation	Rate 4 (9 Customers)				
	KWH	Present Bill	Proposed Bill	Increase \$	Increase %		KWH	Present Bill	Proposed Bill	Increase \$	Increase %
	1000	\$164.98	\$197.00	\$32.02	19.41%	1000	\$157.76	\$197.00	\$39.25	24.88%	
	1500	231.22	258.00	26.78	11.58	1500	220.38	258.00	37.62	17.07	
	2000	297.46	319.00	21.54	7.24	2000	283.01	319.00	35.99	12.72	
	2500	363.70	380.00	16.31	4.48	2500	345.64	380.00	34.36	9.94	
	3000	429.93	441.00	11.07	2.57	3000	408.27	441.00	32.74	8.02	
	4000	562.41	563.00	0.59	0.10	4000	533.52	563.00	29.48	5.53	
	5000	694.89	684.00	-9.89	-1.4232468	5000	658.78	685.00	26.225	3.9808736	
Customer Chg		32.5000	75.00000			Customer Chg		32.5000	75.00000		
Energy Chg		0.092000	0.122000			Energy Chg		0.092000	0.122000		
Power Cost Adj		0.038534				Power Cost Adj		0.033255			
Debt Cost Adj		0.001944									

New Mexico						Arizona							
Irrigation Time of Use	Rates 14, 24 (30 Customers)					Irrigation Time of Use	Rates 14, 24 (5 Customers)						
	KWH	Present Bill	Proposed Bill	Increase \$	Increase %		KWH	Present Bill	Proposed Bill	Increase \$	Increase %		
On Peak	0.48	1000	\$166.40	\$182.54	\$16.14	9.70%	On Peak	0.43	1000	\$157.25	\$180.31	\$23.07	14.67%
Off Peak	0.53	1500	226.83	234.56	7.73	3.41	Off Peak	0.57	1500	213.12	231.22	18.10	8.49
		2000	287.31	286.58	(0.73)	(0.25)			2000	268.99	282.13	13.14	4.88
		2500	347.76	338.60	(9.16)	(2.63)			2500	324.80	333.03	8.17	2.52
		3000	408.21	390.62	(17.59)	(4.31)			3000	380.74	383.94	3.21	0.84
		4000	529.12	494.655	(34.457)	(6.512318)			4000	497.46	485.784	(11.672)	(2.3657407)
		5000	650.02	598.69	(51.32125)	(7.8953947)			5000	604.23	587.57	(16.6575)	(-2.7568373)
Customer Chg			45.5000	78.5000			Customer Chg		45.5000	78.50000			
Energy Chg On Peak			0.103000	0.130000			Energy Chg On Peak		0.103000	0.130000			
Energy Chg On Peak			0.060000	0.080550			Energy Chg On Peak		0.060000	0.080550			
Power Cost Adj			0.038534				Power Cost Adj		0.033255				
Debt Cost Adj			0.0019										

New Mexico						Arizona					
AG Service	Rate 3 (134 Customers)					AG Service	Rate 3 (9 Customers)				
	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase		KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
	5000	\$606.30	\$634.65	\$28.35	4.68%		5000	\$583.70	\$634.65	\$50.95	8.73
	7500	876.95	896.98	20.03	2.28		7500	843.05	896.98	53.93	6.40
	10000	1,147.60	1,159.30	11.70	1.02		10000	1,102.40	1,159.30	56.90	5.16
	12500	1,418.25	1,421.63	3.38	0.24		12500	1,361.75	1,421.63	59.88	4.40
	15000	1,688.90	1,683.95	(4.95)	(0.29)		15000	1,621.10	1,683.95	62.85	3.88
	20000	2,230.20	2,208.60	(21.60)	(0.97)		20000	2,139.80	2,208.60	68.80	3.22
	25000	2,771.50	2,733.25	(38.25)	(1.38)		25000	2,658.50	2,733.25	74.75	2.81
Customer Chg		65.00	110.00			Customer Chg		65.00	110.00		
Energy Chg		0.0695	0.10493			Energy Chg		0.0695	0.10493		
Power Cost Adj		0.036950				Power Cost Adj		0.3424			
Debt Cost Adj		0.001810									

New Mexico						Arizona					
Small Commercial	Rate 5 (830 Customers)					Small Commercial	Rate 5 (34 Customers)				
Under 50 KVA	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase	Under 50 KVA	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
	250	\$46.95	\$62.05	\$15.10	32.17%		250	\$46.96	\$62.05	\$15.09	32.14%
	500	77.65	89.11	11.46	14.75		500	77.67	89.11	11.44	14.72
	750	108.35	116.16	7.81	7.21		750	108.38	116.16	7.78	7.18
	1000	139.05	143.21	4.16	2.99		1000	139.09	143.21	4.12	2.96
	1250	169.75	170.26	0.51	0.30		1250	169.80	170.26	0.46	0.27
	1500	200.45	197.32	(3.13)	(1.56)		1500	200.51	197.32	(3.20)	(1.59)
	2000	261.85	251.42	(10.43)	(3.98)		2000	261.93	251.42	(10.51)	(4.01)
	3000	384.65	359.63	(25.02)	(6.50)		3000	384.77	359.63	(25.14)	(6.53)
Customer Chg		16.25	35.00			Customer Chg		16.25	35.00		
Energy Chg		0.0822	0.10821			Energy Chg		0.0822	0.10821		
Power Cost Adj		0.038220				Power Cost Adj		0.04064			
Debt Cost Adj		0.002380									

New Mexico							Arizona						
Small Commercial Time of Use	Rates 15, 25 (15 Customers)						Small Commercial Time of Use	Rates 15, 25 (0 Customers)					
		KWH	Present Bill	Proposed Bill	\$ Increase	% Increase			KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
On Peak	49.5%	250	38.38	66.53	28.15	73.34	On Peak	49.5%	250	38.38	66.53	28.15	73.34
Off Peak	50.5%	500	57.24	94.55	37.32	65.19	Off Peak	50.5%	500	57.24	94.55	37.32	65.19
		750	76.08	122.58	46.50	61.13			750	76.08	122.58	46.50	61.13
		1000	94.93	150.61	55.67	58.64			1000	94.93	150.61	55.67	58.64
		1500	132.65	206.66	74.01	55.79			1500	132.65	206.66	74.01	55.79
		2000	170.37	262.71	92.34	54.20			2000	170.37	262.71	92.34	54.20
		3000	245.80	374.82	129.02	52.49			3000	245.80	374.82	129.02	52.49
Customer Chg			19.50	38.50			Customer Chg			19.50	38.50		
Energy Chg On Peak			0.0922	0.13725			Energy Chg On Peak			0.0922	0.13725		
Energy Chg Off Peak			0.0590	0.08746			Energy Chg Off Peak			0.0590	0.08746		
Power Cost Adj			0.038220				Power Cost Adj			0.04064			
Debt Cost Adj			0.002380				Debt Cost Adj						

New Mexico								Arizona							
Large Commercial 50 - 350 KVA	Rate 6 (69 Customers)							Large Commercial 50 - 350 KVA	Rate 6 (0 Customers)						
	KW	LD FCTR %	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase		KW	LD FCTR %	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
KW Demand	50	20%	7300	\$1,318.20	\$1,568.54	\$250.35	18.99%	KW Demand	50	20%	7300	\$1,301.48	\$1,568.54	\$267.06	20.52%
	50	30	10950	1,654.54	1,760.31	105.77	6.39		50	30	10950	1,629.47	1,760.31	130.85	8.03
	50	40	14600	1,990.89	1,952.08	(38.81)	(1.95)		50	40	14600	1,957.46	1,952.08	(5.37)	(0.27)
	50	50	18250	2,327.24	2,143.86	(183.38)	(7.88)		50	50	18250	2,285.45	2,143.86	(141.59)	(6.20)
	50	60	21900	2,663.59	2,335.63	(327.96)	(12.31)		50	60	21900	2,613.43	2,335.63	(277.81)	(10.63)
Customer Chg				45.50	360.00			Customer Chg				45.50	360.00		
KW Demand Chg				12.00	16.50			KW Demand Chg				12.00	16.50		
Energy Chg				0.0520	0.05254			Energy Chg				0.0520	0.05254		
Power Cost Adj				0.037860				Power Cost Adj				0.037860			
Debt Cost Adj				0.002290				Debt Cost Adj							

New Mexico							
Industrial Over 350 KVA	Rate 8 (11 Customers)						
	KW	LD FCTR %	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
KW Demand	400	20%	58400	\$9,922.48	\$10,665.73	\$743.24	7.49%
	400	25	73000	11,141.73	11,482.16	340.43	3.06
	400	30	87600	12,360.98	12,298.59	(62.38)	(0.50)
	400	40	116800	14,799.47	13,931.46	(868.01)	(5.87)
	400	50	146000	17,237.96	15,564.32	(1,673.64)	(9.71)
Customer Chg				45.50	600.00		
KW Demand Chg				12.50	17.00		
Energy Chg				0.0441	0.05592		
Power Cost Adj				0.037264			
Debt Cost Adj				0.062146			

Arizona							
Industrial Over 350 KVA	Rate 8 (0 Customers)						
	KW	LD FCTR %	KWH	Present Bill	Proposed Bill	\$ Increase	% Increase
KW Demand	400	20%	58400	\$9,797.16	\$10,665.73	\$868.57	8.87%
	400	25	73000	10,985.07	11,482.16	497.09	4.53
	400	30	87600	12,172.99	12,298.59	125.61	1.03
	400	40	116800	14,548.82	13,931.46	(617.36)	(4.24)
	400	50	146000	16,924.64	15,564.32	(1,360.32)	(8.04)
Customer Chg				45.50	600.00		
KW Demand Chg				12.50	17.00		
Energy Chg				0.0441	0.05592		
Power Cost Adj				0.037264			



New Mexico						Arizona					
Lighting		Rate 7 (558 Customers)				Lighting		Rate 7 (13 Customers)			
		Present Bill	Proposed Bill	\$ Increase	% Increase			Present Bill	Proposed Bill	\$ Increase	% Increase
175 Watt Mercury Vapor		\$14.99	\$15.25	\$0.26	1.73%						
100 Watt High Pressure Sodium		15.12	16.25	1.13	7.48	100 Watt High Pressure Sodium		\$15.24	\$16.25	\$1.01	6.64%
400 Watt High Pressure Sodium		30.45	32.45	2.01	6.60						
Customer Charge	KWH					Customer Charge	KWH				
175 Watt Mercury Vapor	80	11.75	15.25								
100 Watt High Pressure Sodium	42	13.50	16.25			100 Watt High Pressure Sodium	42	13.50	16.25		
400 Watt High Pressure Sodium	180	23.50	32.45								
Fuel Adjustment Chg		0.038560				Fuel Adjustment Chg		0.04137			
Debt Cost Adj		0.001940									



- d) CEC will promptly notify a member, who so requests, of the date on which the schedule proposing the new rates will be filed with the Commission.
- e) The proposed new rates will go into effect automatically and without hearing by the Commission unless at least the lesser of one percent of or twenty-five members of any affected rate class of CEC file a signed protest with the Commission setting forth the grounds for review of the proposed rates no later than twenty (20) days after SEC has filed the schedule proposing the new rates and the Commission determines there is just cause for reviewing the proposed rates on one or more of the grounds of the protest.

IF A HEARING IS HELD BY THE PUBLIC REGULATION COMMISSION, ANY COSTS INCURRED BY THE UTILITY MAY BE INCLUDED IN THE UTILITY'S FUTURE RATES, FOLLOWING THE UTILITY'S NEXT RATE CASE.

- f) Procedures for protesting a proposed rate or rates are set forth in NMPRC Rule 17.9.540 NMAC, a copy of which can be obtained upon request from or inspected at either Columbus Electric Cooperative, Inc., P.O. Box 631, Deming, New Mexico, 88031 (phone 575-546-8838) or the New Mexico Public Regulation Commission, 1120 Paseo de Peralta, PO Box 1269, Santa Fe, New Mexico 87501 (telephone 1-800-947-4722) and forms for protests are available from either CEC or the Commission. (<http://www.nmprc.state.nm.us/nmac/parts/title17/17.009.0540.htm>.)
- g) Prior to filing a protest with the Commission, a Cooperative member should attempt to resolve any grievance by presenting your objections to the new rates, in writing, and allowing Columbus Electric Cooperative, Inc., seven (7) days in which to attempt a resolution of your objections or otherwise respond.
- h) Any interested person may examine the rate filing together with any exhibits and related papers that may be filed at any time at the main office of the Cooperative or on or after the date of filing at the offices of the Commission.
- i) Further information concerning this filing or the protest procedure may be obtained by contacting Columbus Electric Cooperative, Inc., or the New Mexico Public Regulation Commission.

	<b>COLUMBUS ELECTRIC COOPERATIVE, INC.</b>				
	<b>Office Address</b> 900 N. Gold Post Office Box 631 Deming, NM 88031	<b>Telephone Number</b> 575-546-8838	<b>Toll Free Number</b> 1-800-950-2667	<b>Emergency Outage</b> 1-800-228-0579	<b>General Manager</b> Chris Martinez
	<b>Website Address</b> <a href="http://www.columbusco-op.org">www.columbusco-op.org</a>	<b>Office Hours</b> 8:00 a.m. - 5:00 p.m. (M-F)		Your Touchstone Energy Cooperative 	

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
FOR CONTINUATION OF A FUEL AND )  
PURCHASED POWER COST ADJUSTMENT )  
CLAUSE AND FOR A VARIANCE BY )  
 )  
COLUMBUS ELECTRIC COOPERATIVE, INC., )  
 )  
Petitioner )  
 )  
 )**

Utility Case No. 13-00180-UT

**APPLICATION FOR CONTINUATION OF FUEL AND PURCHASED POWER COST  
ADJUSTMENT CLAUSE AND VARIANCES**

COMES NOW the Petitioner, Columbus Electric Cooperative, Inc. (hereinafter referred to as "CEC") and files this Application pursuant to Rule 17.9.550 *et seq.* NMAC, and specifically Rule 550.17 and 550.12A, and requests approval from the New Mexico Public Regulation Commission (hereinafter referred to as "NMPRC") to continue use of a Fuel and Purchased Power Cost Adjustment Clause (hereinafter referred to as "FPPCAC") and in support of this Application, and the requests herein, states:

**I. Background**

1. CEC is a rural electric cooperative, with its business office at 900 N. Gold Ave., Deming, New Mexico, and provides electric utility service to customers/members in Luna, Grant and Hidalgo Counties of New Mexico and in Cochise County, Arizona, as a public utility subject to the jurisdiction of the NMPRC and the Arizona Corporation Commission (hereinafter referred to as "ACC").

2. The name, address and telephone number for CEC are:  
  
Columbus Electric Cooperative, Inc.  
P.O. Box 631  
Deming, New Mexico 88031  
(575) 546-8838  
ATTN: Chris Martinez,  
Executive Vice-President and General Manager

Fax: (575) 546-3128  
chrism@col-coop.com

3. The name, address and telephone number for CEC's general counsel is:

Charles C. Kretek,  
General Counsel  
P.O. Box 631  
Deming, New Mexico 88031-0631  
(575) 546-8838  
Fax: (575) 546-3128  
chuckk@col-coop.com

4. CEC provides electric service at the retail level over 130 miles of transmission line, 2,098 miles of energized overhead distribution line and 82 miles of underground distribution lines. At year-end 2012, Columbus had an average of 5,259 consumers, with 4,782 (91%) located in New Mexico and 476 (9%) located in Arizona. Of the 101,612,619 kWh sold in 2012, 94,922,572 kWh (93.4%) was sold to New Mexico consumers and 6,690,047 kWh (6.6%) sold to Arizona consumers. Of the \$13,403,460 in total revenue, \$12,549,381(93.6%) was derived from New Mexico consumers and \$854,079 (6.4%) was derived from Arizona Consumers.

5. CEC is a member of Tri-State Generation and Transmission Cooperative, Inc. ("Tri-State") and purchases its full power and energy requirements from Tri-State pursuant to a Wholesale Electric Service Contract, generally described as an all-requirements contract. CEC is allowed to obtain up to five percent (5%) of its power requirements from sources other than Tri-state but does not generate its own power and energy.

6. CEC last applied for continuation of and received approval for its current FPPCAC on July 7, 2009, in Utility Case No. 09-00177-UT.

## **II. Current FPPCAC**

7. CEC's current FPPCAC is calculated on a monthly basis, as opposed to a rolling average or fixed period calculation, as allowed by Rule 17.9.550.12A, NMAC.

8. CEC currently calculates two monthly FPPCACs, one for customers/members in New Mexico and one for customers/members in Arizona by calculating the monthly FPPCAC based on the previous months' balancing account maintained for each jurisdiction (New Mexico and Arizona) plus the current months' cost of purchased power for each jurisdiction, less the base cost of purchased power established in each jurisdiction, times the kWh sold in the current month in each jurisdiction then divided by the kWh sold in the current month in each jurisdiction and then applying the appropriate FPPCAC to customer billings in each jurisdiction.

9. Prior to the monthly FPPCAC becoming effective for customer billings, CEC makes an electronic and records bureau filing in accordance with Rule 17.9.550.13A, not less than five (5) days prior to the effective date.

10. The FPPCAC is not a separate rate or tariff, but instead, is stated as a separate clause in each rate schedule to which it applies, and each of which has been approved, at one time or another, by the NMPRC or its predecessor and allows CEC to pass through to its customers/members the increases or decreases above or below CEC's base cost of power.

11. CEC's current FPPCAC is set to automatically expire at the end of July, 2013, pursuant to Rule 17.9.550.17A NMAC.

### **III. Request for Variances**

12. CEC is requesting two variances.

13. CEC is not seeking to change the methodology of the FPPCAC calculation from a monthly calculation but the first variance sought deals with the kWh basis used for the calculation from the date of approval forward.

14. CEC is proposing to calculate the monthly FPPCAC in the same manner as currently performed except that instead of calculating two FPPCAC's, one for New Mexico and one for Arizona based on the total kWh for each jurisdiction, the new calculation would be based on the total kWh over the entire system.

15. Historically, CEC has recovered its fuel and purchased power costs from its New Mexico and Arizona customers/members by the same calculation method, namely a monthly factor calculation, but using only the total sales to customers/members in each state, respectively, thereby requiring two calculations each month and the application of two different FPPCAC's to customers/members in New Mexico and Arizona, often producing dramatically different FPPCAC's. These different calculations of factors can differ so dramatically because of the different load characteristics for CEC's customers/members in each state, as well as the relatively small number of customers/members in Arizona versus the remaining customers/members in New Mexico. The result has been more volatility for the Arizona customers/members and CEC is seeking approval to apply one calculation, based on system-wide sales, to all customers/members regardless of their state of residence, rather than continuing to perform separate calculations based on sales in each jurisdiction.

16. The NMPRC has allowed other similarly situated cooperatives, such as Duncan Valley Electric Cooperative, Inc. in the Final Order in Case No. 09-00350-UT, to base the FPPCAC calculation on total sales to all customers/members, regardless of their state of residence, and CEC is asking the NMPRC to allow the continuation of the FPPCAC, to be based on total sales to all customers/members in both states, which would allow CEC to obtain system-wide uniformity resulting in the most equitable treatment of all of CEC's customers/members.

17. As mentioned above, CEC also serves customers/members in Cochise County, Arizona, and as stated in Rule 17.9.55012A NMAC, the current methodology takes into consideration CEC's multi-state operations and calculates the monthly factor based on sales in New Mexico and Arizona, respectively, and CEC is seeking a variance, pursuant to Rule 17.9.550.8 from that requirement.

18. The second variance sought by CEC is for implementation of a Temporary Fuel and Purchased Power Cost Adjustment Surcharge ("Surcharge").

19. As discussed in paragraph 22, below, CEC will be filing a rate case with the NMPRC, pursuant to Rule 540, no later than July of this year which will include a request to set a new base cost of power. CEC does not anticipate any customer/member interventions or objections, thus, by operation of law, the new rates and base cost of power should become effective by September 2013. As shown in Exhibit 1 to the Prepared Testimony of Chris Martinez, the balancing account will have an estimated undercollected amount of \$250,000.00 in September, 2013.

20. CEC seeks to recover this undercollected amount by a surcharge of approximately Two Cents (\$0.02) per kWh based on the anticipated sale of 16,000,000

kWh over the last six (6) months of 2013, or whatever amount is sufficient to collect the undercollected amount within calendar year 2013 and is temporary because it would automatically terminate when the unrecovered amount has been collected.

21. Absent the surcharge, the estimated \$250,000.00 could go unrecovered when the CEC seeks to set a new base cost of power and described in the next paragraph or would result in a larger than necessary FPPCAC in one month in order to recover the undercollected amount, resulting in rate shock and undermining CEC's effort to stabilize its revenues while providing its customers/members stable and predictable monthly bills.

22. In the effort to have more system-wide uniformity, CEC will submitting an Advice Notice within (30) days to the NMPRC seeking to set a new base cost of power, along with adjustments to customer charges and some terms and conditions of the tariffs. Shortly thereafter, CEC will also be asking the ACC to approve an FPPCAC calculation, including variances, based on a monthly charge based on kWh sold over the entire system in a rate case application in to be filed in the next few months with the ACC, as well as seeking to set a new base cost of power, and other changes identical to those requesting from the NMPRC. The filings in both states will seek to implement uniform rates, terms and conditions, line extension policies and FPPCACs.

23. In the event that the proposed FPPCAC is not approved as requested by CEC in either jurisdiction, the FPPCAC will be calculated for each jurisdiction separately based on kWh sales in that jurisdiction only.

#### **IV. General Requirements**

24. Pursuant to Rule 17.9.550.17C NMAC, CEC's FPPCAC is deemed approved thirty (30) days after filing unless suspended by the Commission and in such an

event, unless otherwise ordered, CEC's existing FPPCAC remains in effect pending the outcome of any proceeding in which a request for continued use has been suspended.

25. The request for the continued use of an FPPCAC is so that CEC can continue to pass through to its customers/members on a monthly basis the increases or decreases in its power costs above its base cost of purchased power, in satisfaction of Rule 17.9.550.6D NMAC, and the use of an FPPCAC is the best and most efficient means to accomplish the recovery of increases or prompt credit of decreases, also in satisfaction of Rule 17.9.550.6B NMAC.

26. As stated in the Prepared Testimony of Chris Martinez, attached as Exhibit A, the cost of fuel and purchased power is the single largest component of the cost to CEC's consumer/members.

27. The cost of CEC's fuel and purchased power contains sums that periodically fluctuate and cannot be precisely determined in a rate case.

28. CEC's fuel and purchased power policies and practices are designed to assure that electric power is purchased at the lowest reasonable cost.

29. No amounts to be recovered under CEC's proposed new methodology are or will be included in CEC's base cost of power and all amounts collected will be only for amounts actually expended for fuel and purchased power costs, in satisfaction of Rule 17.9.550.6C NMAC.

30. Rule 550 requires monthly reporting of CEC's FPPCAC calculations and ensures that the Commission will have sufficient information to exercise adequate regulatory review of CEC's operations under the proposed FPPCAC, in satisfaction of Rule 17.9.550.6A NMAC.



31 Additionally, CEC's proposed FPPCAC satisfies the considerations in

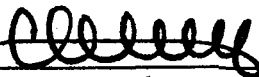
Section 62-8-7E, as required by Rule 17.9.550.17A NMAC, specifically:

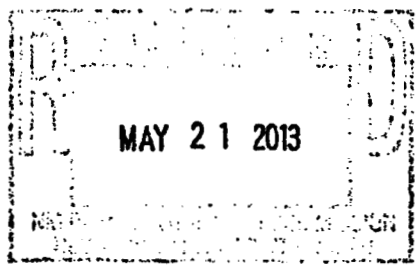
- A. The use of the proposed FPPCAC is consistent with the purposes of the Public Utility Act and serves the goal of providing reasonable and proper electric service at fair, just and reasonable rates;
- B. The factor will continue to be calculated on a monthly basis but based on the system-wide kWh sold, as described above and applied to all purchases in the next month;
- C. The Prepared Testimony of Chris Martinez and Exhibits attached thereto specify which costs shall be included in the calculation and which shall be excluded and the propriety of inclusion of such costs may be determined by the Commission by reviewing the monthly and annual reports submitted by CEC; and
- D. The FPPCAC will be calculated monthly and applied to the next month after each calculation.

WHEREFORE, Columbus Electric Cooperative, Inc. respectfully requests the NMPRC to issue a Final Order, pursuant to Rule 17.9.550 NMAC: i) approving the continuation of a Fuel and Purchased Power Fuel Adjustment Clause; ii) granting a variance to allow CEC to calculate the FPPCAC based on total system-side sales instead of for each jurisdiction and applying the same calculation to both New Mexico and Arizona customers/members; iii) granting a variance to allow for a temporary surcharge to collect undercollected amounts; and iv) and for such other relief deemed appropriate by the NMPRC.

Respectfully submitted,

COLUMBUS ELECTRIC COOPERATIVE, INC.

By   
Charles C. Kretek,  
General Counsel  
P.O. Box 631  
Deming, NM 88031-0631  
(575) 546-8838



**PREPARED TESTIMONY OF  
CHRIS MARTINEZ**

**Q: Please state your name and business address.**

**A: My name is Chris Martinez. My business mailing address is P.O. Box 631, Deming, New Mexico 88031.**

**Q: What is your position with Columbus Electric Cooperative, Inc. and how long have you been employed by the Cooperative?**

**A: I am the Executive Vice President and General Manger of Columbus Electric Cooperative, Inc. and have been employed there since 1991 and have been working in the New Mexico rural electric cooperative system since 1978. I will refer to Columbus Electric Cooperative, Inc. as "CEC" or the "Cooperative".**

**Q: Please provide a brief description of the Cooperative.**

**A: CEC is a rural electric cooperative headquartered at 900 N. Gold Ave. in Deming, Luna County, New Mexico, and owns and operates an electric sub-transmission and distribution system as a public utility in three counties of southwestern New Mexico, Luna, Grant and Hidalgo Counties, and a portion of eastern Arizona, Cochise County, encompassing approximately 7,000 square miles. Therefore, CEC is subject to the jurisdiction of both the New Mexico Public Regulation Commission ("NMPRC") and the Arizona Corporation Commission ("ACC"). The CEC system includes over 130 miles of transmission line, 2,098 miles of energized overhead distribution line and 82 miles of underground distribution line.**

At year-end 2012, CEC had an average of 5,259 consumers, with 4,782 (91%) located in New Mexico and 476 (9%) located in Arizona. Of the 101,612,619 kWh sold in 2012, 94,922,572 kWh (93.4%) was sold to New Mexico consumers and 6,690,047 kWh (6.6%) sold to Arizona consumers. Of the \$13,403,460 in total revenue, \$12,549,381(93.6%) was derived from New Mexico consumers and \$854,079 (6.4%) was derived from Arizona Consumers.

CEC is a member of Tri-State Generation and Transmission Cooperative, Inc. ("Tri-State") and purchases its full power and energy requirements from Tri-State pursuant to a Wholesale Electric Service Contract, generally described as an all-requirements contract. CEC is allowed to obtain up to five percent (5%) of its power requirements from sources other than Tri-State but does not generate its own power and energy. The cost of power paid to Tri-State is the single largest component of cost to CEC's consumers and since the last time CEC's base cost of power was determined in 2000, the cost of power has increased dramatically resulting in a large FPPCAC each month. CEC's fuel and purchased power policies and practices, including membership and participation in the governance of Tri-State, are designed to ensure that electric power is purchased at the lowest possible cost.

**Q: What is CEC's history of the use of the FPPCAC?**

**A:** CEC's FPPCAC is not a separate rate or tariff, but instead, is stated as a separate clause in each rate schedule to which it applies, and each of which has been approved, at one time or another, by the NMPRC or its predecessor and allows

CEC to pass through to its customers/members the increases or decreases above or below CEC's base cost of power.

Since, 2000, CEC has used a monthly calculation of its Fuel and Purchased Power Cost Adjustment Clause as established by the Commission's rules. CEC makes two calculations each month, one for the New Mexico consumers and one for the Arizona consumers, based on the total kWh sales for the respective jurisdictions. Specifically, CEC calculates the monthly FPPCAC by taking the previous months' balancing account and adding the current months' cost of purchased power, less the base cost of purchased power (.04172 x current kWh sold), less the current month's FPPCAC recovery amount, divided by the kWh sold in the current month and then applying the appropriate FPPCAC to customer billings in each jurisdiction but prior to becoming effective, CEC makes the required filings each month with the NMPRC and ACC. By way of example, the FPPCAC for New Mexico for December 2012 and applied in January 2013 was calculated as follows:

	Nov. Balancing Acct Balance		\$164,196.75
plus	Dec. Cost of Power	+	<u>\$402,101.83</u>
	Net Purchased Power Cost		\$566,298.58
	Base Power Cost (.04172)		
	Dec. kWh sold (4,364,960)		
minus	(.04172 x 4,364,960)	-	<u>\$182,106.12</u>
	Increased Cost of Power		\$384,192.46
minus	Dec. FPPCAC Recover	-	<u>\$152,510.77</u>
	New Balancing Account Balance		\$231,681.69

divided kWh Sales	4,364,960
Factor Applied to Jan bill	<u>.0530776</u>

Using the same method of calculation for the FPPCAC in Arizona for the same month, the factor applied was .0889555, and if calculated for the entire system, the factor would have been .0549135.

The end result has been that customers in New Mexico and Arizona have different fuel factors and because of the load characteristics, the Arizona consumers have, at times, experienced far more volatility in the fuel factor from month to month than have their neighbors in New Mexico.

As discussed below, CEC will be seeking to set a new base cost of power in both jurisdictions in the near future, but the periodic fluctuations in the cost of fuel and purchased power cannot be entirely accounted for in the base cost of power and the use of an FPPCAC remains the best and most efficient means to accomplish recovery of such periodic increases or prompt credit in the case of periodic decreases. The amounts currently recovered, and those recovered in the future, by CEC's FPPCAC do not include any costs included in CEC's base cost of power and those amounts collected are only for amounts actually expended by CEC for fuel and purchased power costs.

**Q: What variance with regard to the calculation is Columbus requesting from the NMPRC in this matter?**

**A: Because CEC also serves customers/members in Cochise County, Rule 17.9.550.12(A) requires that the FPPCAC calculation take into consideration**

CEC's multi-state operations which results in the calculation of two monthly factors based on sales in New Mexico and Arizona, respectively, and CEC is seeking a variance, pursuant to Rule 17.9.550.8, from that requirement.

CEC is submitting an application for the continuation of a Fuel and Purchased Power Fuel Adjustment Clause ("FPPCAC), with the same methodology, namely a monthly calculation. However, instead basing the calculation on the respective kWh sold in each jurisdiction, CEC is proposing to base the calculation on the total kWh sold system-wide and applying that one calculation to all consumers. Historically, CEC has recovered its fuel and purchased power costs from its New Mexico and Arizona customers/members by the same calculation method, namely a monthly factor calculation, but using only the total sales to customers/members in each state, respectively, thereby requiring two calculations each month and the application of two different FPPCAC's to customers/members in New Mexico and Arizona, often producing dramatically different FPPCAC's. These different calculations of factors can differ dramatically because of the different load characteristics for CEC's customers/members in each state, as well as the relatively small number of customers/members in Arizona versus the remaining customers/members in New Mexico. The result has been more volatility for the Arizona customers/members and CEC is seeking approval to apply one calculation, based on system-wide sales, to all customers/members regardless of their state of residence, rather than continuing to perform separate calculations based on sales in each jurisdiction.

As has been the case with other similarly situated cooperatives, like Duncan Valley Electric Cooperative, CEC is seeking to apply the proposed methodology to system-wide sales without distinguishing between Arizona and New Mexico consumers. This would allow CEC to make only one FPPCAC calculation each month and would allow CEC to obtain system-wide uniformity resulting in the most equitable treatment of all of CEC's customers/members.

In the event an order for hearing is issued in this matter, CEC is also requesting that the current FPPCAC remain in effect pending a final determination of the NMPRC beyond the automatic expiration date of July 31, 2013.

**Q: What other variance is Columbus requesting from the NMPRC in this matter?**

**A:** The second variance sought by CEC is for implementation of a Temporary Fuel and Purchased Power Cost Adjustment Surcharge ("Surcharge"). Assuming an effective date for the proposed rate of September, 2013, and based on the FPPCAC calculations 2012 as reflected in Exhibit 1 hereto, CEC anticipates that it will have undercollected approximately \$272,000.00. CEC's FPPCAC is calculated using the current months' power bill to develop a factor that will be applied to the following months' sales. Because the current months' purchases and following months' sales are never equal there is always a balance in the account. The anticipated balance represents an undercollection and CEC seeks to recover this undercollected amount by a surcharge of approximately Two Cents (\$0.02) per kWh based on the anticipated sale of 16,000,000 kWh over the last six

(6) months of 2013, or whatever amount is sufficient to collect the undercollected amount within calendar year 2013 and is temporary because it would automatically terminate when the unrecovered amount has been collected. This undercollected amount will not be collected through the normal FPPCAC because once CEC's new base cost of power is set, the monthly FPPCAC will be nominal. Absent the surcharge, the estimated \$250,000.00 could go unrecovered when the CEC seeks to set a new base cost of power and described in the next paragraph or would result in a larger than necessary FPPCAC in one month in order to recover the undercollected amount, resulting in rate shock and undermining CEC's effort to stabilize its revenues while providing its customers/members stable and predictable monthly bills.

**Q: How is CEC attempting to obtain system-wide uniformity?**

**A:** CEC has already filed a new line extension policy with the NMPRC and will soon file an Advice Notice regarding rates with the NMPRC in which CEC will seek to set a new base cost of power and make various changes to customer charges and some terms and conditions of service. Shortly after that, CEC will file a rate case with the ACC that will seek to impose an identical rate structure and rates in Arizona, along with an identical line extension policy and FPPCAC.

In the event that CEC's proposed FPPCAC is not approved in both jurisdictions, CEC would calculate the FPPCAC for New Mexico consumers as ordered by the NMPRC and for Arizona consumers as ordered by the ACC.

**Q: Do you believe CEC's Application should be approved?**



**A:** Yes. CEC's application is timely filed and complies with the applicable provisions of Rule 550 and satisfies the considerations of Section 62-8-7E, NMSA and I have also attached Exhibits 1 – Total System 2012 FPPCAC, 2 – New Mexico 2012 FPPCAC, and 3 – Arizona 2012 FPPCAC in further support of the Application and in compliance with the requirements of Rule 550.

**Q:** Please summarize the relief requested of the Commission?

**A:** CEC is applying for continuation of its FPPCAC with the same methodology, a monthly calculation, with a variance allowing for the calculation to be made based on system-wide kWh sales, contingent on approval of the same methodology and calculation by both the NMPRC and ACC. CEC also seeks a second variance to allow for a Temporary Fuel and Purchased Power Cost Adjustment Surcharge to recover the undercollected amounts currently in CEC's balancing account. CEC is requesting a final order within thirty (30) days of submission of the application, pursuant to Rule 17.9.550.17C, or continuation of the current FPPCAC in the event the Commission suspends our request pending a hearing, pursuant to Rule 17.9.550.10.

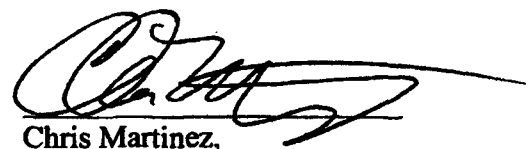
**Q:** Does this conclude your testimony?

**A:** Yes it does and I verify, to the best of my knowledge and belief, that the statements made in CEC's Application are true and correct and affirm all factual statements made therein.

STATE OF NEW MEXICO     )  
  :SS  
COUNTY OF LUNA         )

**VERIFICATION**

I, Chris Martinez, being first duly sworn upon oath, deposes and states that I am the Executive Vice-President and General Manager of Columbus Electric Cooperative, Inc. and that I have read the foregoing document, entitled Prepared Direct Testimony of Chris Martinez and the Application for Continuation of Fuel and Purchased Power Cost Adjustment Clause, and the same is true and correct to the best of my information, knowledge and belief.

  
Chris Martinez,  
Executive Vice-President and  
General Manager of Columbus  
Electric Cooperative, Inc.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Chris Martinez, Executive Vice-President and General Manager of Columbus Electric Cooperative, Inc, on the 20<sup>th</sup> day of May, 2013.

  
NOTARY PUBLIC

My Commission Expires:  
          OCT 1, 2014

**EXHIBIT #1-NEW MEXICO**

**COLUMBUS ELECTRIC COOPERATIVE, INC. FUEL ADJUSTMENT CALCULATIONS FOR THE YEAR ENDING DECEMBER 31, 2012**

106.17 MW System

	KWH Purchased	KWH Sold	Power Bill	System Prepay	Power Cost	Factor	Base Amount	Per Cost Deferred	Recovery This Mo	Balance Over/Under	Factor Used	AG SALES PRIOR MO	AG SALES CURRENT MO
Dec-11										187,894.81			
Jan 12	5,428,672	5,336,987	389,652.80	7,068.33	396,721.13	0.04172	222,659.10	174,862.83	228,194.58	133,762.26	0.0250633	5,336,987	310,611
Feb	5,734,963	5,165,355	423,151.69	7,133.56	430,285.25	0.04172	215,488.61	214,786.64	114,640.57	233,908.33	0.0452841	5,165,355	723,608
Mar	8,653,862	7,392,709	613,159.69	7,197.40	620,357.09	0.04172	308,423.82	311,933.27	234,667.95	311,173.65	0.0428920	7,392,709	1,314,956
Apr	9,940,852	9,213,858	681,635.34	7,078.01	688,713.35	0.04172	384,368.78	384,344.57	314,382.21	301,136.01	0.0326858	9,213,858	3,525,521
May	10,595,128	8,802,680	746,756.32	7,043.79	753,800.11	0.04172	367,247.81	386,552.30	290,298.59	397,389.72	0.0451442	8,802,680	5,269,371
Jun	12,257,655	10,452,226	867,527.56	6,928.59	874,456.15	0.04172	438,066.87	438,389.28	443,671.74	392,187.26	0.0375142	10,452,226	5,189,931
Jul	12,499,694	11,649,793	876,196.51	6,862.32	883,058.83	0.04172	486,829.36	397,829.47	417,174.77	371,961.96	0.0319286	11,649,793	5,814,974
Subtotal	65,110,826	58,012,808	4,594,879.91	49,312.89	4,647,391.91	0	2,420,294.35	2,227,897.56	2,043,830.41			58,012,808	22,148,972
Aug	12,909,574	11,625,920	908,629.90	6,901.19	907,522.09	0.04172	485,833.38	422,488.71	361,883.87	432,566.80	0.0372071	11,625,920	6,341,646
Sep	9,416,087	9,880,479	728,638.85	6,812.81	735,451.66	0.04172	412,213.58	323,238.88	437,280.37	318,604.51	0.0322459	9,880,479	6,633,689
Oct	7,440,263	6,936,254	540,333.18	6,966.79	547,299.97	0.04172	289,389.52	257,919.45	272,460.49	304,963.47	0.0438368	6,936,254	4,755,990
Nov	5,894,853	4,871,696	357,706.01	6,885.43	364,571.44	0.04172	283,247.16	161,324.28	301,191.00	164,196.75	0.0337842	4,871,696	3,240,767
Dec	5,664,899	4,364,960	385,821.67	7,089.16	402,101.83	0.04172	182,186.13	219,995.70	152,510.77	231,681.68	0.0538776	4,364,960	1,248,352
	105,625,242	95,692,117	7,520,400.52	83,938.38	7,604,338.90		3,992,275.12	3,612,063.78	3,568,276.91		0.038315	95,692,117	44,389,416

**EXHIBIT #2-ARIZONA**

**186.18 AZ System**

							PCA				
	KWH	KWH	Power	System	Power		Base	Pwr Cost	Recovery	Balance	Factor
	Purchased	Sold	Bill	Prepay	Cost	Factor	Amount	Deferred	This Mo	Over/Under	Used
Dec 11										15,057.82	
Jan 12	307,577	297,244	21,844.71	393.67	22,238.38	0.04172	12,401.02	9,837.36	15,390.46	9,504.72	0.0319762
Feb	264,044	237,819	19,482.40	328.44	19,810.84	0.04172	9,921.81	9,889.03	7,604.48	11,789.27	0.0495724
Mar	318,138	271,775	22,541.33	264.60	22,805.93	0.04172	11,338.45	11,467.48	13,472.51	9,784.24	0.0360013
Apr	539,253	499,813	36,979.06	383.99	37,363.05	0.04172	20,852.20	16,510.85	17,986.21	8,308.88	0.0166240
May	629,063	522,640	44,337.03	418.21	44,755.24	0.04172	21,804.54	22,950.70	8,686.63	22,572.95	0.0431902
Jun	943,674	804,680	66,787.89	533.41	67,321.30	0.04172	33,571.25	33,750.05	34,744.57	21,578.43	0.0268162
Jul	1,092,311	1,018,041	76,568.23	599.68	77,167.91	0.04172	42,472.67	34,695.24	27,294.21	28,979.46	0.0284659
Subtotal	4,094,060	3,652,012	288,540.65	2,922.00	291,462.65		152,361.94	139,100.71	125,179.07		
Aug	1,049,071	944,757	73,187.15	560.81	73,747.96	0.04172	39,415.26	34,332.70	26,887.06	36,425.10	0.0385550
Sep	897,253	941,505	69,431.56	649.19	70,080.75	0.04172	39,279.59	30,801.16	36,291.20	30,935.06	0.0328570
Oct	528,864	493,042	38,407.90	495.21	38,903.11	0.04172	20,569.71	18,333.40	16,192.69	33,075.77	0.0670851
Nov	441,845	423,323	31,082.64	596.57	31,679.21	0.04172	17,661.04	14,018.17	28,383.87	18,710.07	0.0441981
Dec	305,494	235,408	21,304.03	381.84	21,685.87	0.04172	9,821.22	11,864.65	9,633.88	20,940.84	0.0889555
Subtotal	3,222,527	3,038,035	233,413.28	2,683.62	236,096.90		126,746.82	109,350.08	117,388.70		
	7,316,587	6,690,047	521,953.93	5,605.62	527,559.55		279,108.76	248,450.79	242,567.77		0.0420247

**EXHIBIT 3- COMBINED SYSTEM**

**COLUMBUS ELECTRIC COOPERATIVE, INC. FUEL ADJUSTMENT CALCULATIONS FOR THE YEAR ENDING DECEMBER 31, 2012**

186.17 MW System

	KWH	KWH	Power	System	Power		Base	Pwr Cost	Recovery	Balance	Factor	
	Purchased	Sold	Bill	Prepay	Cost	Factor	Amount	Deferred	This Mo	Over/Under	Used	
Dec-11										282,952.63		
Jan 12	5,736,249	5,634,231	411,497.51	7,462.00	418,959.51	0.04172	235,060.12	183,899.39	243,585.04	143,266.98	0.0254280	5,634,231
Feb	5,999,007	5,483,174	442,634.09	7,462.00	450,096.09	0.04172	225,420.42	224,675.67	122,245.05	245,697.60	0.0454728	5,483,174
Mar	8,925,637	7,664,484	635,701.02	7,462.00	643,163.02	0.04172	319,762.27	323,400.75	248,140.46	320,957.89	0.0418760	7,664,484
Apr	10,479,305	9,712,871	718,614.40	7,462.00	726,076.40	0.04172	405,220.98	320,855.42	332,368.42	309,444.89	0.0318593	9,712,871
May	11,224,191	9,325,320	791,093.35	7,462.00	798,555.35	0.04172	389,052.35	409,503.00	298,985.22	419,962.67	0.0450347	9,325,320
Jun	13,201,329	11,256,906	934,315.45	7,462.00	941,777.45	0.04172	469,638.12	472,139.33	478,416.31	413,685.69	0.0367495	11,256,906
Jul	13,592,005	12,667,834	952,764.74	7,462.00	960,226.74	0.04172	528,502.03	431,724.71	444,468.98	400,941.42	0.0316504	12,667,834
Subtotal	69,157,723	61,664,820	4,886,620.56	52,234.00	4,938,854.56	0	2,572,656.29	2,366,198.27	2,168,209.48			61,664,820
Aug	13,958,645	12,570,677	973,808.05	7,462.00	981,270.05	0.04172	524,448.64	456,821.41	388,770.93	468,991.90	0.0373084	12,570,677
Sep	10,313,340	10,821,984	798,070.41	7,462.00	805,532.41	0.04172	451,493.17	354,839.24	473,491.57	349,539.57	0.0322990	10,821,984
Oct	7,969,067	7,429,296	578,741.08	7,462.00	586,203.08	0.04172	309,950.23	276,252.85	288,653.18	337,139.24	0.0453797	7,429,296
Nov	5,526,698	5,295,819	388,788.65	7,462.00	396,250.65	0.04172	220,908.19	175,342.46	329,574.87	182,906.83	0.0345432	5,295,819
Dec	5,969,993	4,600,368	416,325.70	7,462.00	423,787.70	0.04172	191,927.35	231,860.35	162,144.65	252,622.53	0.0549135	4,600,368
	112,895,466	102,382,164	8,042,354.45	89,544.00	8,131,898.45		4,271,383.88	3,860,514.57	3,810,844.68		0.038543	102,382,164

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
FOR CONTINUATION OF A FUEL AND )  
PURCHASED POWER COST ADJUSTMENT )  
CLAUSE AND FOR VARIANCES BY )  
)  
COLUMBUS ELECTRIC COOPERATIVE, INC., )  
Petitioner )  
)  
\_\_\_\_\_ )**

Utility Case No. 13-00180-UT

2013 MAY 20 10:00 AM  
63

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Application  
for Continuation of Fuel and Purchased Power Cost Adjustment Clause and Variances,  
Prepared Testimony of Chris Martinez and Exhibits was sent by first class mail, postage  
prepaid, on this 20<sup>th</sup> day of May, 2013 to each of the following persons:

Gary King,  
New Mexico Attorney General  
P.O. Drawer 1508  
Santa Fe, NM 87501-1508

Cydney Beadles,  
NM PRC – Legal Division  
1120 Paseo de Peralta  
P.O. Box 1269  
Santa Fe, New Mexico 87504-1269

James Brack,  
NMPRC – Utilities Division  
1120 Paseo de Peralta  
P.O. Box 1269  
Santa Fe, NM 87504-1269

Richard Blumenfeld,  
NMPRC- OGC  
1120 Paseo de Peralta  
P.O. Box 1269  
Santa Fe, NM 87504-1269

  
\_\_\_\_\_  
Charles C. Kretek

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
FOR CONTINUATION OF A FUEL AND )  
PURCHASED POWER COST ADJUSTMENT )  
CLAUSE AND FOR A VARIANCE BY )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
Petitioner. )**

**Case No. 13-00180-UT**


2013 JUN 13 10:00 AM  
NEW MEXICO PUBLIC REGULATION COMMISSION

**Staff's Notice of Filing of Staff's Memorandum**

Utility Division Staff ("Staff") of the New Mexico Public Regulation Commission ("Commission"), pursuant to the ordering paragraph C of the June 12, 2013 Initial Order in this case, files this notice of the submission of the attached Memorandum. As set forth in Staff's Memorandum, Staff recommends approval of Columbus Electric Cooperative's Application for Continuation of Fuel and Purchased Power Cost Adjustment Clause and Variances, as supplemented, without a hearing or further proceedings, subject to the conditions and reporting requirements set forth in Staff's Memorandum.

Respectfully Submitted,

**NM Public Regulation Commission  
Utility Division Staff**



Nancy B. Burns, Staff Counsel  
Legal Division  
PO Box 1269  
Santa Fe, NM 87504-1269  
(505) 827-4588  
nancy.burns@state.nm.us

## Memorandum

**To: Michael C. Smith, Dwight Lamberson**  
**Cc: Bruno Carrara, Elisha Leyba-Tercero, Nancy Burns**

**From: Jack Sidler**

**Date: 27 June 2013**

**Subject: Columbus Electric Cooperative's (CEC) Application for Continued Use of its Fuel and Purchased Power Cost Adjustment Clause and associated variances. This is docketed as Case 13-00180-UT.**

CEC's application for continuation of its fuel and purchased power cost adjustment clause (FPPCAC) was submitted on 20 May 2013 (Application) and was made in a timely manner consistent with Rule 550 filing requirements.

This Memorandum is being filed pursuant to Ordering Paragraph C of the 12 June 2013 Initial Order (Order) in this case suspending CEC's Application pending further review by Utility Division Staff (Staff). The Order requires Staff to conduct a three (3) week review of the Application and serve any additional requests for supporting data in connection with such review as it may deem necessary. The Order further requires Staff, prior to the expiration of such review period, to submit a Memorandum to the NMPRC addressing whether approval of the Application is appropriate or requesting the commencement of a public hearing.

After conducting an initial review of the Application, Staff requested that CEC supplement the Application to more fully address its requested surcharge. On 19 June 2013, CEC filed the Prepared Supplemental Testimony of Chris Martinez in Support of the Application. Staff has reviewed the Application as supplemented as well as Rule 17.9.550 NMAC and Section 62-8-7(E) of the Public Utility Act.

CEC is a rural electric cooperative subject to the jurisdiction of both the NMPRC and the Arizona Corporations Commission (ACC), which at year-end 2012 had an average of 5,259 consumers with 4,782 (91%) located in New Mexico and 476 (9%) located in Cochise County, Arizona. CEC purchases its power from Tri-State Generation and Transmission Cooperative. CEC currently calculates two monthly FPPCAC's, one for its New Mexico customers and one for its Arizona customers with independent balancing accounts.

This Application requests NMPRC approval for the continuation of the existing FPPCAC that is currently in effect for CEC with two modifications; namely, (1)



approval to use a system-wide FPPCAC; and, (2) authorization of a temporary FPPCAC surcharge of 0.02 \$/kWh to collect the under-collected balance. In the first, CEC seeks NMPRC approval allowing the Cooperative to calculate a single FPPCAC for customers based on the total kWh usage in both Arizona and New Mexico as a single system. In the second CEC seeks NMPRC approval allowing the Cooperative to implement a temporary fuel and purchased power cost adjustment surcharge (Surcharge) at a rate of two cents per kWh in order to collect an anticipated under-collected balance in the balancing account.

CEC is currently planning to file a rate case with the NMPRC on approximately 1 July 2013 which will, in part, include a request to set a new base cost of purchased power, along with adjustments to customer charges and some terms and conditions of its tariffs. Until such time that a new base cost of purchased power is determined as a result of that filing, CEC will continue to use the base cost of purchased power on file with the Commission. CEC will use a new base cost of purchased power resulting from the rate case filing at the time that new rates becomes effective. CEC also plans to file with the ACC seeking rates, terms and conditions, line extension policies and FPPCAC which are uniform with New Mexico.

Accordingly, CEC is requesting NMPRC approval to combine the two FPPCAC calculations (for Arizona and New Mexico) into one calculation based on the entire system utilizing the New Mexico calculation. CEC will continue to utilize two separate FPPCAC calculations pending approval from both the NMPRC and the ACC to utilize a system-wide FPPCAC. The NMPRC has approved similar variances for other cooperatives, specifically Duncan Valley Electric Cooperative (DVEC) in NMPRC Case 09-00350-UT. DVEC is a mirror of CEC in that most of the DVEC members are in located Arizona with only a minor number of customers in New Mexico. This request will have a very minor effect on CEC's New Mexico customers but will significantly improve the FPPCAC charges for CEC's Arizona customers. A system-wide FPPCAC will stabilize the earnings of CEC consistent with adequate service at fair, just and reasonable rates. This is consistent with the purposes of the Public Utility Act and should be approved by the NMPRC.

CEC is anticipating an under-collected balance in its balancing account at the time the new base cost of purchased power becomes effective that would normally be collected through the FPPCAC. CEC is concerned that collection all at once in the first month that new base cost of purchased power becomes effective could create rate shock for customers. Accordingly, CEC is asking the NMPRC for approval to collect its estimated under-collected balance through the implementation of a temporary FPPCAC surcharge at a rate of 2 cents/kWh until the balance is collected in full to minimize this shock. The Commission

previously allowed the use of a similar surcharge by CEC in Case 2176. The Surcharge is designed to collect only amounts actually expended on purchased power costs and will stabilize the earnings of CEC consistent with adequate service at fair, just and reasonable rates. The request is consistent with the purposes of the Public Utility Act, should be approved by the NMPRC. CEC should be authorized to implement this Surcharge as requested in its supplemental testimony supporting its Application upon the effective date of a new base cost of purchased power.

CEC will file monthly reports along with its normal FPPCAC filings, specifically related to the temporary surcharge. Upon implementation of the surcharge, CEC will report to the Commission the total under-collected amount to be collected by this surcharge. Each month thereafter, CEC will submit a report showing the monthly recovery and outstanding balance.

CEC will request a similar surcharge for its Arizona customers to collect any under-collected balance from its FPPCAC collections so that all under-collected amounts in Arizona are paid by the Arizona customers.

Upon review and analysis, Staff finds that this Application is in order and complies with the requirements of Rule 17.9.550 NMAC and Section 62-8-7(E) of the Public Utility Act. Staff recommends that this Application, as supplemented, should be approved without a hearing. Staff further recommends that the Commission should issue a final order that:

1. Approves the Application, as supplemented, to continue use of CEC's FPPCAC;
2. Grants CEC's request to allow CEC to combine its New Mexico and Arizona FPPCAC into a system-wide FPPCAC pending approval of the ACC under the condition that the approved Arizona rates are the same as the New Mexico rates;
3. Grants CEC's request to allow CEC to collect its under-collected balancing account balance at the time the Cooperative's new base cost of purchased power goes into effect utilizing a separate temporary surcharge of 2 cents/kWh until the balance is paid in full;
4. Requires CEC to file a separate report along with its regular monthly FPPCAC filings showing the beginning balance, the monthly collection and the outstanding balance for the duration of the separate temporary surcharge;

5. Requires CEC to notify the Commission at such time that the ACC approves the Cooperative's new rates in Arizona including the tariffs approved;
6. Requires CEC to notify the Commission when the ACC formally approves or disapproves its request to use a system-wide FPPCAC;
7. Requires CEC to report to this Commission the beginning under-collected balancing account amount for the Cooperative's Arizona customers as well as a report detailing the monthly amounts collected from Arizona customers and the outstanding balance for the duration of the temporary surcharge for the Arizona customers;
8. Requires that CEC send its required filings as Excel-compatible spreadsheets, as well as all fuel-clause related filings in the appropriate formats, to the NMPRC's fuel clause mailbox 'nmprc.fuelclause@state.nm.us' as well as by paper copy to the NMPRC Records Department, and;
9. Closes the docket in NMPRC Case 13-00180-UT.

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION FOR )  
CONTINUED USE OF A FUEL AND PURCHASED )  
POWER COST ADJUSTMENT CLAUSE AND FOR A )  
VARIANCE BY COLUMBUS ELECTRIC )  
COOPERATIVE, INC. )  
)**

**Case No. 13-00180-UT**

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that true and correct copies of the foregoing **Staff's Notice of Filing** of **Staff's Memorandum** filed June 27, 2013, were sent on June 27, 2013, by regular mail to the parties listed below.

Chris Martinez                    [chrism@col-coop.com](mailto:chrism@col-coop.com);  
Charles C. Krettek                [chuckk@col-coop.com](mailto:chuckk@col-coop.com);

Chris Martinez  
Columbus Electric Cooperative, Inc.  
P.O. Box 631  
Deming, NM 88031

Charles C. Krettek, Esq.  
General Counsel  
Columbus electric Cooperative,  
Inc.  
P.O. Box 631  
Deming, NM 88031-0631

The Honorable Gary King  
NM Attorney General  
P.O. Drawer 1508  
Santa Fe, NM 87501-1508

**Hand delivered to:**  
Jim Brack  
NMPRC- Utility Division  
1120 Paseo de Peralta  
Santa Fe, NM 87504

**Hand delivered to:**  
Cydney Beadles, Esq.  
NMPRC- Legal Division  
1120 Paseo de Peralta  
Santa Fe, NM 87504

**Hand delivered to:**  
Michael C. Smith, Esq.  
NMPRC-OGC  
1120 Paseo de Peralta, Ste. 518  
Santa Fe, NM 87504

Dated this 27th day of June, 2013.

**NEW MEXICO PUBLIC REGULATION COMMISSION**

**Carmella S. Apodaca, Paralegal**

COLUMBUS ELECTRIC COOPERATIVE, INC. FUEL ADJUSTMENT CALCULATIONS FOR THE YEAR ENDING DECEMBER 31, 2012

186.17 NM System												
	KWH	KWH	Power	System	Power	Factor	Base	Pwr Cost	Recovery	Balance	Factor	
	Purchased	Sold	Bill	Prepay	Cost		Amount	Deferred	This Mo	Over/Under	Used	
Dec-11	5,736,249	5,634,231	411,497.51	7,462.00	418,959.51	0.04172	235,060.12	183,899.39	276,417.63	110,434.40	0.0196006	
Jan 12	5,999,007	5,403,174	442,634.09	7,462.00	450,096.09	0.04172	225,420.42	224,675.67	105,905.54	229,204.53	0.0424203	
Feb	8,972,000	7,664,484	635,701.02	7,462.00	643,163.02	0.04172	319,762.27	323,400.75	325,130.09	227,475.19	0.0296791	
Mar	10,479,305	9,712,871	718,614.40	7,462.00	726,076.40	0.04172	405,220.98	320,855.42	288,269.53	260,061.09	0.0267749	
Apr	11,224,191	9,325,320	791,093.62	7,462.00	798,555.62	0.04172	389,052.35	409,503.27	249,684.45	419,879.91	0.0450258	
May	13,201,329	11,256,906	934,315.45	7,462.00	941,777.45	0.04172	469,638.12	472,139.33	506,851.10	385,168.14	0.0342162	
Jun	13,592,005	12,667,834	952,764.74	7,462.00	960,226.74	0.04172	528,502.03	431,724.71	433,444.68	383,448.16	0.0302694	
Jul	69,204,086	61,664,820	4,886,620.83	52,234.00	4,938,854.83	0	2,572,656.29	2,366,198.54	2,185,703.02			
Subtotal												
Aug	13,958,645	12,570,677	973,808.05	7,462.00	981,270.05	0.04172	524,448.64	456,821.41	380,507.27	459,762.29	0.0365742	
Sep	10,313,340	10,821,984	798,070.41	7,462.00	805,532.41	0.04172	451,493.17	354,039.24	395,805.27	417,996.26	0.0386247	
Oct	7,969,067	7,429,296	578,741.08	7,462.00	586,203.08	0.04172	309,950.23	276,252.85	286,954.59	407,294.52	0.0548228	
Nov	5,526,698	5,295,019	388,788.65	7,462.00	396,250.65	0.04172	220,908.19	175,342.46	290,287.56	292,349.42	0.0552122	
Dec	5,969,993	4,600,368	416,325.70	7,462.00	423,787.70	0.04172	191,927.35	231,860.35	253,996.24	270,213.53	0.0587374	



186.18 AZ System												
	KWH	KWH	Power	System	Power	Factor	Base	Pwr Cost	Recovery	Balance	Factor	
	Purchased	Sold	Bill	Prepay	Cost		Amount	Deferred	This Mo	Over/Under	Used	
Dec 11										15,057.82		
Jan 12	307,577	297,244	21,844.71	393.67	22,238.38	0.04172	12,401.02	9,837.36	15,390.46	9,504.72	0.0319762	
Feb	264,044	237,819	19,482.40	328.44	19,810.84	0.04172	9,921.81	9,889.03	7,604.48	11,789.27	0.0495724	
Mar	318,138	271,775	22,541.33	264.60	22,805.93	0.04172	11,338.45	11,467.48	13,472.51	9,784.24	0.0360013	
Apr	539,253	499,813	36,979.06	383.99	37,363.05	0.04172	20,852.20	16,510.85	17,986.21	8,308.88	0.0166240	
May	629,063	522,640	44,337.03	418.21	44,755.24	0.04172	21,804.54	22,950.70	8,686.63	22,572.95	0.0431902	
Jun	943,674	804,680	66,787.89	533.41	67,321.30	0.04172	33,571.25	33,750.05	34,744.57	21,578.43	0.0268162	
Jul	1,092,311	1,018,041	76,568.23	599.68	77,167.91	0.04172	42,472.67	34,695.24	27,294.21	28,979.46	0.0284659	
Subtotal	4,094,060	3,652,012	288,540.65	2,922.00	291,462.65		152,361.94	139,100.71	125,179.07			
Aug	1,049,071	944,757	73,187.15	560.81	73,747.96	0.04172	39,415.26	34,332.70	26,887.06	36,425.10	0.0385550	
Sep	897,253	941,505	69,431.56	649.19	70,080.75	0.04172	39,279.59	30,801.16	36,291.20	30,935.06	0.0328570	
Oct	528,864	493,042	38,407.90	495.21	38,903.11	0.04172	20,569.71	18,333.40	16,192.69	33,075.77	0.0670851	
Nov	441,845	423,323	31,082.64	596.57	31,679.21	0.04172	17,661.04	14,018.17	28,383.87	18,710.07	0.0441981	
Dec	305,494	235,408	21,304.03	381.84	21,685.87	0.04172	9,821.22	11,864.65	9,633.88	20,940.84	0.0889555	
Subtotal	3,222,527	3,036,035	233,413.28	2,683.62	236,096.90		126,746.82	109,350.08	117,388.70			
	7,316,587	6,690,047	521,953.93	5,605.62	527,559.55		279,108.76	248,450.79	242,567.77			0.0420247

COLUMBUS ELECTRIC COOPERATIVE, INC. FUEL ADJUSTMENT CALCULATIONS FOR THE YEAR ENDING DECEMBER 31, 2013

186.17 NM System

	KWH Purchased	KWH Sold	Power Bill	System Prepay	Power Cost	Factor	Base Amount	Pwr Cost Deferred	Recovery This Mo	Balance Over/Under	Factor Used
Dec-12											
Jan-13	6,991,250	5,997,437	495,893.08	7,462.00	503,355.08	0.04172	250,213.07	253,142.01	352,273.86	171,081.68	0.0285258
Feb	6,486,128	6,438,445	467,321.99	7,462.00	474,783.99	0.04172	268,611.93	206,172.06	183,661.79	193,591.96	0.0300681
Mar	8,721,068	7,669,852	622,080.62	7,462.00	629,542.62	0.04172	319,986.23	309,556.39	230,618.06	272,530.30	0.0355327
Apr	11,207,774	9,806,219	750,736.92	7,462.00	758,198.92	0.04172	409,115.46	349,083.46	348,441.12	273,172.65	0.0278571
May	13,001,749	11,435,979	861,129.05	7,462.00	868,591.05	0.04172	477,109.04	391,482.01	318,573.01	346,081.65	0.0302625
Jun	13,604,284	11,616,866	936,357.60	7,462.00	943,819.60	0.04172	484,655.65	459,163.95	351,555.75	453,689.85	0.0390544
Jul					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!
Subtotal	60,012,253	52,964,798	4,133,519.26	44,772.00	4,178,291.26	0	2,209,691.37	1,968,599.89	1,785,123.57		
AUG					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!
Sep					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!
Oct					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!
Nov					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!
Dec					0.00	0.04172	0.00	0.00		453,689.85	#DIV/0!



186.18 AZ System												
	KWH	KWH	Power	System	Power		Base	Pwr Cost	Recovery	Balance	Factor	
	Purchased	Sold	Bill	Prepay	Cost	Factor	Amount	Deferred	This Mo	Over/Under	Used	
Dec 12										20,940.84		
Jan 13	426,714	366,056	30,267.04	455.45	30,722.49	0.04172	15,271.86	15,450.63	32,542.96	3,848.51	0.0105134	
Feb	350,618	348,040	25,261.81	403.37	25,865.18	0.04172	14,520.23	11,144.95	3,656.56	11,336.90	0.0325736	
Mar	372,656	327,737	26,581.85	318.86	26,900.71	0.04172	13,673.19	13,227.52	10,668.36	13,896.06	0.0424000	
Apr	452,209	395,659	30,290.56	301.08	30,591.64	0.04172	16,506.89	14,084.75	11,451.61	16,529.20	0.0417764	
May	753,979	663,179	49,937.37	432.73	50,370.10	0.04172	27,667.83	22,702.27	27,695.92	11,535.55	0.0173943	
Jun	970,499	828,721	66,797.64	532.32	67,329.96	0.04172	34,574.24	32,755.72	14,411.06	29,880.21	0.0360568	
Jul					0.00	0.04172	0.00	0.00	100,426.47	29,880.21	#DIV/0!	
Subtotal	3,326,675	2,929,392	229,136.27	2,443.81	231,580.08		122,214.23	109,365.85	100,426.47			#DIV/0!
Aug					0.00	0.04172	0.00	0.00		29,880.21	#DIV/0!	
Sep					0.00	0.04172	0.00	0.00		29,880.21	#DIV/0!	
Oct					0.00	0.04172	0.00	0.00		29,880.21	#DIV/0!	
Nov					0.00	0.04172	0.00	0.00		29,880.21	#DIV/0!	
Dec					0.00	0.04172	0.00	0.00		29,880.21	#DIV/0!	
Subtotal	0	0	-	-	-		-	-	-			#DIV/0!
	3,326,675	2,929,392	229,136.27	2,443.81	231,580.08		122,214.23	109,365.85	100,426.47			#DIV/0!



**COLUMBUS ELECTRIC COOPERATIVE, INC.**


Advice Notice No. 55

**NEW MEXICO PUBLIC REGULATION COMMISSION**

Columbus Electric Cooperative, Inc., hereby gives notice to the Commission of the filing:

<u>Form No.</u>	<u>Title of Sheet</u>	<u>Cancelling:</u>	<u>Date Effective</u>
Second Revised Form No. 3	Individual Line Extension Agreement	First Revised Form No. 3	
First Revised Form No. 6	Line and Service Extension Request	Original Form No. 6	
Original Form No. 15	Consumer Built Line Extension Requirements Agreement		
Original Form No. 16	Line Extension Sales Agreement Consumer Built Line Extension		

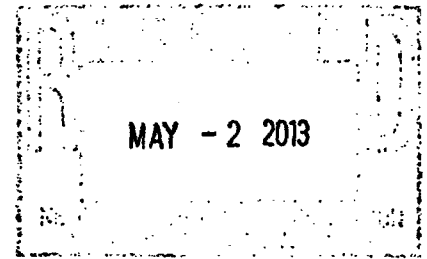
Advice Notice No. 55



Chris Martinez  
Executive Vice President/General Manager

Columbus Electric Cooperative, Inc.

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FORMS

First Revised Form No. 1	Billing Card	
Fourth Revised Form No. 2	Delinquent & Disconnect Notice	
Second Revised Form No. 3	Individual Line Extension Agreement	X
Original Form No. 4	Invoice Billing	
Original Form No. 5	Two Day Disconnect Notice – Door Hanger	
First Revised Form No. 6	Line and Service Extension Request	X
Original Form No. 7	Membership Application	
Original Form No. 8	Bank Draft Authorization	
Original Form No. 9	Budget Billing Request	
Original Form No. 10	Right of Way Easement	
Original Form No. 11	Assumption of Individual Line Extension Agreement	
Original Form No. 12	Landlord Transfer Agreement	
Original Form No. 13	Agreement for Private Area Lighting	
Original Form No. 14	Continuing Personal Guaranty	

Advice Notice No. 55

Chris Martinez  
Executive Vice President/General Manager


**Columbus Electric Cooperative, Inc.**

**Table of Contents**

**FORMS**

<b>Original Form No. 15</b>	<b>Consumer Built Line Extension Requirements Agreement</b>	<b>X</b>
<b>Original Form No. 16</b>	<b>Line Extension Sales Agreement Consumer Built Line Extension</b>	<b>X</b>

**Advice Notice No. 55**



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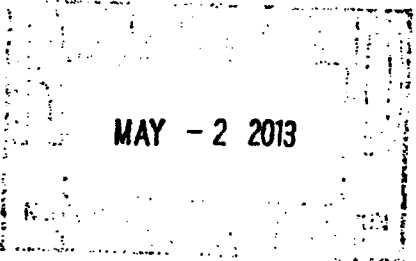
**Chris Martinez**  
**Executive Vice President/General Manager**

COLUMBUS ELECTRIC COOPERATIVE, INC.

SECOND REVISED FORM NO. 3

CANCELLING FIRST REVISED FORM NO. 3

INDIVIDUAL LINE EXTENSION AGREEMENT



X Multiple Changes  
Page 1 of 5

Work Order #: \_\_\_\_\_

Completion Date: \_\_\_\_\_

Columbus Electric Cooperative, Inc.  
P.O. Box 631  
Deming, NM 88031-0631  
(575) 546-8838

Consumer Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**INDIVIDUAL LINE EXTENSION AGREEMENT**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Columbus Electric Cooperative, Inc., hereinafter called "CEC" and \_\_\_\_\_, hereinafter called "Consumer".

**WITNESSETH:**

CEC agrees to sell and deliver to the consumer, who in turn agrees to purchase and receive from the CEC, all of the electric power and energy, alternating current, \_\_\_\_\_ Phase, 60 Hertz, \_\_\_\_\_ Volts.

The consumer is requesting CEC to provide electric service to the following described property or real estate:

Advice Notice No. 55

Signature: 

Chris Martinez

Executive Vice-President/ General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SECOND REVISED FORM NO. 3**

**CANCELLING FIRST REVISED FORM NO. 3**

**LINE AND SERVICE EXTENSION AGREEMENT**

**X Multiple Changes**  
**Page 2 of 5**

See Exhibit A – Property Description attached hereto and made a part hereof by reference to provide service to this property will require an extension of CEC's electric system (the "line extension" or "facilities" described in the attached estimate).

The consumer agrees to pay the contribution in aid of construction as indicated in the attached estimate.

The consumer understands the estimated cost and initial credit determinations are final and no additional credits will be given.

NOW, THEREFORE, it is mutually covenanted and agreed as follows:

1. The consumer shall grant, indefinitely, to CEC all necessary utility Easements and Rights-of-Way, as set out in Section 62-1-4A, NMSA 1978, free and clear from encumbrances, over the consumer's property, to enable electric distribution system construction, maintenance and operation. Said Easements and Rights-of-Way shall be perpetual. Said Easements and Rights-of-Way shall, upon notification by CEC to the consumer, be and remain free of any and all obstructions, man-made or natural, which are or could be within fifteen (15) feet of CEC's line and equipment. If the consumer fails to remove any such obstructions after notice, CEC may remove all obstructions and bill the charges to the consumer.

2. All personal and real property appurtenances necessarily used in construction, maintenance and operation of said distribution system remain the property of CEC.

3. A minimum kWh consumption requirement shall be based on CEC's estimate of total construction costs.

See Exhibit B – Estimated Cost of Construction attached hereto and made a part hereof by reference.

Advice Notice No. 55

Signature: 

Chris Martinez

Executive Vice-President/General Manger

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SECOND REVISED FORM NO. 3**

**CANCELLING FIRST REVISED FORM NO. 3**

**LINE AND SERVICE EXTENSION AGREEMENT**

**X Multiple Changes**  
**Page 3 of 5**

4. The consumer shall pay \$ \_\_\_\_\_ as a Contribution in Aid of Construction based on CEC's estimate of total construction costs. The total cost payable must be paid in full in advance of any construction.

5. Electric bills will be subject to payment in full upon presentation of a bill. Unpaid accounts will become "Past Due" twenty (20) days after billing. All unpaid accounts shall be subject to disconnection fifteen (15) days from the "Past Due" date, in accordance with applicable statutes, rules and regulations. **Disconnection of service for non-payment shall not terminate the consumer's obligation for the contracted minimum for the remaining term of this contract.**

6. Should service be discontinued for a period of five (5) years from the date of this agreement without any reconnection in that period, any unrefunded amounts paid as a Contribution in Aid of construction shall become the property of CEC.

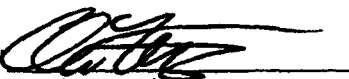
7. The term of this agreement, and imposition of the required minimum energy charge, shall be five (5) years from the date first written above and any sums not refunded on the date of termination shall become the property of CEC.

8. CEC will strive to furnish adequate, efficient and reasonable service. Interruption of service should be reported promptly by the consumer to CEC. The Cooperative will endeavor to restore service within a reasonable time.

9. CEC will use reasonable diligence to furnish a regular and uninterrupted supply of energy; however, interruptions or partial interruptions may occur or service may be curtailed or fail as a result of circumstances beyond the control of CEC, public enemies, accidents, strikes, legal processes, governmental restrictions, fuel shortages, breakdown or damage to generation, transmission or distribution facilities of CEC, repairs or changes in CEC's generation, transmission or distribution facilities and other acts of God. Consumers whose service requirements exceed those normally provided should advise CEC and contract for additional facilities as may be required.

Advice Notice No. 55

Signature



Chris Martinez

Executive Vice-President/General Manger



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SECOND REVISED FORM NO. 3**

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**Page 4 of 5**

CEC will not, under any circumstances, contract to provide One Hundred Percent (100%) reliability of service.

10. Should CEC find it necessary to retain legal services to enforce its rights under this agreement, at law or in equity, the consumer shall be obligated to pay and agrees to pay all reasonable legal fees and costs incurred by CEC.

11. This agreement shall inure to and be binding upon the heirs, administrators, executors, assigns or successors in interest of CEC and the consumer.

12. This agreement is subject to all legally imposed city, county, state and federal laws, rules and regulations and changes in laws, tariffs, taxes, orders or directives, and the same, as applicable, are made a part hereof by reference.

13. This agreement shall be interpreted under the laws of the State of New Mexico.

14. A sketch of the proposed construction may be attached hereto as Exhibit C and is incorporated and made part hereof by reference.

The agreement, including the applicable tariff made part hereof by reference, shall at all times be subject to such changes or modifications as shall be ordered, from time to time, by any legally constituted regulatory body having jurisdiction over CEC to require such changes or modifications.

Advice Notice No. 55

Signature

  
Chris Martinez

Executive Vice-President/General Manger

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SECOND REVISED FORM NO. 3**

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**LINE AND SERVICE EXTENSION AGREEMENT**

**X Multiple Changes**  
**Page 5 of 5**

IN WITNESS WHEREOF, the parties hereto have set their hands and seals in person or through their legally authorized representative, the day, month and year first written above.

**CONSUMER(S):**

\_\_\_\_\_  
State of New Mexico            )  
  :ss  
County of Luna                 )

I hereby certify that this Individual Line Extension Agreement was signed before me by \_\_\_\_\_, as Consumer on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

My Commission Expires: \_\_\_\_\_  
Notary Public


**COLUMBUS ELECTRIC COOPERATIVE, INC.**

By \_\_\_\_\_  
Title: \_\_\_\_\_

I hereby certify that this Individual Line Extension Agreement was signed before me by \_\_\_\_\_, a duly authorized representative of Columbus Electric Cooperative, Inc. on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

My Commission Expires: \_\_\_\_\_  
Notary Public

Advice Notice No. 55

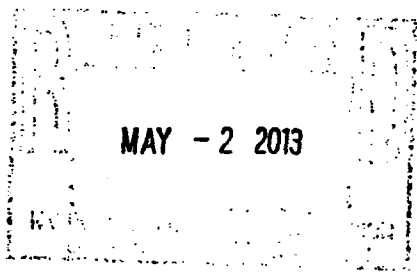
Signature:   
Chris Martinez  
Executive Vice-President/General Manger

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIRST REVISED FORM NO.6**

**CANCELLING ORIGINAL FORM NO. 6**

**LINE AND SERVICE EXTENSION REQUEST**



**X Multiple Changes**  
**Page 1 of 4**

**WO# \_\_\_\_\_**

**REQUEST FOR SERVICE**

**I. DISTRIBUTION LINE EXTENSION ESTIMATES AND FEE SCHEDULES**

It is understood and agreed that the facilities installed hereunder shall be and remain the property of the Columbus Electric Cooperative, Inc., hereinafter referred to as CEC, and CEC shall, subject to the terms and conditions of this agreement, assume full responsibility for future operations and maintenance of facilities.

The entire understanding between the two parties hereto relating to this application is set forth in the most recent CEC's Line and Service Extension Rule on file with the New Mexico Public Regulation Commission and there are no oral understandings between the parties. No amendments to agreements are authorized unless reduced to writing and signed by authorized personnel.

Upon request by a consumer for a line extension, CEC shall prepare, without charge, a preliminary sketch and rough non-binding estimate of the construction costs to be paid by the consumer.

Consumers requesting engineering design estimates for new electric service or service upgrades for single and/or multiple development line extensions will be charged the following non-refundable fees:

Type of Service	No. Service(s)	Fee
Residential	1 Service	\$100
Subdivision	2 or more lots	\$1,000 plus \$10 per lot in excess of 2 lots
Small Commercial <=50kva (OH & UG)	1 Service	\$100
Commercial >50-350kva (OH & UG)	1 Service	\$200 plus \$100 per service in excess of 1
Commercial >350kva(OH & UG)	1 Service	\$750 plus \$100 per service in excess of 1
Main Distribution (Primary Voltage)		\$0.22 per foot

Advice Notice No 55

Signature: 

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIRST REVISED FORM NO.6**

**CANCELLING ORIGINAL FORM NO. 6**

**LINE AND SERVICE EXTENSION REQUEST**

**X Multiple Changes**

**Page 2 of 4**

A consumer for a line extension requesting CEC to prepare detailed plans, specifications, or design estimates may be required to pay CEC an amount equal to the total estimated cost of preparation, if those estimated cost would exceed the application fee.

Upon submission of a written request for a line extension, CEC shall make available, within ninety (90) days after receipt of all necessary documentation and the design fee, such plans, specifications, or design estimates of the proposed line extension. The design fee shall be nonrefundable. Any charges to the consumer shall be provided in the design estimate. Engineering design estimates shall be valid for sixty (60) days from the date of issuance.

If the consumer or prospective consumer does not enter into a line extension agreement with CEC for electric service within this sixty (60) day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth herein. Monies collected by CEC for the original engineering design estimates are non-refundable.

**REQUEST FOR SERVICE**

**II. RESPONSIBILITY OF THE CONSUMER**

**PROVIDE DEVELOPMENT PLANS, LEGAL DESCRIPTIONS, GRADE CERTIFICATIONS AND SURVEY CORNERS**

1. The consumer shall provide accurate plans of the consumer's proposed development. Generally, final recorded plats will be required for subdivision estimates unless otherwise required by CEC.
2. The consumer shall provide a valid written legal description along with a copy of the consumer's property deed.
3. The consumer shall locate and mark any legal survey corners and proposed metering point as required by CEC. For commercial underground installations, a certification, signed by a licensed land surveyor or registered professional engineer, that the established grade is within six (6) inches of final grade, may be required by CEC for the entire length and width of the proposed service route prior to staking.
4. Normally, CEC field technicians will stake the route of the proposed line extension and related facilities to serve the consumer's development in relation to the consumer's legal property corners.
5. CEC shall stake the line one time, based on the plans submitted by the consumer.

Advice Notice No.55

Signature

  
Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIRST REVISED FORM NO.6**

**CANCELLING ORIGINAL FORM NO. 6**

**LINE AND SERVICE EXTENSION REQUEST**

**X Multiple Changes**  
**Page 3 of 4**

**Request Received By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Consumer's Name** \_\_\_\_\_  
**(Please Print)**

**Consumer Type:**  
**Individual** \_\_\_\_\_ **Corporation** \_\_\_\_\_ **Trust** \_\_\_\_\_  
**LLC** \_\_\_\_\_ **Partnership** \_\_\_\_\_ **LLP** \_\_\_\_\_

**Personal Guarantees are required for LLC's, LLP's, Trusts and Partnerships.**  
**Corporations are required to provide Proof of Authority**

**Address:** \_\_\_\_\_ **Telephone:** \_\_\_\_\_  
\_\_\_\_\_

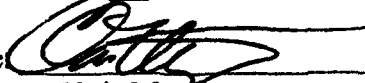
**Type of Request:**  
**Existing Service** \_\_\_\_\_ **Service Location No.** \_\_\_\_\_  
**New Service** \_\_\_\_\_ **Service Entrance Size:** \_\_\_\_\_  
**Service Upgrade** \_\_\_\_\_

**For New Service:**

**Consumer should provide a plat and legal description of the property.**

**Property Location:** \_\_\_\_\_  
\_\_\_\_\_

**Advice Notice No. 55**

**Signature**   
**Chris Martinez**  
**Executive Vice-President/General Manager**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIRST REVISED FORM NO.6**

**CANCELLING ORIGINAL FORM NO. 6**

**LINE AND SERVICE EXTENSION REQUEST**

**X Multiple Changes**  
**Page 4 of 4**

**Interest in Property:**

**Owner** \_\_\_\_\_ **Prospective Buyer** \_\_\_\_\_ **Other** \_\_\_\_\_  
**Realtor** \_\_\_\_\_ **Developer** \_\_\_\_\_

**Property Improvements:** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Site Constructed Home** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Mobile Home/Trailer** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Other:** \_\_\_\_\_

**Additional Information:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**A Columbus Electric employee will contact the consumer to discuss specific details of the service request.**

**A cost estimate will be prepared and mailed to the above address unless other arrangements are made.**

\_\_\_\_\_  
**Consumer's Signature**

Advice Notice No. 55

Signature



Chris Martinez

Executive Vice-President/General Manager

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Columbus Electric Cooperative, Inc., a New Mexico Corporation hereinafter called "CEC" or "Cooperative" and \_\_\_\_\_, hereinafter called "Consumer". Consumer and CEC hereby agree as follows:

1. Consumer is requesting CEC to provide electric service to the following described property or real estate: \_\_\_\_\_  
\_\_\_\_\_.
2. To provide service to this property will require an extension of CEC's electric system ("the line extension" or "facilities") described as follows:  
\_\_\_\_\_  
\_\_\_\_\_.
3. CEC grants permission to consumer to construct the line extension by contract between consumer and \_\_\_\_\_ (Contractor's name and License Number), a qualified contractor, who is acceptable to CEC.
4. Consumer and CEC agree that such construction is to be completed in accordance with CEC's Line and Service Extension Policy, including but not limited to all the duties, requirements and obligations set forth in Appendix A hereto, entitled "Consumer Built Line Extension Requirements", copies of which have been provided to the consumer on \_\_\_\_\_. Consumer and CEC adopt and incorporate by reference in this agreement all such duties, requirements, and obligations, set forth in the Line and Service Extensions Policy including the provision for recovering any operations, maintenance and administrative cost governed by the formula set forth in 1.B(4) of CEC's Line and Service Extension Policy and those requirements in Appendix A hereto.
5. Consumer agrees to comply with CEC's specifications for material, equipment, trenching and installing construction standards for completing the line extension.
6. Consumer agrees that CEC has the authority to accept or reject Contractor's work in constructing the line extension. Consumer agrees that CEC has no obligation to provide electric service to a line extension which is not accepted by CEC.

Advice Notice No.55

Signature: \_\_\_\_\_

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 15**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 2 of 5**

In addition, CEC has no obligation to purchase a line extension which is not accepted by the company.

7. Consumer agrees to pay CEC for its actual cost incurred in providing engineering design, construction inspection, meter installation, and easement assurance for the line extension.
8. Upon completion of a line extension that is acceptable to CEC, consumer agrees to sell the line extension to CEC for \$1.00 free and clear of all liens and encumbrances in accordance with the CEC's standard form Line Extension Sales Agreement Consumer Built Line Extension, a copy of which may be provided at the consumer's request.
9. Consumer shall obtain all necessary Easements and Rights-of-Way for construction of the facilities; right of ingress and egress; and the right of excavation as required for installation, maintenance, repair or replacement of any of the facilities. All Easements and Rights-of-Way shall be of public record and, in the case of plats, clearly shown on such plats prior to final recording. Consumer agrees to install underground facilities such that CEC's required cable depth is met following completion of final grade and drainage work. Any relocation due to changes in locations of Easements and Rights-of-Way, lot lines, or grades will be at the expense of consumer and will be non-refundable.
10. This agreement, including the Line and Service Extension Policy which is made a part hereof, shall at all times be subject to such changes and modifications as shall be ordered from time to time by any legally constituted regulatory body, including the New Mexico Public Regulation Commission or the Arizona Corporation Commission ("Commissions"), having jurisdiction to require such changes or modifications. Notice shall be given in accordance with the Commission's requirements if and when Commission's action could cause a change in the terms of this agreement.
11. The entire understanding between the parties hereto relating to this agreement is set forth herein and there are no oral understandings between the parties. Any amendments to this agreement must be reduced to writing and signed by an authorized representative of each party.

Advice Notice No.55

Signature: 

Chris Martinez

Executive Vice-President/General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 15**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 3 of 5**

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth above.

Customer \_\_\_\_\_

Columbus Electric Co-op, Inc. \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

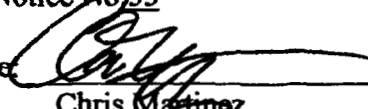
\_\_\_\_\_

\_\_\_\_\_

Witness: \_\_\_\_\_

Advice Notice No. 55

Signature



Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 15**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

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**COLUMBUS ELECTRIC COOPERATIVE, INC**  
**CONSUMER BUILT LINE EXTENSIONS**

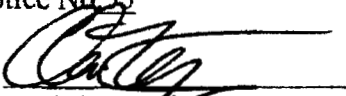
Appendix A

- A. Such system must be designed at the consumer's expense.
- B. CEC will specify all materials and equipment to be used in the electrical system including, but not limited to: wire, cable, conduit, poles, fixtures, switchgear, relays, capacitors and insulators. The consumer shall be free to acquire said materials from approved manufacturers that meet the specifications with current RUS material specification and the National Electric Codes and Electrical Safety Codes, as verified by CEC.

All meters and associated metering transformers will be provided and installed by CEC.

- C. The consumer will hire only those contractors who are properly and currently qualified and licensed, in accordance with state and local laws and regulations, to construct electrical distribution systems. The contractor will meet all the regulations and licensing standards set by the State of New Mexico Regulation and Licensing Department, including, but not limited to, Rules 14.6.6.9.4(h) NMAC and 14.6.6.10 NMAC, EL-1 and EE98 certification by the State of New Mexico. CEC reserves the right to disapprove of any contractor selected by the consumer on the grounds that the contractor is not properly qualified or otherwise able to construct the line extension in accordance with CEC's construction standards.
- D. Construction practices and equipment must be in compliance with CEC's construction standards as verified by the CEC.
- E. Consumer shall provide to CEC Easements and Rights-of-Way duly executed (including by both husband and wife, if applicable) and acknowledged and free from all liens and encumbrances in a CEC approved form which reflects the "as-built" configuration and location of the electric system. The consumer shall pay CEC for its costs incurred to verify the Easement and Rights-of-Way.
- F. CEC will select a Construction Inspector who will visit the construction site. The Construction Inspector shall have the authority to accept, or reject, the work and materials of the consumer or contractor and shall certify to CEC such acceptance or rejection at the time of inspection. The function of the Construction Inspector shall be to

Advice Notice No. 55

Signature: 

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 15**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 5 of 5**

verify compliance with design, materials, equipment and installation specifications of CEC, RUS and the specified codes in this rule. Consumer must pay CEC's design and inspection costs before CEC's services are rendered.

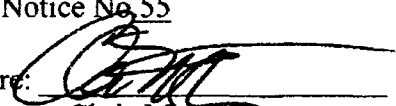
- G. CEC has no obligation to purchase an electrical system which is not accepted by the CEC's Construction Inspector. In addition, CEC will not provide electric service to a system which is not accepted by CEC's Construction Inspector.

If CEC determines that the extension was built in accordance with CEC's design, material, and specifications and RUS construction and applicable code standards, with proper Easements and Rights-of-Way assignable to CEC, and is free of all liens and encumbrances, then CEC will buy the system for \$1.00.

The consumer is liable for the direct and indirect consequences of any defects or failures of the electrical system from consumer's design, specifications, construction, operation or maintenance of the system, including direct and consequential damages arising therefrom, excluding defects or failures arising from CEC's negligent design, specifications, maintenance or operation of the system or CEC's gross or willful misconduct in acts or omissions, if any, regarding these same activities pertaining to the system. The consumer and CEC intend that each shall be responsible for their own acts or omissions and do not require indemnification from the other for any negligence, acts or omissions of the indemnities, so that NMSA 1978, §§ 56-7-1, if it is construed to apply, does not render this rule or provision void or unenforceable.

Commencing with the date of sale and CEC's acceptance of duly executed (including by both husband and wife, if applicable) and acknowledged conveyances, assignments, and bills of sale from all owners/grantors, in a form acceptable to CEC of the Easements and Rights-of-Way and other interests and the electrical system to CEC. CEC, in its discretion, will assume ownership and maintenance and operating responsibility for the system. The Easements and Rights-of-Way, facilities and system from the owners/grantors must be free of all liens and encumbrances. The consumer shall provide validly executed and acknowledged releases of liens, including mechanics liens, from any contractor and subcontractor constructing or providing services on the line extension or system. Conveyances and assignments will not convey or assign to CEC any liabilities or damages, including consequential damages, accruing or occurring prior to the conveyances or assignment. Such liabilities and damages will remain with the consumer.

Advice Notice No. 55

Signature: 

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 16**

MAY - 2 2013

**LINE EXTENSION SALES AGREEMENT  
CONSUMER BUILT LINE EXTENSION**

**Page 1 of 3**

\_\_\_\_\_, hereinafter referred to as "Consumer" does hereby sell, transfer and convey to Columbus Electric Cooperative, Inc. (CEC) for full, good and valuable consideration, in the sum of \$1.00 (one dollar), the receipt and adequacy of which is hereby acknowledged, and for the following mutual covenants of the parties, all title and rights of ownership, possession and control over the assemblies, units and materials used in the construction of the \_\_\_\_\_ Extension Project, single/three phase aerial/underground distribution lines including the following extensions:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The \_\_\_\_\_ kV electric distribution lines (described more particularly below) and facilities including, but not limited to, those items described in a contract between the consumer, and \_\_\_\_\_, developer/constructor of the facilities dated \_\_\_\_\_, \_\_\_\_\_ conveys title, ownership and control over the facilities to CEC and agrees from the date this instrument is signed, neither it nor any of its employees, contractors, agents or representatives will attempt to contact, control, connect to, work on, operate or maintain any portion or part of the facilities. The consumer represents that he/it owns good and merchantable title, free and clear of all liens and encumbrances, to the real property and to the grantor and grantee interests in the Easement and Right-of-Way on which the facilities have been constructed, which is approximately 30 feet in width, more particularly shown on a plat recorded with the County Clerk's Office of \_\_\_\_\_ County, New Mexico, as document number on \_\_\_\_\_ in Book \_\_\_\_\_ Page \_\_\_\_\_.

The consumer understands and agrees that CEC shall, upon assuming title, possession and control of the facilities, have the right, at its discretion and sole determination, to energize and utilize the Facilities for all purposes deemed necessary and prudent solely by CEC.

The consumer hereby delivers and assigns to CEC all contracts, documents, agreements, material receipts, and warranties, used, executed, or received for the construction of the facilities from the contractor/constructor of the facilities.

Advice Notice No. 55

Signature: \_\_\_\_\_

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 16**

**LINE EXTENSION SALES AGREEMENT**  
**CONSUMER BUILT LINE EXTENSION**

**Page 2 of 3**

The consumer, affirms and warrants that all payments due to material suppliers, contactors, laborers, or other persons furnishing materials or services for the facilities are paid in full and there are no outstanding balances of amounts due or liens attached to or that will be attached to the facilities.

The consumer, shall indemnify and hold harmless CEC from any and all claims, liabilities or damages claimed by all persons other than CEC (and its agents, employees and contractors) regarding the facilities.

The consumer, and CEC agree that this is the final transfer and conveyance of ownership of the facilities and Easement and Right-of-Way and that this is the entire agreement between the parties and that no modification is binding upon either party, their successors, or assigns unless it be in writing, signed and dated by a duly authorized representative of both parties.

Both the consumer, and CEC and their respective signatories represent and warrant that they are authorized to enter into and duly sign and acknowledge this instrument and convey and grant the interests conveyed and grant by this instrument.

This instrument is effective as of the date first indicated below.

COLUMBUS ELECTRIC COOPERATIVE, INC.

By \_\_\_\_\_  
Consumer

By \_\_\_\_\_  
General Manager

Date: \_\_\_\_\_, \_\_\_\_\_

Date: \_\_\_\_\_, \_\_\_\_\_

Advice Notice No. 55

Signature: \_\_\_\_\_

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ORIGINAL FORM NO. 16**

**LINE EXTENSION SALES AGREEMENT**  
**CONSUMER BUILT LINE EXTENSION**

**Page 3 of 3**

STATE OF NEW MEXICO        )  
  : ss  
COUNTY OF LUNA            )

This instrument was acknowledged before me on \_\_\_\_\_, \_\_\_\_\_ by  
\_\_\_\_\_, as Consumer.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:  
\_\_\_\_\_

STATE OF NEW MEXICO        )  
  : ss  
COUNTY OF LUNA            )

This instrument was acknowledged before me on \_\_\_\_\_ by  
Chris Martinez General Manager of Columbus Electric Cooperative, Inc., a New Mexico  
cooperative corporation, on behalf of Columbus Electric Cooperative, Inc.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:  
\_\_\_\_\_

Advice Notice No. 55

Signature: \_\_\_\_\_

Chris Martinez

Executive Vice-President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

Advice Notice No. 56

**NEW MEXICO PUBLIC REGULATION COMMISSION**

Columbus Electric Cooperative, Inc., hereby gives notice to the Commission of the filing:

<u>Form No.</u>	<u>Title of Sheet</u>	<u>Cancelling:</u>	<u>Date Effective</u>
Second Revised Rule No. 23	Line and Service Extensions	First Revised Rule No. 23	

Advice Notice No. 56



Chris Martinez  
Executive Vice President/General Manager

**Columbus Electric Cooperative, Inc.**

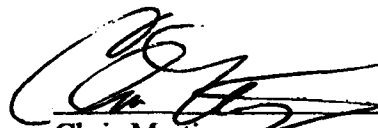
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Advice Notice No. 56



Chris Martinez  
Executive Vice President/General Manager



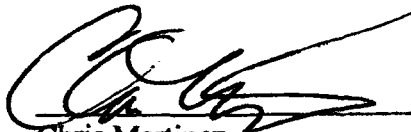
**Columbus Electric Cooperative, Inc.**

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Advice Notice No. 56



Chris Martinez  
Executive Vice President/General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
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The following rules and regulations will apply whenever an extension of Columbus Electric Cooperative's hereinafter referred to as "CEC" or "the Cooperative" electric distribution system is required to provide a consumer or group of consumers with electric service.

The line extension policy revenue credit provisions do not apply to consumers who will, in the Cooperative's opinion take service under CEC's Rate No 5 Large Power Service or Rate No 6 Industrial Service. In such situations for these consumer's line extensions, revenue credits and service agreements may be established on an individual basis.

Irrigation consumers requesting an extension where the motor(s) individually or in aggregate, or where the consumer has an irrigation service(s) under contract, and combined with a new application the horsepower exceeds 175HP, the Cooperative may establish revenue credit and service agreements on an individual basis.

When connecting consumers, the Cooperative on behalf of its other member/consumers, will not make an investment in transmission or distribution equipment that is considered excessive or uneconomical.

The Cooperative shall require all consumers requesting new construction and receiving a line extension credit to execute a contract which guarantees the annual kWh as provided in the construction formula. Consumer understands and agrees that actual kWh and revenues from the new line extension must meet or exceed the credits received by the consumer. It is also understood that the calculation of revenues hereunder shall not include cost pass-through items, e.g. franchise fees, DSC or FPPCA cost recovery. This contract shall be for a period of five (5) years commencing with the initial date on which service is available to the consumer.

**I. SERVICE TO RESIDENTIAL AND NONRESIDENTIAL APPLICANTS**

**A. Construction of service without charge to the consumer:**

1. In instances where the investment is not more than five (5) times the revenue credit, the facilities shall be constructed at no charge to the consumer.
2. Allowance of kWh usage shall be made by Cooperative personnel based on the Line Extension Revenue Credit Table approved in a separate Policy by the Cooperative's Board of Trustees, and said policy may be revised at the Board's discretion. The maximum allowable current credits are listed as follows:

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**REVENUE CREDIT TABLE**

**REVENUE CREDIT FOR RESIDENTIAL SERVICE**

Monthly kWh	1 yr kWh hours	Annual Credit	5year Credit
560	6720	\$300.25	\$1,501.25

**REVENUE CREDIT FOR STOCK WELLS**

Monthly kWh	1 yr kWh Hours	Annual Credit	5year Credit
200	2400	\$107.23	\$536.16

**REVENUE CREDIT FOR SMALL COMMERCIAL SERVICE**

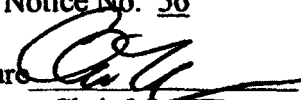
KVA Required	Monthly kWh	1 yr kWh Hours	Annual Credit	5year Credit
<15Kw	560	6720	\$272.03	\$1,360.13
15-25kVA	1250	15000	\$607.20	\$3,036.00
>25-50	2092	30000	\$1,214.40	\$6,072.00

**REVENUE CREDIT FOR IRRIGATION SERVICE**

Hp	kw	1 yr kWh Hours	Annual Credit	5year Credit	Previous Credit
10.00	7.50	7,500	\$273.75	\$1,368.75	\$1,498.78
15.00	11.25	11,250	\$410.63	\$2,053.13	\$2,248.17
20.00	15.00	15,000	\$547.50	\$2,737.50	\$2,997.56
25.00	18.75	18,750	\$684.38	\$3,421.88	\$3,746.95
30.00	22.50	22,500	\$821.25	\$4,106.25	\$4,496.34
40.00	30.00	30,000	\$1,095.00	\$5,475.00	\$5,995.13
50.00	37.50	37,500	\$1,368.75	\$6,843.75	\$7,493.91
75.00	56.25	56,250	\$2,053.13	\$10,265.63	\$11,240.86
100.00	75.00	75,000	\$2,737.50	\$13,687.50	\$14,987.81
125.00	93.75	93,750	\$3,421.88	\$17,109.38	\$18,734.77
150.00	112.50	112,500	\$4,106.25	\$20,531.25	\$22,481.72
175.00	131.25	131,250	\$4,790.63	\$23,953.13	\$26,228.67

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3. The kWh allowance and corresponding revenue credit shall be based on the table included in I.A.(2). The cost of fuel and purchased power shall be determined by reference to the cost per kWh sold in the last rate filing of the Cooperative.
4. The entire understanding between the parties hereto relating to this Rule is set forth herein and in the Line and Service Extension Request and Individual Line Extension Agreement and there are no oral understandings between the parties. No amendments to this agreement are authorized unless reduced to writing and signed by authorized representatives of each party.

**LINE AND SERVICE EXTENSIONS**

**B. Construction of service with charge to the consumer:**

1. In instances where line extensions require an investment in excess of five (5) times the annual revenue credit as described in I.A.(2) the consumer(s) shall be required to pay the Cooperative a Contribution in Aid of Construction equal to the amount required for construction in excess of the investment supported by revenue, plus an amount for operations, maintenance, and general administrative expense equal to five percent (5%) per year for five (5) years of the amount not supported by revenue. Such advance shall be computed in accordance with the formula set forth in I.B.(4).
2. When service is requested from which a Contribution in Aid of Construction as described in I.B.(1) has been made and there is an active line extension agreement, the consumer for such service shall be required to assume a pro rata share of the original investment which gave rise to the Contribution in Aid of Construction. The amount assumed shall be the fraction which the cost attributable to additional customers bears to the cost of the original construction. A refund will be made to the original party paying such advance, provided the additional connection is made within five (5) years from the date of original agreement.

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3. **Costs included in estimates:**  
The total cost of material, labor, and overhead for the new facilities and cost of changing facilities shall be included when the investment is computed – excluding only meters and transformers.
4. The formula used to determine the amount, if any, of payment for line extension shall be as follows:
- (a) kWh Allowance based on table \_\_\_\_\_
  - (b) Annual Revenue Credit \_\_\_\_\_
  - (c) Annual Revenue Credit X 5 Years \_\_\_\_\_
  - (d) Estimated total investment \_\_\_\_\_
  - (e) Investment not supported by revenue \_\_\_\_\_
  - (f) Operation, Maintenance & Administrative costs (5% per year x 5 years investment not supported by Revenue) \_\_\_\_\_
  - (g) Advance payment required \_\_\_\_\_
5. The cost of the line extension as set forth in I.B.(4) must be agreed upon and paid by the a consumer within sixty (60) days after the Cooperative has provided a quotation of cost. This amount is to be paid in full prior to the commencement of construction.
6. Any unrefunded advance shall become a Contribution in Aid of Construction and shall become the property of the Cooperative.
7. In the event of a request for a line extension to a location where there are no reasonable signs of permanency or the consumer elects not to receive a revenue credit and enter into a Individual Line Extension Agreement the Cooperative will require the consumer to make an advance payment in accordance with the Formula set forth in I.B.(4) as a nonrefundable Contribution in Aid of Construction. The consumer may be eligible for a revenue credit if the consumer has established Permanent Service as defined below, prior to construction. These provisions shall be governed by the formula as set forth in I.B.(4).

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**PERMANENT SERVICE**

DEFINITION: "Permanent Service" as defined herein is construed to mean service to domestic, small and large commercial, rural and urban consumers when the use of service both as to amount and permanency can be reasonably assured. Consumer shall be financially able and responsible to fulfill all obligations to be specified by written agreement. Consumer shall also provide copies of the deeds to all properties involved in the line extension.

To be considered permanent, the electric meter shall supply electric power to one of the following:

All trailer and mobile homes placed on a permanent foundation with the wheels, axles, and tongue arrangements removed.

Water wells.

A building if it is fully enclosed and has a minimum of 400 square feet of floor space, with a permanent foundation and roof.

Any barn or shop not fully enclosed with over 800 square feet of floor space and with a permanent foundation affixed to the earth.

Campers, fifth wheels, recreational vehicles, cargo containers, semi trailers, yurts, tents, electric gates, entrances, carports, or other services deemed non-permanent by CEC will not be considered permanent structures.

8. All requests for line extension by permanent, seasonal, or temporary customers shall be administered according to the rules and regulations prescribed by either the New Mexico Public Regulation Commission or the Arizona Corporation Commission.

**II. DISTRIBUTION LINE EXTENSION ESTIMATES AND FEE SCHEDULES**

Upon request by a consumer for a line extension, CEC shall prepare, without charge, a preliminary sketch and rough non-binding estimate of the construction costs to be paid by the consumer.

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Consumer(s) requesting engineering design estimates for new electric service or service upgrades for single and/or multiple development line extensions will be charged the following non-refundable fees:

Type of Service	No. Service(s)	Fee
Residential	1 Service	\$100
Subdivision	2 or more lots	\$1,000 plus \$10 per lot in excess of 10 lots
Small Commercial =<50kva (OH & UG)	1 Service	\$100
Commercial >50-350kva (OH & UG)	1 Service	\$200 plus \$100 per service(s) in excess of 1
Commercial >350kva(OH & UG)	1 Service	\$750 plus \$100 per service(s) in excess of 1
Main Distribution (Primary Voltage)		\$0.22 per foot

A consumer for a line extension requesting CEC to prepare detailed plans, specifications, or cost estimates may be required to pay CEC an amount equal to the total estimated cost of preparation, if those estimated costs would exceed the application fee.

Upon submission of a written request for a line extension, CEC shall make available, within ninety (90) days after receipt of all necessary documentation and the design fee, such plans, specifications, or design estimates of the proposed line extension. The design fee shall be nonrefundable. Any charges to the consumer shall be provided in the cost estimate. Engineering cost estimates shall be valid for sixty (60) days from the date of issuance.

If the consumer or prospective consumer does not enter into a line extension agreement with CEC for electric service within this sixty (60) day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth herein. Monies collected by CEC for the original engineering design estimates are non-refundable.

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To ascertain field conditions prior to finalizing a cost estimate, it will be necessary to survey the route in the field. One engineering survey with engineering design services will be provided by CEC. The cost of any additional engineering survey performed as the result of changes requested by the consumer after completion of the initial survey may, at the discretion of CEC, be billed to the consumer at CEC's current rates for labor, transportation, equipment, and materials.

Subdivisions providing CEC with approved final plans shall be provided with plans and/or estimates within ninety (90) days after receipt of the application and design fee.

Each and every request for an engineering estimate and each and every alteration to all initial requests for engineering services will be considered as an individual request and assessed a fee as set forth above.

All fees shall be paid to CEC by the consumer or prospective consumer prior to CEC engaging in engineering design and providing a cost estimate as requested by the consumer or prospective consumer.

Engineering design estimates shall be valid for sixty (60) days from the date of issuance. If the consumer or prospective consumer does not enter into a line extension agreement with CEC for service within this sixty (60) day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth above.

**III. RESPONSIBILITY OF THE CONSUMER**

**A. PROVIDE DEVELOPMENT PLANS, LEGAL DESCRIPTIONS, GRADE CERTIFICATIONS, AND SURVEY CORNERS**

The consumer shall provide accurate plans of the consumer's proposed development. Generally, final recorded plats will be required for subdivision estimates unless otherwise required by CEC. The consumer shall provide a valid written legal description along with a copy of the consumer's property deed. The consumer shall locate and mark any legal survey corners required by CEC. For commercial underground installations, a certification, signed by a licensed land surveyor or registered professional engineer, that the established grade is within six (6) inches of final grade, shall be required by CEC for the entire length and width of the proposed service route prior to staking. Normally, CEC field technicians will stake the route of the proposed line extension and related facilities to serve the consumer's development in relation to the consumer's legal

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property corners. CEC shall stake the line one time, based on the plans submitted by the consumer.

If mutually agreeable and at no charge to CEC, the consumer's surveyor may be used to stake the electric facilities when such action will help expedite the work. In that case, the consumer's surveyor will be supplied working plans and close oversight by CEC personnel. The cost of any additional engineering, field, or office work performed as the result of changes requested by the consumer after completion of an initial engineering staking shall be billed to the consumer at CEC's current rates for labor, transportation, equipment, and materials.

**B. UNDERGROUND SERVICE**

The consumer shall provide trenching, select back fill where required, backfilling, compaction and all concrete work to the applicable specifications of CEC and/or local codes for underground primary or secondary line extensions at the consumer's expense. Generally, the consumer is responsible for supplying and installing all conduits on underground projects. However, at its sole discretion, CEC may elect to furnish and install conduit or cable in conduit when CEC decides such action will be beneficial and expeditious to the project. CEC reserves the right to reject any request for underground extensions if its effect would be to create an irregular pattern of mixed construction modes or encumber the efficiency of future repair and maintenance operations.

When a consumer requests underground facilities where overhead facilities are existing, the consumer shall pay the cost of removal of the overhead facilities, less salvage value of material removed, plus the cost of the underground facilities. No refund shall be made on such Contribution in Aid of Construction.

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**IV. ELECTRIC FACILITIES FOR SUBDIVISIONS AND LAND DEVELOPMENTS**

A. When extensions of facilities are built to furnish service to a qualified subdivision or development project, the subdivider/developer, hereinafter referred to as the developer, shall be required to pay as a contribution in aid of construction an amount equal to the total cost of the facilities.

The developer is also responsible for the full cost of any line extensions from existing CEC facilities to a duly recorded subdivision, but located outside the subdivision boundary.

In order to qualify for said service, the developer must furnish to the Cooperative a copy of the plat map of such subdivision or development which has been approved by the county, township, or other authoritative body having jurisdiction over such subdivision or development.

The developer shall submit a complete set of improvement plans as required which have been approved by the appropriate planning and zoning commission and engineer.

The developer shall submit a copy of the recorded final plat. Any lesser version or approved plat can be submitted with special permission and at the sole discretion of CEC. A design of the final plat shall normally be provided in AutoCAD format or other approved electronics form for preliminary electrical design.

Copies of the plans of all utilities to be installed shall be submitted and coordinated to eliminate conflicts of location.

Approved Easements and Rights-of-Way for lines for the complete build-out of the subdivisions shall be provided. Easements and Rights-of-Way for locating special equipment away from Rights-of-Way and hazardous locations may also be required.

All terrain where underground cable and equipment is to be installed shall be within six inches of final grade prior to staking. Certification of established grades by a registered professional engineer or licensed land surveyor shall be required by CEC for the entire length and width of the proposed service route prior to construction.

B. Underground facilities requested by consumers or required by local, state regulations and/or CEC in subdivisions and mobile home parks with lots of one acre or less, recreational parks, airports, and other areas where overhead lines are unacceptable, the following provisions will apply.

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The developer shall be responsible for and provide accurately located survey markers and offset stakes to facilitate CEC's staking of electrical facility locations. If mutually agreeable and at no charge to CEC, the developer's surveyor may be used to stake the electric facilities when such action will help expedite the work. In that case, the developer's surveyor will be supplied working plans and close oversight by CEC personnel.

The developer or CEC, at the developer's expense, shall supply all necessary trenching, conduit, select backfill where requested, back filling, compaction, and concrete work, paving and re-paving, to CEC's specifications and applicable codes pursuant to the installation of the electrical equipment and lines. This will be accomplished in conjunction with close oversight and inspection by CEC personnel. The developer shall obtain all permits required for construction and trenching in public Easements or Rights-of-Way. All necessary occupancy permits shall be provided to CEC before permanent service is connected.

Installation of water, sewer lines, and storm drains prior to excavation of the trench for electric lines is advisable and may be required by CEC.

The developer shall keep all Easements and Rights-of Way and roads free of debris and obstacles during the construction period in order to avoid unnecessary delays in construction. Spoil piles from trenches shall be situated in such a manner as to allow safe passage by CEC equipment and personnel.

Any costs resulting from damages to CEC facilities caused by contractors and/or crews working for the developer, including changes in grade or dig-ins, shall be paid for by the developer. When excavating around CEC underground facilities, hand digging shall be utilized in accordance with New Mexico One-Call or Arizona Blue Stake laws. Once installed, any relocation of CEC facilities will be at the expense of the developer.

**V. IDLE SERVICE BILLING**

Persons with distribution lines installed to serve them or their property, that are not using the service and the lines are considered idle, shall be notified that they are required to pay an amount equal to the minimum monthly charge. After proper notice of the above, and provided the property owner refuses to pay, or for any reason does not pay the above, the Cooperative may remove such lines without further notice.

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**VI. RIGHTS-OF-WAY**

The consumer shall grant to CEC all necessary perpetual utility Easements and Rights-of-Way free and clear from encumbrances, applying to the consumer's property, to enable electric distribution system construction, maintenance and operation. In all instances where the extension of facilities is requested, Rights-Of-Way, Easements, etc., as approved by the Cooperative, shall be clearly shown on all plats of land including land divided for resale, subdivisions plats, plot plans, etc., prior to the time they are recorded, and the Cooperative shall be furnished a copy of such instrument.

Applicants for electric service under these rules and regulations will assist in procuring the necessary Easements and Right-Of-Way.

**VII. RESPONSIBILITY OF COOPERATIVE**

A. The Cooperative shall make every reasonable effort to complete construction of a line extension within sixty (60) days after the consumer signs the Individual Line Extension Agreement and has paid the required Contribution in Aid of construction, and after the Cooperative has acquired all applicable permits, rights-of-way, material and labor necessary for the line extension, and the Cooperative has completed all other applicable contractual obligations. Cooperative shall exercise due diligence and good faith in its efforts to obtain such permits, Easements and Rights-of-Way, materials, labor and contractual compliance. However, the Cooperative shall not be required to complete construction of the line extension within this time frame where force majeure conditions exist.

**VIII. CONSUMER BUILT LINE EXTENSIONS**

The classification and the following requirements apply to consumer built line extensions:

- A. Consumer(s) interested in pursuing this option must execute a contract that will establish the detailed terms and conditions for a specific project.
- B. Such system must be designed at the consumer's expense.
- C. The Cooperative will specify all materials and equipment to be used in the electrical system including, but not limited to: wire, cable, conduit, poles, fixtures, switchgear, relays, capacitors and insulators. The consumer shall be free to acquire said materials from approved manufacturers that meet the specifications with current RUS material specification and the National Electric Codes and Electrical Safety Codes, as verified by the Cooperative.

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All meters and associated metering transformers will be provided and installed by the Cooperative.

D. The consumer will hire only those contractors who are properly and currently qualified and licensed, in accordance with State and local law and regulation, to construct electrical distribution systems. The contractor will meet all the regulations and licensing standards set by the State of New Mexico Regulation and Licensing Department, including, but not limited to, Rules 14.6.6.9.4(h) NMAC and 14.6.6.10 NMAC, EL-1 and EE98 certification by the State of New Mexico. The Cooperative reserves the right to disapprove of any contractor selected by the consumer on the grounds that the contractor is not properly qualified or otherwise able to construct the line extension in accordance with the Cooperative's construction standards.

E. Construction practices and equipment must be in compliance with Cooperative construction standards as verified by the Cooperative.

F. Consumer shall provide to the Cooperative Easements and Rights-of-Way duly executed (including by both husband and wife, if applicable) and acknowledged and free from all liens and encumbrances in a Cooperative approved form which reflect the "as-built" configuration and location of the electric system. The consumer shall pay the Cooperative for its costs incurred to verify the Easement and Rights-of-Way.

G. The Cooperative will select a Construction Inspector who will visit the construction site. The Construction Inspector shall have the authority to accept, or reject, the work and materials of the consumer or contractor and shall certify to the cooperative such acceptance or rejection at the time of inspection. The function of the Construction Inspector shall be to verify compliance with design, materials, equipment and installation specifications of the Cooperative, RUS and the specified codes in this rule. Consumer must pay Cooperative's design and inspection costs before the Cooperative's services are rendered.

H. The Cooperative has no obligation to purchase an electrical system which is not accepted by the Cooperative's Construction Inspector. In addition, the Cooperative will not provide electric service to a system which is not accepted by the Cooperative's Construction Inspector.

If the Cooperative determines the extension was built in accordance with Cooperative's design, material, and specifications and RUS construction and applicable code standards, with proper Easements and Rights-of-Way assignable to Cooperative, and is free of all liens and encumbrances, then Cooperative will buy the system for \$1.00.

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The consumer is liable for the direct and indirect consequences of any defects or failures of the electrical system from consumer's design, specifications, construction, operation or maintenance of the system, including direct and consequential damages arising therefrom, excluding defects or failures arising from the Cooperative's negligent design, specifications, maintenance or operation of the system or the Cooperative's gross or willful misconduct in acts or omissions, if any, regarding these same activities pertaining to the system. The consumer and the Cooperative intend that each shall be responsible for their own acts or omissions and do not require indemnification from the other for any negligence, acts or omissions of the indemnities, so that NMSA 1978, §§ 56-7-1, if it is construed to apply, does not render this rule or provision void or unenforceable.

Commencing with the date of sale and the Cooperative's acceptance of duly executed (including by both husband and wife, if applicable) and acknowledged conveyances, assignments, and bills of sale from all owners/grantors, in a form acceptable to the Cooperative, of the Easements, Rights-of-Way and other interests and the electrical system to the Cooperative, the Cooperative, in its discretion, will assume ownership and maintenance and operating responsibility for the system. The Easements, Rights-of-Way, facilities and system from the owners/grantors must be free of all liens and encumbrances. The consumer shall provide validly executed and acknowledged releases of liens, including mechanics liens, from any contractor and subcontractor constructing or providing services on the line extension or system. Conveyances and assignments will not convey or assign to the Cooperative any liabilities or damages, including consequential damages, accruing or occurring prior to the conveyances or assignment. Such liabilities and damages will remain with the consumer.

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

**BOB STUMP, Chairman**  
**GARY PIERCE**  
**BRENDA BURNS**  
**BOB BURNS**  
**SUSAN BITTER SMITH**

**IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR AN INCREASE IN RATES AND FOR )  
OTHER RELATED APPROVALS )**

**DOCKET NO. E-01851A-13-\_\_\_\_\_**

**PRE-FILED DIRECT TESTIMONY OF E.L. MOSS**

**ON BEHALF OF**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**JULY 16, 2013**

**INTRODUCTION**

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**Q: Please state your name and business address.**

A: E.L. Moss, my business address is 8215 Nashville Avenue, Lubbock, Texas, 79423.

**Q: By whom are you employed and what is your position?**

A: I am a partner in the certified public accounting firm of Bolinger, Segars, Gilbert & Moss, L.L.P. I am one of the parties in our firm responsible for the firm's activities before State Regulatory Agencies. My primary areas of activity include financial and rate analysis, long range system planning and various system studies.

**Q: Please briefly summarize your educational and professional background.**

A: I graduated from McMurry University, Abilene, Texas, with a Bachelor of Science Degree, with a specialization in accounting. In January 1959, I was employed with the same accounting firm with which I am presently associated; I have been a Certified Public Accountant since July 1961, and have been a partner in the firm since April 1963. I am registered as a Certified Public Accountant in Texas, New Mexico, and Nevada. I am a member of the State Societies of Certified Public Accountants in Texas, New Mexico, and Nevada, and of the American Institute of Certified Public Accountants. I have also served on the Public Utility Accounting Committee of the American Institute of Certified Public Accountants.

**Q: Please describe the involvement of your firm in the utility industry.**

A: Our firm is engaged as independent auditor by approximately 80 electric cooperatives located in New Mexico, Texas, Arizona, Arkansas, California, Colorado, Florida, North Dakota, Oklahoma, and Wyoming. We have prepared several Rate Studies and Cost of Service Studies and have appeared in rate matters before State Regulatory Commissions in the States of Arizona, Texas, New Mexico, and Oklahoma.



1 **Q: What is the purpose of your testimony in this case?**

2 **A:** I am testifying in support of Application for of Columbus Electric Cooperative, Inc. for an  
3 Increase in Rates and for Other Related Approvals, and specifically regarding the rate design and  
4 schedules attached to the application.

5 **Q: Have you reviewed the Application?**

6 **A:** Yes I have and the statements contained in the Application, with regard to the rates, are true and  
7 accurate to the best of my knowledge. I also prepared all of the schedules attached hereto and provided  
8 Exhibit 8 the RUS Form 9 for 2012 and Exhibit 10 the Audited Financial Statements, both of which are  
9 attached hereto.

10 **Q: Please briefly describe Columbus.**

11 **A:** Columbus Electric Cooperative, Inc. ("CEC") serves customers physically located in New  
12 Mexico and Arizona. At the end of and during the test year ended September 30, 2012, the consumers  
13 served and revenue of Columbus were as follows:

	<u>New Mexico</u>	<u>% of Total</u>	<u>Arizona</u>	<u>% of Total</u>	<u>Total</u>
Consumers Served	5,279	91.62%	483	8.38%	5,762
Revenue	\$ 12,467,899	93.70%	\$ 837,758	6.30%	\$ 13,305,657

14

15 **Q: Can you summarize the impact of the proposed rates?**

16 **A:** Yes. This application will result in a revenue increase from the adjustment in rates in the  
17 approximate amount of \$93,410 to New Mexico consumers, and \$21,590 to Arizona consumers. The  
18 increase amounts to an increase of .749% of income from New Mexico consumers, and 2.577% of  
19 income from Arizona consumers. The total overall increase amounts to \$115,000, or .864% of total  
20 income from all consumers, based on the income the year ended September 30, 2012. The increase in

1 revenue applies to the Residential, Small Commercial, and Lighting rates. The rate design for all  
 2 consumers - New Mexico and Arizona – are identical, which results in changes to the revenue from  
 3 Irrigation and Ag Service rates between New Mexico and Arizona consumers, with no net increase in  
 4 the total system revenue from these classes.

5 **Q: What will be the impact on revenue in the various customer classes?**

6 **A: The increases and changes in revenue to the various consumer classes are as follows:**

	New Mexico			Arizona					
	Present Revenue	Revenue Increase	Increase	Present Revenue	Revenue Increase	Increase	Present Revenue	Revenue Increase	Increase
Residential	\$ 3,571,714	\$ 52,525	1.47%	\$ 371,829	\$ 7,475	2.01%	\$ 3,943,543	\$ 60,000	1.52%
Irrigation	888,926	(4,011)	-0.45%	46,041	4,011	8.71%	934,967	-	-
Ag Service	4,467,421	(7,776)	-0.17%	364,319	7,776	2.13%	4,831,740	-	-
Small Commercial	1,395,860	47,855	3.43%	53,131	2,145	4.04%	1,448,991	50,000	3.45%
Large Commercial	1,384,047	-	-	-	-	-	1,384,047	-	-
Industrial	654,679	-	-	-	-	-	654,679	-	-
Lighting	105,252	4,817	4.58%	2,438	183	7.51%	107,690	5,000	4.64%
	<b>\$ 12,467,899</b>	<b>\$ 93,410</b>	<b>0.749%</b>	<b>\$ 837,758</b>	<b>\$ 21,590</b>	<b>2.577%</b>	<b>13,305,657</b>	<b>\$ 115,000</b>	<b>0.864%</b>

7  
 8  
 9 **Q: What changes to rates are being proposed?**

10 **A: The rate change will result in a change in the monthly customer charge, the energy charge per**  
 11 **kWh sold, and the KW demand charge in all rates. The proposed rates include a Fuel and Purchased**  
 12 **Power Cost Adjustment (“FPPCA”) per kWh sold for power costs in excess of or less than \$0.078510.**  
 13 **The same FPPCA per kWh sold will apply to both New Mexico and Arizona consumers. The proposed**  
 14 **rates for New Mexico consumers also include a Debt Cost Adjustment (“DCA”) per kWh for the cost of**  
 15 **Interest on Long-Term Debt in excess of or less than the interest cost per kWh in the test year. The**  
 16 **DCA adjustment does not apply to Arizona Consumers.**

17 **Q: Will there be any other differences between the rates in New Mexico and Arizona:**

18 **A: Columbus has historically provided, and plans to continue to provide, service to all its consumers**  
 19 **in each respective rate class at the same rate, jurisdictions notwithstanding. The reasons for this are:**

1 a) There is no difference in service characteristics of the customers in New Mexico and  
2 Arizona.

3 b) All customers are members of the cooperative in equal standing whose respective service  
4 needs are all provided for in the same manner.

5 The Board of Trustees is aware that some differences in rate of return will occur between jurisdictions  
6 when identical rates are applied in this manner; however, the equality of the members and the  
7 administrative benefits of uniform rate schedules for each class of customer are of far greater  
8 importance. Additionally, the customers in each jurisdiction have requested that the customer classes in  
9 the total system be served at the same rate.

10 **Q: Briefly discuss the rate design being proposed.**

11 **A:** The design of the proposed rates is identified to the present rates in effect. Items of note are:

12 a) A customer charge applies to all rate classes. The lighting class is unmetered; Kwh usage  
13 has been assigned based on industry standards for each size light.

14 The customer charge to the various classes has been increased to more closely reflect the  
15 customer charge indicated by the Cost of Service Study.

16 b) Each rate contains an energy charge for all classes except lighting, as reference in (a).  
17 The energy charge is flat with no steps for different levels of usage.

18 c) A KW demand charge applies to the large commercial and industrial classes. The Ag  
19 Service rate is demand metered; however the demand reading is only utilized to measure  
20 a minimum load factor requirement.

21 d) The present rates provide for a Fuel and Purchased Power Cost Adjustment ("FPPCA")  
22 in excess of or less than the purchased power cost established in December, 2000 -

1           \$0.04172 per Kwh sold. In addition, the present rates include a Debt Cost Adjustment  
2           ("DCA") which applies to the interest cost per Kwh at December, 2000. In this filing, the  
3           purchased power costs has been re-based to \$0.07851, per Kwh sold, and the debt cost  
4           adjustment will also be rebased accordingly. The same FPPCA factor will apply to New  
5           Mexico and Arizona Consumers. The energy charges in the proposed rates have been  
6           adjusted to include the amounts collected through the FPPCA and the DCA clauses in the  
7           present rates.

8   **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

9   A: Yes.

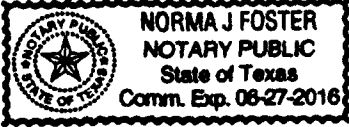
1 STATE OF TEXAS )  
2 :ss  
3 COUNTY OF LUBBOCK )  
4

5 VERIFICATION

6  
7 I, E.L. Moss, being first duly sworn upon oath, deposes and states that I have read the foregoing  
8 document, entitled Prepared Direct Testimony of E.L. Moss and the Application for of Columbus  
9 Electric Cooperative, Inc. for an Increase in Rates and for Other Related Approvals, and the same, with  
10 regard to rates, is true and correct to the best of my information, knowledge and belief.  
11

12  
13 E.L. Moss  
14 E.L. Moss  
15

16 SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by E.L. Moss on the 16<sup>th</sup>  
17 day of July, 2013.



22  
23 Norma J Foster  
24 NOTARY PUBLIC  
25  
26  
27

23 My Commission Expires:  
24 06-27-2016  
25  
26  
27

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

BORROWER DESIGNATION  
NM0025

FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION

PERIOD ENDED December, 2012

BORROWER NAME  
Columbus Electric Cooperative, Inc.

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

**CERTIFICATION**

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII**

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

DATE

**PART A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	12,625,334	13,430,945	12,649,710	760,648
2. Power Production Expense				
3. Cost of Purchased Power	7,320,146	8,042,211	7,234,926	416,326
4. Transmission Expense	19,372	18,546	20,581	826
5. Regional Market Expense				
6. Distribution Expense - Operation	764,354	907,068	982,182	87,753
7. Distribution Expense - Maintenance	326,096	307,894	365,853	18,116
8. Customer Accounts Expense	593,993	648,121	621,479	52,070
9. Customer Service and Informational Expense	123,778	71,118	139,618	(5,600)
10. Sales Expense				
11. Administrative and General Expense	1,266,339	1,190,071	1,338,768	96,255
12. Total Operation & Maintenance Expense (2 thru 11)	10,414,078	11,185,029	10,703,407	665,746
13. Depreciation and Amortization Expense	1,118,614	1,164,555	1,166,052	97,668
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	521,970	544,675	557,006	44,821
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	16,281	5,790	21,629	532
19. Other Deductions		23,845		19,654
20. Total Cost of Electric Service (12 thru 19)	12,070,943	12,923,894	12,448,094	828,421
21. Patronage Capital & Operating Margins (1 minus 20)	554,391	507,051	201,616	(67,773)
22. Non Operating Margins - Interest	19,495	25,991	21,336	2,435
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(3,443)	34,772		
26. Generation and Transmission Capital Credits	507,855	397,893		397,893
27. Other Capital Credits and Patronage Dividends	28,548	26,135		3,139
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,106,846	991,842	222,952	335,694

RUS Financial and Operating Report Electric Distribution

Revision Date 2010

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE  
**FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION

NM0025

PERIOD ENDED

December, 2012

INSTRUCTIONS - See help in the online application.

**PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	61	80	5. Miles Transmission	130.00	130.00
2. Services Retired	18	26	6. Miles Distribution - Overhead	1,877.46	1,885.27
3. Total Services in Place	7,227	7,321	7. Miles Distribution - Underground	80.41	82.21
4. Idle Services (Exclude Seasonals)	2,025	2,096	8. Total Miles Energized (5 + 6 + 7)	2,087.87	2,097.48

**PART C. BALANCE SHEET**

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	38,374,975	30. Memberships	0
2. Construction Work in Progress	515,441	31. Patronage Capital	9,875,483
3. Total Utility Plant (1 + 2)	38,890,416	32. Operating Margins - Prior Years	(386,517)
4. Accum. Provision for Depreciation and Amort.	15,312,423	33. Operating Margins - Current Year	904,943
5. Net Utility Plant (3 - 4)	23,577,993	34. Non-Operating Margins	86,898
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	0
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	10,480,807
8. Invest. in Assoc. Org. - Patronage Capital	2,939,983	37. Long-Term Debt - RUS (Net)	7,827,317
9. Invest. in Assoc. Org. - Other - General Funds	0	38. Long-Term Debt - FFB - RUS Guaranteed	6,114,634
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	415,368	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	4,255,156
12. Other Investments	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	0	42. Payments - Unapplied	0
14. Total Other Property & Investments (6 thru 13)	3,355,351	43. Total Long-Term Debt (37 thru 41 - 42)	18,197,107
15. Cash - General Funds	663,899	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	187,155
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	187,155
18. Temporary Investments	701,000	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	549,065
20. Accounts Receivable - Sales of Energy (Net)	732,667	49. Consumers Deposits	263,393
21. Accounts Receivable - Other (Net)	0	50. Current Maturities Long-Term Debt	705,000
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	433,250	52. Current Maturities Capital Leases	0
24. Prepayments	169,537	53. Other Current and Accrued Liabilities	393,398
25. Other Current and Accrued Assets	7,430	54. Total Current & Accrued Liabilities (47 thru 53)	1,910,856
26. Total Current and Accrued Assets (15 thru 25)	2,707,783	55. Regulatory Liabilities	0
27. Regulatory Assets	559,858	56. Other Deferred Credits	241,655
28. Other Deferred Debits	816,595	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	31,017,580
29. Total Assets and Other Debits (5+14+26 thru 28)	31,017,580		

<p align="center">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p align="center">BORROWER DESIGNATION NM0025</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED December, 2012</p>

**PART D. NOTES TO FINANCIAL STATEMENTS**

**PART C LINE 25, OTHER CURRENT AND ACCRUED ASSETS**

Interest Receivable \$7,430

**PART C LINE 28, OTHER DEFERRED DEBITS**

GIS Field Inventory \$489,367

Computer Conversion \$42,955

Fuel & Debt Service Adjustment \$261,538

Long Range and 4 Year Work Plan \$12,853

Rate Study \$9,882

**PART C LINE 53, OTHER CURRENT AND ACCRUED LIABILITIES**

Accrued Property Tax \$85,389

Accrued Other Tax \$46,955

Accrued Audit Fees \$11,412

Accrued Paid Time Off \$249,643



<p align="center">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION NM0025</p>
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**PART D. NOTES TO FINANCIAL STATEMENTS**

**PART C LINE 56, OTHER DEFERRED CREDITS**

Consumer Advance Payments \$189,085

Energy Rebates \$5192

Abandoned Capital \$47,378

<p align="center">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION  NM0025</p>
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<p align="center"><b>PART D. CERTIFICATION LOAN DEFAULT NOTES</b></p>	

**FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION**

PERIOD ENDED  
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INSTRUCTIONS - See help in the online application.

**PART E. CHANGES IN UTILITY PLANT**

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	33,092,944	1,234,999	902,884		33,425,059
2. General Plant	2,468,509	161,540	287,021		2,343,028
3. Headquarters Plant	1,015,250	92,320			1,107,570
4. Intangibles	411				411
5. Transmission Plant	1,466,238	37,398	4,728		1,498,908
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	0				0
<b>8. Total Utility Plant in Service (1 thru 7)</b>	<b>38,043,352</b>	<b>1,526,257</b>	<b>1,194,633</b>		<b>38,374,976</b>
9. Construction Work in Progress	381,358	134,083			515,441
<b>10. Total Utility Plant (8 + 9)</b>	<b>38,424,710</b>	<b>1,660,340</b>	<b>1,194,633</b>		<b>38,890,417</b>

**PART F. MATERIALS AND SUPPLIES**

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	491,833	302,306	13,270	375,921		1,762	433,250
2. Other	0						0

**PART G. SERVICE INTERRUPTIONS**

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE					TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)		
1. Present Year	0.000	13.800	0.000	178.200	192.000	
2. Five-Year Average	8.400	72.000	0.000	153.600	234.000	

**PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS**

1. Number of Full Time Employees	27	4. Payroll - Expensed	954,816
2. Employee - Hours Worked - Regular Time	49,189	5. Payroll - Capitalized	590,977
3. Employee - Hours Worked - Overtime	1,198	6. Payroll - Other	226,332

**PART I. PATRONAGE CAPITAL**

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	0	281,729
	b. Special Retirements	0	0
	<b>c. Total Retirements (a + b)</b>	<b>0</b>	<b>281,729</b>
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	0	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	4,533	
	<b>c. Total Cash Received (a + b)</b>	<b>4,533</b>	

**PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE**

1. Amount Due Over 60 Days	\$ 23,716	2. Amount Written Off During Year	\$ 26,227
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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT          ELECTRIC DISTRIBUTION</b>	BORROWER DESIGNATION  NM0025
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INSTRUCTIONS - See help in the online application	PERIOD ENDED December, 2012
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**PART K. kWh PURCHASED AND TOTAL COST**

No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tri-State G & T Assn, Inc (CO0047)	30151			112,936,602	8,042,153	7.12		
2	*Miscellaneous	700000			1,830	58	3.17		
	<b>Total</b>				<b>112,938,432</b>	<b>8,042,211</b>	<b>7.12</b>		

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<b>PART K. kWh PURCHASED AND TOTAL COST</b>			
<b>No</b>	<b>Comments</b>		
1			
2			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE <b>FINANCIAL AND OPERATING REPORT          ELECTRIC DISTRIBUTION</b>		BORROWER DESIGNATION NM0025	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2012	
<b>PART L. LONG-TERM LEASES</b>			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
<b>TOTAL</b>			

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT  
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BORROWER DESIGNATION  
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PERIOD ENDED  
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INSTRUCTIONS - See help in the online application.

**PART M. ANNUAL MEETING AND BOARD DATA**

1. Date of Last Annual Meeting 3/24/2012	2. Total Number of Members 3,123	3. Number of Members Present at Meeting 178	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 4	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 205,855	8. Does Manager Have Written Contract? N

**RUS Financial and Operating Report Electric Distribution**

**Revision Date 2010**

<b>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</b>		<b>BORROWER DESIGNATION</b>  NM0025			
INSTRUCTIONS - See help in the online application.		<b>PERIOD ENDED</b> December, 2012			
<b>PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS</b>					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	7,827,317	188,532	468,130	656,662
2	National Rural Utilities Cooperative Finance Corporation	1,352,683	102,898	39,470	142,368
3	CoBank, ACB	2,902,473	44,766	197,783	242,549
4	Federal Financing Bank	6,114,634	195,544	109,603	305,147
5	RUS - Economic Development Loans				
6	Payments Unapplied				
	<b>TOTAL</b>	<b>18,197,107</b>	<b>531,740</b>	<b>814,986</b>	<b>1,346,726</b>



UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0025		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2012		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	3,966	3,961	
	b. kWh Sold			26,310,321
	c. Revenue			3,963,153
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served	342	318	
	b. kWh Sold			50,652,493
	c. Revenue			5,924,886
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	969	968	
	b. kWh Sold			24,560,695
	c. Revenue			3,494,020
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
6. Public Street & Highway Lighting	a. No. Consumers Served	12	12	
	b. kWh Sold			89,110
	c. Revenue			21,401
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		5,289	5,259	
11. Total kWh Sold (lines 1b thru 9b)				101,612,619
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				13,403,460
13. Transmission Revenue				
14. Other Electric Revenue				27,485
15. kWh - Own Use				
16. Total kWh Purchased				112,938,432
17. Total kWh Generated				
18. Cost of Purchases and Generation				8,060,757
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <u>    </u> Coincident <u>    </u>				24,990

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT          ELECTRIC DISTRIBUTION</b>	BORROWER DESIGNATION NM0025  PERIOD ENDED December, 2012
INSTRUCTIONS - See help in the online application.	

PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	79	5,775	66	138	14,450	159
2. Residential Sales - Seasonal						
3. Irrigation Sales	2	2,550	20	5	7,438	55
4. Comm. and Ind. 1000 KVA or Less						
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale - RUS Borrowers						
9. Sales for Resale - Other						
<b>10. Total</b>	<b>81</b>	<b>8,325</b>	<b>86</b>	<b>143</b>	<b>21,888</b>	<b>214</b>

RUS Financial and Operating Report Electric Distribution

Revision Date 2010

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION NM0025
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	PERIOD ENDED December, 2012

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

**PART Q. SECTION L INVESTMENTS (See Instructions for definitions of Income or Loss)**

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
<b>2</b>	<b>Investments in Associated Organizations</b>				
	TRI-STATE PATRONAGE CAPITAL		2,871,981		
	NRUCFC PATRONAGE CAPITAL		68,002	4,533	
	NRUCFC CTCS		315,140	121	
	VALLEY TELEPHONE PATRONAGE CAPITAL		7,653	573	
	WUESC PATRONAGE CAPITAL		13,892	508	
	NISC PATRONAGE CAPITAL		6,302	631	
	FEDERATED INSURANCE PATRONAGE CAPITAL		62,495	2,562	
	CFC MEMBERSHIP	1,000			
	TRI-STATE MEMBERSHIP	5			
	NMRECA EQUITY CONTRIBUTION	4,652			
	BASIN ELECTRIC MEMBERSHIP	100			
	TOUCHSTONE ENERGY INVESTMENT	3,013			X
	NISC MEMBERSHIP	100			
	COBANK EQUITY INVESTMENT	1,000			
	NMRECA MEMBERSHIP	15			
	Totals	9,885	3,345,465	8,928	
<b>6</b>	<b>Cash - General</b>				
	FIRST NEW MEXICO BANK	663,899			
	Totals	663,899			
<b>8</b>	<b>Temporary Investments</b>				
	NRUCFC MEDIUM TERM NOTE		701,000		
	Totals		701,000		
<b>11</b>	<b>TOTAL INVESTMENTS (1 thru 10)</b>	<b>673,784</b>	<b>4,046,465</b>	<b>8,928</b>	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT</b> <b>ELECTRIC DISTRIBUTION</b> <b>INVESTMENTS, LOAN GUARANTEES AND LOANS</b>	BORROWER DESIGNATION NM0025
	PERIOD ENDED December, 2012

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	<b>TOTAL</b>				
	<b>TOTAL (Included Loan Guarantees Only)</b>				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT</b> <b>ELECTRIC DISTRIBUTION</b> <b>INVESTMENTS, LOAN GUARANTEES AND LOANS</b>	BORROWER DESIGNATION NM0025
	PERIOD ENDED December, 2012

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

**SECTION III. RATIO**

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]	1.73 %
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**SECTION IV. LOANS**

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	<b>TOTAL</b>				

**NEW MEXICO 25 LUNA**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**DEMING, NEW MEXICO**

**FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION**

**FOR THE YEARS ENDED JULY 31, 2012 AND 2011**

**AND**

**REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

**LUBBOCK, TEXAS**

**EXHIBIT 9**

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**NEW MEXICO 25 LUNA**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**DEMING, NEW MEXICO**

**FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION**

**FOR THE YEARS ENDED JULY 31, 2012 AND 2011**

**AND**

**REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**

**NEW MEXICO 25 LUNA  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DEMING, NEW MEXICO**

**FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION  
FOR THE YEARS ENDED JULY 31, 2012 AND 2011**

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**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

**PHONE: (806) 747-2806**

**FAX: (806) 747-3815**

**8215 NASHVILLE AVENUE**

**LUBBOCK, TEXAS 79423-1954**

**INDEPENDENT AUDITORS' REPORT**

Board of Trustees  
Columbus Electric Cooperative, Inc.  
Deming, New Mexico

We have audited the accompanying balance sheets of Columbus Electric Cooperative, Inc. as of July 31, 2012 and 2011, and the related statements of income and patronage capital, and cash flows for the years then ended. These financial statements are the responsibility of the Cooperative's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Columbus Electric Cooperative, Inc. as of July 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2012, on our consideration of Columbus Electric Cooperative, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Bolinger, Segars, Gilbert & Moss L.L.P.*

Certified Public Accountants

October 15, 2012

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COLUMBUS ELECTRIC COOPERATIVE, INC.

Exhibit A

**BALANCE SHEET  
JULY 31, 2012 AND 2011**

**ASSETS**

	July 31,	
	2012	2011
<b>UTILITY PLANT AT COST</b>		
Electric Plant in Service	\$ 37,638,768	\$ 36,498,341
Construction Work in Progress	732,468	1,764,406
	\$ 38,371,236	\$ 38,262,747
Less: Accumulated Provision for Depreciation	15,157,668	14,468,371
	\$ 23,213,568	\$ 23,794,376
 <b>OTHER PROPERTY AND INVESTMENTS - AT COST OR STATED VALUE</b>		
Investments in Associated Organizations	\$ 2,947,830	\$ 2,423,344
 <b>CURRENT ASSETS</b>		
Cash - General	\$ 141,144	\$ 138,476
Temporary Cash Investments	1,401,000	500,000
Accounts Receivable (Less allowance for uncollectibles of \$58,467 in 2012 and \$71,633 in 2011)	1,417,787	1,301,293
Materials and Supplies at Average Cost	403,723	389,623
Power Cost and Debt Cost Adjustments Under Billed	443,656	389,362
Other Current and Accrued Assets	165,047	167,413
	\$ 3,972,357	\$ 2,886,167
 <b>DEFERRED CHARGES</b>		
Regulatory Assets	\$ 585,195	\$ 643,795
Other	572,780	610,689
	\$ 1,157,975	\$ 1,254,484
 <b>TOTAL ASSETS</b>	\$ 31,291,730	\$ 30,358,371

**EQUITIES AND LIABILITIES**

<b>EQUITIES</b>		
Patronage Capital	\$ 9,985,134	\$ 9,007,159
Other Equities - Deficit	(447,212)	(463,265)
	\$ 9,537,922	\$ 8,543,894
 <b>LONG-TERM DEBT</b>		
RUS Mortgage Notes Less Current Maturities	\$ 8,284,412	\$ 11,732,548
FFB Mortgage Notes Less Current Maturities	6,067,555	4,686,786
CFC Mortgage Notes Less Current Maturities	1,369,778	1,410,834
CoBank Mortgage Notes Less Current Maturities	2,732,780	2,732,780
	\$ 18,454,525	\$ 17,830,168
 <b>ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS</b>		
Post-Retirement Benefits	\$ 193,070	\$ 206,951
 <b>CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Debt	\$ 821,000	\$ 705,000
Line of Credit		823,664
Accounts Payable - Purchased Power	952,765	852,382
Accounts Payable - Other	86,089	74,522
Consumers' Deposits and Prepayments	468,004	284,432
Accrued Taxes	235,519	214,460
Accrued Interest	25,655	24,151
Accrued Employee Compensated Absences	249,228	346,338
Other Current and Accrued Liabilities	112,994	143,509
	\$ 2,951,254	\$ 3,468,458
 <b>DEFERRED CREDITS</b>	\$ 154,959	\$ 308,900
 <b>TOTAL EQUITIES AND LIABILITIES</b>	\$ 31,291,730	\$ 30,358,371

See accompanying notes to financial statements.

## COLUMBUS ELECTRIC COOPERATIVE, INC.

Exhibit B

STATEMENT OF INCOME AND PATRONAGE CAPITAL  
FOR THE YEARS ENDED JULY 31, 2012 AND 2011

	Years Ended July 31,				Increase (Decrease)
	2012		2011		
	Amount	%	Amount	%	
<b>OPERATING REVENUES</b>					
Residential	\$ 4,043,030	30.9	\$ 3,906,534	32.6	\$ 136,496
Irrigation	5,453,135	41.6	4,651,719	38.7	801,416
Commercial and Industrial	3,497,073	26.7	3,356,799	27.9	140,274
Public Buildings and Other Authorities	21,032	0.2	20,899	0.2	133
Under Billed Power Cost	54,293	0.4	47,918	0.4	6,375
Other Operating Revenues	25,451	0.2	27,877	0.2	(2,426)
Total Operating Revenues	<u>\$ 13,094,014</u>	<u>100.0</u>	<u>\$ 12,011,746</u>	<u>100.0</u>	<u>\$ 1,082,268</u>
<b>OPERATING EXPENSES</b>					
Purchased Power	\$ 7,760,428	59.3	\$ 7,041,313	58.6	\$ 719,115
Transmission Expense	17,752	0.1	19,561	0.2	(1,809)
Distribution - Operation	931,410	7.1	744,997	6.2	186,413
Distribution - Maintenance	323,267	2.5	321,968	2.7	1,299
Customer Accounts	616,794	4.7	596,210	5.0	20,584
Customer Service and Information	109,672	0.8	149,326	1.2	(39,654)
Administrative and General	1,202,497	9.2	1,279,856	10.7	(77,359)
Depreciation and Amortization	1,156,321	8.8	1,091,622	9.1	64,699
Other Interest	7,516	0.1	35,524	0.3	(28,008)
Other Deductions (Income)	(31,890)	(0.2)	14,838	0.1	(46,728)
Total Operating Expenses	<u>\$ 12,093,767</u>	<u>92.4</u>	<u>\$ 11,295,215</u>	<u>94.1</u>	<u>\$ 798,552</u>
<b>OPERATING MARGINS - BEFORE FIXED CHARGES</b>	<u>\$ 1,000,247</u>	<u>7.6</u>	<u>\$ 716,531</u>	<u>5.9</u>	<u>\$ 283,716</u>
<b>FIXED CHARGES</b>					
Interest on Long-Term Debt	<u>565,434</u>	<u>4.3</u>	<u>450,773</u>	<u>3.8</u>	<u>114,661</u>
<b>OPERATING MARGINS - AFTER FIXED CHARGES</b>	<u>\$ 434,813</u>	<u>3.3</u>	<u>\$ 265,758</u>	<u>2.1</u>	<u>\$ 169,055</u>
<b>CAPITAL CREDITS</b>					
G&T Capital Credits	\$ 507,855	3.9	\$ 509,622	4.2	\$ (1,767)
Other Capital Credits	29,123	0.2	36,186	0.3	(7,063)
	<u>\$ 536,978</u>	<u>4.1</u>	<u>\$ 545,808</u>	<u>4.5</u>	<u>\$ (8,830)</u>
<b>NET OPERATING MARGINS</b>	<u>\$ 971,791</u>	<u>7.4</u>	<u>\$ 811,566</u>	<u>6.6</u>	<u>\$ 160,225</u>
<b>NON-OPERATING MARGINS</b>					
Interest Income	<u>22,237</u>	<u>0.2</u>	<u>20,243</u>	<u>0.2</u>	<u>1,994</u>
<b>NET MARGINS</b>	<u>\$ 994,028</u>	<u>7.6</u>	<u>\$ 831,809</u>	<u>6.8</u>	<u>\$ 162,219</u>
<b>PATRONAGE CAPITAL - BEGINNING OF YEAR</b>	9,007,159		8,309,601		
Patronage Capital Retired			(113,581)		
Transfer Calendar Year					
Non-Operating Margins to Other Equities	<u>(16,053)</u>		<u>(20,670)</u>		
<b>PATRONAGE CAPITAL - END OF YEAR</b>	<u>\$ 9,985,134</u>		<u>\$ 9,007,159</u>		

See accompanying notes to financial statements.

## COLUMBUS ELECTRIC COOPERATIVE, INC.

Exhibit C

STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED JULY 31, 2012 AND 2011

	July 31,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Margin	\$ 994,028	\$ 831,809
Adjustments to Reconcile Net Margin to Net Cash Provided by Operating Activities		
Depreciation	1,243,053	1,169,359
Amortization - Regulatory Asset	58,600	55,829
Net Gain on Sale of Substation	(45,418)	
Capital Credits	(537,857)	(545,808)
Accrued Post-Retirement Benefits	10,932	10,932
Deferred Charges	37,909	(513,732)
Deferred Credits	(153,941)	10,958
Accounts Receivable	(116,494)	(70,044)
Inventories and Other Current Assets	(66,028)	(107,259)
Payables and Accrued Expenses	190,460	5,803
Net Cash Provided by Operating Activities	<u>\$ 1,615,244</u>	<u>\$ 847,847</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to Utility Plant	\$ (1,224,047)	\$ (1,378,374)
Proceeds from Sale of Substation	692,774	
Removal Costs Exceed Salvage Value of Retirements and Other Credits	(85,554)	(166,909)
Other Property and Investments	13,371	15,863
Net Cash Used in Investing Activities	<u>\$ (603,456)</u>	<u>\$ (1,529,420)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances on Long-Term Debt from FFB	\$ 1,500,000	\$ 2,500,000
Advances on Long-Term Debt from CoBank	3,069,144	
Payments on Long-Term Debt to RUS	(3,652,136)	(661,582)
Payments on Long-Term Debt to FFB	(91,231)	(35,214)
Payments on Long-Term Debt to CFC	(38,056)	(35,379)
Payments on Long-Term Debt to CoBank	(47,364)	
Net Activity on Line of Credit from CFC	(823,664)	(386,711)
Patronage Capital Retired		(113,581)
Payments of Post-Retirement Benefits	(24,813)	(25,306)
Net Change in Other Equities		66
Net Cash Provided by (Used in) Financing Activities	<u>\$ (108,120)</u>	<u>\$ 1,242,293</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 903,668</b>	<b>\$ 560,720</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>638,476</b>	<b>77,756</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b><u>\$ 1,542,144</u></b>	<b><u>\$ 638,476</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for:		
Interest	\$ 570,031	\$ 471,596
Income Taxes	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes to financial statements.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**1. Nature of Operations and Summary of Significant Accounting Policies**

**Nature of Operations**

Columbus Electric Cooperative, Inc. (the Cooperative) is a non-profit company organized to provide electric service at the retail level to primarily residential and commercial accounts in a designated service area. Power delivered at retail is purchased wholesale from Tri-State Generation and Transmission Association, Inc. (Tri-State) of which the Cooperative is a member. Any revenues earned in excess of costs incurred are allocated to members of the Cooperative and are reflected as patronage capital equity in the balance sheet.

**System of Accounts**

The accounting records of the Cooperative are maintained in accordance with the Uniform System of Accounts as prescribed by the Federal Energy Regulatory Commission for Class A and B electric utilities modified for electric borrowers of the Rural Utilities Service (RUS).

**Electric Plant, Maintenance, and Depreciation**

Electric plant is stated at the original cost of construction which includes the cost of contracted services, direct labor, materials, and overhead items. Contributions from others toward the construction of electric plant are credited to the applicable plant accounts.

When property which represents a retirement unit is replaced or removed, the average cost of such property as determined from the continuing property records is credited to electric plant and such cost, together with cost of removal less salvage is charged to the accumulated provision for depreciation.

Maintenance and repairs, including the renewal of minor items of plant not comprising a retirement unit, are charged to the appropriate maintenance accounts, except that repairs of transportation and service equipment are charged to clearing accounts and redistributed to operating expense and other accounts.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Cooperative considers Cash – General and Temporary Cash Investments to be cash equivalents.

**Inventories**

Materials and supplies inventories are valued at average unit cost.

**Electric Revenues**

The Cooperative's operating revenues are under the jurisdiction of the New Mexico Public Regulation Commission and the Arizona Corporation Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

The Cooperative's tariffs for electric service include power cost and debt cost adjustment clauses under which electric rates charged to customers are adjusted to reflect changes in the cost of power and interest costs. The amounts under billed are reflected on the balance sheet as a current asset and amounts overbilled are shown as a current liability. The net effect on revenue for the audit period is reflected on the statement of income and patronage capital. The Cooperative records electric revenues as billed to customers on a monthly basis. Revenue is not accrued for power delivered but not billed at the end of each month. As of July 31, 2012 and 2011, the Cooperative has delivered power for usage which has not yet been billed. It is estimated that this unbilled revenue amounted to \$1,246,475 and \$981,000, respectively.

**Allowance for Uncollectible Accounts**

The Cooperative uses the aging method to allow for uncollectible accounts receivable. During the year, management makes an evaluation of past due accounts to determine collectability. The accounts deemed uncollectible are written off upon approval by the Board of Trustees.

**Federal Income Taxes**

The Cooperative has qualified as a tax exempt organization under Section 501(c)(12) of the Internal Revenue Code and files form 990 annually. The Cooperative has adopted the "uncertain tax positions" provisions of accounting principles generally accepted in the United States of America. The primary tax position of the Cooperative is its filing status as a tax exempt entity. The Cooperative determined that it is more likely than not that their tax positions will be sustained upon examination by the Internal Revenue Service (IRS), or other State taxing authority and that all tax benefits are likely to be realized upon settlement with taxing authorities.

The Cooperative files income tax returns in the U.S. federal jurisdiction. The Cooperative is no longer subject to U.S. federal and state income tax examinations by federal taxing authorities for years before 2008.

The Cooperative recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. There were no penalties or interest recognized during the years ended July 31, 2012 and 2011.

**Group Concentrations of Credit Risk**

The Cooperative's headquarters facility is located in Deming, New Mexico. The service area includes members located in a four county area surrounding the City of Deming. The Cooperative requires a deposit from its members upon connection, which is applied to unpaid bills and fees in the event of default. The deposit accrues interest annually and is returned along with accrued interest after one year of prompt payments. As of July 31, 2012 and 2011, deposits and prepayments on hand totaled \$468,004 and \$284,432, respectively.

Although the Cooperative maintains its bank deposits in institutions that are insured by an agency of the federal government, deposits at times exceed insured amounts.

**Patronage Capital Certificates**

Patronage capital from associated organizations is recorded at the stated amount of the certificate.

COLUMBUS ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Assets Pledged

Substantially all assets are pledged as security for the long-term debt to CoBank, RUS, National Rural Utilities Cooperative Finance Corporation (CFC), and the Federal Financing Bank (FFB).

3. Electric Plant

The major classes of electric plant are as follows:

	July 31,	
	2012	2011
Intangible Plant	\$ 411	\$ 411
Transmission Plant	1,466,239	1,466,239
Distribution Plant	32,886,070	31,621,975
General Plant	3,286,048	3,409,716
Total Electric Plant in Service	\$ 37,638,768	\$ 36,498,341
Construction Work in Progress	732,468	1,764,406
Total Electric Plant	\$ 38,371,236	\$ 38,262,747

Provision has been made for depreciation of transmission and distribution plant at straight-line composite rates of 2.75% and 3.00%, respectively.

General plant depreciation rates have been applied on a straight-line basis and are as follows:

Structures and Improvements	2.94% - 6.67%
Office Furniture and Fixtures	5.00% - 20.00%
Transportation Equipment	5.00% - 20.00%
Power-Operated Equipment	5.00% - 10.00%
Communications Equipment	8.33%
Laboratory Equipment	4.76% - 10.00%
Store Equipment	4.76% - 6.67%

Depreciation for the years ended July 31, 2012 and 2011, was \$1,243,053 and \$1,169,359, respectively, of which \$1,097,722 and \$1,035,793 were charged to depreciation expense and \$145,331 and \$133,566 allocated to other accounts.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**4. Investments in Associated Organizations**

Investments in associated organizations consisted of the following:

	July 31,	
	<u>2012</u>	<u>2011</u>
CFC		
Capital Term Certificates	\$ 315,140	\$ 315,262
Patronage Capital	63,470	56,206
Membership	1,000	1,000
Tri State		
Patronage Capital	2,474,088	1,966,233
Other	94,132	84,643
	<u>\$ 2,947,830</u>	<u>\$ 2,423,344</u>

**5. Materials and Supplies**

Materials and supplies inventories consist of:

	July 31,	
	<u>2012</u>	<u>2011</u>
Construction Materials and Supplies	<u>\$ 403,723</u>	<u>\$ 389,623</u>

**6. Deferred Charges**

Deferred charges consist of the following:

	July 31,	
	<u>2012</u>	<u>2011</u>
Regulatory Assets	\$ 585,195	\$ 643,795
System Mapping and Inventory Costs	524,028	548,817
IVUE Conversion	25,941	35,983
Four Year Work Plan	9,190	12,528
Long Range Engineering Plan	6,235	13,361
IVUE GIS/CIS Integration Software	4,234	
Rate Restructure	3,152	
	<u>\$ 1,157,975</u>	<u>\$ 1,254,484</u>



COLUMBUS ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

Regulatory assets represent the Cooperative's required costs associated with the merger of Plains Electric Generation and Transmission Cooperative, Inc. into Tri-State Generation and Transmission Association, Inc. Under the terms of the merger, the Cooperative was required to pay a buy-down of the Plains rates totaling \$2,730,637, in order to equalize its Tri-State rates with that of the other Tri-State members. Of this amount, \$1,600,000 was allocated to be recovered from Phelps Dodge Corporation, a major consumer of the Cooperative, and the remaining \$1,130,637 to be recovered from all other members of the Cooperative. The initial cost to the Cooperative was financed with CFC on a five-year variable rate note. RUS approval has been obtained for the recording of the regulatory assets. Phelps Dodge agreed to forego the reduction in its rate resulting from the Plains and Tri-State merger, and to apply this amount to the \$1,600,000 allocation described above, plus interest. The Cooperative has previously recovered this amount from Phelps Dodge. The Cooperative is recovering the portion allocated to the remaining members, plus interest at 5.00%, through a monthly power cost adjustment, over a 20-year period. At July 31, 2012, the remaining portion to be recovered from this allocation amounted to \$585,195.

The system mapping and inventory costs are being amortized over 20 years.

7. Return of Capital

Under the provisions of the mortgage agreements, until the equities and margins equal or exceed 30.00% of the total assets of the Cooperative, the return to patrons of capital contributed by them is limited generally to 25.00% of the patronage capital or margins received by the Cooperative in the prior calendar year. The equities and margins of the Cooperative represent 30.48% and 28.14% of the total assets at July 31, 2012 and 2011. Patronage Capital totaling \$113,581 was retired during the year ended July 31, 2011, no retirement was made in 2012.

8. Patronage Capital

Patronage capital consists of the following:

	July 31,	
	2012	2011
Prior Years Margins:		
Assignable	\$ 1,090,791	\$ 953,572
Assigned	8,845,387	7,891,815
Margins - Seven Months Ended July 31	48,956	161,772
	<u>\$ 9,985,134</u>	<u>\$ 9,007,159</u>

9. Other Equities - Deficit

Other equities - deficit consist of the following:

	July 31,	
	2012	2011
Prior Years Operating Deficit	<u>\$ (447,212)</u>	<u>\$ (463,265)</u>

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

The balance of other equities represents operating deficits incurred in prior years. As provided by the Cooperative's by-laws, non-operating margins are being applied to reduce this balance.

**10. Mortgage Notes – RUS**

Long-term debt due RUS is represented by 35-year mortgage notes payable to the United States of America. Following is a summary of long-term debt due RUS with maturity at various times between the fiscal years ending July 31, 2013 and 2042.

	July 31,	
	2012	2011
Fixed Rate Notes		
2.000%	\$ 224,887	\$ 349,116
5.000%		3,248,728
4.250% to 4.750%	2,588,887	2,645,082
Variable Rate Notes - Currently 0.250%	<u>5,855,638</u>	<u>6,078,622</u>
	\$ 8,669,412	\$ 12,321,548
Less: Current Maturities	<u>385,000</u>	<u>589,000</u>
	<u>\$ 8,284,412</u>	<u>\$ 11,732,548</u>

At July 31, 2012, the Cooperative had no approved unadvanced loan funds from RUS.

Principal and interest installments on the above notes are due in quarterly and monthly amounts. As of July 31, 2012, annual maturities of long-term debt due RUS for the next five years are as follows:

2013	\$ 385,000
2014	310,000
2015	314,000
2016	319,000
2017	323,000

**11. Mortgage Notes – FFB**

Long-term debt due FFB is represented by 35-year mortgage notes payable to the United States of America. Following is a summary of long-term debt due FFB and maturing at various times between 2018 and 2043:

	July 31,	
	2012	2011
Fixed Rate Notes		
4.015% to 4.220%	\$ 3,723,997	\$ 3,779,359
2.93%	1,493,582	
Variable Rate Note - 0.191%	<u>955,976</u>	<u>985,427</u>
	\$ 6,173,555	\$ 4,764,786
Less: Current Maturities	<u>106,000</u>	<u>78,000</u>
	<u>\$ 6,067,555</u>	<u>\$ 4,686,786</u>

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

At July 31, 2012, the Cooperative had \$6,566,000 in approved unadvanced loan funds from FFB. Principal payments on FFB advances are deferred for two years.

As of July 31, 2012, annual maturities of long-term debt due FFB for the next five years are as follows:

2013	\$	106,000
2014		109,000
2015		112,000
2016		116,000
2017		119,000

**12. Mortgage Notes – CFC**

Following is a summary of long-term debt due CFC and maturing at various times between 2018 and 2038:

	July 31,	
	2012	2011
Fixed Rate Notes		
7.25% Note	\$ 92,496	\$ 105,031
7.35% Note	750,282	759,422
7.40% Note	81,498	86,641
7.45% Note	198,192	204,603
7.50% Note	201,950	205,537
7.55% Note	86,360	87,600
	<u>\$ 1,410,778</u>	<u>\$ 1,448,834</u>
Less: Current Maturities	41,000	38,000
	<u>\$ 1,369,778</u>	<u>\$ 1,410,834</u>

Principal and interest installments on the above notes are due quarterly in amounts of approximately \$40,000. As of July 31, 2012, annual maturities of long-term debt due CFC for the next five years are as follows:

2013	\$	41,000
2014		44,000
2015		47,000
2016		51,000
2017		55,000

COLUMBUS ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

13. Mortgage Notes – CoBank

Long-term debt due CoBank is represented by a 12-year mortgage note. The proceeds of the note were used to retire the 5% loans outstanding with RUS. Following is a summary of long-term debt due CoBank with a maturity in 2024.

	July 31,	
	2012	2011
Fixed Rate Note		
2.920%	\$ 3,021,780	\$
Less: Current Maturities	289,000	
	<u>\$ 2,732,780</u>	<u>\$ 0</u>

At July 31, 2012, the Cooperative had no approved unadvanced loan funds from CoBank.

Principal and interest installments on the above note are due monthly. As of July 31, 2012, annual maturities of long-term debt due CoBank for the next five years are as follows:

2013	\$ 289,000
2014	297,000
2015	305,000
2016	314,000
2017	324,000

14. Short-Term Borrowing

The Cooperative has a \$1,500,000 line of credit for short-term financing with CFC, at an interest rate not to exceed the prevailing bank prime rate plus one percent currently 4.95%. \$0 and \$823,664 were outstanding under this line of credit agreement at July 31, 2012 and 2011, respectively.

15. Deferred Credits

Deferred credits consist of the following:

	July 31,	
	2012	2011
Consumer Advances for Operations and Maintenance	\$ 89,327	\$ 47,308
Refundable Aid to Construction	11,138	209,049
Irrigation Rebates	5,382	6,152
Other	49,112	46,391
	<u>\$ 154,959</u>	<u>\$ 308,900</u>

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**16. Pension Benefits**

Substantially all employees of the Cooperative participate in the National Rural Electric Cooperative Association (NRECA) Retirement & Security Program, a defined benefit pension plan qualified under Section 401 and tax-exempt under Section 501(a) of the Internal Revenue Code. The Cooperative makes annual contributions to the program equal to the amounts accrued for pension expense. In this multi-employer plan, which is available to all member cooperatives of NRECA, the accumulated benefits and plan assets are not determined or allocated separately by individual employers. The NRECA Savings Plan, a defined contribution plan, has also been made available to employees by the Cooperative. The pension expense to the Cooperative for July 31, 2012 and 2011, was \$381,744 and \$395,073, respectively.

**17. Rate Matters**

The rates currently in effect for the Cooperative were approved in 2009, by the New Mexico Public Regulation Commission and the Arizona Corporation Commission.

**18. Litigation, Commitments, and Subsequent Events**

No litigation is pending against the Cooperative that would have a material effect on these financial statements.

Under its wholesale power agreement, the Cooperative is committed to purchase its electric power and energy requirements from Tri-State Generation and Transmission Association, Inc. until December 31, 2040.

The Cooperative's management has evaluated subsequent events through October 15, 2012, the date which the financial statements were available for issue.

**19. Related Party Transactions**

As mentioned in Note 17, the Cooperative purchases all of its power from Tri-State Generation and Transmission Association, Inc. (Tri-State) and as a member of the Association; the Cooperative has representation on its Board of Directors. During the years ended July 31, 2012 and 2011, the Cooperative purchased power from Tri-State in the amount of \$7,760,428 and \$7,041,313, respectively. Amounts payable to Tri-State at July 31, 2012 and 2011, for purchased power amounted to \$952,765 and \$852,382, respectively. The Cooperative was allocated capital credits from Tri-State of \$507,855 and \$509,622 for the years ended July 31, 2012 and 2011, respectively.

**20. Post-Retirement Benefits**

The Cooperative provides post-retirement medical benefits for eligible employees. For purposes of this statement, the written plan in effect is the substantive plan, and is considered a defined benefit plan.

COLUMBUS ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS

All employees who retired before January 1, 1995 are eligible for the medical insurance premium benefit provided through the plan. The Cooperative pays 100% of the medical insurance premiums (including dependent coverage) for all eligible participants. Currently there are only seven participants in the plan. During 2010, the Cooperative made changes to the insurance plan that significantly reduced the premiums for Medicare eligible participants.

The weighted average discount rate used to develop the accumulated post-retirement benefit obligation was 5.25%. The assumed health care cost trend rate was 7.00% in 2010, declining to an ultimate level of 5.50% in 2012 and later years.

Amounts recognized in the Cooperative's July 31, 2012 and 2011, financial statements and funded status of the plan follows:

	July 31,	
	<u>2012</u>	<u>2011</u>
I) Net Post-Retirement Benefit Cost		
Interest Cost	\$ <u>10,932</u>	\$ <u>10,932</u>
	<u>\$ 10,932</u>	<u>\$ 10,932</u>
II) Accumulated Post-Retirement Benefit Obligation (APBO)		
Reconciliation		
APBO Balance at Beginning of Year	\$ (206,951)	\$ (221,325)
Interest Costs	(10,932)	(10,932)
Benefits Paid	<u>24,813</u>	<u>25,306</u>
Accrued Post-Retirement Costs at End of Year	<u>\$ (193,070)</u>	<u>\$ (206,951)</u>

The Cooperative has not funded plan assets as of July 31, 2012. No unrecognized actuarial gains or losses, or unamortized transition obligation amounts are included in the calculation of the accumulated post-retirement benefit obligation at July 31, 2012.

Estimated future benefit payments for the next five years and the five years thereafter are as follows:

2013	\$ 25,000
2014	25,000
2015	25,000
2016	25,000
2017	25,000
2018-2022	120,000

**ACCOMPANYING INFORMATION**

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

**PHONE: (806) 747-3806**

**FAX: (806) 747-3815**

**8215 NASHVILLE AVENUE**

**LUBBOCK, TEXAS 79423-1954**

**INDEPENDENT AUDITORS' REPORT ON  
ACCOMPANYING INFORMATION**

We have audited the financial statements of Columbus Electric Cooperative, Inc., as of and for the years July 31, 2012 and 2011, and our report thereon dated October 15, 2012, which expressed an unqualified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules of electric plant, accumulated provision for depreciation, investments in associated organizations, patronage capital, mortgage notes, administrative and general expenses, and five year comparative data are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements, and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Bolinger, Segars, Gilbert & Moss LLP*

Certified Public Accountants

October 15, 2012



COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 1

**ELECTRIC PLANT  
FOR THE YEAR ENDED JULY 31, 2012**

	<u>Balance 7/31/2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 7/31/2012</u>
<b>CLASSIFIED ELECTRIC PLANT IN SERVICE</b>				
<b>Intangible Plant</b>				
Organization	\$ 411	\$ 0	\$ 0	\$ 411
<b>Transmission Plant</b>				
Land and Land Rights	\$ 13,557	\$	\$	\$ 13,557
Roads and Trails	19,200			19,200
Poles, Towers, and Fixtures	871,754			871,754
Overhead Conductors and Devices	561,728			561,728
	<u>\$ 1,466,239</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,466,239</u>
<b>Distribution Plant</b>				
Land and Land Rights	\$ 38,316	\$	\$	\$ 38,316
Station Equipment	2,659,852	1,133,054	662,257	3,130,649
Poles, Towers, and Fixtures	10,435,375	408,775	95,553	10,748,597
Overhead Conductors and Devices	6,673,046	108,754	25,341	6,756,459
Underground Conductors and Devices	1,053,694	6,506		1,060,200
Line Transformers	6,118,408	292,444	48,896	6,361,956
Services	2,444,719	80,897	7,379	2,518,237
Meters	1,838,502	66,140	6,964	1,897,678
Installations on Consumers' Premises	360,063	17,936	4,021	373,978
	<u>\$ 31,621,975</u>	<u>\$ 2,114,506</u>	<u>\$ 850,411</u>	<u>\$ 32,886,070</u>
<b>General Plant</b>				
Land and Land Rights	\$ 21,947	\$	\$	\$ 21,947
Structures and Improvements	995,483		2,181	993,302
Office Furniture and Equipment	388,766	54,680	34,106	409,340
Transportation Equipment	1,461,180	83,752	114,814	1,430,118
Store Equipment	14,831			14,831
Tools, Shop, and Garage Equipment	99,661			99,661
Laboratory Equipment	183,948			183,948
Power-Operated Equipment	154,213		114,046	40,167
Communications Equipment	89,687	3,047		92,734
	<u>\$ 3,409,716</u>	<u>\$ 141,479</u>	<u>\$ 265,147</u>	<u>\$ 3,286,048</u>
<b>Total Classified Electric Plant in Service</b>	<u>\$ 36,498,341</u>	<u>\$ 2,255,985</u>	<u>\$ 1,115,558</u>	<u>\$ 37,638,768</u>
<b>Construction Work in Progress</b>	<u>1,764,406</u>	<u>(1,031,938)</u>		<u>732,468</u>
<b>Total Utility Plant</b>	<u>\$ 38,262,747</u>	<u>\$ 1,224,047</u>	<u>\$ 1,115,558</u>	<u>\$ 38,371,236</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 2

ACCUMULATED PROVISION FOR DEPRECIATION  
FOR THE YEAR ENDED JULY 31, 2012

	<u>Balance 7/31/2011</u>	<u>Depreciation Accruals</u>	<u>Retirements</u>	<u>Balance 7/31/2012</u>
Transmission Plant	\$ 1,145,668	\$ 23,962	\$ _____	\$ 1,169,630
Distribution Plant	\$ 11,284,137	\$ 978,245	\$ 306,615	\$ 11,955,767
General Plant				
Structures and Improvements	\$ 612,070	\$ 31,164	\$ 207	\$ 643,027
Office Furniture and Fixtures	247,634	45,536	23,460	269,710
Transportation Equipment	843,810	134,112	103,972	873,950
Store Equipment	12,067	646		12,713
Laboratory Equipment	206,806	18,815		225,621
Power-Operated Equipment	127,828	6,445	94,428	39,845
Communications Equipment	79,745	4,128		83,873
Total General Plant	<u>\$ 2,129,960</u>	<u>\$ 240,846</u>	<u>\$ 222,067</u>	<u>\$ 2,148,739</u>
Total Classified Electric Plant in Service	\$ 14,559,765	\$ 1,243,053	\$ 528,682	\$ 15,274,136
Retirement Work in Progress	<u>(91,394)</u>	<u>_____</u>	<u>25,074</u>	<u>(116,468)</u>
Total	<u>\$ 14,468,371</u>	<u>\$ 1,243,053</u>	<u>\$ 553,756</u>	<u>\$ 15,157,668</u>

(1)

(2)

(1) Charged to Depreciation Expense  
Charged to Clearing and Other Accounts

\$ 1,097,722  
145,331  
  
\$ 1,243,053

(2) Cost of Units Retired  
Net book Value of Substation Sold  
Cost of Removal Less Salvage and Other Credits

\$ 1,115,558  
(647,356)  
85,554

Loss Due to Retirement

\$ 553,756

COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 3

INVESTMENTS IN ASSOCIATED ORGANIZATIONS  
JULY 31, 2012 AND 2011

	July 31,	
	<u>2012</u>	<u>2011</u>
<b>Memberships</b>		
CFC	\$ 1,000	\$ 1,000
CoBank	1,000	
Other	220	220
<b>Patronage Capital</b>		
Valley Telephone Cooperative, Inc.	8,226	8,560
NISC	3,163	789
CFC	63,470	56,206
Federated	62,495	56,628
Touchstone Energy Cooperative, Inc.	3,013	3,013
Western United	11,363	10,781
Tri State Electric Cooperative, Inc.	2,474,088	1,966,233
<b>Equity Contribution</b>		
NMRECA	4,652	4,652
<b>Capital Term Certificates</b>		
CFC	<u>315,140</u>	<u>315,262</u>
<b>Total Investments in Associated Organizations</b>	<u>\$ 2,947,830</u>	<u>\$ 2,423,344</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 4

PATRONAGE CAPITAL  
JULY 31, 2012

Year	Assignable		Assigned		Retired	Balance						
	Columbus	G & T	Columbus	G & T								
1971	\$	\$	\$ 20,263	\$	\$ 20,263	\$ 0						
1973			113,582	63,890	177,472	0						
1974			166,892			166,892						
1975			252,096			252,096						
1976			486,047			486,047						
1977			214,708			214,708						
1978			418,181			418,181						
1979			212,928			212,928						
1980			197,553			197,553						
1989			148,790			148,790						
1990			124,846			124,846						
1991			175,099			175,099						
1992			162,385			162,385						
1993			167,771			167,771						
1995			461,984			461,984						
1996			423,268			423,268						
1997			485,453			485,453						
1998			454,575			454,575						
1999			125,347			125,347						
2000				92,591		92,591						
2001			313,408			313,408						
2002			361,279			361,279						
2003			374,730			374,730						
2004			241,300			241,300						
2005			219,789			219,789						
2006			119,920			119,920						
2007			139,956			139,956						
2008			24,222	750,995		775,217						
2009				575,720		575,720						
2010			443,950	509,622		953,572						
2011		582,936		507,855		1,090,791						
2012 7 (months)		48,956				48,956						
Over Assigned		(18)				(18)						
	\$	<u>631,874</u>	\$	<u>507,855</u>	\$	<u>7,050,322</u>	\$	<u>1,992,818</u>	\$	<u>197,735</u>	\$	<u>9,985,134</u>

**MORTGAGE NOTES  
JULY 31, 2012**

**RUS Mortgage Notes**

Note Number	Date of Note	Interest Rate	Principal Amount	Amount Unadvanced	Principal Repayments	Net Obligation
4180	11-22-78	2.000%	\$ 1,890,000	\$	\$ 1,792,573	\$ 97,427
4190	03-21-81	2.000%	896,000		768,540	127,460
1B240	04-01-99	* 0.250%	592,000		164,227	427,773
1B241	04-01-99	4.750%	451,500		119,488	332,012
1B245	04-01-99	4.750%	500,000		126,735	373,265
1B246	04-01-99	* 0.250%	543,500		139,343	404,157
1B250	08-01-01	* 0.250%	436,500		96,734	339,766
1B255	08-01-01	* 0.250%	48,500		10,748	37,752
1B256	08-01-01	* 0.250%	388,000		82,095	305,905
1B260	11-03-03	* 0.250%	800,000		128,312	671,688
1B261	11-03-03	4.250%	1,000,000		107,832	892,168
1B262	11-03-03	4.375%	1,100,000		108,558	991,442
1B263	11-03-03	* 0.250%	655,500		90,180	565,320
1B264	11-03-03	* 0.250%	1,800,000		243,317	1,556,683
1B265	11-03-03	* 0.250%	877,000		109,015	767,985
1B266	11-03-03	* 0.250%	771,000		88,397	682,603
1B267	11-03-03	* 0.250%	107,500		11,494	96,006
<b>Total RUS</b>			<b>\$ 12,857,000</b>	<b>\$ 0</b>	<b>\$ 4,187,588</b>	<b>\$ 8,669,412</b>

**FFB Mortgage Notes**

H0010	03-02-09	4.220%	\$ 1,100,000	\$	\$ 27,811	\$ 1,072,189
H0015	03-02-09	4.220%	800,000		14,382	785,618
H0020	03-02-09	4.015%	400,000		11,570	388,430
H0025	03-02-09	* 0.191%	1,000,000		44,024	955,976
H0030	03-02-09	4.083%	1,500,000		22,240	1,477,760
H0035	03-02-09	2.934%	1,500,000		6,418	1,493,582
<b>Unadvanced</b>			<b>6,566,000</b>	<b>(6,566,000)</b>		
<b>Total FFB</b>			<b>\$ 12,866,000</b>	<b>\$ (6,566,000)</b>	<b>\$ 126,445</b>	<b>\$ 6,173,555</b>

**CFC Mortgage Notes**

9002	12-23-82	7.250%	\$ 244,000	\$	\$ 151,504	\$ 92,496
9003	09-30-88	7.400%	153,061		71,563	81,498
9004	05-10-93	7.450%	140,816		50,918	89,898
9005	09-30-97	7.450%	145,918		37,624	108,294
9006	04-01-99	7.500%	232,000		30,050	201,950
9009	08-01-01	7.550%	97,000		10,640	86,360
9010	06-07-07	7.350%	790,000		39,718	750,282
<b>Total CFC</b>			<b>\$ 1,802,795</b>	<b>\$ 0</b>	<b>\$ 392,017</b>	<b>\$ 1,410,778</b>

**CoBank Mortgage Note**

2611238	05-31-12	2.920%	\$ 3,069,144	\$ 0	\$ 47,364	\$ 3,021,780
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Net obligation includes \$385,000 due RUS, \$106,000 due FFB, \$41,000 due CFC, and \$289,000 due CoBank payable within one year, classified as current liabilities on the balance sheet.

\* Indicates variable rate notes with current interest rate.

COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 6

ADMINISTRATIVE AND GENERAL EXPENSES  
FOR THE YEARS ENDED JULY 31, 2012 AND 2011

	July 31,		Increase (Decrease)
	2012	2011	
Administrative and General Salaries	\$ 519,777	\$ 606,809	\$ (87,032)
Office Supplies and Expense	51,120	54,562	(3,442)
Outside Services Employed	78,567	69,343	9,224
Directors' Fees and Expense	192,249	189,095	3,154
Annual Meeting Expense	23,378	27,919	(4,541)
Institutional and Goodwill Advertising	45,252	45,245	7
Dues to Associated Organizations	60,573	60,248	325
Miscellaneous General Expense	35,920	29,644	6,276
Utility Commission Related Expenses	64,341	58,636	5,705
Safety Expense	46,400	52,175	(5,775)
Maintenance of General Plant	84,920	86,180	(1,260)
Total	\$ <u>1,202,497</u>	\$ <u>1,279,856</u>	\$ <u>(77,359)</u>

## COLUMBUS ELECTRIC COOPERATIVE, INC.

Schedule 7

## FIVE YEAR COMPARATIVE DATA

	For the Years Ended July 31,				
	2012	2011	2010	2009	2008
<b>OPERATING REVENUE</b>					
Residential	\$ 4,043,030	\$ 3,906,534	\$ 3,849,874	\$ 3,464,020	\$ 3,513,142
Irrigation	5,453,135	4,651,719	4,055,851	3,928,256	4,170,405
Commercial and Industrial	3,497,073	3,356,799	3,161,671	3,022,449	2,954,288
Public Buildings and Other Authorities	21,032	20,899	26,771	16,170	16,138
(Over) Under Billed Power Cost	54,293	47,918	(34,706)	37,128	(2,339)
Other Operating Revenues	25,451	27,877	59,940	49,532	32,919
Total Operating Revenue	<u>\$ 13,094,014</u>	<u>\$ 12,011,746</u>	<u>\$ 11,119,401</u>	<u>\$ 10,517,555</u>	<u>\$ 10,684,553</u>
<b>OPERATING EXPENSES</b>					
Purchased Power	\$ 7,760,428	\$ 7,041,313	\$ 6,330,556	\$ 5,967,553	\$ 6,030,226
Transmission Expense	17,752	19,561	17,255	15,997	21,135
Distribution - Operation	931,410	744,997	641,906	757,584	606,281
Distribution - Maintenance	323,267	321,968	313,147	415,037	318,957
Customer Accounts	616,794	596,210	704,197	545,427	479,676
Customer Service and Information	109,672	149,326	139,492	147,429	157,975
Administrative and General Expense	1,202,497	1,279,856	889,624	1,291,171	1,203,544
Depreciation and Amortization	1,156,321	1,091,622	1,060,997	1,021,147	963,635
Other Interest	116,570	35,524	48,446	45,481	37,232
Other Deductions (Income)	(31,890)	14,838	(4,216)	22,496	(23,299)
Total Operating Expenses	<u>\$ 12,202,821</u>	<u>\$ 11,295,215</u>	<u>\$ 10,141,404</u>	<u>\$ 10,229,322</u>	<u>\$ 9,795,362</u>
<b>OPERATING MARGINS - Before</b>					
Fixed Charges	\$ 891,193	\$ 716,531	\$ 977,997	\$ 288,233	\$ 889,191
<b>FIXED CHARGES</b>					
Interest on Long-Term Debt	<u>456,380</u>	<u>450,773</u>	<u>450,070</u>	<u>550,847</u>	<u>645,716</u>
<b>OPERATING MARGINS (DEFICIT) - After</b>					
Fixed Charges	<u>\$ 434,813</u>	<u>\$ 265,758</u>	<u>\$ 527,927</u>	<u>\$ (262,614)</u>	<u>\$ 243,475</u>
<b>CAPITAL CREDITS</b>					
G&T Capital Credits	\$ 507,855	\$ 509,622	\$ 705,616	\$ 750,995	\$
Other Capital Credits	29,123	36,186	27,063	24,109	22,268
Total Capital Credits	<u>\$ 536,978</u>	<u>\$ 545,808</u>	<u>\$ 732,679</u>	<u>\$ 775,104</u>	<u>\$ 22,268</u>
<b>NET OPERATING MARGINS</b>	\$ 971,791	\$ 811,566	\$ 1,260,606	\$ 512,490	\$ 265,743
<b>NON-OPERATING MARGINS</b>					
Interest Income	<u>22,237</u>	<u>20,243</u>	<u>20,573</u>	<u>21,017</u>	<u>23,296</u>
<b>NET MARGINS</b>	<u>\$ 994,028</u>	<u>\$ 831,809</u>	<u>\$ 1,281,179</u>	<u>\$ 533,507</u>	<u>\$ 289,039</u>
<b>Miscellaneous Statistics</b>					
Meters at End of Year	5,273	5,259	5,162	5,157	5,126
MWH Sales	98,869	91,354	85,729	79,907	86,663
Times Interest Earned Ratio	2.76	2.85	3.85	1.97	1.45
Debt Service Coverage	2.10	1.97	2.35	1.71	1.48
Equity to Total Assets	30.48	28.14	27.69	24.31	23.84

**COMPLIANCE AND INTERNAL CONTROL SECTION**



**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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**LUBBOCK, TEXAS 79423-1054**

**LETTER TO BOARD OF TRUSTEES REGARDING RUS, 7 CFR,  
PART 1773, POLICIES CONCERNING AUDITS OF RUS BORROWERS**

Board of Trustees  
Columbus Electric Cooperative, Inc.  
Deming, New Mexico

We have audited the financial statements of Columbus Electric Cooperative, Inc. for the year ended July 31, 2012, and have issued our report thereon dated October 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and 7 CFR Part 1773, Policy on Audits of Rural Utilities Service (RUS) Borrowers. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of Columbus Electric Cooperative, Inc. for the year ended July 31, 2012, we considered their internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting that we consider to be material weaknesses.

7 CFR Part 1773.33 requires comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters. We have grouped our comments accordingly. In addition to obtaining reasonable assurance about whether the financial statements are free from material misstatements, at your request, we performed tests of specific aspects of the internal control over financial reporting, of compliance with specific RUS loan and security instrument provisions, and of additional matters. The specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and additional matters tested include, among other things, the accounting procedures and records, materials control, compliance with specific RUS loan and security instrument provisions set forth in 7 CFR Part 1773.33(e)(1), related party transactions, depreciation rates, a schedule of deferred debits and credits, and a schedule of investments, upon which we express an opinion. In addition, our audit of the financial statements also included the procedures specified in 7 CFR Part 1773.38 -.45. Our objective was not to provide an opinion on these specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, or additional matters, and accordingly, we express no opinion thereon.

No reports (other than our independent auditors' report and our independent auditors' report on compliance and on internal control over financial reporting, both dated October 15, 2012) or summary of recommendations related to our audit have been furnished to management.

Our comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters as required by 7 CFR Part 1773.33 are presented below.

#### **COMMENTS ON CERTAIN SPECIFIC ASPECTS OF THE INTERNAL CONTROL OVER FINANCIAL REPORTING**

We noted no matters regarding Columbus Electric Cooperative, Inc.'s internal control over financial reporting and its operation that we consider to be a material weakness as previously defined with respect to:

- The accounting procedures and records;
- the process for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts; and,
- the materials control.

#### **COMMENTS ON COMPLIANCE WITH SPECIFIC RUS LOAN AND SECURITY INSTRUMENT PROVISIONS**

At your request, we have performed the procedures enumerated below with respect to compliance with certain provisions of laws, regulations, contracts, and grants. The procedures we performed are summarized as follows:

- Procedures performed with respect to the requirement for a borrower to obtain written approval of the mortgagee to enter into any contract for the operation or maintenance of property, or for the use of mortgaged property by others for the year ended July 31, 2011, of Columbus Electric Cooperative, Inc.:
  - Obtained and read a borrower-prepared schedule of new written contracts entered into during the year for the operation or maintenance of its property, or for the use of its property by others, as defined in §1773.33(e)(1)(i).
  - Reviewed Board of Trustee minutes to ascertain whether board-approved written contracts are included in the borrower-prepared schedule.
  - Noted the existence of written RUS and CFC approval of each contract listed by the borrower.
- Procedure performed with respect to the requirement to submit RUS Form 7 to the RUS:
  - Agreed amounts reported in Form 7 to Columbus Electric Cooperative, Inc.'s records.

The results of our tests indicate that, with respect to the items tested, Columbus Electric Cooperative, Inc. complied, in all material respects, with the specific RUS loan and security instrument provisions referred to below. The specific provisions tested, as well as any exceptions noted, include the requirements that:

- The borrower has obtained written approval of the RUS and CFC to enter into any contract for the operation or maintenance of property, or for the use of mortgaged property by others, as defined in §1773.33(e)(1)(i); and
- The borrower has submitted its Form 7 to the RUS and the Form 7, Financial and Statistical Report, as of December 31, 2011, represented by the borrower as having been submitted to RUS, appears reasonable based upon the audit procedures performed.

#### COMMENTS ON OTHER ADDITIONAL MATTERS

In connection with our audit of the financial statements of Columbus Electric Cooperative, Inc., nothing came to our attention that caused us to believe that Columbus Electric Cooperative, Inc. failed to comply with respect to:

- The reconciliation of continuing property records to the controlling general ledger plant accounts addressed at 7 CFR Part 1773.33(c)(1);
- The clearing of construction accounts and the accrual of depreciation on completed construction addressed at 7 CFR Part 1773.33(c)(2);
- The retirement of plant addressed at 7 CFR Parts 1773.33(c)(3) and (4);
- Approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale, or lease of plant, material, or scrap addressed at 7 CFR 1773.33 (c)(5);
- The disclosure of material related party transactions, in accordance with Accounting Standards Codification 850, Related Party Transactions, for the year ended July 31, 2012, in the financial statements referenced in the first paragraph of this report addressed at 7 CFR Part 1773.33(f);
- The depreciation rates addressed at 7 CFR Part 1773.33(g);
- The detailed schedule of deferred debits and deferred credits; and,
- The detailed schedule of investments.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The detailed schedule of deferred debits and deferred credits required by 7 CFR Part 1773.33(h) and the detail schedule of investments in affiliated companies required by 7 CFR 1733.33 (i), and provided below are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Deferred charges consist of the following:

Regulatory Assets	\$	585,195
System Mapping and Inventory Costs		524,028
IVUE Conversion		25,941
Long Range Engineer Plan		6,235
Four Year Work Plan		9,190
IVUE GIS/CIS Integration Software		4,234
Rate Restructure		<u>3,152</u>
	\$	<u>1,157,975</u>

RUS approval has been obtained for the recording of the regulatory assets.

Deferred credits consist of:

Consumer Advances for Operations and Maintenance	\$	89,327
Refundable Aid to Construction		11,138
Irrigation Rebates		5,382
Other		<u>49,112</u>
	\$	<u>154,959</u>

Investment in Affiliated Companies consist of: N/A

This report is intended solely for the information and use of the Board of Trustees, management, the Rural Utilities Service, and supplemental lenders, and is not intended to be and should not be used by anyone other than these specified parties.

*Bolinger, Segars, Gilbert & Moss LLP*

Certified Public Accountants

October 15, 2012

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Columbus Electric Cooperative, Inc.  
Deming, New Mexico

We have audited the financial statements of Columbus Electric Cooperative, Inc. as of and for the year ended July 31, 2012, and have issued our report thereon dated October 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of Columbus Electric Cooperative, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Columbus Electric Cooperative, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cooperative's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Columbus Electric Cooperative, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Board of Trustees, management, Rural Utilities Services, and supplemental lenders, and is not intended to be and should not be used by anyone other than these specified parties.

*Bolinger, Segars, Gilbert & Moss L.P.*

Certified Public Accountants

October 15, 2012

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**Request to Arizona Corporation Commission for a Change in Rate**  
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**Columbus Electric Cooperative, Inc.  
Deming, New Mexico**

**Application for Change in Rates**

Columbus Electric Cooperative, Inc. ("CEC") serves customers physically located in New Mexico and Arizona. At the end of and during the test year ended September 30, 2012, the consumers served and revenue of Columbus were as follows:

	<u>New Mexico</u>	<u>% of Total</u>	<u>Arizona</u>	<u>% of Total</u>	<u>Total</u>
Consumers Served	5,279	91.62	483	8.38	5,762
Revenue	\$ 12,467,899	93.70	\$ 837,758	6.30	\$ 13,305,657

This application will result in a revenue increase from the adjustment in rates in the approximate amount of \$93,410 to New Mexico consumers, and \$21,590 to Arizona consumers. The increase amounts to an increase of .749% of income from New Mexico consumers, and 2.577% of income from Arizona consumers. The total overall increase amounts to \$115,000, or .864% of total income from all consumers, based on the income the year ended September 30, 2012. The increase in revenue applies to the Residential, Small Commercial, and Lighting rates. The rate design for all consumers - New Mexico and Arizona - are identical, which results in changes to the revenue from Irrigation and Ag Service rates between New Mexico and Arizona consumers, with no net increase in the total system revenue from these classes. The increases and changes in revenue to the various consumer classes are as follows:

	<u>New Mexico</u>			<u>Arizona</u>			<u>Total System</u>		
	<u>Present Revenue</u>	<u>Revenue Increase</u>	<u>Increase</u>	<u>Present Revenue</u>	<u>Revenue Increase</u>	<u>Increase</u>	<u>Present Revenue</u>	<u>Revenue Increase</u>	<u>Increase</u>
Residential	\$ 3,571,714	\$ 52,525	1.47%	\$ 371,829	\$ 7,475	2.01%	\$ 3,943,543	\$ 60,000	1.52%
Irrigation	888,926	(4,011)	-0.45%	46,041	4,011	8.71%	934,967	-	-
Ag Service	4,467,421	(7,776)	-0.17%	364,319	7,776	2.13%	4,831,740	-	-
Small Commercial	1,395,860	47,855	3.43%	53,131	2,145	4.04%	1,448,991	50,000	3.45%
Large Commercial	1,384,047	-	-	-	-	-	1,384,047	-	-
Industrial	654,679	-	-	-	-	-	654,679	-	-
Lighting	105,252	4,817	4.58%	2,438	183	7.51%	107,690	5,000	4.64%
	<u>\$ 12,467,899</u>	<u>\$ 93,410</u>	<u>0.749%</u>	<u>\$ 837,758</u>	<u>\$ 21,590</u>	<u>2.577%</u>	<u>13,305,657</u>	<u>\$ 115,000</u>	<u>0.864%</u>

The rate change will result in a change in the monthly customer charge, the energy charge per kWh sold, and the KW demand charge in all rates. The proposed rates include a Fuel and Purchased Power Cost Adjustment ("FPPCA") per kWh sold for power costs in excess of or less than \$0.078510. The same FPPCA per kWh sold will apply to both New Mexico and Arizona consumers. The proposed rates for New Mexico consumers also include a Debt Cost Adjustment ("DCA") per kWh for the cost of Interest on Long-Term Debt in excess of or less than the interest cost per kWh in the test year. The DCA adjustment does not apply to Arizona Consumers.

Columbus has historically provided, and plans to continue to provide, service to all its consumers in each respective rate class at the same rate, jurisdictions notwithstanding. The reasons for this are:

- a) There is no difference in service characteristics of the customers in New Mexico and Arizona.



- b) All customers are members of the cooperative in equal standing whose respective service needs are all provided for in the same manner.

The Board of Trustees is aware that some differences in rate of return will occur between jurisdictions when identical rates are applied in this manner; however, the equality of the members and the administrative benefits of uniform rate schedules for each class of customer are of far greater importance. Additionally, the customers in each jurisdiction have requested that the customer classes in the total system be served at the same rate.

**Rate design:**

The design of the proposed rates is identified to the present rates in effect. Items of note are:

- a) A customer charge applies to all rate classes. The lighting class is unmetered; Kwh usage has been assigned based on industry standards for each size light. The customer charge to the various classes has been increased to more closely reflect the customer charge indicated by the Cost of Service Study.
- b) Each rate contains an energy charge for all classes except lighting, as reference in (a). The energy charge is flat with no steps for different levels of usage.
- c) A KW demand charge applies to the large commercial and industrial classes. The Ag Service rate is demand metered; however the demand reading is only utilized to measure a minimum load factor requirement.
- d) The present rates provide for a Fuel and Purchased Power Cost Adjustment ("FPPCA") in excess of or less than the purchased power cost established in December, 2000 - \$0.04172 per Kwh sold. In addition, the present rates include a Debt Cost Adjustment ("DCA") which applies to the interest cost per Kwh at December, 2000. In this filing, the purchased power costs has been re-based to \$0.07851, per Kwh sold, and the debt cost adjustment will also be rebased accordingly. The same FPPCA factor will apply to New Mexico and Arizona Consumers. The energy charges in the proposed rates have been adjusted to include the amounts collected through the FPPCA and the DCA clauses in the present rates.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**Application to Arizona Corporation for a Rate Change**

**Explanatory Comments**

**Schedules E-5; E-5-1; and E-5.2 Plant Additions**

Plant additions for the total system are reflected on Schedule E-5. During the year ended September 30, 2012, Columbus made substantial changes in substation investment as a result of additional investment, and the transfer of substation assets to Tri-State G&T. For additional information refer to Schedule 1, page 16 of the audit report for the year ended July 31, 2012 included in the filing.

The investment by jurisdiction cannot be precisely developed. Columbus maintains construction records by jurisdiction on electric plant accounts 364-371. Investment in general plant accounts 389-397 are not maintained by jurisdiction. The allocation of plant investment on Schedule E-5.2 is based on the best information available, using the allocation factors indicated.

**Schedule E-4**

The equity position of Columbus by jurisdiction is not available. The patronage capital of Columbus is allocated on the basis of total system margins; the balance of Patronage Capital outstanding to members located in New Mexico and in Arizona are not maintained by jurisdiction.

On Schedules C-1.1 and C-1.2 included in this filing, we have reflected the Net Margins by jurisdiction; however, these schedules have been developed on the basis of allocation factors that are included herein, and are only our best estimate of actual results. The margins of Columbus are allocated to consumers of Columbus on the basis of the Net Margins as reflected on Schedule E-1, and not on any sort of jurisdictional computation. For example, all consumers in the same consumer class are allocated the same factor of margins, whether New Mexico or Arizona residents. All consumers are treated alike for governance purposes; each consumer has the same voice in the governance of Columbus, state of residence not with-standing.

**Schedule F**

As stated in our original filing, no projections of operations for future periods was made in this filing, except for a computation of revenue for the test year at the proposed rates.

SCHEDULE A-1

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 COMPUTATION OF INCREASE IN  
 GROSS REVENUE REQUIREMENTS

TEST YEAR ENDED SEPTEMBER 30, 2012

TOTAL SYSTEM - ORIGINAL COST

ORIGINAL COST RATE BASE	(a) \$ 24,340,318
OPERATING MARGINS	(b) \$ 1,002,320
CURRENT RATE OF RETURN	4.12%
PROPOSED OPERATING MARGINS	(b) \$ 1,117,320
PROPOSED RATE OF RETURN	4.59%
OPERATING INCOME DEFICIENCY	\$ 115,000
INCREASE IN GROSS REVENUE REQUIREMENTS	\$ 115,000

TOTAL SYSTEM

<u>CUSTOMER CLASS</u>	<u>PROJECTED REVENUE FROM PROPOSED RATES</u>	<u>% INCREASE</u>
RESIDENTIAL	\$ 4,003,538	1.52%
IRRIGATION	934,961	
AGRI SERVICE	4,831,800	
SMALL COMMERCIAL	1,498,982	3.45%
LARGE COMMERCIAL	1,384,056	
INDUSTRIAL	654,654	
AREA LIGHTING	112,353	4.64%
TOTALS	<u>\$ 13,420,344</u>	<u>0.864%</u>
	(c)	(c)

SUPPORT SCHEDULES

(a) B-1 (b) C-1  
 (c) H-1

SCHEDULE A-1.1

COLUMBUS ELECTRIC COOPERATIVE, INC.  
COMPUTATION OF INCREASE IN  
GROSS REVENUE REQUIREMENTS

TEST YEAR ENDED SEPTEMBER 30, 2012

ORIGINAL COST

	<u>TOTAL</u>	<u>NEW MEXICO</u>	<u>ARIZONA</u>
ORIGINAL COST RATE BASE	(a) \$ 24,340,318	\$ 22,455,315	\$ 1,789,299
OPERATING MARGINS	(b) \$ 1,002,320	\$ 1,033,663	\$ (31,344)
CURRENT RATE OF RETURN	4.12%	4.60%	-1.75%
PROPOSED OPERATING MARGINS	(b) \$ 1,117,320	\$ 1,127,163	\$ (9,754)
PROPOSED RATE OF RETURN	4.59%	5.02%	-0.55%
OPERATING INCOME DEFICIENCY	\$ 115,000	\$ 93,410	\$ 21,590
INCREASE IN GROSS REVENUE REQUIREMENTS	\$ 115,000	\$ 93,410	\$ 21,590

<u>CUSTOMER CLASS</u>	<u>NEW MEXICO</u>		<u>ARIZONA</u>	
	<u>PROJECTED REVENUE W/ INCREASE</u>	<u>% INCREASE</u>	<u>PROJECTED REVENUE W/ INCREASE</u>	<u>% INCREASE</u>
RESIDENTIAL	\$ 3,624,241	1.47%	\$ 379,296	2.01%
IRRIGATION	884,909	0.45%	50,052	8.71%
AGRI SERVICE	4,459,645	0.17%	372,155	2.13%
SMALL COMMERCIAL	1,443,697	3.42%	55,285	4.05%
LARGE COMMERCIAL	1,384,056			0.00%
INDUSTRIAL	654,654			0.00%
AREA LIGHTING	109,753	4.28%	2,600	6.64%
<b>TOTALS</b>	<b>\$ 12,560,955</b>	<b>0.75%</b>	<b>\$ 859,388</b>	<b>2.58%</b>
	(c)	(c)	(c)	(c)

SUPPORT SCHEDULES

(a) B-1.1 (b) C-1.1; C-1.2; E-2.1  
(c) H-1

SUMMARY SCHEDULES

(a) A-1; B-1

**SCHEDULE A-2**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SUMMARY OF RESULTS OF OPERATIONS  
FOR THE YEARS ENDED SEPTEMBER 30, 2012, 2011**

**SEE SCHEDULE E- 2**

SCHEDULE A-3

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SUMMARY OF CAPITAL STRUCTURE  
 FOR THE YEARS ENDED

	SEPTEMBER 30		JULY 31	
	<u>2012</u>	<u>2011</u>	<u>2011</u>	<u>2010</u>
Long - Term Debt	\$ 19,112,982	\$ 18,383,741	\$ 17,535,168	\$ 16,767,343
Margins & Equity	9,885,360	8,860,124	8,543,894	7,825,599
Total Capital	\$ 28,998,342	\$ 27,243,865	\$ 26,079,062	\$ 24,592,942
Capitalization Ratios (%)				
Long - Term Debt	65.91%	67.48%	67.24%	68.18%
Total Debt	65.91%	67.48%	67.24%	68.18%
Margins & Equity	34.09%	32.52%	32.76%	31.82%
	100.00%	100.00%	100.00%	100.00%

Note: Annual audit is performed on fiscal year ended July 31. Test year of this filing is September 30, 2012. Comparative Financial Statements in filing are September 30, 2012 and 2011; Audit years ended July 31, 2011 and 2010 presented herein for comparative purposes. Minimal fluctuation results from year-ends at July 31 and September 30.

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SCHEDULE OF RATE BASE - TOTAL SYSTEM - ORIGINAL COST  
YEAR ENDED SEPTEMBER 30, 2012**

**Schedule B-1**

Total Utility Plant - at Original Cost		\$	38,572,812	
Less: Accumulated Provision for Depreciation			(15,217,020)	
Net Utility Plant		\$	<u>23,355,792</u>	
Materials & Supplies Inventory			475,194	
Prepayments			145,211	
Customer Deposits and Prepayments			(293,800)	
Cash Working Capital				
Coat of Power	\$	7,874,153		
Working Capital Allowance	12 Days		258,876	
Working Capital Allowance				
Transmission Expense	\$	17,902		
Distribution Operations & Maintenance		1,279,042		
Customer Accounts Expense		630,545		
Customer Service Expense		95,935		
Administrative General Expense		1,213,273		
Total Operations & Maintenance Expense	\$	<u>3,236,697</u>		
Working Capital Allowance	45 Days		<u>399,045</u>	
Total Rate Base				\$ <u><u>24,340,318</u></u>

**Return on Rate Base:**

Utility Operating Margin - Schedule F-1	(a)	\$	1,002,320	\$	1,117,320
Rate Base - Above	(b)	\$	24,340,318	\$	24,340,318
Return on Rate Base	(a)/(b)		4.12%		4.59%

Supporting Schedules  
E-1 ; E-2

Summary Schedule:  
A-1

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF RATE BASE - ORIGINAL COST  
 YEAR ENDED SEPTEMBER 30, 2012

Schedule B-1.1

	<u>NEW MEXICO</u>	<u>ARIZONA</u>
Total Utility Plant - at Original Cost	\$ 35,535,040	\$ 3,035,272
Less: Accumulated Provision for Depreciation	(13,989,850)	(1,227,170)
Net Utility Plant	<u>\$ 21,545,190</u>	<u>\$ 1,808,102</u>
Materials & Supplies Inventory	444,782	
Prepayments	133,071	
Customer Deposits and Prepayments	(274,977)	(18,803)
Cash Working Capital		
Cost of Power	\$ 7,366,173	
Working Capital Allowance	12 Days 242,176	
Working Capital Allowance		
Transmission Expense	\$ 16,468	
Distribution Operations & Maintenance	1,176,591	
Customer Accounts Expense	577,831	
Customer Service Expense	87,915	
Administrative General Expense	1,102,344	
Total Operations & Maintenance Expense	<u>\$ 2,961,149</u>	
Working Capital Allowance	45 Days <u>365,073</u>	<u>-</u>
Total Rate Base	<u>\$ 22,455,315</u>	<u>\$ 1,789,299</u>

Return on Rate Base:

Utility Operating Margin - Schedule C-1.1	(a) \$ 1,033,663	\$ 1,127,163	\$ (31,344)	\$ (9,754)
Rate Base - Above	(b) \$ 22,455,315	\$ 22,455,315	\$ 1,789,299	\$ 1,789,299
Return on Rate Base	(a)/(b) 4.60%	5.02%	-1.75%	-0.55%

Supporting Schedules  
 C-1; C-1.1; C-1.2  
 E-1; E-1.1

Summary Schedule:  
 A-1; A-1.1  
 B-1



**Schedule B-2**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SCHEDULE OF RATE BASE - TOTAL SYSTEM - ORIGINAL COST  
PRO FORMA ADJUSTMENTS  
YEAR ENDED SEPTEMBER 30, 2012**

**THERE WERE NO ADJUSTMENTS TO ORIGINAL COST RATE BASE**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SCHEDULE OF RATE BASE - TOTAL SYSTEM  
PRO FORMA ADJUSTMENTS - RCND RATE BASE  
YEAR ENDED SEPTEMBER 30, 2012**

**NOT APPLICABLE**

**Schedule B-4**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SCHEDULE OF RATE BASE - TOTAL SYSTEM  
RCND RATE BASE DEPRECIATION  
YEAR ENDED SEPTEMBER 30, 2012**

**NOT APPLICABLE**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SCHEDULE OF COMPONENTS OF WORKING CAPITAL  
YEAR ENDED SEPTEMBER 30, 2012**

**Schedule B-5**

**SEE SCHEDULE B-1**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**STATEMENT OF INCOME AND PATRONAGE CAPITAL - TOTAL SYSTEM**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2012**

SCHEDULE C-1

	Balance Per Books	Adjustments	Proposed Increase	Adjusted Balance
<b>OPERATING REVENUES</b>				
Electric Energy Revenue	\$ 9,321,706		(2) 4,098,950	\$ 13,420,656
FPPCA Revenue	3,749,856	(1) 56,552	(2) (3,806,408)	
Debt Cost Revenue	177,542		(2) (177,542)	
Other Operating Revenues	28,577			28,577
<b>Total Operating Revenues</b>	<b>\$ 13,275,681</b>	<b>56,552</b>	<b>(2) 115,000</b>	<b>\$ 13,447,233</b>
<b>OPERATING EXPENSES</b>				
Purchased Power	\$ 7,874,153	(1) 56,552		\$ 7,930,705
Transmission Expense	17,902			17,902
Distribution - Operation	942,890			942,890
Distribution - Maintenance	336,152			336,152
Customer Accounts	630,545			630,545
Customer Service and Information	95,935			95,935
Administrative and General	1,202,907			1,202,907
Depreciation and Amortization	1,162,512			1,162,512
Other Interest	6,175			6,175
Other Deductions (Income)	4,191			4,191
<b>Total Operating Expenses</b>	<b>\$ 12,273,362</b>	<b>\$ 56,552</b>	<b>\$ 0</b>	<b>\$ 12,329,914</b>
<b>UTILITY OPERATING MARGINS (RETURN)</b>	<b>\$ 1,002,319</b>	<b>\$</b>	<b>\$ 115,000</b>	<b>\$ 1,117,319</b>
Interest on Long-Term Debt	558,003			558,003
<b>OPERATING MARGINS</b>	<b>\$ 444,316</b>	<b>\$</b>	<b>\$ 115,000</b>	<b>\$ 559,316</b>
<b>CAPITAL CREDITS</b>				
G&T Capital Credits	\$ 507,855	\$	\$	\$ 507,855
Other Capital Credits	17,633			17,633
	<b>\$ 525,488</b>	<b>\$</b>	<b>\$ 0</b>	<b>\$ 525,488</b>
<b>NET OPERATING MARGINS</b>	<b>\$ 969,804</b>	<b>\$</b>	<b>\$ 115,000</b>	<b>\$ 1,084,804</b>
<b>NON-OPERATING MARGINS</b>				
Interest & Other Income	55,430			55,430
<b>NET MARGINS</b>	<b>\$ 1,025,234</b>	<b>\$</b>	<b>\$ 115,000</b>	<b>\$ 1,140,234</b>

(1) Tri-State increased wholesale power rate effective January 1, 2012; adjustment is to apply 2012 wholesale power rate to October - December, 2011.

Power Cost - Test Year, Annualized	\$ 7,930,705
Power Cost - Test Year, Per Books	7,874,153
Adjustment	<u>\$ 56,552</u>

(2) Proposed increase in rates in current filing.  
FPPCA, Debt Cost Adjustment Revenue folded into Rates

\$ 115,000

**Times Interest Earned Ratio (TIER)**

Net Margins	\$ 1,025,234	\$ 1,140,234
Add: Interest Expense	558,003	558,003
Total	(a) <u>\$ 1,583,237</u>	(a) <u>\$ 1,698,237</u>
Divided by Interest Expense	(b) <u>\$ 558,003</u>	(b) <u>\$ 558,003</u>
TIER	(a / b) 2.84	(a / b) 3.04

**Times Interest Earned Ratio (TIER) Excluding G & T Capital Credits**

Net Margins	\$ 1,025,234	\$ 1,140,234
Less: G & T Capital Credits	507,855	507,855
Net Margins - Excl. G & T Capital Credits	\$ 517,379	\$ 632,379
Interest Expense	558,003	558,003
Total	(a) <u>\$ 1,075,382</u>	(a) <u>\$ 1,190,382</u>
Divided by Interest Expense	(b) <u>\$ 558,003</u>	(b) <u>\$ 558,003</u>
TIER	(a / b) 1.93	(a / b) 2.13

SCHEDULE C-1a

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF POWER COST  
 YEAR ENDED SEPTEMBER 30, 2012

	October '11	November '11	December '11	January '12	February '12	March '12	April '12
Energy Cost	\$ 198,999	\$ 138,653	\$ 159,064	\$ 165,913	\$ 173,671	\$ 259,739	\$ 303,376
Demand Cost	271,309	206,766	240,865	245,584	268,963	375,962	415,239
Total	\$ 470,307	\$ 345,418	\$ 399,929	\$ 411,497	\$ 442,634	\$ 635,701	\$ 718,614
Kwh Purchased	7,276,000	5,069,577	5,815,876	5,731,022	5,999,007	8,972,000	10,479,305
KW Demand	12,619	9,617	11,203	10,973	12,018	16,799	18,554
Rate:							
Energy Charge	\$ 0.02735			\$ 0.02895			
Demand Charge	\$ 21.50			\$ 22.38			
Energy Cost	\$ 324,940	\$ 382,178	\$ 393,489	\$ 404,103	\$ 298,571	\$	\$ 3,202,697
Demand Cost	466,153	552,137	559,276	569,705	499,499		4,671,456
Total	\$ 791,093	\$ 934,315	\$ 952,765	\$ 973,808	\$ 798,070	\$	\$ 7,874,153
Kwh Purchased	11,224,191	13,201,329	13,592,005	13,958,645	10,313,340		111,632,297
KW Demand	20,829	24,671	24,990	25,456	22,319		210,048

SCHEDULE C-1b

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF POWER COST  
 YEAR ENDED SEPTEMBER 30, 2012  
 AT 2012 TRI-STATE RATES

	October '11	November '11	December '11	January '12	February '12	March '12	April '12
Energy Cost	\$ 210,640	\$ 146,764	\$ 168,370	\$ 165,913	\$ 173,671	\$ 259,739	\$ 303,376
Demand Cost	282,413	215,228	250,723	245,441	267,172	375,962	415,239
Total	\$ 493,053	\$ 361,993	\$ 419,093	\$ 411,355	\$ 440,844	\$ 635,701	\$ 718,614
Kwh Purchased	7,276,000	5,069,577	5,815,876	5,731,022	5,999,007	8,972,000	10,479,305
KW Demand	12,619	9,617	11,203	10,967	11,938	16,799	18,554
Rate:							
Energy Charge				\$ 0.02895			
Demand Charge				\$ 22.38			
Energy Cost	\$ 324,940	\$ 382,178	\$ 393,489	\$ 404,103	\$ 298,571		\$ 3,231,755
Demand Cost	466,153	552,137	559,276	569,705	499,499		4,698,950
Total	\$ 791,093	\$ 934,315	\$ 952,765	\$ 973,808	\$ 798,070		\$ 7,930,705
Kwh Purchased	11,224,191	13,201,329	13,592,005	13,958,645	10,313,340		111,632,297
KW Demand	20,829	24,671	24,990	25,456	22,319		209,962

COLUMBUS ELECTRIC COOPERATIVE, INC  
SCHEDULE OF REVENUE & EXPENSE  
TEST YEAR ENDED SEPTEMBER 30, 2012  
NEW MEXICO

	Allocation Factor	Per Books 9/30/2012	Adjustments	Proposed Revenue Increase	Adjusted Balance 9/30/2012
<b>OPERATING REVENUES</b>					
Electric Energy Revenue	Actual	\$ 12,415,004	\$ 52,984	\$ 93,410	\$ 12,561,398
Other Operating Revenue	2	24,876			24,876
<b>Total Operating Revenue</b>		<u>\$ 12,439,880</u>	<u>\$ 52,984</u>	<u>\$ 93,410</u>	<u>\$ 12,586,274</u>
<b>OPERATING EXPENSES</b>					
Cost of Power	Actual	\$ 7,366,173	\$ 52,894	\$ 0	\$ 7,419,067
Transmission Expense	3	16,468			16,468
Distribution - Operations	3	867,365			867,365
Distribution - Maintenance	3	309,226			309,226
Customer Accounts	1	577,831			577,831
Customer Accounts & Information	1	87,915			87,915
Administrative & General	1	1,102,344			1,102,344
Depreciation	3	1,069,395			1,069,395
Other Interest	1	5,659			5,659
Other Deductions	1	3,841			3,841
<b>Total Operating Expense</b>		<u>\$ 11,406,217</u>	<u>\$ 52,894</u>	<u>\$ 0</u>	<u>\$ 11,459,111</u>
<b>UTILITY OPERATING MARGINS (RETURN)</b>					
Interest on Long-Term Debt	4	\$ 1,033,863	\$ 90	\$ 93,410	\$ 1,127,163
		513,586			513,586
<b>OPERATING MARGINS</b>		<u>\$ 520,077</u>	<u>\$ 90</u>	<u>\$ 93,410</u>	<u>\$ 613,577</u>
<b>CAPITAL CREDITS</b>					
G&T Capital Credits	2	\$ 475,352			475,352
Other Capital Credits	2	16,504			16,504
		<u>\$ 491,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 491,856</u>
<b>NET OPERATING MARGINS</b>					
		\$ 1,011,833		\$ 93,410	1,105,343
<b>NON-OPERATING MARGINS</b>					
	2	\$ 51,882			51,882
<b>NET MARGINS</b>					
		<u>\$ 1,063,815</u>	<u>\$ -</u>	<u>\$ 93,410</u>	<u>\$ 1,157,225</u>
<b>Times Interest Earned Ratio (TIER)</b>					
Net Margins		\$ 1,063,815			\$ 1,157,225
Add: Interest Expense		513,586			513,586
Total	(a)	<u>\$ 1,577,401</u>		(a)	<u>\$ 1,670,811</u>
Divided by Interest Expense	(b)	<u>\$ 513,586</u>		(b)	<u>\$ 513,586</u>
TIER	(a) / (b)	3.07		(a) / (b)	3.25
<b>Times Interest Earned Ratio (TIER) Excluding G&amp;T Capital Credits</b>					
Net Margins		\$ 1,063,815			\$ 1,157,225
Less: G&T Capital Credits		475,352			475,352
Net Margins - Excluding G&T Capital Credits		<u>\$ 588,463</u>			<u>\$ 681,873</u>
Add: Interest Expense		513,586			513,586
Total	(a)	<u>\$ 1,102,049</u>		(a)	<u>\$ 1,195,459</u>
Divided by Interest Expense	(b)	<u>\$ 513,586</u>		(b)	<u>\$ 513,586</u>
TIER	(a) / (b)	2.15		(a) / (b)	2.33

Recap Schedule:  
A-1

Supporting Schedules:  
E-2



COLUMBUS ELECTRIC COOPERATIVE, INC  
 SCHEDULE OF REVENUE & EXPENSE  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 ARIZONA

	Allocation Factor	Per Books 9/30/2012	Adjustments	Proposed Revenue Increase	Adjusted Balance 9/30/2012
<b>OPERATING REVENUE</b>					
Electric Energy Revenue	Actual	\$ 834,100	\$ 3,858	\$ 21,590	\$ 859,348
Other Operating Revenue	2	1,701			1,701
<b>Total Operating Revenue</b>		<u>\$ 835,801</u>	<u>\$ 3,858</u>	<u>\$ 21,590</u>	<u>\$ 861,049</u>
<b>OPERATING EXPENSES</b>					
Cost of Power	Actual	\$ 507,980	\$ 3,858	\$ -	\$ 511,838
Transmission Expense	3	1,434			1,434
Distribution - Operations	3	75,525			75,525
Distribution - Maintenance	3	26,928			26,928
Customer Accounts	1	52,714			52,714
Customer Accounts & Information	1	8,020			8,020
Administrative & General	1	100,563			100,563
Depreciation	3	93,117			93,117
Other Interest	1	518			518
Other Deductions	1	350			350
<b>Total Operating Expense</b>		<u>\$ 887,145</u>	<u>\$ 3,858</u>	<u>\$ -</u>	<u>\$ 870,803</u>
<b>UTILITY OPERATING MARGIN - RETURN</b>		\$ (31,344)	\$ -	\$ 21,590	\$ (9,754)
Interest on Long-Term Debt	4	44,417			44,417
<b>OPERATING MARGINS</b>		<u>\$ (75,761)</u>	<u>\$ -</u>	<u>\$ 21,590</u>	<u>\$ (54,171)</u>
<b>CAPITAL CREDITS</b>					
G&T Capital Credits	2	\$ 32,503	\$ -	\$ 0	\$ 32,503
Other Capital Credits	2	\$ 1,129			1,129
		<u>\$ 33,632</u>			<u>\$ 33,632</u>
<b>NET OPERATING MARGINS</b>		\$ (42,129)	\$ -	\$ 21,590	\$ (20,539)
<b>NON-OPERATING MARGINS</b>	2	\$ 3,548			\$ 3,548
<b>NET MARGINS</b>		<u>\$ (38,581)</u>	<u>\$ -</u>	<u>\$ 21,590</u>	<u>\$ (16,991)</u>
<b>Times Interest Earned Ratio (TIER)</b>					
Net Margins		\$ (38,581)			\$ (16,991)
Add: Interest Expense		44,417			44,417
Total	(a)	<u>\$ 5,836</u>		(a)	<u>\$ 27,428</u>
Divided by Interest Expense	(b)	<u>\$ 44,417</u>		(b)	<u>\$ 44,417</u>
TIER	(a / b)	0.13		(a / b)	0.62
<b>Times Interest Earned Ratio (TIER)</b>					
Net Margins		\$ (38,581)			\$ (16,991)
Less: G&T Capital Credits		32,503			32,503
Net Margins - Excl. G&T Capital Credits		<u>\$ (71,084)</u>			<u>\$ (49,494)</u>
Add: Interest Expense		44,417			44,417
Total	(a)	<u>\$ (26,667)</u>		(a)	<u>\$ 32,503</u>
Divided by Interest Expense	(b)	<u>\$ 44,417</u>		(b)	<u>\$ 44,417</u>
TIER	(a / b)	(0.60)		(a / b)	0.73

Recap Schedule:  
A-1

Supporting Schedules:  
E-2

**SCHEDULE C-2**

**COLUMBUS ELECTRIC COOPERATIVE, INC  
SCHEDULE OF REVENUE & EXPENSE  
PRO-FORMA ADJUSTMENTS  
CALENDAR YEAR ENDED SEPTEMBER 30, 2012**

**SEE ECHEDULES C-1a, AND C-1b**

**SCHEDULE D-1**

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
SUMMARY OF CAPITAL STRUCTURE  
YEAR ENDED SEPTEMBER 30, 2012**

**SEE SCHEDULE A-3**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**SCHEDULE OF LONG-TERM DEBT**  
**SEPTEMBER 30, 2012**

SCHEDULE D-2

<u>NOTE #</u>	<u>LENDER</u>	<u>RATE</u>	<u>DATE ISSUED</u>	<u>DATE OF MATURITY</u>	<u>ORIGINAL AMOUNT</u>	<u>BALANCE 9/30/2012</u>	<u>ANNUAL INTEREST</u>
14180	RUS	2%	11/22/1978	11-22-13	\$ 1,890,000	\$ 77,881	\$ 1,558
14190	RUS	2%	03/21/1981	03-21-16	898,000	118,603	2,372
1B240	RUS	0.50%	12/12/2000	12-12-35	592,000	424,562	2,123
1B241	RUS	0.62%	06/05/2001	06-05-36	451,500	330,543	2,049
1B245	RUS	0.62%	04/23/2002	4/23/2037	500,000	371,609	2,304
1B248	RUS	0.50%	11/19/2002	11/19/2037	543,500	401,128	2,006
1B250	RUS	0.50%	07/03/2003	7/3/2038	438,500	337,474	1,887
1B255	RUS	0.50%	07/03/2003	7/3/2038	48,500	37,497	187
1B256	RUS	1.12%	01/08/2004	1/8/2039	388,000	303,841	3,403
1B260	RUS	1.12%	03/29/2005	3/29/2040	800,000	667,548	7,477
1B261	RUS	4.25%	11/15/2005	11/15/2040	1,000,000	889,062	37,785
1B262	RUS	4.37%	06/12/2006	6/12/2041	1,100,000	988,040	43,177
1B263	RUS	1.12%	03/26/2007	3/26/2042	655,500	561,836	6,293
1B264	RUS	0.50%	07/16/2007	7/16/2042	1,800,000	1,547,888	7,735
1B265	RUS	1.12%	02/07/2008	2/7/2043	877,000	763,252	8,548
1B266	RUS	0.50%	10/28/2008	10/28/2043	771,000	678,398	3,392
1B267	RUS	1.12%	12/31/2008	12/31/2043	107,500	95,414	1,069
H0010	FFB	0.61%	05/08/2009	5/8/2044	1,100,000	1,068,019	6,494
H0015	FFB	0.63%	1/4/2010	1/4/2045	800,000	782,563	4,922
H0020	FFB	0.46%	5/14/2010	5/14/2045	400,000	386,862	1,768
H0025	FFB	0.25%	10/22/2010	10/22/2045	1,000,000	948,611	2,381
H0030	FFB	4.083%	5/2/2011	12/31/2043	1,500,000	1,471,868	60,096
F0035	FFB	2.934%	3/26/2012	12/31/2043	1,500,000	1,486,275	43,607
9002	CFC	7.25%	05/27/1983	5/27/2018	244,000	89,218	6,468
9003	CFC	7.40%	12/30/1987	12/30/2022	153,061	80,152	5,931
9004	CFC	7.45%	02/25/1992	2/25/2027	140,816	89,025	6,632
9005	CFC	7.45%	07/28/1994	7/28/2029	145,918	107,490	8,008
9006	CFC	7.50%	04/01/1999	4/1/2034	232,000	201,012	15,076
9009	CFC	7.55%	08/01/2001	8/1/2036	97,000	86,035	6,496
9010	CFC	7.35%	06/07/2007	6/7/2042	79,000	747,891	54,970
214314	COBANK	2.92%	5/31/2012	7/20/2024	3,069,144	2,974,186	86,846
<b>TOTALS</b>					<b>\$ 23,317,939</b>	<b>\$ 19,112,982</b>	<b>\$ 442,862</b>
<b>AGGREGATE INTEREST EXPENSE</b>							<b>\$ 442,862</b>

SCHEDULE D-3

COLUMBUS ELECTRIC COOPERATIVE, INC.  
COST OF COMMON EQUITY  
TEST YEAR ENDED SEPTEMBER 30, 2012

NOT APPLICABLE

SCHEDULE D-4

COLUMBUS ELECTRIC COOPERATIVE, INC.  
REQUIRED RETURN ON COMMON EQUITY  
TEST YEAR ENDED SEPTEMBER 30, 2012

NOT APPLICABLE

## COLUMBUS ELECTRIC COOPERATIVE, INC.

SCHEDULE E-1

BALANCE SHEET - TOTAL SYSTEM  
9/30/2011 AND 2012

## ASSETS

	<u>2012</u>	<u>2011</u>
UTILITY PLANT AT COST		
Electric Plant in Service	\$ 37,884,762	\$ 37,793,987
Construction Work in Progress	688,050	344,777
	<u>\$ 38,572,812</u>	<u>\$ 38,138,764</u>
Less: Accumulated Provision for Depreciation	15,217,020	14,561,071
	<u>\$ 23,355,792</u>	<u>\$ 23,577,693</u>
OTHER PROPERTY AND INVESTMENTS - AT COST OR STATED VALUE		
Investments in Associated Organizations	\$ 2,950,359	\$ 2,430,809
CURRENT ASSETS		
Cash - General	\$ 316,035	\$ 698,866
Temporary Cash Investments	701,000	
Accounts Receivable (Less allowance for uncollectibles of \$53,150 in 2012 and \$76,406 in 2011)	1,725,603	1,432,582
Materials and Supplies at Average Cost	475,194	388,542
Power Cost and Debt Cost Adjustments Underbilled	363,353	394,588
Other Current and Accrued Assets	145,211	136,320
	<u>\$ 3,726,396</u>	<u>\$ 3,050,898</u>
DEFERRED CHARGES		
Regulatory Assets	\$ 575,060	\$ 634,231
Other	561,670	656,121
	<u>\$ 1,136,730</u>	<u>\$ 1,290,352</u>
TOTAL ASSETS	<u>\$ 31,169,277</u>	<u>\$ 30,349,552</u>

## EQUITIES AND LIABILITIES

EQUITIES		
Patronage Capital	\$ 10,332,640	\$ 9,323,389
Other Equities - Deficit	(447,280)	(463,265)
	<u>\$ 9,885,360</u>	<u>\$ 8,860,124</u>
LONG-TERM DEBT		
RUS Mortgage Notes	\$ 7,926,775	\$ 11,533,227
FFB Mortgage Notes	6,144,199	5,448,935
CFC Mortgage Notes	2,067,822	1,401,579
CoBank Mortgage Notes	2,974,186	
	<u>\$ 19,112,982</u>	<u>\$ 18,383,741</u>
ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS		
Post-Retirement Benefits	\$ 190,704	\$ 204,337
CURRENT LIABILITIES		
Notes Payable - Line of Credit	\$	\$ 858,382
Accounts Payable - Purchased Power	798,070	801,770
Accounts Payable - Other	94,536	40,218
Consumers' Deposits and Prepayments	293,800	137,911
Accrued Taxes	255,581	247,585
Accrued Employee Compensated Absences	249,201	337,177
Other Current and Accrued Liabilities	122,908	150,546
	<u>\$ 1,814,096</u>	<u>\$ 2,571,589</u>
DEFERRED CREDITS	<u>\$ 166,135</u>	<u>\$ 329,761</u>
TOTAL EQUITIES AND LIABILITIES	<u>\$ 31,169,277</u>	<u>\$ 30,349,552</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.

SCHEDULE E-1-1

BALANCE SHEET  
TEST YEAR ENDED SEPTEMBER 30, 2012

	Allocation Code	TOTAL	NEW MEXICO	ARIZONA
<b>ASSETS</b>				
Electric Plant in Service	Actual	\$ 37,884,762	\$ 34,849,491	\$ 3,035,272
Construction Work In Progress		688,050	685,549	2,500
Total Utility Plant		\$ 38,572,812	\$ 35,535,040	\$ 3,037,772
Less: Accumulated Provision for Depreciation		15,217,020	13,989,850	1,227,170
		\$ 23,355,792	\$ 21,545,190	\$ 1,810,602
<b>OTHER PROPERTY AND INVESTMENTS - AT COST OR STATED VALUE</b>				
Investments in Associated Organizations	2	\$ 2,950,359	\$ 2,761,536	\$ 188,823
<b>CURRENT ASSETS</b>				
Cash - General	2	\$ 316,035	\$ 295,809	\$ 20,226
Temporary Cash Investments	2	701,000	658,136	44,864
Accounts Receivable (Less allowance for uncollectibles of \$53,150 in 2012 and \$76,406 in 2011)	2	1,725,603	1,615,164	110,439
Materials and Supplies at Average Cost	2	475,194	444,782	30,412
Power Cost and Debt Cost Adjustments Underbilled	Actual	363,353	332,418	30,935
Other Current and Accrued Assets	1	145,211	133,071	12,140
		\$ 3,726,396	\$ 3,477,380	\$ 249,016
<b>DEFERRED CHARGES</b>				
Regulatory Assets	2	\$ 575,060	\$ 538,256	\$ 36,804
Other	1	581,670	514,714	48,956
		\$ 1,136,730	\$ 1,052,971	\$ 83,759
<b>TOTAL ASSETS</b>		\$ 31,169,277	\$ 28,837,077	\$ 2,332,200
<b>LIABILITIES &amp; EQUITY</b>				
Patronage Capital	**	\$ 10,332,640	\$ 9,727,908	\$ 604,732
Other Equities - Deficit	2	(447,280)	(418,654)	(28,626)
		\$ 9,885,360	\$ 9,309,254	\$ 576,106
<b>LONG-TERM DEBT</b>				
RUS Mortgage Notes	4	\$ 7,926,775	\$ 7,295,804	\$ 630,971
FFB Mortgage Notes	4	6,144,199	5,655,121	489,078
CFC Mortgage Notes	4	2,067,822	1,903,223	164,599
CoBank Mortgage Notes	4	2,874,188	2,737,441	236,745
		\$ 19,112,982	\$ 17,591,589	\$ 1,521,393
<b>ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS</b>				
Post-Retirement Benefits	1	\$ 190,704	\$ 174,761	\$ 15,943
<b>CURRENT LIABILITIES</b>				
Accounts Payable - Purchased Power	2	\$ 798,070	\$ 746,994	\$ 51,076
Accounts Payable - Other	5	94,536	87,852	6,684
Consumers' Deposits and Prepayments	2	293,800	274,997	18,803
Accrued Taxes	2	255,581	239,224	16,357
Accrued Employee Compensated Absences	2	249,201	233,252	15,949
Other Current and Accrued Liabilities	2	122,908	115,042	7,866
		\$ 1,814,096	\$ 1,697,360	\$ 116,736
<b>DEFERRED CREDITS</b>				
	2	\$ 166,135	\$ 155,502	\$ 10,633
<b>TOTAL LIABILITIES &amp; EQUITY</b>		\$ 31,169,277	\$ 28,926,467	\$ 2,240,810
<b>Supporting Schedules</b>				
E-1				
E-5-1				
E-5-2				
** Total Patronage Capital		\$ 10,332,640	\$	\$
Less: Allocated to Phelps Dodge		(863,697)	883,697	
Balance - Allocated on Factor #2		\$ 9,448,943	\$ 8,844,211	\$ 604,732
Jurisdictional Allocation		\$	\$ 9,727,908	\$ 604,732



**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**STATEMENT OF INCOME AND PATRONAGE CAPITAL - TOTAL SYSTEM**

Schedule E-2

	Years Ended September 30,	
	2012	2011
	Amount	Amount
<b>OPERATING REVENUES</b>		
Electric Energy Revenue	\$ 13,249,104	\$ 12,457,120
Other Operating Revenues	26,577	28,180
Total Operating Revenues	<u>\$ 13,275,681</u>	<u>\$ 12,485,300</u>
<b>OPERATING EXPENSES</b>		
Purchased Power	\$ 7,874,153	\$ 7,327,285
Transmission Expense	17,902	15,708
Distribution - Operation	942,890	765,436
Distribution - Maintenance	338,152	333,840
Customer Accounts	630,545	591,111
Customer Service & Information	95,935	139,925
Administrative and General	1,202,907	1,274,096
Depreciation and Amortization	1,162,512	1,098,442
Other Interest	6,175	27,842
Other Deductions	4,191	(59)
Total Operating Expenses	<u>\$ 12,273,362</u>	<u>\$ 11,573,626</u>
<b>OPERATING MARGINS - Before Fixed Charges</b>	<u>\$ 1,002,319</u>	<u>\$ 911,674</u>
<b>FIXED CHARGES</b>		
Interest on Long-Term Debt	<u>558,003</u>	<u>476,334</u>
<b>OPERATING MARGINS - After Fixed Charges</b>	<u>\$ 444,316</u>	<u>\$ 435,340</u>
G & T Capital Credits	507,855	509,622
Other Capital Credits	<u>17,633</u>	<u>34,082</u>
<b>NET OPERATING MARGINS</b>	<u>\$ 969,804</u>	<u>\$ 979,044</u>
<b>NONOPERATING MARGINS</b>		
Interest & Other Income	<u>\$ 55,430</u>	<u>\$ 4,989</u>
<b>NET MARGINS</b>	<u>\$ 1,025,234</u>	<u>\$ 984,033</u>

Supporting Schedule:  
C-1

Recap Schedule  
A-1

SCHEDULE E-2-1

COLUMBUS ELECTRIC COOPERATIVE, INC  
 SCHEDULE OF REVENUE & EXPENSE  
 TEST YEAR ENDED SEPTEMBER 30, 2012

	Allocation Factor	NEW MEXICO	ARIZONA	TOTAL
<b>OPERATING REVENUES</b>				
Electric Energy Revenue	Actual	\$ 12,415,004	\$ 834,100	\$ 13,249,104
Other Operating Revenue	2	24,876	1,701	26,577
Total Operating Revenue		<u>\$ 12,439,880</u>	<u>\$ 835,801</u>	<u>\$ 13,275,681</u>
<b>OPERATING EXPENSES</b>				
Cost of Power	Actual	\$ 7,366,173	\$ 507,980	\$ 7,874,153
Transmission Expense	3	16,468	1,434	17,902
Distribution - Operations	3	867,365	75,525	942,890
Distribution - Maintenance	3	309,226	26,926	336,152
Customer Accounts	1	577,831	52,714	630,545
Customer Accounts & Information	1	87,915	8,020	95,935
Administrative & General	1	1,102,344	100,563	1,202,907
Depreciation	3	1,069,395	93,117	1,162,512
Other Interest	1	5,659	516	6,175
Other Deductions	1	3,841	350	4,191
Total Operating Expense		<u>\$ 11,406,217</u>	<u>\$ 867,145</u>	<u>\$ 12,273,362</u>
<b>UTILITY OPERATING MARGINS (RETURN)</b>				
Interest on Long-Term Debt	4	\$ 1,033,663	\$ (31,344)	\$ 1,002,319
OPERATING MARGINS		<u>\$ 513,586</u>	<u>\$ 44,417</u>	<u>\$ 558,003</u>
<b>OPERATING MARGINS</b>				
		<u>\$ 520,077</u>	<u>\$ (75,761)</u>	<u>\$ 444,316</u>
<b>CAPITAL CREDITS</b>				
G&T Capital Credits	2	475,352	\$ 32,503	507,855
Other Capital Credits	2	16,504	\$ 1,129	17,633
		<u>\$ 491,856</u>	<u>\$ 33,632</u>	<u>\$ 525,488</u>
<b>NET OPERATING MARGINS</b>				
		\$ 1,011,933	\$ (42,129)	\$ 969,804
<b>NON-OPERATING MARGINS</b>				
	2	<u>\$ 51,882</u>	<u>\$ 3,548</u>	<u>\$ 55,430</u>
<b>NET MARGINS</b>				
		<u>\$ 1,063,815</u>	<u>\$ (38,581)</u>	<u>\$ 1,025,234</u>

Supporting Schedules:  
 E=2

Recap Schedules  
 A-1

COLUMBUS ELECTRIC COOPERATIVE, INC  
CHANGES IN EQUITY  
TEST YEAR ENDED SEPTEMBER 30, 2012

SCHEDULE E-4

	<u>9/30/2012</u>	<u>9/30/2011</u>
BEGINNING BALANCE	\$ 8,860,124	\$ 7,876,091
ADD: NET MARGINS	\$ 1,025,235	\$ 984,033
NET ADJUSTMENTS	1	
BALANCE - END OF YEAR	<u>\$ 9,885,360</u>	<u>\$ 8,860,124</u>

Support Schedule:  
E-1

SCHEDULE E-5

COLUMBUS ELECTRIC COOPERATIVE, INC  
 DETAIL OF UTILITY PLANT  
 YEAR ENDED SEPTEMBER 30, 2012

TOTAL PLANT

	<u>10/1/2011</u>	Net Additions	<u>9/30/2012</u>
<u>INTANGIBLE PLANT</u>			
301 ORGANIZATION	\$ 411	\$ -	\$ 411
<u>TRANSMISSION PLANT</u>			
350 RIGHT OF WAY	\$ 13,557	\$ -	\$ 13,557
355 POLES & FIXTURES	871,754	-	871,754
356 OH CONDUCTORS	561,728	-	561,728
359 ROADS & TRAILS	19,200	-	19,200
SUB TOTAL	<u>\$ 1,466,239</u>	<u>\$ -</u>	<u>\$ 1,466,239</u>
<u>DISTRIBUTION PLANT</u>			
360 LAND & LAND RIGHTS	\$ 38,316	\$ -	\$ 38,316
362 STATION EQUIPMENT	3,773,288	(642,639)	3,130,649
364 POLES, TOWERS & FIXTURES	10,534,460	407,182	10,941,642
365 OH CONDUCTORS	6,687,826	95,765	6,783,591
367 DISTRIBUTION URD PLANT	1,060,124	(110,067)	950,057
368 LINE TRANSFORMERS	6,117,954	175,896	6,293,850
369 SERVICES	2,489,858	23,552	2,513,410
370 METERS	1,838,502	41,827	1,880,329
371 INSTALLATIONS ON CONS.PREMISES	366,128	12,539	378,667
SUB TOTAL	<u>\$ 32,906,456</u>	<u>\$ 4,055</u>	<u>\$ 32,910,511</u>
<u>GENERAL PLANT</u>			
389 LAND & LAND RIGHTS	\$ 21,947	\$ -	\$ 21,947
390 STRUCTURES & IMPROVEMENTS	995,483	82,959	1,078,442
391 OFFICE FURN & EQUIPMENT	399,931	9,409	409,340
392 TRANSPORTATION EQPT	1,461,179	82,630	1,543,809
393 STORES EQUIPMENT	14,831	-	14,831
394 SHOP & GARAGE	99,661	-	99,661
395 LABORATORY EQPT	183,948	-	183,948
396 POWER OPERATED EQPT	154,214	(114,047)	40,167
397 COMMUNICATIONS EQPT	89,687	25,770	115,457
SUB TOTAL	<u>\$ 3,420,881</u>	<u>\$ 86,721</u>	<u>\$ 3,507,602</u>
TOTAL PLANT IN SERVICE	<u>\$ 37,793,987</u>	<u>\$ 90,776</u>	<u>\$ 37,884,763</u>
CWIP	344,777	343,272	688,049
TOTAL PLANT	<u>\$ 38,138,764</u>	<u>\$ 434,048</u>	<u>\$ 38,572,812</u>
<u>ACCUMULATED DEPRECIATION</u>			
109 TRANSMISSION	\$ (1,149,667)		\$ (1,173,622)
109 DISTRIBUTION	(11,242,231)		(11,856,930)
109 GENERAL	(2,169,173)		(2,186,468)
SUB TOTAL	<u>\$ (14,561,071)</u>		<u>\$ (15,217,020)</u>
NET PLANT	<u>\$ 23,577,693</u>		<u>\$ 23,355,792</u>

Supporting Schedule:

E-1

SCHEDULE E-5.1

COLUMBUS ELECTRIC COOPERATIVE, INC  
 DETAIL OF UTILITY PLANT  
 CALENDAR YEAR ENDED

NEW MEXICO

	<u>10/1/2011</u>	Net <u>Additions</u>	<u>9/30/2012</u>
<u>INTANGIBLE PLANT</u>			
301 ORGANIZATION	\$ 377		\$ 377
<u>TRANSMISSION PLANT</u>			
350 RIGHT OF WAY	\$ 12,424	\$ -	\$ 12,424
355 POLES & FIXTURES	798,907	-	798,907
356 OH CONDUCTORS	514,788	-	514,788
359 ROADS & TRAILS	17,596	-	17,596
SUB TOTAL	<u>\$ 1,343,715</u>	<u>\$ -</u>	<u>\$ 1,343,715</u>
<u>DISTRIBUTION PLANT</u>			
360 LAND & LAND RIGHTS	\$ 35,296	\$ -	\$ 35,296
362 STATION EQUIPMENT	3,508,504	(642,639)	2,865,865
364 POLES, TOWERS & FIXTURES	9,619,281	310,412	9,929,693
365 OH CONDUCTORS	6,139,944	71,828	6,211,772
367 DISTRIBUTION URD PLANT	778,914	(109,985)	668,929
368 LINE TRANSFORMERS	6,085,187	165,162	6,250,349
369 SERVICES	2,115,997	23,552	2,139,549
370 METERS	1,791,374	41,827	1,833,201
371 INSTALLATIONS ON CONS.PREMISES	350,716	12,410	363,126
SUB TOTAL	<u>\$ 30,425,213</u>	<u>\$ (127,433)</u>	<u>\$ 30,297,780</u>
<u>GENERAL PLANT</u>			
389 LAND & LAND RIGHTS	\$ 19,953	\$ -	\$ 19,953
390 STRUCTURES & IMPROVEMENTS	918,704	71,011	989,715
391 OFFICE FURN & EQUIPMENT	362,749	6,134	368,883
392 TRANSPORTATION EQPT	1,348,631	73,255	1,421,886
393 STORES EQUIPMENT	13,484	-	13,484
394 SHOP & GARAGE	90,993	(1,097)	89,896
395 LABORATORY EQPT	169,421	(887)	168,534
396 POWER OPERATED EQPT	140,229	(114,046)	26,183
397 COMMUNICATIONS EQPT	83,315	25,770	109,085
SUB TOTAL	<u>\$ 3,147,479</u>	<u>\$ 60,140</u>	<u>\$ 3,207,619</u>
TOTAL PLANT IN SERVICE	<u>\$ 34,916,784</u>	<u>\$ (67,293)</u>	<u>\$ 34,849,491</u>
CWIP	342,277	343,272	685,549
TOTAL PLANT	<u>\$ 35,259,061</u>	<u>\$ 275,979</u>	<u>\$ 35,535,040</u>
<u>ACCUMULATED DEPRECIATION</u>			
109 TRANSMISSION	\$ (1,053,596)		\$ (1,075,550)
109 DISTRIBUTION	(11,009,233)		(10,914,827)
109 GENERAL	(2,013,105)		(1,999,473)
SUB TOTAL	<u>\$ (14,075,934)</u>		<u>\$ (13,989,850)</u>
NET PLANT	<u>\$ 21,183,127</u>		<u>\$ 21,545,190</u>

Supporting Schedule:

E-1  
 E-5.2

COLUMBUS ELECTRIC COOPERATIVE, INC  
 DETAIL OF UTILITY PLANT  
 TEST YEAR ENDED SEPTEMBER 30, 2012

ARIZONA

	Allocation Factor	10/1/2011	Net Additions	9/30/2012
<u>INTANGIBLE PLANT</u>				
301 ORGANIZATION	1	\$ 34	\$ -	\$ 34
<u>TRANSMISSION PLANT</u>				
350 RIGHT OF WAY	1	\$ 1,133	\$ -	\$ 1,133
355 POLES & FIXTURES	1	72,847		72,847
356 OH CONDUCTORS	1	46,940		46,940
359 ROADS & TRAILS	1	1,604		1,604
SUB TOTAL		\$ 122,524	\$ -	\$ 122,524
<u>DISTRIBUTION PLANT</u>				
360 LAND & LAND RIGHTS	1	\$ 3,021	\$ -	\$ 3,021
362 STATION EQUIPMENT	1	264,784		264,784
364 POLES, TOWERS & FIXTURES	Actual	915,179	96,770	1,011,949
365 OH CONDUCTORS	Actual	547,882	23,937	571,819
367 DISTRIBUTION URD PLANT	Actual	281,210	(83)	281,127
368 LINE TRANSFORMERS	Actual	32,767	10,734	43,501
369 SERVICES	Actual	373,881	-	373,881
370 METERS	Actual	47,128	-	47,128
371 INSTALLATIONS ON CONS.PREMISES	Actual	15,411	130	15,541
SUB TOTAL		\$ 2,481,243	\$ 131,488	\$ 2,612,731
<u>GENERAL PLANT</u>				
389 LAND & LAND RIGHTS	1	\$ 1,994	\$ -	\$ 1,994
390 STRUCTURES & IMPROVEMENTS	1	76,779	11,948	88,727
391 OFFICE FURN & EQUIPMENT	1	37,181	3,276	40,457
392 TRANSPORTATION EQPT	1	112,549	9,374	121,923
393 STORES EQUIPMENT	1	1,347		1,347
394 SHOP & GARAGE	1	8,668	1,097	9,765
395 LABORATORY EQPT	1	14,527	887	15,414
396 POWER OPERATED EQPT	1	13,984	-	13,984
397 COMMUNICATIONS EQPT	1	6,372	-	6,372
SUB TOTAL		\$ 273,401	\$ 26,582	\$ 299,983
TOTAL PLANT IN SERVICE		\$ 2,877,202	\$ 158,070	\$ 3,035,272
CWIP		2,500	-	\$ 2,500
TOTAL PLANT		\$ 2,879,702	\$ 158,070	\$ 3,037,772
<u>ACCUMULATED DEPRECIATION</u>				
108.5 TRANSMISSION	3	\$ (96,070)		\$ (98,072)
108.6 DISTRIBUTION	3	(847,697)		(942,103)
108.7 GENERAL	3	(173,383)		(186,995)
SUB TOTAL		\$ (1,117,130)		\$ (1,227,170)
NET PLANT		\$ 1,762,572		\$ 1,810,602

**SCHEDULE E-6**

**COLUMBUS ELECTRIC COOPERATIVE, INC  
COMPARATIVE DEPARTMENTAL OPERATING INCOME STATEMENT  
TEST YEAR ENDED SEPTEMBER 30, 2012**

NOT APPLICABLE

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 OPERATING STATISTICS  
 TEST YEAR ENDED SEPTEMBER 30, 2012

SCHEDULE E-7

ELECTRIC STATISTICS			TOTAL
KWH SALES	ARIZONA	NEW MEXICO	SYSTEM
RESIDENTIAL	2,433,365	24,146,935	26,580,300
IRRIGATION	328,130	6,223,970	6,552,100
AG SERVICE	3,386,920	39,375,674	42,762,594
SMALL COMMERCIAL	378,290	10,042,728	10,421,018
LARGE COMMERCIAL		10,106,220	10,106,220
INDUSTRIAL SERVICE		4,138,760	4,138,760
LIGHTING SERVICE	6,720	447,724	454,444
<u>AVERAGE NUMBER OF CONSUMERS</u>			
RESIDENTIAL	413	3,510	3,923
IRRIGATION	14	152	166
AG SERVICE	9	134	143
SMALL COMMERCIAL	34	845	879
LARGE COMMERCIAL		69	69
INDUSTRIAL SERVICE		11	11
LIGHTING SERVICE	13	558	571
<u>AVERAGE KWH USAGE - ANNUAL</u>			
RESIDENTIAL	5,892	6,879	6,776
IRRIGATION	23,438	40,947	39,470
AG SERVICE	376,324	293,848	299,039
SMALL COMMERCIAL	11,126	11,885	11,856
LARGE COMMERCIAL		146,467	146,467
INDUSTRIAL SERVICE		376,251	376,251
LIGHTING SERVICE	517	802	796
TOTAL RESIDENTIAL REVENUE	\$ 371,829	\$ 3,571,714	\$ 3,943,543
ANNUAL AVERAGE REVENUE PER			
RESIDENTIAL CONSUMER	\$ 900	\$ 1,017	\$ 1,005
AVERAGE REVENUE PER KWH - RESIDENTIAL	\$ 0.1528	\$ 0.1479	\$ 0.1484



**SECTION F**

**COLUMBUS ELECTRIC COOPERATIVE, INC  
PROJECTIONS  
TEST YEAR ENDED SEPTEMBER 30, 2012**

**NO PROJECTIONS WERE MADE IN CONNECTION WITH THIS FILING**

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-1  
 TOTAL SYSTEM

RESIDENTIAL	Rates 1, 11, 21	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		45,976		\$ 12.35	\$ 567,804
Customer Charge - TOU		1,106		\$ 15.60	17,254
Energy Charge - Regular			25,679,122	\$ 0.0864	2,218,676
Energy Charge - TOU - On Peak			528,809	\$ 0.0975	51,559
Energy Charge - TOU - Off Peak			372,369	\$ 0.0600	22,342
FPPCA Revenue			26,580,300	\$ 0.038687	1,028,323
DCA Revenue			24,146,935	\$ 0.001557	37,585
<b>Total Revenue</b>					<u>\$ 3,943,542</u>

IRRIGATION	Rates 4, 14, 24	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		1,578		\$ 32.50	\$ 51,285
Customer Charge - TOU		413		\$ 45.50	18,792
Energy Charge - Regular			5,723,262	\$ 0.09200	526,540
Energy Charge - TOU - On Peak			388,071	\$ 0.1030	39,971
Energy Charge - TOU - Off Peak			440,767	\$ 0.0600	26,446
Revenue from Minimum Bills					9,085
FPPCA Revenue			6,552,100	\$ 0.038270	250,746
DCA Revenue			6,223,970	\$ 0.001944	12,102
<b>Total Revenue</b>					<u>\$ 934,967</u>

AG SERVICE	Rate 3	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge		1,720		\$ 65.00	\$ 111,800
Energy Charge			42,762,594	\$ 0.06950	2,972,000
Revenue from Minimums					103,099
FPPCA Revenue			42,762,594	\$ 0.03680	1,573,760
DCA Revenue			39,375,674	\$ 0.00181	71,081
<b>Total Revenue</b>					<u>\$ 4,831,740</u>

COMMERCIAL Under 50 KVA	Rates 5, 15, 25	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		10,368		\$ 16.25	\$ 168,480
Customer Charge - TOU		180		\$ 19.50	3,510
Energy Charge - Regular			10,032,144	\$ 0.08220	824,642
Energy Charge - TOU-On Peak			192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak			196,413	\$ 0.0590	11,588
FPPCA Revenue			10,421,018	\$ 0.03830	399,163
DCA Revenue			10,042,728	\$ 0.00238	23,862
<b>Total Revenue</b>					<u>\$ 1,448,991</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

**SCHEDULE H-1**  
**TOTAL SYSTEM**

COMMERCIAL 50 - 350 KVA	Rate 6				
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
<b>Total Revenue</b>					<u>\$ 1,384,047</u>

COMMERCIAL Over 350 KVA	Rate 8				
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.03726	154,225
DCA Revenue			4,138,760	\$ 0.00215	8,881
<b>Total Revenue</b>					<u>\$ 654,679</u>

LIGHTING					
	<u>Bills</u>	<u>Kwh</u>		<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$	11.75	\$ 39,927
100 Watt High Pressure Sodium	3,182	133,644	\$	13.50	\$ 42,957
400 Watt High Pressure Sodium	272	48,960	\$	23.50	\$ 6,392
FPPCA Revenue		454,444	\$	0.03861	17,544
DCA Revenue		447,724	\$	0.00194	870
<b>Total Revenue</b>					<u>\$ 107,690</u>

<b>Totals</b>		<u>101,015,436</u>			<u>\$ 13,305,656</u>
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COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-1.1  
 TOTAL SYSTEM

RESIDENTIAL	Rates 1, 11, 21	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		45,976		\$ 20.00	\$ 919,520
Customer Charge - TOU		1,106		\$ 23.50	25,991
Energy Charge - Regular			25,679,122	\$ 0.11507	2,954,897
Energy Charge - TOU - On Peak			528,809	\$ 0.13500	71,389
Energy Charge - TOU - Off Peak			372,369	\$ 0.08524	31,741
FPPCA Revenue					
DCA Revenue					
Totals			26,580,300		<u>\$ 4,003,538</u>

IRRIGATION	Rates 4, 14, 24	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		1,578		\$ 75.00	\$ 118,350
Customer Charge - TOU		413		\$ 78.50	32,421
Energy Charge - Regular			5,723,262	\$ 0.12200	698,238
Energy Charge - TOU - On Peak			388,071	\$ 0.13000	50,449
Energy Charge - TOU - Off Peak			440,767	\$ 0.08055	35,504
FPPCA Revenue					
DCA Revenue					
Totals			6,552,100		<u>\$ 934,961</u>

AG SERVICE	Rate 3	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge		1,720		\$ 110.00	\$ 189,200
Energy Charge			42,762,594	\$ 0.104930	4,487,079
Revenue from Minimums			1,482,144	\$ 0.104930	155,521
FPPCA Revenue					
DCA Revenue					
Total Revenue			42,762,594		<u>\$ 4,831,800</u>

COMMERCIAL Under 50 KVA	Rates 5, 15, 25	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		10,368		\$ 35.00	\$ 362,880
Customer Charge - TOU		180		\$ 38.50	6,930
Energy Charge - Regular			10,032,144	\$ 0.10821	1,085,578
Energy Charge - TOU-On Peak			192,461	\$ 0.13725	26,415
Energy Charge - TOU-Off Peak			196,413	\$ 0.08746	17,178
FPPCA Revenue					
DCA Revenue					
Totals			10,421,018		<u>\$ 1,498,982</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-1.1  
 TOTAL SYSTEM

COMMERCIAL 50 - 350 KVA		Rate 6			
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 360.00	\$ 295,920
Demand Charge		33,767		\$ 16.50	557,156
Energy Charge			10,106,220	\$ 0.05254	530,981
Revenue from Minimum Bills					
FPPCA Revenue					
Total Revenue			10,106,220		<u>\$ 1,384,056</u>

COMMERCIAL Over 350 KVA		Rate 9			
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 600.00	\$ 81,600
Demand Charge		20,095		\$ 17.00	341,615
Energy Charge			4,138,760	\$ 0.05592	231,439
Minimums					
FPPCA Revenue					
DCA Revenue					
Total Revenue			4,138,760		<u>\$ 654,654</u>

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 15.25	\$ 51,820
100 Watt High Pressure Sodium	3,182	133,644	\$ 16.25	\$ 51,708
400 Watt High Pressure Sodium	272	48,960	\$ 32.45	\$ 8,826
FPPCA Revenue				
DCA Revenue				
Total Revenue		454,444		<u>\$ 112,353</u>
Totals		<u>101,015,436</u>		<u>13,420,345</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1

**ARIZONA**

**RESIDENTIAL**

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	4,666		\$ 12.35	\$ 57,625
Customer Charge - TOU	286		\$ 15.60	4,462
Energy Charge - Regular		2,219,074	\$ 0.0864	191,728
Energy Charge - TOU - On Peak		113,348	\$ 0.0975	11,051
Energy Charge - TOU - Off Peak		100,943	\$ 0.0600	6,057
FPPCA Revenue		2,433,365	\$ 0.041468	100,906
<b>Total Revenue</b>				<b>\$ 371,829</b>

**IRRIGATION**

Rates 4, 14, 24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	109		\$ 32.50	\$ 3,543
Customer Charge - TOU	54		\$ 45.50	2,457
Energy Charge - Regular		209,607	\$ 0.09200	19,284
Energy Charge - TOU - On Peak		50,943	\$ 0.1030	5,247
Energy Charge - TOU - Off Peak		67,580	\$ 0.0600	4,055
Revenue from Minimum Bills				544
FPPCA Revenue		328,130	\$ 0.033255	10,912
<b>Total Revenue</b>				<b>\$ 46,041</b>

**AG SERVICE**

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	107		\$ 65.00	\$ 6,955
Energy Charge		3,386,920	\$ 0.06950	235,391
Revenue from Minimums				3,309
FPPCA Revenue		3,386,920	\$ 0.03424	118,664
<b>Total Revenue</b>				<b>\$ 364,319</b>

**COMMERCIAL Under 50 KVA**

Rates 5, 15, 25

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	410		\$ 16.25	\$ 6,663
Customer Charge - TOU			\$ 19.50	-
Energy Charge - Regular		378,290	\$ 0.08220	31,095
Energy Charge - TOU-On Peak			\$ 0.0922	-
Energy Charge - TOU-Off Peak			\$ 0.0590	-
FPPCA Revenue		378,290	\$ 0.04064	15,373
<b>Total Revenue</b>				<b>\$ 53,131</b>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
PROOF OF REVENUE - PRESENT RATES  
OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1

ARIZONA

LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
100 Watt High Pressure Sodium	160	6,720	\$ 13.50	\$ 2,160
FPPCA Revenue		6,720	\$ 0.04137	278
Total Revenue				<u>\$ 2,438</u>
Totals		<u>6,533,425</u>		<u>\$ 837,758</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1A

NEW MEXICO

COMMERCIAL Under 50 KVA Rates 5, 15, 25

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	9,958		\$ 16.25	\$ 161,818
Customer Charge - TOU	180		\$ 19.50	3,510
Energy Charge - Regular		9,653,854	\$ 0.08220	793,547
Energy Charge - TOU-On Peak		192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak		196,413	\$ 0.0590	11,588
FPPCA Revenue		10,042,728	\$ 0.03822	383,790
DCA Revenue		10,042,728	\$ 0.00238	23,862
<b>Total Revenue</b>				<b>\$ 1,395,860</b>

COMMERCIAL 50 - 350 KVA Rate 6

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
<b>Total Revenue</b>					<b>\$ 1,384,047</b>

COMMERCIAL Over 350 KVA Rate 8

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.037264	154,225
DCA Revenue			4,138,760	\$ 0.002146	8,881
<b>Total Revenue</b>					<b>\$ 654,679</b>



COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1A

NEW MEXICO

RESIDENTIAL

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 12.35	\$ 510,179
Customer Charge - TOU	820		\$ 15.60	12,792
Energy Charge - Regular		23,460,048	\$ 0.0864	2,026,948
Energy Charge - TOU - On Peak		415,461	\$ 0.0975	40,507
Energy Charge - TOU - Off Peak		271,426	\$ 0.0600	16,286
FPPCA Revenue		24,146,935	\$ 0.038407	927,417
DCA Revenue		24,146,935	\$ 0.001557	37,585
Total Revenue				<u>\$ 3,571,714</u>

IRRIGATION

Rates 4,14,24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 32.50	\$ 47,743
Customer Charge - TOU	359		\$ 45.50	16,335
Energy Charge - Regular		5,513,655	\$ 0.09200	507,256
Energy Charge - TOU - On Peak		337,128	\$ 0.1030	34,724
Energy Charge - TOU - Off Peak		373,187	\$ 0.0600	22,391
Revenue from Minimum Bills				8,541
FPPCA Revenue		6,223,970	\$ 0.038534	239,834
DCA Revenue		6,223,970	\$ 0.001944	12,102
Total Revenue				<u>\$ 888,926</u>

AG SERVICE

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 65.00	\$ 104,845
Energy Charge		39,375,674	\$ 0.06950	2,736,609
Revenue from Minimums				99,790
FPPCA Revenue		39,375,674	\$ 0.03695	1,455,096
DCA Revenue		39,375,674	\$ 0.00181	71,081
Total Revenue				<u>\$ 4,467,421</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1A

NEW MEXICO  
 LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
100 Watt High Pressure Sodium	3,022	126,924	\$ 13.50	\$ 40,797
400 Watt High Pressure Sodium	272	48,960	\$ 23.50	\$ 6,392
FPPCA Revenue		447,724	\$ 0.03856	17,266
DCA Revenue		447,724	\$ 0.00194	870
Total Revenue				<u>\$ 105,252</u>
Totals		<u>94,482,011</u>		<u>\$ 12,467,898</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 FUEL COST ADJUSTMENT REVENUE  
 TEST YEAR ENDED SEPTEMBER 30, 2012

ARIZONA

SCHEDULE H-2-1B

	KWH <u>Purchased</u>	KWH <u>Sold</u>	Power <u>Bill</u>	System <u>Prepay</u>	Power <u>Cost</u>	<u>Factor</u>	Base <u>Amount</u>	Pwr Cost <u>Deferred</u>	PCA Recovery <u>This Mo</u>	Balance <u>Over/Under</u>	Factor <u>Used</u>
Oct 11	414,466	415,661	\$ 26,790	\$ 425	\$ 27,215		\$ 17,341	\$ 9,874	\$ 14,565	\$ 28,010	\$ 0.056101
Nov	341,440	289,660	23,264	503	23,767	\$ 0.04172	12,085	11,682	16,250	18,751	0.0647343
Dec 11	389,243	290,817	26,766	499	27,266	0.04172	12,133	15,133	18,826	15,058	0.0517776
Jan 12	307,577	297,244	21,845	394	22,238	0.04172	12,401	9,837	15,390	9,505	0.0319762
Feb	264,044	237,819	19,482	328	19,811	0.04172	9,922	9,889	7,604	11,789	0.0495724
Mar	318,138	271,775	22,541	265	22,806	0.04172	11,338	11,467	13,473	9,784	0.0360013
Apr	539,253	499,813	36,979	384	37,363	0.04172	20,852	16,511	17,986	8,309	0.0166240
May	629,063	522,640	44,337	418	44,755	0.04172	21,805	22,951	8,687	22,573	0.0431902
Jun	943,674	804,680	66,788	533	67,321	0.04172	33,571	33,750	34,745	21,578	0.0268162
Jul	1,092,311	1,018,041	76,568	600	77,168	0.04172	42,473	34,695	27,294	28,979	0.0284659
Aug	1,049,071	944,757	73,187	561	73,748	0.04172	39,415	34,333	26,887	36,425	0.0385550
Sep	897,253	941,505	69,432	649	70,081	0.04172	39,280	30,801	36,291	30,935	0.0328571
Totals	7,185,533	6,534,412	\$ 507,980	\$ 5,559	\$ 513,539	0.04172	\$ 233,336	\$ 240,923	\$ 237,998	\$ 30,935	

COLUMBUS ELECTRIC COOPERATIVE, INC  
 FUEL COST ADJUSTMENT REVENUE  
 TEST YEAR ENDED SEPTEMBER 30, 2012

SCHEDULE H-2-1C

NEW MEXICO

	KWH Purchased	KWH Sold	Power Bill	System Prepay	Power Cost	Factor	Base Amount	Pwr Cost Deferred	Recovery This Mo	Balance Over/Under	Factor Used
Oct-11	6,661,634	6,881,314	\$ 443,517	\$ 7,037	\$ 450,554	\$ 0.04172	\$ 287,088	\$ 163,465	\$ 292,161	\$ 196,362	\$0.0285355
Nov	4,728,137	4,011,102	322,154	6,959	329,114	0.04172	167,343	161,770	173,066	185,067	0.0461386
Dec	4,349,500	4,054,426	373,162	6,963	380,125	0.04172	169,151	210,974	208,146	187,895	0.0463431
Jan 12	5,428,672	5,336,987	389,653	7,068	396,721	0.04172	222,659	174,062	228,195	133,762	0.0250633
Feb	5,734,963	5,165,355	423,152	7,134	430,285	0.04172	215,499	214,787	114,641	233,908	0.0452841
Mar	8,653,862	7,392,709	613,160	7,197	620,357	0.04172	308,424	311,933	234,668	311,174	0.0420920
Apr	9,940,052	9,213,058	681,635	7,078	688,713	0.04172	384,369	304,345	314,382	301,136	0.0326858
May	10,595,128	8,802,680	746,756	7,044	753,800	0.04172	367,248	386,552	290,299	397,390	0.0451442
Jun	12,257,655	10,452,226	867,528	6,929	874,456	0.04172	436,067	438,389	443,672	392,107	0.0375142
Jul	12,499,694	11,649,793	876,197	6,862	883,059	0.04172	486,029	397,029	417,175	371,962	0.0319286
Aug	12,909,574	11,625,920	900,621	6,901	907,522	0.04172	485,033	422,489	361,884	432,567	0.0372071
Sep	9,416,087	9,880,479	728,639	6,813	735,452	0.04172	412,214	323,238	437,200	318,605	0.0322459
Totals	103,174,958	94,466,049	\$ 7,366,173	\$ 83,985	\$ 7,450,158		\$ 3,941,124	\$ 3,509,034	\$ 3,515,487	\$ 318,605	

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2

**ARIZONA**

RESIDENTIAL	Rates 1, 11, 21	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		4,666		\$ 20.00	\$ 93,320
Customer Charge - TOU		286		\$ 23.50	6,721
Energy Charge - Regular			2,219,074	\$ 0.11507	255,349
Energy Charge - TOU - On Peak			113,348	\$ 0.13500	15,302
Energy Charge - TOU - Off Peak			100,943	\$ 0.08524	8,604
FPPCA Revenue					
<b>Totals</b>			<b>2,433,365</b>		<b>\$ 379,296</b>

IRRIGATION	Rates 4, 14, 24	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		109		\$ 75.00	\$ 8,175
Customer Charge - TOU		54		\$ 78.50	4,239
Energy Charge - Regular			209,607	\$ 0.12200	25,572
Energy Charge - TOU - On Peak			50,943	\$ 0.13000	6,623
Energy Charge - TOU - Off Peak			67,580	\$ 0.08055	5,444
Revenue from Minimum Bills					
FPPCA Revenue					
<b>Totals</b>			<b>328,130</b>		<b>\$ 50,052</b>

AG SERVICE	Rate 3	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge		107		\$ 110.00	\$ 11,770
Energy Charge			3,386,920	\$ 0.10493	355,390
Revenue from Minimums			47,612	\$ 0.10493	4,996
FPPCA Revenue					
<b>Totals</b>			<b>3,386,920</b>		<b>\$ 372,155</b>

COMMERCIAL Under 50 KVA	Rates 5,15, 25	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		410		\$ 35.00	\$ 14,350
Customer Charge - TOU				\$ 38.50	-
Energy Charge - Regular			378,290	\$ 0.10821	40,935
Energy Charge - TOU-On Peak				\$ 0.13725	-
Energy Charge - TOU-Off Peak				\$ 0.08746	-
FPPCA Revenue					
<b>Totals</b>			<b>378,290</b>		<b>\$ 55,285</b>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
PROOF OF REVENUE - PROPOSED RATES  
OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2

ARIZONA

LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
100 Watt High Pressure Sodium FPPCA Revenue	160	6,720	\$ 16.25	\$ 2,600
Totals		6,720		<u>\$ 2,600</u>
Totals		<u>6,533,425</u>		<u>\$ 859,388</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2A

**NEW MEXICO**

**RESIDENTIAL**

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 20.00	\$ 826,200
Customer Charge - TOU	820		\$ 23.50	19,270
Energy Charge - Regular		23,460,048	\$ 0.11507	2,699,548
Energy Charge - TOU - On Peak		415,461	\$ 0.13500	56,087
Energy Charge - TOU - Off Peak		271,426	\$ 0.08524	23,136
Revenue from Minimum Bills				
FPPCA Revenue				
DCA Revenue				
Totals		24,146,935		<u>\$ 3,624,241</u>

**IRRIGATION**

Rates 4, 14, 24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 75.00	\$ 110,175
Customer Charge - TOU	359		\$ 78.50	28,182
Energy Charge - Regular		5,513,655	\$ 0.12200	672,666
Energy Charge - TOU - On Peak		337,128	\$ 0.13000	43,827
Energy Charge - TOU - Off Peak		373,187	\$ 0.08055	30,060
Revenue from Minimum Bills				
FPPCA Revenue				
DCA Revenue				
Total Revenue		6,223,970		<u>\$ 884,909</u>

**AG SERVICE**

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 110.00	\$ 177,430
Energy Charge		39,375,674	\$ 0.104930	4,131,689
Revenue from Minimums		1,434,532	\$ 0.104930	150,525
FPPCA Revenue				
DCA Revenue				
Totals		39,375,674		<u>\$ 4,459,645</u>

**COMMERCIAL Under 50 KVA** Rates 5, 15, 25

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	9,958		\$ 35.00	\$ 348,530
Customer Charge - TOU	180		\$ 38.50	6,930
Energy Charge - Regular		9,653,854	\$ 0.10821	1,044,644
Energy Charge - TOU-On Peak		192,461	\$ 0.13725	26,415
Energy Charge - TOU-Off Peak		196,413	\$ 0.08746	17,178
FPPCA Revenue				
DCA Revenue				
Totals		10,042,728		<u>\$ 1,443,697</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2A

NEW MEXICO

COMMERCIAL 50 - 350 KVA Rate 6

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 360.00	\$ 295,920
Demand Charge		33,767		\$ 16.50	557,156
Energy Charge			10,106,220	\$ 0.05254	530,981
Revenue from Minimum Bills					
FPPCA Revenue					
DCA Revenue					
Totals			10,106,220		<u>\$ 1,384,056</u>

COMMERCIAL Over 350 KVA Rate 9

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 600.00	\$ 81,600
Demand Charge		20,095		\$ 17.00	341,615
Energy Charge			4,138,760	\$ 0.05592	231,439
Minimums					
FPPCA Revenue					
DCA Revenue					
Totals			4,138,760		<u>\$ 654,654</u>

LIGHTING SERVICE

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 15.25	\$ 51,820
400 Watt High Pressure Sodium	3,022	126,924	\$ 16.25	\$ 49,108
100 Watt High Pressure Sodium	272	48,960	\$ 32.45	\$ 8,826
FPPCA Revenue				
DCA Revenue				
Total Revenue		447,724		<u>\$ 109,753</u>
Totals		<u>94,482,011</u>		<u>\$ 12,560,956</u>



COLUMBUS ELECTRIC COOPERATIVE, INC  
SUMMARY OF REVENUES BY CUSTOMER CLASS  
PRESENT & PROPOSED RATES  
TESY YEAR ENDED SEPTEMBER 30, 2012

	REVENUE IN TEST YEAR		PROPOSED INCREASE	
	PRESENT	PROPOSED	AMOUNT	%
<u>ARIZONA</u>				
RESIDENTIAL	\$ 371,829	\$ 379,296	\$ 7,467	2.01%
IRRIGATION	46,041	50,052	4,011	8.71%
AGRI SERVICE	364,319	372,155	7,836	2.15%
SMALL COMMERCIAL	53,131	55,285	2,154	4.05%
LARGE COMMERCIAL				
INDUSTRIAL				
LIGHTING	2,438	2,600	162	6.64%
TOTAL	\$ 837,758	\$ 859,388	\$ 21,630	2.58%
<u>NEW MEXICO</u>				
RESIDENTIAL	\$ 3,571,714	\$ 3,624,241	\$ 52,527	1.47%
IRRIGATION	888,926	884,909	(4,017)	-0.45%
AGRI SERVICE	4,467,421	4,459,645	(7,776)	-0.17%
SMALL COMMERCIAL	1,395,860	1,443,697	47,837	3.43%
LARGE COMMERCIAL	1,384,047	1,384,056	9	0.00%
INDUSTRIAL	654,679	654,654	(25)	0.00%
LIGHTING	105,252	109,753	4,501	4.28%
TOTAL	\$ 12,467,899	\$ 12,560,955	\$ 93,056	0.75%
<u>TOTAL SYSTEM</u>				
RESIDENTIAL	\$ 3,943,543	\$ 4,003,537	\$ 59,994	1.52%
IRRIGATION	934,967	934,961	(6)	0.00%
AGRI SERVICE	4,831,740	4,831,800	60	0.00%
SMALL COMMERCIAL	1,448,991	1,498,982	49,991	3.45%
LARGE COMMERCIAL	1,384,047	1,384,056	9	0.00%
INDUSTRIAL	654,679	654,654	(25)	0.00%
LIGHTING	107,690	112,353	4,663	4.33%
TOTAL	\$ 13,305,657	\$ 13,420,343	\$ 114,686	0.86%

Supporting Schedules:  
Schedules H-1; H-1-1

COLUMBUS ELECTRIC COOPERATIVE, INC.  
CHANGE IN REPRESENTATIVE RATE SCHEDULES  
TEST YEAR ENDED SEPTEMBER 30, 2012

SCHJEDULE H-3-1

	<u>ARIZONA</u>			<u>NEW MEXICO</u>		
	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
<b>Residential</b>						
Regular Rate						
Customer Charge	\$12.35	\$20.00	\$7.65	\$12.35	\$20.00	\$7.65
Energy Charge	\$0.0864	\$0.11507	\$0.0287	\$0.0864	\$0.11507	\$0.0287
Time-of-Use Rate						
Customer Charge	\$15.60	\$23.50	\$7.90	\$15.60	\$23.50	\$7.90
Energy Charge - On Peak	\$0.0975	\$0.1350	\$0.0375	\$0.0975	\$0.1350	\$0.0375
Energy Charge - Off Peak	\$0.0600	\$0.0852	\$0.0252	\$0.0600	\$0.0852	\$0.0252
Power Cost Revenue	\$0.041468	\$0.00000	(\$0.041468)	\$0.038407	\$0.00000	(\$0.038407)
Debt Cost Adjustment	\$0.000000	\$0.00000	\$0.0000	\$0.001557	\$0.00000	(\$0.001557)
<b>Irrigation</b>						
Regular Rate						
Customer Charge	\$32.50	\$75.00	\$42.50	\$32.50	\$75.00	\$42.50
Energy Charge	\$0.0920	\$0.1220	\$0.0300	\$0.0920	\$0.1220	\$0.0300
Time-of-Use Rate						
Customer Charge	\$45.50	\$78.50	\$33.00	\$45.50	\$78.50	\$33.00
Energy Charge - On Peak	\$0.1030	\$0.1300	\$0.02700	\$0.1030	\$0.1300	\$0.02700
Energy Charge - Off Peak	\$0.0600	\$0.0806	\$0.02055	\$0.0600	\$0.0806	\$0.02055
Power Cost Revenue	\$0.0033255	\$0.00000	(\$0.0033255)	\$0.038534	\$0.00000	(\$0.038534)
Debt Cost Adjustment	\$0.00000	\$0.00000	\$0.00000	\$0.001944	\$0.00000	(\$0.001944)
<b>Ag Service</b>						
Regular Rate						
Customer Charge	\$65.00	\$110.00	\$45.00	\$65.00	\$110.00	\$45.00
Energy Charge	\$0.0695	\$0.10493	\$0.03543	\$0.0695	\$0.10493	\$0.03543
Power Cost Revenue	\$0.03424	\$0.00000	(\$0.03424)	\$0.03695	\$0.00000	(\$0.03695)
Debt Cost Adjustment	\$0.00000	\$0.00000	\$0.00000	\$0.00181	\$0.00000	(\$0.00181)
<b>Small Commercial</b>						
Regular Rate						
Customer Charge	\$15.25	\$35.00	\$19.75	\$15.25	\$35.00	\$19.75
Energy Charge	\$0.0822	\$0.10821	\$0.02601	\$0.0822	\$0.10821	\$0.02601
Time-of-Use Rate						
Customer Charge	\$19.50	\$38.50	\$19.00	\$19.50	\$38.50	\$19.00
Energy Charge - On Peak	\$0.0922	\$0.1373	\$0.04505	\$0.0922	\$0.1373	\$0.04505
Energy Charge - Off Peak	\$0.0590	\$0.08746	\$0.02846	\$0.0590	\$0.08746	\$0.02846
Power Cost Revenue	\$0.04064	\$0.00000	(\$0.04064)	\$0.03822	\$0.00000	(0.03822)
Debt Cost Adjustment	\$0.00000	\$0.00000	\$0.00000	\$0.00238	\$0.00000	(0.00238)

COLUMBUS ELECTRIC COOPERATIVE, INC.  
CHANGE IN REPRESENTATIVE RATE SCHEDULES  
TEST YEAR ENDED SEPTEMBER 30, 2012

SCHJEDULE H-3-1

	<u>ARIZONA</u>			<u>NEW MEXICO</u>		
	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Large Commercial						
Regular Rate						
Customer Charge				\$45.50	\$360.00	\$314.50
Demand Charge				\$12.00	\$16.50	\$4.50
Energy Charge	No Arizona Consumers served			\$0.0520	\$0.05254	\$0.00054
Time-of-Use Rate	under this rate					
Customer Charge				\$65.00	\$0.00	(\$65.00)
Demand Charge				\$13.50	\$0.00	(\$13.50)
Energy Charge - On Peak				\$0.05925	\$0.00000	(\$0.05925)
Energy Charge - Off Peak				\$0.0500	\$0.0000	(\$0.05000)
Power Cost Revenue				\$0.03107	\$0.00000	(\$0.03107)
Debt Cost Adjustment				\$0.00405	\$0.00000	(\$0.00405)
	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Large Commercial - Industrial						
Regular Rate						
Customer Charge				\$45.50	\$600.00	\$554.50
Demand Charge				\$12.50	\$17.00	\$4.50
Energy Charge	No Arizona Consumers served			\$0.04410	\$0.05692	\$0.01282
Power Cost Revenue	under this rate			\$0.037264	\$0.00000	(\$0.037264)
Debt Cost Adjustment				\$0.002146	\$0.00000	(\$0.002146)
	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Change</u>
Area Lighting Service						
Customer Charge						
175 Watt MV	\$11.75	\$15.25	\$3.50	\$11.75	\$15.25	\$3.50
100 Watt HPS	\$13.50	\$16.25	\$2.75	\$13.50	\$16.25	\$2.75
400 Watt HPS	\$23.50	\$32.45	\$8.95	\$23.50	\$32.45	\$8.95
Power Cost Revenue	\$0.04137	\$0.00000	(\$0.04137)	\$0.03856	\$0.00000	(\$0.03856)
Debt Cost Adjustment	\$0.00000	\$0.00000	\$0.00	\$0.00194	\$0.00000	(\$0.00194)

Supporting Schedules  
(a) Tariffs, present and proposed

Supporting Schedule:  
(a) Schedule H-1

SCHEDULE H-4-1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

RESIDENTIAL

KWH	Rate 1		(389 Customers)	
	PRESENT	PROPOSED	\$	%
	BILL	BILL	INCREASE	INCREASE
0	\$ 12.35	\$ 20.00	7.65	61.94
100	25.14	31.51	6.37	25.34
250	44.32	48.77	4.45	10.04
500	76.28	77.54	1.25	1.64
750	108.25	108.30	(1.95)	(1.80)
1000	140.22	135.07	(5.15)	(3.67)
1500	204.15	192.61	(11.55)	(5.66)
2000	268.09	250.14	(17.95)	(6.69)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0864	\$ 0.11507
Power Cost Adj	\$ 0.041468	

RESIDENTIAL - TIME OF USE

KWH	Rates 11, 21		(24 Customers)	
	PRESENT	PROPOSED	\$	%
	BILL	BILL	INCREASE	INCREASE
0	\$ 15.60	\$ 23.50	7.90	50.64
100	27.73	34.66	6.93	24.98
250	45.94	51.40	5.47	11.90
500	78.27	79.31	3.03	3.98
750	106.61	107.21	0.60	0.57
1000	136.94	135.11	(1.83)	(1.34)
1500	197.61	190.92	(6.70)	(3.39)
2000	258.29	246.73	(11.56)	(4.48)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0975	\$ 0.13500
Energy Chg - Off Peak	\$ 0.0800	\$ 0.08524
Power Cost Adj	\$ 0.041468	

IRRIGATION

KWH	Rate 4		(9 Customers)	
	PRESENT	PROPOSED	\$	%
	BILL	BILL	INCREASE	INCREASE
1000	\$ 157.76	\$ 197.00	39.25	24.88
1500	220.38	258.00	37.62	17.07
2000	283.01	319.00	35.99	12.72
2500	345.64	380.00	34.36	9.94
3000	408.27	441.00	32.74	8.02
4000	533.52	583.00	29.48	5.53
5000	658.78	685.00	26.23	3.98

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.09200	\$ 0.12200
Power Cost Adj	\$ 0.033255	

SCHEDULE H-4-1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

IRRIGATION TIME OF USE

		Rates 14, 24		(5 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
On Peak	43%	1000	\$ 157.25	\$ 180.31	23.07	14.67
Off Peak	57%	1500	213.12	231.22	18.10	8.49
		2000	268.99	282.13	13.14	4.88
		2500	324.88	333.03	8.17	2.52
		3000	380.74	383.94	3.21	0.84
		4000	492.48	485.75	(6.73)	(1.37)
		5000	604.23	587.57	(16.66)	(2.76)
Customer Chg		\$	45.50	\$	78.50	
Energy Chg - On Peak		\$	0.1030	\$	0.13000	
Energy Chg - On Peak		\$	0.0800	\$	0.080550	
Power Cost Adj		\$	0.033255			

AG SERVICE

		Rate 3		(9 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
		5000	\$ 583.70	\$ 634.65	50.95	8.73
		7500	843.05	898.98	53.93	6.40
		10000	1,102.40	1159.30	56.90	5.16
		12500	1,381.75	1421.83	59.88	4.40
		15000	1,821.10	1883.95	62.85	3.88
		20000	2,139.80	2208.60	88.80	3.22
		25000	2,658.50	2733.25	74.75	2.81
Customer Chg		\$	65.00	\$	110.00	
Energy Chg		\$	0.0695	\$	0.10493	
Power Cost Adj		\$	0.03424			

SMALL COMMERCIAL  
UNDER 50 KVA

		Rate 5		(34 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
		250	\$ 46.96	\$ 62.05	15.09	32.14
		500	77.87	89.11	11.44	14.72
		750	108.38	116.16	7.78	7.18
		1000	139.09	143.21	4.12	2.96
		1250	169.80	170.26	0.46	0.27
		1500	200.51	197.32	(3.20)	(1.59)
		2000	261.93	251.42	(10.51)	(4.01)
		3000	384.77	359.63	(25.14)	(6.53)
Customer Chg		\$	18.25	\$	35.00	
Energy Chg		\$	0.0822	\$	0.10821	
Power Cost Adj		\$	0.04064			

SCHEDULE H-4-1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

SMALL COMMERCIAL TIME OF USE		Rates 15, 25			(0 Customers)	
			PRESENT	PROPOSED	\$	%
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
On Peak	49.5%	250	\$ 38.38	\$ 66.53	28.15	73.34
Off Peak	50.5%	500	57.24	94.55	37.32	65.19
		750	76.08	122.58	46.50	61.13
		1000	94.83	150.81	55.87	58.64
		1500	132.65	206.66	74.01	55.79
		2000	170.37	262.71	92.34	54.20
		3000	245.80	374.82	129.02	52.49
Customer Chg			\$ 19.50	\$ 38.50		
Energy Chg - On Peak			\$ 0.0922	\$ 0.13725		
Energy Chg - On Peak			\$ 0.0590	\$ 0.08748		
Power Cost Adj			\$ 0.04064			

LARGE COMMERCIAL 50 - 350 KVA		Rate 6			(0 Customers)		
			PRESENT	PROPOSED	\$	%	
	<u>KW</u>	<u>LD FCTR</u>	<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
KW DEMAND	50		20% 7,300	\$ 1,301.48	\$ 1,588.54	287.08	20.52
	50		30% 10,950	1,629.47	1,760.31	130.85	8.03
	50		40% 14,600	1,957.48	1,952.08	(5.37)	(0.27)
	50		50% 18,250	2,285.45	2,143.88	(141.59)	(6.20)
	50		60% 21,900	2,613.43	2,335.83	(277.81)	(10.63)
Customer Chg				\$ 45.50	\$ 360.00		
KW Demand Charge				\$ 12.00	\$ 18.50		
Energy Charge				\$ 0.0520	\$ 0.05254		
Power Cost Adj				\$ 0.037860			

INDUSTRIAL OVER 350 KVA		Rate 8			(0 Customers)		
			PRESENT	PROPOSED	\$	%	
	<u>KW</u>	<u>LD FCTR</u>	<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
KW DEMAND	400		20% 58400	\$ 9,797.18	\$ 10,665.73	868.57	8.87
	400		25% 73000	10,885.07	11,482.16	497.09	4.53
	400		30% 87600	12,172.99	12,298.59	125.61	1.03
	400		40% 116800	14,548.82	13,931.48	(617.36)	(4.24)
	400		50% 146000	16,924.64	15,564.32	(1,360.32)	(8.04)
Customer Chg				\$ 45.50	\$ 600.00		
KW Demand Charge				\$ 12.50	\$ 17.00		
Energy Charge				\$ 0.0441	\$ 0.05592		
Power Cost Adj				\$ 0.037264			

		Rate 7		(13 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
100 Watt High Pressure Sodium		\$ 15.24	\$ 16.25	\$ 1.01	6.64
Customer Charge	<u>KWH</u>				
100 Watt High Pressure Sodium	42	\$ 13.50	\$ 16.25		
Fuel Adjustment Charge		\$ 0.04137			

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

SCHEDULE H-4-2

RESIDENTIAL

KWH	Rate 1 PRESENT		PROPOSED		(3,442 Customers)	
	BILL		BILL		\$	%
					INCREASE	INCREASE
0	\$ 12.35	\$ 20.00			7.65	61.94
100	\$ 24.99	\$ 31.51			6.52	26.10
250	43.94	48.77			4.83	10.98
500	75.53	77.54			2.00	2.65
750	107.12	106.30			(0.82)	(0.77)
1000	138.71	135.07			(3.64)	(2.63)
1500	201.90	192.61			(9.29)	(4.60)
2000	265.08	250.14			(14.94)	(5.64)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0864	\$ 0.11507
Power Cost Adj	\$ 0.038407	
Debt Cost Adj	\$ 0.001557	

RESIDENTIAL - TIME OF USE

KWH	Rates 11, 21 PRESENT		PROPOSED		(66 Customers)	
	BILL		BILL		\$	%
					INCREASE	INCREASE
0	\$ 15.60	\$ 23.50			7.90	50.64
100	27.86	35.03			7.17	25.73
250	46.25	52.32			6.07	13.12
500	76.91	81.15			4.24	5.51
750	107.56	109.97			2.41	2.24
1000	138.21	138.80			0.58	0.42
1500	199.52	196.44			(3.08)	(1.54)
2000	260.83	254.09			(6.74)	(2.58)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0975	\$ 0.13500
Energy Chg - On Peak	\$ 0.0600	\$ 0.08524
Power Cost Adj	\$ 0.038407	
Debt Cost Adj	\$ 0.001557	

IRRIGATION

KWH	Rate 4 PRESENT		PROPOSED		(122 Customers)	
	BILL		BILL		\$	%
					INCREASE	INCREASE
1000	\$ 164.98	\$ 197.00			32.02	19.41
1500	231.22	258.00			26.78	11.58
2000	297.46	319.00			21.54	7.24
2500	363.70	380.00			16.31	4.48
3000	429.93	441.00			11.07	2.57
4000	562.41	563.00			0.59	0.10
5000	694.89	685.00			(9.89)	(1.42)

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.0920	\$ 0.12200
Power Cost Adj	\$ 0.038534	
Debt Cost Adj	\$ 0.001944	

SCHEDULE H-4-2

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

IRRIGATION TIME OF USE

		Rates 14, 24		(30 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>
On Peak	47.5%	1000	\$ 186.40	182.54	16.14
Off Peak	52.5%	1500	228.85	234.56	7.70
		2000	287.31	286.58	(0.73)
		2500	347.76	338.60	(9.16)
		3000	408.21	390.62	(17.59)
		4000	529.11	494.66	(34.46)
		5000	650.02	598.69	(51.32)
					(7.90)
Customer Chg			\$ 45.50	\$ 78.50	
Energy Chg - On Peak			\$ 0.1030	\$ 0.13000	
Energy Chg - On Peak			\$ 0.0800	\$ 0.08055	
Power Cost Adj			\$ 0.038534		
Debt Cost Adj			\$ 0.001844		

AG SERVICE

		Rate 3		(134 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>
		5000	\$ 806.30	\$ 834.65	28.35
		7500	876.95	896.98	20.03
		10000	1,147.60	1,159.30	11.70
		12500	1,418.25	1,421.63	3.38
		15000	1,688.90	1,683.95	(4.95)
		20000	2,230.20	2,208.60	(21.60)
		25000	2,771.50	2,733.25	(38.25)
					(1.38)
Customer Chg			\$ 85.00	\$ 110.00	
Energy Chg			\$ 0.0695	\$ 0.10493	
Power Cost Adj			\$ 0.036950		
Debt Cost Adj			\$ 0.001810		

SMALL COMMERCIAL  
UNDER 50 KVA

		Rate 5		(830 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>
		250	\$ 46.95	\$ 62.05	15.10
		500	77.65	89.11	11.46
		750	108.35	116.16	7.81
		1000	139.05	143.21	4.16
		1250	169.75	170.26	0.51
		1500	200.45	197.32	(3.13)
		2000	281.85	251.42	(10.43)
		3000	384.65	359.63	(25.02)
					(6.50)
Customer Chg			\$ 16.25	\$ 35.00	
Energy Chg			\$ 0.0822	\$ 0.10821	
Power Cost Adj			\$ 0.038220		
Debt Cost Adj			\$ 0.002380		



SCHEDULE H-4-2

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

SMALL COMMERCIAL TIME OF USE		Rates 15, 25		(15 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
On Peak	49.5%	250	\$ 38.38	\$ 66.53	28.15	73.34
Off Peak	50.5%	500	57.24	94.55	37.32	65.19
		750	76.08	122.58	46.50	61.13
		1000	94.83	150.61	55.67	58.64
		1500	132.65	206.66	74.01	55.79
		2000	170.37	262.71	92.34	54.20
		3000	245.80	374.82	129.02	52.49

Customer Chg	\$ 19.50	\$ 38.50
Energy Chg - On Peak	\$ 0.0922	\$ 0.13725
Energy Chg - On Peak	\$ 0.0590	\$ 0.08748
Power Cost Adj	\$ 0.038220	
Debs Cost Adj	\$ 0.002380	

LARGE COMMERCIAL 50 - 350 KVA		Rate 6		(69 Customers)			
		PRESENT	PROPOSED	\$	%		
<u>KW</u>	<u>LD.FCTR</u>	<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>	
KW DEMAND	50	20%	7300	\$ 1,318.20	\$ 1,568.54	250.35	18.99
	50	30%	10950	1,654.54	1,760.31	105.77	6.39
	50	40%	14800	1,990.89	1,952.08	(38.81)	(1.95)
	50	50%	18250	2,327.24	2,143.86	(183.38)	(7.88)
	50	60%	21900	2,663.59	2,335.63	(327.96)	(12.31)

Customer Chg	\$ 45.50	\$ 360.00
KW Demand Charge	\$ 12.00	\$ 16.50
Energy Charge	\$ 0.0520	\$ 0.05254
Power Cost Adj	\$ 0.037860	
Debt Cost Adj	\$ 0.002290	

INDUSTRIAL OVER 350 KVA		Rate 8		(11 Customers)			
		PRESENT	PROPOSED	\$	%		
<u>KW</u>	<u>LD.FCTR</u>	<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>	
KW DEMAND	400	20%	58400	\$ 9,922.48	\$ 10,665.73	743.24	7.49
	400	25%	73000	11,141.73	11,482.16	340.43	3.06
	400	30%	87800	12,360.98	12,298.59	(62.38)	(0.50)
	400	40%	118800	14,799.47	13,931.46	(868.01)	(5.87)
	400	50%	148000	17,237.96	15,564.32	(1,673.64)	(9.71)

Customer Chg	\$ 45.50	\$ 600.00
KW Demand Charge	\$ 12.50	\$ 17.00
Energy Charge	\$ 0.0441	\$ 0.05592
Power Cost Adj	\$ 0.037264	
Debt Cost Adj	\$ 0.002146	

LIGHTING		Rate 7		(558 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>	
175 Watt Mercury Vapor		\$ 14.99	\$ 15.25	\$ 0.26		1.73
100 Watt High Pressure Sodium		\$ 15.12	\$ 16.25	\$ 1.13		7.47
400 Watt High Pressure Sodium		\$ 30.45	\$ 32.45	\$ 2.00		6.57

Customer Charge	<u>KWH</u>		
175 Watt Mercury Vapor	80	\$ 11.75	\$ 15.25
100 Watt High Pressure Sodium	42	\$ 13.50	\$ 16.25
400 Watt High Pressure Sodium	180	\$ 23.50	\$ 32.45
Fuel Adjustment Charge		\$ 0.038560	
Debt Cost Adj		\$ 0.001940	

COLUMBUS ELECTRIC COOPERATIVE, INC.

SCHEDULE A

ARIZONA RESIDENTIAL SERVICE

Page 1 of 2

AVAILABILITY:

Available to residential consumers, small schools, churches, and community halls requiring less than 50 KVA of transformer capacity, for all rural and town uses within the utility's service area, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

TYPE OF SERVICE:

Single-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE:

Customer Charge – All Customers	\$20.00
Energy Charge – All kWh	11.507¢ / kWh

MONTHLY TIME-OF-USE RATE – at the option of the customer:

Customer Charge – All Customers	\$23.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.500¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.524¢ / kWh

Metering and timing devices must be installed to record usage during each specified time. The cost of the equipment installed is to be paid by the Cooperative.

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE A**

**ARIZONA RESIDENTIAL SERVICE**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL SERVICE**

**Page 1 of 2**

**AVAILABILITY:**

Available for commercial and industrial service requiring installed transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Single-phase and three-phase at secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 35.00
Energy Charge – All kWh	10.821¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer:**

Customer Charge – All Customers	\$ 38.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.725¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.746¢ / kWh

Metering and timing devices must be installed to record usage during each specified time.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL SERVICE**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate where 10 KVA or less of transformer capacity is required shall be the customer charge plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**TEMPORARY SERVICE:**

The utility shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to irrigation consumers located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase at secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$75.00
Energy Charge – All kWh	12.20 ¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer:**

Customer Charge – All Customers	\$78.50
Energy Charge – All kWh	
During the period 6:00 a.m. to 9:00 p.m. MST	13.00¢ / kWh
During the period 9:00 p.m. to 6:00 a.m. MST	8.055¢ / kWh

Metering and timing devices shall be installed at Cooperative expense to record usage during each specified time.

The optional rate set forth above is voluntary and shall be applicable with the first complete billing cycle after receipt of the customer's written request. Customers electing service under the monthly time-of-use rate may transfer to the Agricultural Service rate beginning with the next complete billing cycle after receipt of written request.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used or applicable sales tax.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The cooperative shall determine the connected horsepower by name plate rating of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**CONDITIONS OF SERVICE:**

- A. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
- B. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

**Page 1 of 2**

**AVAILABILITY:**

Available to consumers with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps, located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages,

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 110.00
Energy Charge – All kWh	10.493¢ / kWh

The rate set forth above shall be applicable upon ten (10) days written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

**Page 2 of 2**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
2. Wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

**Page 1 of 3**

**AVAILABILITY:**

Available to all consumers within the utility's service area, subject to the established rules and regulations.

Pursuant to the Federal Energy Policy Act of 2005, mercury vapor lamp ballast shall not be manufactured or imported after January 1, 2008. When the Company's inventory of mercury vapor ballasts and lamps is exhausted, customers will be given the option of having the lighting removed, or replaced with another type of light at the rate for the replacement light.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**MONTHLY RATE:**

175 Watt Mercury Vapor Lamps	\$15.25 per month
400 Watt High Pressure Sodium	\$32.45 per month
100 Watt High Pressure Sodium	\$16.25per month

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

**Page 2 of 3**

**MINIMUM MONTHLY RATE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above or as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

- 175 Watt Fixtures – 80 kWh per month;
- 400 Watt Fixtures – 180 kWh per month;
- 100 Watt Fixtures – 42 kWh per month.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**CONDITIONS OF SERVICE:**

1. The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
2. The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right or ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.
3. All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

**Page 3 of 3**

4. Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
  
5. Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/6 pole and secondary wire for each light, not to exceed 100 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

**Page 1 of 3**

**AVAILABILITY:**

Available to consumers including existing single-phase consumers located within the utility's service area, requiring transformer capacity of 50 KVA, but not more than 350 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$360.00
Demand Charge	\$16.50 / KW
Energy Charge – All kWh	5.254¢ / kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGES:**

The monthly minimum charge shall be the highest one of the following charges as determined for the consumer in questions.

1. The minimum monthly charge specified in the contract for service.
2. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, during the month adjusted for power factor as provided below.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

**Page 3 of 3**

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**ACCESSIBILITY:**

Equipment used to provide electric service must be physically accessible.

**LIMITATION OF THE RATE:**

Electric service under this schedule is not available for standby service, shall not be resold or shared with others.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

**Page 1 of 3**

**AVAILABILITY:**

Available to consumers located within the utility's service area, requiring transformer capacity in excess of 350 KVA but not more than 2,000 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATES:**

Customer Charge – All Customers	\$ 600.00
Demand Charge	\$ 17.00 / KW
Energy Charge – All kWh	5.592¢ / kWh

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the highest one of the following charges as determined for the customer in question.

1. The minimum monthly charge specified in the contract for service.
2. \$1.25 per KVA of installed transformer capacity.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

*If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.*

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period, if applicable, during the month adjusted for power factor as provided below.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

**Page 3 of 3**

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510 /kWh.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others.

EFFECTIVE \_\_\_\_\_, 2013

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE ALSE  
STANDARD OFFER TARIFF**

**LINE AND SERVICE EXTENSIONS**

The following rules and regulations will apply whenever an extension of Columbus Electric Cooperative's electric distribution system is required to provide a consumer or group of consumers with electric service.

The Cooperative shall require all consumers requesting new construction and receiving a revenue credit to execute a contract which guarantees the estimated annual kWh as provided in the construction formula. This contract shall be for a period of five (5) years commencing with the initial date on which service is available to the consumer.

**I. SERVICE TO RESIDENTIAL AND NONRESIDENTIAL APPLICANTS**

**A. Construction of service without charge to the applicant:**

- (1) In instances where the investment is not more than five (5) times the estimated annual revenue – less fuel and purchased power cost – the facilities shall be constructed at no charge to the applicant.
- (2) Estimates of kWh usage shall be made by Cooperative personnel. Information obtained from the customer will be taken into consideration.
- (3) The estimate of annual usage shall be based on the estimate of kWh usage as determined in (2), applied to the appropriate rate schedule. The cost of fuel and purchased power shall be determined by reference to the cost per kWh sold in the last rate filing of the cooperative.

**B. Construction of service with charge to the applicant:**

- (1) In instances where Line Extensions require an investment in excess of five (5) times the estimated annual revenue – less cost of power as described above – the applicant(s) shall be required to pay to the Cooperative an Advance in Aid of Construction equal to the amount required for construction in excess of the investment supported by revenue, plus an amount for operations, maintenance, and general administrative expense equal to five percent (5%) per year for five years of the amount not supported by revenue. Such advance shall be computed in accordance with the formula set forth in I., B (4).

**LINE EXTENSIONS AND SERVICE**  
**SCHEDULE ALSE**

- (2) When service is requested from an extension from which an Advance in Aid of Construction as described in (1) has been made, the applicant for such service shall be required to assume a pro rata share of the original investment which gave rise to the Advance in Aid of Construction. The amount assumed shall be the fraction which the cost attributable to additional customers bears to the cost of the original construction. A refund will be made to the original party paying such advance, provided the additional connection is made within (5) years from the date of original agreement. The original applicant shall be entitled to a reduction in the remaining balance of his/her original contract, corresponding to the fraction of investment assumed by additional customers as defined above.
- (3) Costs included in estimates:  
The total cost of material, labor, and overhead for the new facilities and cost of changing facilities shall be included when the investment is computed – excluding meters and transformers.
- (4) The formula used to determine the amount, if any, of payment for line extension shall be as follows:
- |  |       |
|--|-------|
| (a) Estimated annual kWh   | _____ |
| (b) Estimated annual revenues  | _____ |
| (c) Estimated power cost   | _____ |
| (d) Annual revenue less power cost   | _____ |
| (e) Investment justified (annual revenue less power cost x 5)                              | _____ |
| (f) Estimated total investment   | _____ |
| (g) Investment not supported by revenue  | _____ |
| (h) Estimated of O and M costs (5% per year x 5 years investment not supported by revenue) | _____ |
| (i) Advance payment required   | _____ |
- (5) The cost of the line extension as set forth in I,B(4) must be agreed upon and paid by the applicant within ninety (90) days after the Cooperative has provided a quotation of cost. This amount is to be paid in full prior to the commencement of construction.
- (6) Any unrefunded advance shall become a Contribution in Aid of Construction and shall become the property of the Cooperative.

**LINE EXTENSIONS AND SERVICE**  
**SCHEDULE ALSE**

- (7) In the event of a request for a line extension to a location where there are no reasonable signs of permanency, the Cooperative will require the consumer to make an advance payment equal to the total investment as a nonrefundable Contribution in Aid of Construction. The consumer may be eligible for a revenue credit if the consumer has established Permanent Service as defined below, prior to construction. These provisions shall be governed by the formula as set forth in I, B(4).

**PERMANENT SERVICE**

DEFINITION: "Permanent Service" as defined herein is construed to mean service to domestic, small and large commercial, rural and urban consumers when the use of service both as to amount and permanency can be reasonably assured. Consumer shall be financially able and responsible to fulfill all obligations to be specified by written agreement. Consumer shall also provide copies of the deeds to all properties involved in the line extension.

To be considered permanent, the electric meter shall supply electric power to one of the following:

1. All trailer and mobile homes placed on a permanent foundation with the wheels, axles, and tongue arrangements removed.
2. Water wells.
3. A building if it is fully enclosed and has a minimum of 400 square feet of floor space, with a permanent foundation and roof.
4. Any barn or shop not fully enclosed with over 800 square feet of floor space and with a permanent foundation affixed to the earth.

Campers, fifth wheels, recreational vehicles, cargo containers, semi trailers, yurts, tents, electric gates, entrances, carports, or other services deemed non-permanent by CEC will not be considered permanent structures.

- (8) All requests for line extension by permanent, seasonal, or temporary customers shall be administered according to the rules and regulations prescribed by either the New Mexico Public Regulation Commission or the Arizona Corporation Commission.

**II. DISTRIBUTION LINE EXTENSION ESTIMATES AND FEE SCHEDULES**

Upon request by an applicant for a Line Extension, CEC shall prepare, without charge, a preliminary sketch and rough non-binding estimate of the construction costs to be paid by the applicant.

**LINE EXTENSIONS AND SERVICE**  
**SCHEDULE ALSE**

Applicants requesting engineering design estimates for new Electric Service or service upgrades for single and/or multiple development Line Extensions will be charged the following non-refundable fees:

<b>Type of Service</b>	<b>No. Service(s)</b>	<b>Fee</b>
Residential	1 Service	\$100
Subdivision	2 or more lots	\$1,000 plus \$10 per lot in excess of 10 lots
Small Commercial <50kva (OH & UG)	1 Service	\$100
Commercial 50-350kva (OH & UG)	1 or 2 buildings	\$200 plus \$100 per building in excess of 2
Commercial >350kva(OH & UG)	1 to 3 buildings	\$750 plus \$100 per building in excess of 3
Main Distribution (Primary Voltage)		\$0.22 per foot

An applicant for a Line Extension requesting CEC to prepare detailed plans, specifications, or design estimates may be required to pay CEC an amount equal to the total estimated cost of preparation, if those estimated cost would exceed the application fee.

Upon submission of a written request for a Line Extension, CEC shall make available, within ninety (90) days after receipt of all necessary documentation and the design fee, such plans, specifications, or design estimates of the proposed Line Extension. The design fee shall be nonrefundable. Any charges to the Customer shall be provided in the design estimate. Engineering design estimates shall be valid for ninety (90) days from the date of issuance.

If the Customer or prospective Customer does not enter into a Line Extension agreement with CEC for Electric Service within this ninety (90) day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth herein. Monies collected by CEC for the original engineering design estimates are non-refundable.

To ascertain field conditions prior to finalizing a design estimate, it will be necessary to survey the route in the field. One engineering survey with engineering design services will be provided by CEC. The cost of any additional engineering survey performed as the result of changes requested by the Customer after completion of the initial survey may, at the discretion of CEC, be billed to the Customer at CEC's current rates for labor, transportation, equipment, and materials.

Subdivisions providing CEC with approved final plans shall be provided with plans and/or design estimates within forty-five (45) days after receipt of the application and design fee.

Each and every request for an engineering design estimate and each and every alteration to all initial requests for engineering design services will be considered as an individual request and assessed a fee as set forth above.

### **LINE EXTENSIONS AND SERVICE SCHEDULE ALSE**

All fees shall be paid to CEC by the Customer or prospective Customer prior to CEC engaging in engineering design estimates as requested by the Customer or prospective Customer.

Engineering design estimates shall be valid for ninety (90) Days from the date of issuance. If the Customer or prospective Customer does not enter into a Line Extension agreement with CEC for service within this ninety (90) Day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth above.

### **III. RESPONSIBILITY OF THE CUSTOMER**

#### **A. PROVIDE DEVELOPMENT PLANS, LEGAL DESCRIPTIONS, GRADE CERTIFICATIONS, AND SURVEY CORNERS**

The Customer shall provide accurate plans of the Customer's proposed development. Generally, final recorded plats will be required for subdivision estimates unless otherwise required by CEC. The Customer shall provide a valid written legal description along with a copy of the Customer's property deed. The Customer shall locate and mark any legal survey corners required by CEC. For commercial underground installations, a certification, signed by a licensed land surveyor or registered professional engineer, that the established grade is within the six (6) inches of final grade, shall be required by CEC for the entire length and width of the proposed service route prior to staking. Normally, CEC field technicians will stake the route of the proposed Line Extension and related facilities to serve the Customer's development in relation to the Customer's legal property corners. CEC shall stake the line one time, based on the plans submitted by the Customer.

If mutually agreeable and at no charge to CEC, the developer's surveyor may be used to stake the electric facilities when such action will help expedite the work. In that case, the developer's surveyor will be supplied working plans and close oversight by CEC personnel. The cost of any additional engineering, field, or office work performed as the result of changes requested by the Customer after completion of an initial engineering staking shall be billed to the Customer at CEC's current rates for labor, transportation, equipment, and materials.

#### **B. PROVIDE TRENCH AND CONDUIT FOR UNDERGROUND**

The Customer shall provide trenching, select back fill where required, backfilling, compaction and all concrete work to the applicable specifications of CEC and/or local codes for underground primary or secondary Line Extensions at the Customer's expense. Generally, the Customer is responsible for supplying and installing all conduits on underground projects. However, at its sole discretion, CEC may elect to furnish and install conduit or Cable In Conduit when CEC decides such action will be beneficial and expeditious to the project. CEC reserves the right to reject any request for underground extensions in if its effect would be to create an irregular pattern of mixed construction modes or encumber the efficiency of future repair and maintenance operations.

1. When an applicant requests underground facilities where overhead facilities are existing, the applicant shall pay the cost of removal of the overhead facilities, less salvage value of material removed, plus the cost of the underground facilities. No refund shall be made on such Contribution in Aid of Construction.

#### **LINE EXTENSIONS AND SERVICE SCHEDULE ALSE**

2. In instances where the applicant requests the use of underground facilities where overhead facilities would normally be used, the applicant shall pay the difference in the cost of underground and overhead construction, notwithstanding the formula which is normally used for the computation of supported investment.

#### **IV. ELECTRIC FACILITIES FOR SUBDIVISIONS AND LAND DEVELOPMENTS**

A. When extensions of facilities are built to furnish service to a qualified subdivision or development project, the subdivider/developer shall be required to pay as an Advance in Aid of construction an amount equal to the total cost of the facilities.

The developer is also responsible for the full cost of any Line Extensions from existing CEC facilities to a duly recorded subdivision, but located outside the subdivision boundary.

In order to qualify for said service, the developer must furnish to the Cooperative a copy of the plat map of such subdivision or development which has been approved by the county, township, or other authoritative body having jurisdiction over such subdivision or development.

The developer shall submit a complete set of improvement plans as required which have been approved by the appropriate planning and zoning commission and engineer.

The developer shall submit a copy of the recorded final plat. Any lesser version or approved plat can be submitted with special permission and at the sole discretion of CEC. A design of the final plat shall normally be provided in AutoCAD format or other approved electronics form for preliminary electrical design.

Copies of the plans of all utilities to be installed shall be submitted and coordinated to eliminate conflicts of location.

Approved easements for lines for the complete build-out of the subdivisions shall be provided. Easements for locating special equipment away from rights-of-way and hazardous locations may also be required.

All terrain where underground cable and equipment is to be installed shall be within six inches of final grade prior to staking. Certification of established grades by a registered professional engineer or licensed land surveyor shall be required by CEC for the entire length and width of the proposed service route prior to construction.

B. Underground facilities requested by consumers or required by Local, State regulations and/or CEC in subdivisions and mobile home parks with lots of one acre or less, recreational parks, airports, and other areas where overhead lines are unacceptable, the following provisions will apply.



The developer shall be responsible for and provide accurately located survey markers and offset stakes to facilitate CEC's staking of electrical facility locations. If mutually agreeable and at no charge to CEC, the developer's surveyor may be used to stake the electric facilities when such action will help expedite the work. In that case, the developer's surveyor will be supplied working plans and close oversight by CEC personnel.

### **LINE EXTENSIONS AND SERVICE SCHEDULE ALSE**

The developer or CEC, at the developer's expense, shall supply all necessary trenching, conduit, select backfill where requested, back filling, compaction, and concrete work, paving and re-paving, to CEC's specifications and applicable local codes pursuant to the installation of the electrical equipment and lines. This will be accomplished in conjunction with close oversight and inspection by CEC personnel. The developer shall obtain all permits required for construction and trenching in public rights-of-way. All necessary occupancy permits shall be provided to CEC before Permanent Service is connected.

Installation of water, sewer lines, and storm drains prior to excavation of the trench for electric lines is advisable and may be required by CEC.

The developer shall keep all easements and roads free of debris and obstacles during the construction period in order to avoid unnecessary delays in construction. Spoil piles from trenches shall be situated in such a manner as to allow safe passage by CEC equipment and personnel.

Any costs resulting from damages to CEC facilities caused by contractors and/or crews working for the developer, including changes in grade or dig-ins, shall be paid for by the developer. When excavating around CEC underground facilities, hand digging shall be utilized in accordance with New Mexico One Call or Arizona Blue Stake laws. Once installed, any relocation of CEC facilities will be at the expense of the developer.

### **V. IDLE SERVICE BILLING**

Persons with distribution lines installed to serve them or their property, that are not using the service and the lines are considered idle, shall be notified that they are required to pay an amount equal to the minimum monthly charge. After proper notice of the above, and provided the property owner refuses to pay, or for any reason do not pay the above, the Cooperative may remove such lines without further notice.

### **VI. RIGHTS-OF-WAY**

The customer shall grant to CEC all necessary perpetual utility easements free and clear from encumbrances, applying to the customer's property, to enable electric distribution system construction, maintenance and operation. In all instances where the extension of facilities is requested, Rights-Of-Way, Easements, etc., as approved by the Cooperative, shall be clearly shown on all plats of land including and divided for resale, subdivisions plats, plot plans, etc., prior to the time they are recorded, and the Cooperative shall be furnished a copy of such instrument.

Applicants for electric service under these rules and regulations will assist in procuring the necessary Right-Of-Way.

**LINE EXTENSIONS AND SERVICE**  
**SCHEDULE ALSE**

**VII. RESPONSIBILITY OF COOPERATIVE**

A. The Cooperative shall make every reasonable effort to complete construction of a line extension within sixty (60) days after the consumer signs the Cooperative's line extension agreement and has paid the required Advance in Aid of construction, and after the Cooperative has acquired all applicable permits, rights-of-way, material and labor necessary for the line extension, and the Cooperative has completed all other applicable contractual obligations. Cooperative shall exercise due diligence and good faith in its efforts to obtain such permits, rights-of-way, materials, labor and contractual compliance. However, the Cooperative shall not be required to complete construction of the line extension within this time frame where force majeure conditions exist.

**VIII. APPLICANT BUILT LINE EXTENSIONS**

The classification and the following requirements apply to applicant-built extensions:

- A. Applicants interested in pursuing this option must execute a contract that will establish the detailed terms and conditions for a specific project.
- B. Such system must be designed at the applicant's expense.
- C. The Cooperative will specify all materials and equipment to be used in the electrical system including, but not limited to: wire, cable, conduit, poles, fixtures, switchgear, relays, capacitors and insulators. The applicant shall be free to acquire said materials from approved manufacturers and meet the specifications with current RUS material specification and the National Electric Codes and Electrical Safety Codes, as verified by the Cooperative.

All meters and associated metering transformers will be provided and installed by the Cooperative.

- D. The applicant will hire only those contractors who are properly and currently qualified and licensed, in accordance with State and local law and regulation, to construct electrical distribution systems. The contractor will meet all the applicable regulations and licensing standards set by the State of Arizona, including but not limited to the applicable provisions of the Arizona Administrative Code: R 4-9-102; licenses A-5, A-17 and L11; R-4-9-103; licenses C-2 and C-11; and R 4-9-104; licenses K-2 and K-11. The Cooperative reserves the right to disapprove of any contractor selected by the applicant on the grounds that the contractor is not properly qualified or otherwise able to construct the line extension in accordance with the Cooperative's construction standards.
- E. Construction practices and equipment must be in compliance with Cooperative construction standards as verified by the Cooperative.

**LINE EXTENSIONS AND SERVICE**  
**SCHEDULE ALSE**

- F. Applicant shall provide to the Cooperative easements and rights-of-way duly executed (including by both husband and wife, if applicable) and acknowledged and free from all liens and encumbrances in a Cooperative approved form which reflect the "as-built" configuration and location of the electric system. The applicant shall pay the Cooperative for its costs incurred to verify the easement and rights-of-way.
  
- G. The Cooperative will select a Construction Inspector who will visit the construction site. The Inspector shall have the authority to accept, or reject, the work and materials of the applicant or contractor and shall certify to the cooperative such acceptance or rejection at the time of inspection. The function of the Inspector shall be to verify compliance with design, materials, equipment and installation specifications of the Cooperative, RUS and the specified codes in this rule. Applicant must pay Cooperative's design and inspection costs before the Cooperative's services are rendered.
  
- H. The Cooperative has no obligation to purchase an electrical system which is not accepted by the Cooperative's Construction Inspector. In addition, the Cooperative will not provide electric service to a system which is not accepted by the Cooperative's Construction Inspector.

If the Cooperative determines the extension was built in accordance with Cooperative's design, material, and specifications and RUS construction and applicable code standards, with proper easements assignable to Cooperative, and is free of all liens and encumbrances, then Cooperative will buy the system for \$1.00.

The applicant is liable for the direct and indirect consequences of any defects or failures of the electrical system from applicant's design, specifications, construction, operation or maintenance of the system, including direct and consequential damages arising therefrom, excluding defects or failures arising from the Cooperative's negligent design, specifications, maintenance or operation of the system or the Cooperative's gross or willful misconduct in acts or omissions, if any, regarding these same activities pertaining to the system. The applicant and the Cooperative intend that each shall be responsible for their own acts or omissions and do not require indemnification from the other for any negligence, acts or omissions of the indemnities, so that statutory limitations on indemnification, if there are any that are construed to apply, do not render this rule or provision void or unenforceable.

Commencing with the date of sale and the Cooperative's acceptance of duly executed (including by both husband and wife, if applicable) and acknowledged conveyances, assignments, and bills of sale from all owners/grantors, in a form acceptable to the Cooperative, of the easements and other interests and the electrical system to the Cooperative, the Cooperative, in its discretion, will assume ownership and maintenance and operating responsibility for the system. The easements, facilities and system from the owners/grantors must be free of all liens and encumbrances. The applicant shall provide validly executed and acknowledged releases of liens, including mechanics liens, from any contractor and subcontractor constructing or providing services on the line extension or system. Conveyances and assignments will not convey or assign to the Cooperative any liabilities or damages, including consequential damages, accruing or occurring prior to the conveyances or assignment. Such liabilities and damages will remain with the applicant.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALSE**

**APPENDIX ALSE-1**

**LINE AND SERVICE EXTENSION REQUEST**

**Page 1 of 4**

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**REQUEST FOR SERVICE**

**I. DISTRIBUTION LINE EXTENSION ESTIMATES AND FEE SCHEDULES**

It is understood and agreed that the facilities installed hereunder shall be and remain the property of Columbus Electric Cooperative, Inc., hereinafter referred to as CEC, and CEC shall, subject to the terms and conditions of this agreement, assume full responsibility for future operations and maintenance of facilities.

The entire understanding between the two parties hereto relating to this application is set forth in the most recent CEC's Line and Service Extension Schedule on file with the Arizona Corporation Commission and there are no oral understandings between the parties. No amendments to agreements are authorized unless reduced to writing and signed by authorized personnel.

Upon request by a consumer for a line extension, CEC shall prepare, without charge, a preliminary sketch and rough non-binding estimate of the construction costs to be paid by the consumer.

Consumers requesting engineering design estimates for new electric service or service upgrades for single and/or multiple development line extensions will be charged the following non-refundable fees:

<b>Type of Service</b>	<b>No. Service(s)</b>	<b>Fee</b>
Residential	1 Service	\$100
Subdivision	2 or more lots	\$1,000 plus \$10 per lot in excess of 2 lots
Small Commercial <=50kva (OH & UG)	1 Service	\$100
Commercial >50-350kva (OH & UG)	1 Service	\$200 plus \$100 per service in excess of 1
Commercial >350kva(OH & UG)	1 Service	\$750 plus \$100 per service in excess of 1
Main Distribution (Primary Voltage)		\$0.22 per foot

# **COLUMBUS ELECTRIC COOPERATIVE, INC.**

## **SCHEDULE ALSE**

### **APPENDIX ALSE-1**

#### **LINE AND SERVICE EXTENSION REQUEST**

**Page 2 of 4**

A consumer for a line extension requesting CEC to prepare detailed plans, specifications, or design estimates may be required to pay CEC an amount equal to the total estimated cost of preparation, if those estimated cost would exceed the application fee.

Upon submission of a written request for a line extension, CEC shall make available, within ninety (90) days after receipt of all necessary documentation and the design fee, such plans, specifications, or design estimates of the proposed line extension. The design fee shall be nonrefundable. Any charges to the consumer shall be provided in the design estimate. Engineering design estimates shall be valid for sixty (60) days from the date of issuance.

If the consumer or prospective consumer does not enter into a line extension agreement with CEC for electric service within this sixty (60) day period, then thereafter, a new request for engineering design services shall be initiated and subject to a fee assessment as set forth herein. Monies collected by CEC for the original engineering design estimates are non-refundable.

#### **REQUEST FOR SERVICE**

##### **II. RESPONSIBILITY OF THE CONSUMER**

###### **PROVIDE DEVELOPMENT PLANS, LEGAL DESCRIPTIONS, GRADE CERTIFICATIONS AND SURVEY CORNERS**

1. The consumer shall provide accurate plans of the consumer's proposed development. Generally, final recorded plats will be required for subdivision estimates unless otherwise required by CEC.
2. The consumer shall provide a valid written legal description along with a copy of the consumer's property deed.
3. The consumer shall locate and mark any legal survey corners and proposed metering point as required by CEC. For commercial underground installations, a certification, signed by a licensed land surveyor or registered professional engineer, that the established grade is within six (6) inches of final grade, may be required by CEC for the entire length and width of the proposed service route prior to staking.
4. Normally, CEC field technicians will stake the route of the proposed line extension and related facilities to serve the consumer's development in relation to the consumer's legal property corners.
5. CEC shall stake the line one time, based on the plans submitted by the consumer.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALSE**

**APPENDIX ALSE-1**

**LINE AND SERVICE EXTENSION REQUEST**

**Page 3 of 4**

**Request Received By:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Consumer's Name** \_\_\_\_\_  
(Please Print)

**Consumer Type:**

**Individual** \_\_\_\_\_ **Corporation** \_\_\_\_\_ **Trust** \_\_\_\_\_

**LLC** \_\_\_\_\_ **Partnership** \_\_\_\_\_ **LLP** \_\_\_\_\_

**Personal Guarantees are required for LLC's, LLP's, Trusts and Partnerships.  
Corporations are required to provide Proof of Authority**

**Address:** \_\_\_\_\_  
\_\_\_\_\_

**Telephone:** \_\_\_\_\_  
\_\_\_\_\_

**Type of Request:**

**Existing Service** \_\_\_\_\_

**Service Location No.** \_\_\_\_\_

**New Service** \_\_\_\_\_

**Service Entrance Size:** \_\_\_\_\_

**Service Upgrade** \_\_\_\_\_

**For New Service:**

**Consumer should provide a plat and legal description of the property.**

**Property Location:** \_\_\_\_\_  
\_\_\_\_\_

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALSE**

**APPENDIX ALSE-1**

**LINE AND SERVICE EXTENSION REQUEST**

**Page 4 of 4**

**Interest in Property:**

**Owner** \_\_\_\_\_ **Prospective Buyer** \_\_\_\_\_ **Other** \_\_\_\_\_

**Realtor** \_\_\_\_\_ **Developer** \_\_\_\_\_

**Property Improvements:** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Site Constructed Home** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Mobile Home/Trailer** \_\_\_\_\_ **Existing** \_\_\_\_\_ **Planned**

**Other:** \_\_\_\_\_

**Additional Information:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**A Columbus Electric employee will contact the consumer to discuss specific details of the service request.**

**A cost estimate will be prepared and mailed to the above address unless other arrangements are made.**

\_\_\_\_\_  
**Consumer's Signature**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-2**

**INDIVIDUAL LINE EXTENSION AGREEMENT**

**Page 1 of 5**

**Work Order #:** \_\_\_\_\_

**Completion Date:** \_\_\_\_\_

**Columbus Electric Cooperative, Inc.  
P.O. Box 631  
Deming, NM 88031-0631  
(575) 546-8838**

**Consumer Name and Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**INDIVIDUAL LINE EXTENSION AGREEMENT**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Columbus Electric Cooperative, Inc., hereinafter called "CEC" and \_\_\_\_\_, hereinafter called "Consumer".

**WITNESSETH:**

CEC agrees to sell and deliver to the consumer, who in turn agrees to purchase and receive from the CEC, all of the electric power and energy, alternating current, \_\_\_\_\_ Phase, 60 Hertz, \_\_\_\_\_ Volts.

The consumer is requesting CEC to provide electric service to the following described property or real estate:



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-2**

**LINE AND SERVICE EXTENSION AGREEMENT**

**Page 2 of 5**

See Exhibit A – Property Description attached hereto and made a part hereof by reference to provide service to this property will require an extension of CEC's electric system (the "line extension" or "facilities" described in the attached estimate).

The consumer agrees to pay the contribution in aid of construction as indicated in the attached estimate.

The consumer understands the estimated cost and initial credit determinations are final and no additional credits will be given.

NOW, THEREFORE, it is mutually covenanted and agreed as follows:

1. The consumer shall grant, indefinitely, to CEC all necessary utility Easements and Rights-of-Way, free and clear from encumbrances, over the consumer's property, to enable electric distribution system construction, maintenance and operation. Said Easements and Rights-of-Way shall be perpetual. Said Easements and Rights-of-Way shall, upon notification by CEC to the consumer, be and remain free of any and all obstructions, man-made or natural, which are or could be within fifteen (15) feet of CEC's line and equipment. If the consumer fails to remove any such obstructions after notice, CEC may remove all obstructions and bill the charges to the consumer.

2. All personal and real property appurtenances necessarily used in construction, maintenance and operation of said distribution system remain the property of CEC.

3. A minimum kWh consumption requirement shall be based on CEC's estimate of total construction costs.

See Exhibit B – Estimated Cost of Construction attached hereto and made a part hereof by reference.

**Page 3 of 5**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-2**

**LINE AND SERVICE EXTENSION AGREEMENT**

4. The consumer shall pay \$ \_\_\_\_\_ as a Contribution in Aid of Construction based on CEC's estimate of total construction costs. The total cost payable must be paid in full in advance of any construction.

5. Electric bills will be subject to payment in full upon presentation of a bill. Unpaid accounts will become "Past Due" twenty (20) days after billing. All unpaid accounts shall be subject to disconnection fifteen (15) days from the "Past Due" date, in accordance with applicable statutes, rules and regulations. **Disconnection of service for non-payment shall not terminate the consumer's obligation for the contracted minimum for the remaining term of this contract.**

6. Should service be discontinued for a period of five (5) years from the date of this agreement without any reconnection in that period, any unrefunded amounts paid as a Contribution in Aid of construction shall become the property of CEC.

7. The term of this agreement, and imposition of the required minimum energy charge, shall be five (5) years from the date first written above and any sums not refunded on the date of termination shall become the property of CEC.

8. CEC will strive to furnish adequate, efficient and reasonable service. Interruption of service should be reported promptly by the consumer to CEC. The Cooperative will endeavor to restore service within a reasonable time.

9. CEC will use reasonable diligence to furnish a regular and uninterrupted supply of energy; however, interruptions or partial interruptions may occur or service may be curtailed or fail as a result of circumstances beyond the control of CEC, public enemies, accidents, strikes, legal processes, governmental restrictions, fuel shortages, breakdown or damage to generation, transmission or distribution facilities of CEC, repairs or changes in CEC's generation, transmission or distribution facilities and other acts of God. Consumers whose service requirements exceed those normally provided should advise CEC and contract for additional facilities as may be required.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-2**

**LINE AND SERVICE EXTENSION AGREEMENT**

**Page 4 of 5**

CEC will not, under any circumstances, contract to provide One Hundred Percent (100%) reliability of service.

10. Should CEC find it necessary to retain legal services to enforce its rights under this agreement, at law or in equity, the consumer shall be obligated to pay and agrees to pay all reasonable legal fees and costs incurred by CEC.

11. This agreement shall inure to and be binding upon the heirs, administrators, executors, assigns or successors in interest of CEC and the consumer.

12. This agreement is subject to all legally imposed city, county, state and federal laws, rules and regulations and changes in laws, tariffs, taxes, orders or directives, and the same, as applicable, are made a part hereof by reference.

13. This agreement shall be interpreted under the laws of the State of New Mexico.

14. A sketch of the proposed construction may be attached hereto as Exhibit C and is incorporated and made part hereof by reference.

The agreement, including the applicable tariff made part hereof by reference, shall at all times be subject to such changes or modifications as shall be ordered, from time to time, by any legally constituted regulatory body having jurisdiction over CEC to require such changes or modifications.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-3**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 1 of 5**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Columbus Electric Cooperative, Inc., a New Mexico Corporation hereinafter called "CEC" or "Cooperative" and \_\_\_\_\_, hereinafter called "Consumer". Consumer and CEC hereby agree as follows:

1. Consumer is requesting CEC to provide electric service to the following described property or real estate: \_\_\_\_\_  
\_\_\_\_\_.
2. To provide service to this property will require an extension of CEC's electric system ("the line extension" or "facilities") described as follows:  
\_\_\_\_\_  
\_\_\_\_\_.
3. CEC grants permission to consumer to construct the line extension by contract between consumer and \_\_\_\_\_ (Contractor's name and License Number), a qualified contractor, who is acceptable to CEC.
4. Consumer and CEC agree that such construction is to be completed in accordance with CEC's Line and Service Extension Policy, including but not limited to all the duties, requirements and obligations set forth herein, entitled "Consumer Built Line Extension Requirements", copies of which have been provided to the consumer on \_\_\_\_\_. Consumer and CEC adopt and incorporate by reference in this agreement all such duties, requirements, and obligations, set forth in the Line and Service Extensions Policy including the provision for recovering any operations, maintenance and administrative cost governed by the formula set forth in 1.B(4) of CEC's Line and Service Extension Policy and those requirements herein.
5. Consumer agrees to comply with CEC's specifications for material, equipment, trenching and installing construction standards for completing the line extension.
6. Consumer agrees that CEC has the authority to accept or reject Contractor's work in constructing the line extension. Consumer agrees that CEC has no obligation to provide electric service to a line extension which is not accepted by CEC.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-3**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 2 of 5**

In addition, CEC has no obligation to purchase a line extension which is not accepted by the company.

7. Consumer agrees to pay CEC for its actual cost incurred in providing engineering design, construction inspection, meter installation, and easement assurance for the line extension.
8. Upon completion of a line extension that is acceptable to CEC, consumer agrees to sell the line extension to CEC for \$1.00 free and clear of all liens and encumbrances in accordance with the CEC's standard form Line Extension Sales Agreement Consumer Built Line Extension, a copy of which may be provided at the consumer's request.
9. Consumer shall obtain all necessary Easements and Rights-of-Way for construction of the facilities; right of ingress and egress; and the right of excavation as required for installation, maintenance, repair or replacement of any of the facilities. All Easements and Rights-of-Way shall be of public record and, in the case of plats, clearly shown on such plats prior to final recording. Consumer agrees to install underground facilities such that CEC's required cable depth is met following completion of final grade and drainage work. Any relocation due to changes in locations of Easements and Rights-of-Way, lot lines, or grades will be at the expense of consumer and will be non-refundable.
10. This agreement, including the Line and Service Extension Policy which is made a part hereof, shall at all times be subject to such changes and modifications as shall be ordered from time to time by any legally constituted regulatory body, including the New Mexico Public Regulation Commission or the Arizona Corporation Commission ("Commissions"), having jurisdiction to require such changes or modifications. Notice shall be given in accordance with the Commission's requirements if and when Commission's action could cause a change in the terms of this agreement.
11. The entire understanding between the parties hereto relating to this agreement is set forth herein and there are no oral understandings between the parties. Any amendments to this agreement must be reduced to writing and signed by an authorized representative of each party.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-3**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 3 of 5**

IN WITNESS WHEREOF, the parties have executed this agreement as of the date set forth above.

Customer \_\_\_\_\_

Columbus Electric Co-op, Inc. \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Witness: \_\_\_\_\_

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-3**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 4 of 5**

**COLUMBUS ELECTRIC COOPERATIVE, INC**  
**CONSUMER BUILT LINE EXTENSIONS TERMS AND CONDITIONS**

- A. Such system must be designed at the consumer's expense.
- B. CEC will specify all materials and equipment to be used in the electrical system including, but not limited to: wire, cable, conduit, poles, fixtures, switchgear, relays, capacitors and insulators. The consumer shall be free to acquire said materials from approved manufacturers that meet the specifications with current RUS material specification and the National Electric Codes and Electrical Safety Codes, as verified by CEC.

All meters and associated metering transformers will be provided and installed by CEC.

- C. The consumer will hire only those contractors who are properly and currently qualified and licensed, in accordance with state and local laws and regulations, to construct electrical distribution systems. The contractor will meet all the regulations and licensing standards set by the State of Arizona Registrar of Contractors, including, but not limited to R4-9-102 A-5 Excavating, Grading and Oil Surfacing; A-17 Electrical and Transmission Lines; and L-11 Electrical; R4-9-103 C-2 Excavating, Grading and Oil Surfacing; C-11 Electrical; or R4-9-104 K-2 Excavating, Grading and Oil Surfacing; and K-11 Electrical, certifications by the State of Arizona pursuant to Title 32 of the Arizona Revised Statutes (A.R.S.).
- D. CEC reserves the right to disapprove of any contractor selected by the consumer on the grounds that the contractor is not properly qualified or otherwise able to construct the line extension in accordance with CEC's construction standards.
- E. Construction practices and equipment must be in compliance with CEC's construction standards as verified by the CEC.
- F. Consumer shall provide to CEC Easements and Rights-of-Way duly executed (including by both husband and wife, if applicable) and acknowledged and free from all liens and encumbrances in a CEC approved form which reflects the "as-built" configuration and location of the electric system. The consumer shall pay CEC for its costs incurred to verify the Easement and Rights-of-Way.
- G. CEC will select a Construction Inspector who will visit the construction site. The Construction Inspector shall have the authority to accept, or reject, the work and



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-3**

**CONSUMER BUILT LINE EXTENSIONS REQUIREMENTS AGREEMENT**

**Page 5 of 5**

materials of the consumer or contractor and shall certify to CEC such acceptance or rejection at the time of inspection. The function of the Construction Inspector shall be to verify compliance with design, materials, equipment and installation specifications of CEC, RUS and the specified codes in this rule. Consumer must pay CEC's design and inspection costs before CEC's services are rendered.

- H. CEC has no obligation to purchase an electrical system which is not accepted by the CEC's Construction Inspector. In addition, CEC will not provide electric service to a system which is not accepted by CEC's Construction Inspector.

If CEC determines that the extension was built in accordance with CEC's design, material, and specifications and RUS construction and applicable code standards, with proper Easements and Rights-of-Way assignable to CEC, and is free of all liens and encumbrances, then CEC will buy the system for \$1.00.

The consumer is liable for the direct and indirect consequences of any defects or failures of the electrical system from consumer's design, specifications, construction, operation or maintenance of the system, including direct and consequential damages arising therefrom, excluding defects or failures arising from CEC's negligent design, specifications, maintenance or operation of the system or CEC's gross or willful misconduct in acts or omissions, if any, regarding these same activities pertaining to the system. The consumer and CEC intend that each shall be responsible for their own acts or omissions and do not require indemnification from the other for any negligence, acts or omissions of the indemnities.

Commencing with the date of sale and CEC's acceptance of duly executed (including by both husband and wife, if applicable) and acknowledged conveyances, assignments, and bills of sale from all owners/grantors, in a form acceptable to CEC of the Easements and Rights-of-Way and other interests and the electrical system to CEC. CEC, in its discretion, will assume ownership and maintenance and operating responsibility for the system. The Easements and Rights-of-Way, facilities and system from the owners/grantors must be free of all liens and encumbrances. The consumer shall provide validly executed and acknowledged releases of liens, including mechanics liens, from any contractor and subcontractor constructing or providing services on the line extension or system. Conveyances and assignments will not convey or assign to CEC any liabilities or damages, including consequential damages, accruing or occurring prior to the conveyances or assignment. Such liabilities and damages will remain with the consumer.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-4**

**LINE EXTENSION SALES AGREEMENT  
CONSUMER BUILT LINE EXTENSION**

**Page 1 of 3**

\_\_\_\_\_, hereinafter referred to as "Consumer" does hereby sell, transfer and convey to Columbus Electric Cooperative, Inc. (CEC) for full, good and valuable consideration, in the sum of \$1.00 (one dollar), the receipt and adequacy of which is hereby acknowledged, and for the following mutual covenants of the parties, all title and rights of ownership, possession and control over the assemblies, units and materials used in the construction of the \_\_\_\_\_ Extension Project, **single/three** phase **aerial/underground** distribution lines including the following extensions:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The \_\_\_\_\_ kV electric distribution lines (described more particularly below) and facilities including, but not limited to, those items described in a contract between the consumer, and \_\_\_\_\_, developer/constructor of the facilities dated \_\_\_\_\_, \_\_\_\_\_ conveys title, ownership and control over the facilities to CEC and agrees from the date this instrument is signed, neither it nor any of its employees, contractors, agents or representatives will attempt to contact, control, connect to, work on, operate or maintain any portion or part of the facilities. The consumer represents that he/it owns good and merchantable title, free and clear of all liens and encumbrances, to the real property and to the grantor and grantee interests in the Easement and Right-of-Way on which the facilities have been constructed, which is approximately 30 feet in width, more particularly shown in the Real Property Records in the office of the County Recorder of Cochise County as Document No. \_\_\_\_\_.

The consumer, understands and agrees that CEC shall, upon assuming title, possession and control of the facilities, have the right, at its discretion and sole determination, to energize and utilize the Facilities for all purposes deemed necessary and prudent solely by CEC.

The consumer, hereby delivers and assigns to CEC all contracts, documents, agreements, material receipts, and warranties, used, executed, or received for the construction of the facilities from the contractor/constructor of the facilities.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-4**

**LINE EXTENSION SALES AGREEMENT  
CONSUMER BUILT LINE EXTENSION**

**Page 2 of 3**

The consumer, affirms and warrants that all payments due to material suppliers, contactors, laborers, or other persons furnishing materials or services for the facilities are paid in full and there are no outstanding balances of amounts due or liens attached to or that will be attached to the facilities.

The consumer, shall indemnify and hold harmless CEC from any and all claims, liabilities or damages claimed by all persons other than CEC (and its agents, employees and contractors) regarding the facilities.

The consumer, and CEC agree that this is the final transfer and conveyance of ownership of the facilities and Easement and Right-of-Way and that this is the entire agreement between the parties and that no modification is binding upon either party, their successors, or assigns unless it be in writing, signed and dated by a duly authorized representative of both parties.

Both the consumer, and CEC and their respective signatories represent and warrant that they are authorized to enter into and duly sign and acknowledge this instrument and convey and grant the interests conveyed and grant by this instrument.

This instrument is effective as of the date first indicated below.

COLUMBUS ELECTRIC COOPERATIVE, INC.

By \_\_\_\_\_  
Consumer

By \_\_\_\_\_  
General Manager

Date: \_\_\_\_\_, \_\_\_\_\_

Date: \_\_\_\_\_, \_\_\_\_\_

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE ALE**

**APPENDIX ALSE-4**

**LINE EXTENSION SALES AGREEMENT  
CONSUMER BUILT LINE EXTENSION**

**Page 3 of 3**

STATE OF NEW MEXICO        )  
  : ss  
COUNTY OF LUNA            )

This instrument was acknowledged before me on \_\_\_\_\_, \_\_\_\_\_ by  
\_\_\_\_\_, as Consumer.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

\_\_\_\_\_

STATE OF NEW MEXICO        )  
  : ss  
COUNTY OF LUNA            )

This instrument was acknowledged before me on \_\_\_\_\_ by  
Chris Martinez General Manager of Columbus Electric Cooperative, Inc., a New Mexico  
cooperative corporation, on behalf of Columbus Electric Cooperative, Inc.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

\_\_\_\_\_

**ORIGINAL**  
**Columbus Electric Cooper**

P.O. BOX 631 • 900 NORTH GOLD • DEMING, NEW MEXICO 86



0000147321

RECEIVED

2013 AUG 14 P 12:27

ARIZONA CORP COMMISSION  
DOCKET CONTROL

August 6, 2013

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

RE: Docket No. E-01851A-13-0252

To Whom It May Concern:

Enclosed please find an original and thirteen (13) copies of an Amended Lighting Notice in the above referenced Docket No. for Columbus Electric Cooperative.

Should you have any questions or require further information, please do not hesitate to contact our office.

Sincerely,

Rachel Marrufo  
Office Manager

Arizona Corporation Commission  
**DOCKETED**

AUG 14 2013

DOCKETED BY	nr
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ORIGINAL

DOCKET NO. E-01851A-13-0252

New Mexico						Arizona					
Lighting		Rate 7 (558 Customers)				Lighting		Rate 7 (13 Customers)			
		Present Bill	Proposed Bill	\$ Increase	% Increase			Present Bill	Proposed Bill	\$ Increase	% Increase
175 Watt Mercury Vapor		\$14.99	\$15.25	\$0.26	1.73%	175 Watt Mercury Vapor		\$14.99	\$15.25	\$0.26	1.73%
100 Watt High Pressure Sodium		15.12	16.25	1.13	7.48%	100 Watt High Pressure Sodium		15.24	16.25	1.01	6.64%
400 Watt High Pressure Sodium		30.45	32.45	2.01	6.60%	400 Watt High Pressure Sodium		30.45	32.45	2.01	6.60%
Customer Charge	KWH					Customer Charge	KWH				
175 Watt Mercury Vapor	80	11.75	15.25			175 Watt Mercury Vapor	80	11.75	15.25		
100 Watt High Pressure Sodium	42	13.50	16.25			100 Watt High Pressure Sodium	42	13.50	16.25		
400 Watt High Pressure Sodium	180	23.50	32.45			400 Watt High Pressure Sodium	180	23.50	32.45		
Fuel Adjustment Charge		0.038560				Fuel Adjustment Charge		0.04137			
Debt Cost Adj		0.001940									

Arizona Corporation Commission

DOCKETED

AUG 3 4 2013

DOCKETED BY me

ORIGINAL



0000147411

**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3808

FAX: (806) 747-3818

8218 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

August 15, 2013

Via Federal Express

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

Dear Sir or Madam:


Re: Columbus Electric Cooperative, Inc.  
Docket No. E-01851A-13-0252

Enclosed are the original and thirteen(13) copies of the following schedules relating to our conversations with Mr. Patrick Lowe and Ms. Jenny Gomez:

- Corrected Schedule H-1 – Proof of Revenue – Present Rates, Total System
- Corrected Schedule H-2-1 Proof of Revenue – Present Rates, Arizona
- Corrected Schedule H-2-1A Proof of Revenue – Present Rates, New Mexico
- Corrected Schedule H-2-2A Proof of Revenue – Proposed Rates, New Mexico
- Corrected Schedule H-4-1 Typical Bill Comparisons, Arizona


If any further action is required, please notify us.

Very Truly Yours  
Bolinger, Segars, Gilbert & Moss, LLP

  
E. L. Moss  
Partner

Copy:  
Chris Martinez  
Chuck Kretek

Arizona Corporation Commission  
**DOCKETED**  
AUG 16 2013

DOCKETED BY 

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EXHIBIT A-1-C

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**PROOF OF REVENUE - PRESENT RATES**  
**OCTOBER 1, 2011 - SEPTEMBER 30, 2012**

**SCHEDULE H-1**  
**TOTAL SYSTEM**  
**CORRECTED**

RESIDENTIAL	Rates 1, 11, 21				
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		45,976		\$ 12.35	\$ 567,804
Customer Charge - TOU		1,106		\$ 15.60	17,254
Energy Charge - Regular			25,679,122	\$ 0.0864	2,218,676
Energy Charge - TOU - On Peak			528,809	\$ 0.0975	51,559
Energy Charge - TOU - Off Peak			372,369	\$ 0.0600	22,342
FPPCA Revenue			26,580,300	\$ 0.038687	1,028,323
DCA Revenue			24,146,935	\$ 0.001557	37,585
<b>Total Revenue</b>					<b>\$ 3,943,542</b>

IRRIGATION	Rates 4, 14, 24				
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		1,578		\$ 32.50	\$ 51,285
Customer Charge - TOU		413		\$ 45.50	18,792
Energy Charge - Regular			5,723,262	\$ 0.09200	526,540
Energy Charge - TOU - On Peak			388,071	\$ 0.1030	39,971
Energy Charge - TOU - Off Peak			440,767	\$ 0.0600	26,446
Revenue from Minimum Bills					9,085
FPPCA Revenue			6,552,100	\$ 0.038270	250,746
DCA Revenue			6,223,970	\$ 0.001944	12,102
<b>Total Revenue</b>					<b>\$ 934,967</b>

AG SERVICE	Rate 3				
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge		1,720		\$ 65.00	\$ 111,800
Energy Charge			42,762,594	\$ 0.06950	2,972,000
Revenue from Minimums			1,483,439	\$ 0.06950	103,099
FPPCA Revenue			44,246,033	\$ 0.03557	1,573,760
DCA Revenue			39,375,674	\$ 0.00181	71,081
<b>Total Revenue</b>					<b>\$ 4,831,740</b>

COMMERCIAL Under 50 KVA	Rates 5, 15, 25				
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		10,368		\$ 16.25	\$ 168,480
Customer Charge - TOU		180		\$ 19.50	3,510
Energy Charge - Regular			10,032,144	\$ 0.08220	824,642
Energy Charge - TOU-On Peak			192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak			196,413	\$ 0.0590	11,588
FPPCA Revenue			10,421,018	\$ 0.03830	399,163
DCA Revenue			10,042,728	\$ 0.00238	23,862
<b>Total Revenue</b>					<b>\$ 1,448,991</b>



**COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012**

**SCHEDULE H-1  
 TOTAL SYSTEM  
 CORRECTED**

<b>COMMERCIAL 50 - 350 KVA</b>	<b>Rate 6</b>				
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
<b>Total Revenue</b>					<u>\$ 1,384,047</u>

<b>COMMERCIAL Over 350 KVA</b>	<b>Rate 8</b>				
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.03726	154,225
DCA Revenue			4,138,760	\$ 0.00215	8,881
<b>Total Revenue</b>					<u>\$ 654,679</u>

<b>LIGHTING</b>	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
100 Watt High Pressure Sodium	3,182	133,644	\$ 13.50	\$ 42,957
400 Watt High Pressure Sodium	272	48,960	\$ 23.50	\$ 6,392
FPPCA Revenue		454,444	\$ 0.03861	17,544
DCA Revenue		447,724	\$ 0.00194	870
<b>Total Revenue</b>				<u>\$ 107,690</u>

<b>Totals</b>		<u>102,498,875</u>		<u>\$ 13,305,656</u>
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**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**PROOF OF REVENUE - PRESENT RATES**  
**OCTOBER 1, 2011 - SEPTEMBER 30, 2012**

**SCHEDULE H-2-1**  
**CORRECTED**

**ARIZONA**

**RESIDENTIAL**

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	4,666		\$ 12.35	\$ 57,625
Customer Charge - TOU	286		\$ 15.60	4,462
Energy Charge - Regular		2,219,074	\$ 0.0864	191,728
Energy Charge - TOU - On Peak		113,348	\$ 0.0975	11,051
Energy Charge - TOU - Off Peak		100,943	\$ 0.0600	6,057
FPPCA Revenue		2,433,365	\$ 0.041468	100,906
<b>Total Revenue</b>				<b>\$ 371,829</b>

**IRRIGATION**

Rates 4, 14, 24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	109		\$ 32.50	\$ 3,543
Customer Charge - TOU	54		\$ 45.50	2,457
Energy Charge - Regular		209,607	\$ 0.09200	19,284
Energy Charge - TOU - On Peak		50,943	\$ 0.1030	5,247
Energy Charge - TOU - Off Peak		67,580	\$ 0.0600	4,055
Revenue from Minimum Bills				544
FPPCA Revenue		328,130	\$ 0.033255	10,912
<b>Total Revenue</b>				<b>\$ 46,041</b>

**AG SERVICE**

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	107		\$ 65.00	\$ 6,955
Energy Charge		3,386,920	\$ 0.06950	235,391
Revenue from Minimums		47,612	\$ 0.06950	3,309
FPPCA Revenue		3,434,532	\$ 0.03455	118,664
<b>Total Revenue</b>				<b>\$ 364,319</b>

**COMMERCIAL Under 50 KVA**

Rates 5, 15, 25

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	410		\$ 16.25	\$ 6,663
Customer Charge - TOU			\$ 19.50	-
Energy Charge - Regular		378,290	\$ 0.08220	31,095
Energy Charge - TOU-On Peak			\$ 0.0922	-
Energy Charge - TOU-Off Peak			\$ 0.0590	-
FPPCA Revenue		378,290	\$ 0.04064	15,373
<b>Total Revenue</b>				<b>\$ 53,131</b>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
PROOF OF REVENUE - PRESENT RATES  
OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1  
CORRECTED

ARIZONA

LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
100 Watt High Pressure Sodium	160	6,720	\$ 13.50	\$ 2,160
FPPCA Revenue		6,720	\$ 0.04137	278
Total Revenue				<u>\$ 2,438</u>
Totals		<u>6,581,037</u>		<u>\$ 837,758</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1A  
 CORRECTED

IEW MEXICO

RESIDENTIAL

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 12.35	\$ 510,179
Customer Charge - TOU	820		\$ 15.60	12,792
Energy Charge - Regular		23,460,048	\$ 0.0864	2,026,948
Energy Charge - TOU - On Peak		415,461	\$ 0.0975	40,507
Energy Charge - TOU - Off Peak		271,426	\$ 0.0600	16,286
FPPCA Revenue		24,146,935	\$ 0.038407	927,417
DCA Revenue		24,146,935	\$ 0.001557	37,585
<b>Total Revenue</b>				<b>\$ 3,571,714</b>

IRRIGATION

Rates 4,14,24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 32.50	\$ 47,743
Customer Charge - TOU	359		\$ 45.50	16,335
Energy Charge - Regular		5,513,655	\$ 0.09200	507,256
Energy Charge - TOU - On Peak		337,128	\$ 0.1030	34,724
Energy Charge - TOU - Off Peak		373,187	\$ 0.0600	22,391
Revenue from Minimum Bills				8,541
FPPCA Revenue		6,223,970	\$ 0.038534	239,834
DCA Revenue		6,223,970	\$ 0.001944	12,102
<b>Total Revenue</b>				<b>\$ 888,926</b>

AG SERVICE

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 65.00	\$ 104,845
Energy Charge		39,375,674	\$ 0.06950	2,736,609
Revenue from Minimums		1,435,827	\$ 0.06950	99,790
FPPCA Revenue		40,811,501	\$ 0.03565	1,455,096
DCA Revenue		40,811,501	\$ 0.00174	71,081
<b>Total Revenue</b>				<b>\$ 4,467,421</b>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-1A  
 CORRECTED

**IEW MEXICO**

**COMMERCIAL Under 50 KVA Rates 5, 15, 25**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	9,958		\$ 16.25	\$ 161,818
Customer Charge - TOU	180		\$ 19.50	3,510
Energy Charge - Regular		9,653,854	\$ 0.08220	793,547
Energy Charge - TOU-On Peak		192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak		196,413	\$ 0.0590	11,588
FPPCA Revenue		10,042,728	\$ 0.03822	383,790
DCA Revenue		10,042,728	\$ 0.00238	23,862
<b>Total Revenue</b>				<u>\$ 1,395,860</u>

**COMMERCIAL 50 - 350 KVA Rate 6**

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
<b>Total Revenue</b>					<u>\$ 1,384,047</u>

**COMMERCIAL Over 350 KVA Rate 8**

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.037264	154,225
DCA Revenue			4,138,760	\$ 0.002146	8,881
<b>Total Revenue</b>					<u>\$ 654,679</u>

**COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012**

**SCHEDULE H-2-1A  
 CORRECTED**

**IEW MEXICO  
 LIGHTING SERVICE**

	<b>Bills</b>	<b>Kwh</b>	<b>Rate</b>	<b>Revenue</b>
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
400 Watt High Pressure Sodium	3,022	126,924	\$ 13.50	\$ 40,797
100 Watt High Pressure Sodium	272	48,960	\$ 23.50	\$ 6,392
FPPCA Revenue		447,724	\$ 0.03856	17,266
DCA Revenue		447,724	\$ 0.00194	870
<b>Total Revenue</b>				<u>\$ 105,252</u>
<b>Totals</b>		<u>95,917,838</u>		<u>\$ 12,467,898</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2A  
 CORRECTED

**NEW MEXICO**

**RESIDENTIAL**

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 20.00	\$ 826,200
Customer Charge - TOU	820		\$ 23.50	19,270
Energy Charge - Regular		23,460,048	\$ 0.11507	2,699,548
Energy Charge - TOU - On Peak		415,461	\$ 0.13500	56,087
Energy Charge - TOU - Off Peak		271,426	\$ 0.08524	23,136
Revenue from Minimum Bills				
FPPCA Revenue				
DCA Revenue				
<b>Totals</b>		<b>24,146,935</b>		<b><u>\$ 3,624,241</u></b>

**IRRIGATION**

Rates 4, 14, 24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 75.00	\$ 110,175
Customer Charge - TOU	359		\$ 78.50	28,182
Energy Charge - Regular		5,513,655	\$ 0.12200	672,666
Energy Charge - TOU - On Peak		337,128	\$ 0.13000	43,827
Energy Charge - TOU - Off Peak		373,187	\$ 0.08055	30,060
Revenue from Minimum Bills				
FPPCA Revenue				
DCA Revenue				
<b>Total Revenue</b>		<b>6,223,970</b>		<b><u>\$ 884,909</u></b>

**AG SERVICE**

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 110.00	\$ 177,430
Energy Charge		39,375,674	\$ 0.104930	4,131,689
Revenue from Minimums		1,435,824	\$ 0.104930	150,661
FPPCA Revenue				
DCA Revenue				
<b>Totals</b>		<b>39,375,674</b>		<b><u>\$ 4,459,780</u></b>

**COMMERCIAL Under 50 KVA Rates 5, 15, 25**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	9,958		\$ 35.00	\$ 348,530
Customer Charge - TOU	180		\$ 38.50	6,930
Energy Charge - Regular		9,653,854	\$ 0.10821	1,044,644
Energy Charge - TOU-On Peak		192,461	\$ 0.13725	26,415
Energy Charge - TOU-Off Peak		196,413	\$ 0.08746	17,178
FPPCA Revenue				
DCA Revenue				
<b>Totals</b>		<b>10,042,728</b>		<b><u>\$ 1,443,697</u></b>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE H-2-2A  
 CORRECTED

**NEW MEXICO**

**COMMERCIAL 50 - 350 KVA      Rate 6**

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 360.00	\$ 295,920
Demand Charge		33,767		\$ 16.50	557,156
Energy Charge			10,106,220	\$ 0.05254	530,981
Revenue from Minimum Bills					
FPPCA Revenue					
DCA Revenue					
<b>Totals</b>			<b>10,106,220</b>		<b>\$ 1,384,056</b>

**COMMERCIAL Over 350 KVA      Rate 9**

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 600.00	\$ 81,600
Demand Charge		20,095		\$ 17.00	341,615
Energy Charge			4,138,760	\$ 0.05592	231,439
Minimums					
FPPCA Revenue					
DCA Revenue					
<b>Totals</b>			<b>4,138,760</b>		<b>\$ 654,654</b>

**LIGHTING SERVICE**

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 15.25	\$ 51,820
400 Watt High Pressure Sodium	3,022	126,924	\$ 16.25	\$ 49,108
100 Watt High Pressure Sodium	272	48,960	\$ 32.45	\$ 8,826
FPPCA Revenue				
DCA Revenue				
<b>Total Revenue</b>		<b>447,724</b>		<b>\$ 109,753</b>
<b>Totals</b>		<b>94,482,011</b>		<b>\$ 12,561,092</b>



COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

SCHEDULE H-4-1

CORRECTED

RESIDENTIAL

KWH	Rate 1		(389 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 12.35	\$ 20.00	7.65	61.94
100	25.14	31.51	6.37	25.34
250	44.32	48.77	4.45	10.04
500	76.28	77.54	1.25	1.64
750	108.25	108.30	(1.95)	(1.80)
1000	140.22	135.07	(5.15)	(3.67)
1500	204.15	182.81	(21.34)	(10.45)
2000	288.09	250.14	(37.95)	(13.17)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0884	\$ 0.11507
Power Cost Adj	\$ 0.041488	

RESIDENTIAL - TIME OF USE

KWH	Rates 11, 21		(24 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 15.60	\$ 23.50	7.90	50.64
100	27.73	34.66	6.93	24.98
250	45.94	51.40	5.47	11.90
500	76.27	79.31	3.03	3.98
750	108.61	107.21	(1.40)	(1.28)
1000	138.94	135.11	(3.83)	(2.76)
1500	197.61	190.82	(6.79)	(3.43)
2000	258.29	246.73	(11.56)	(4.48)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0975	\$ 0.13500
Energy Chg - Off Peak	\$ 0.0800	\$ 0.08524
Power Cost Adj	\$ 0.041488	

IRRIGATION

KWH	Rate 4		(9 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
1000	\$ 157.78	\$ 187.00	29.22	18.53
1500	220.38	258.00	37.62	17.07
2000	283.01	319.00	35.99	12.72
2500	345.84	380.00	34.16	9.85
3000	408.27	441.00	32.73	8.02
4000	533.52	583.00	49.48	9.27
5000	658.78	685.00	26.22	3.98

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.08200	\$ 0.12200
Power Cost Adj	\$ 0.033255	

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

SCHEDULE H-4-1

CORRECTED

IRRIGATION TIME OF USE

		Rates 14, 24		(5 Customers)	
		PRESENT	PROPOSED	\$	%
		KWH BILL	BILL	INCREASE	INCREASE
On Peak	43%	1000 \$ 157.25	\$ 180.31	23.07	14.67
Off Peak	57%	1500 213.12	231.22	18.10	8.49
		2000 268.99	282.13	13.14	4.88
		2500 324.86	333.03	8.17	2.52
		3000 380.74	383.84	3.21	0.84
		4000 482.48	485.75	(6.73)	(1.37)
		5000 604.23	587.57	(16.66)	(2.76)
Customer Chg		\$ 45.50	\$ 78.50		
Energy Chg - On Peak		\$ 0.1030	\$ 0.13000		
Energy Chg - On Peak		\$ 0.0800	\$ 0.080550		
Power Cost Adj		\$ 0.033255			

AG SERVICE

		Rate 3		(9 Customers)	
		PRESENT	PROPOSED	\$	%
		KWH BILL	BILL	INCREASE	INCREASE
		5000 \$ 583.70	\$ 634.65	50.95	8.73
		7500 843.05	898.98	53.93	6.40
		10000 1,102.40	1159.30	56.90	5.16
		12500 1,361.75	1421.83	59.88	4.40
		15000 1,621.10	1683.95	62.85	3.88
		20000 2,139.80	2208.80	65.80	3.22
		25000 2,658.50	2733.25	74.75	2.81
Customer Chg		\$ 65.00	\$ 110.00		
Energy Chg		\$ 0.0685	\$ 0.10493		
Power Cost Adj		\$ 0.03424			

SMALL COMMERCIAL  
UNDER 50 KVA

		Rate 5		(34 Customers)	
		PRESENT	PROPOSED	\$	%
		KWH BILL	BILL	INCREASE	INCREASE
		250 \$ 46.96	\$ 62.05	15.09	32.14
		500 77.67	89.11	11.44	14.72
		750 108.38	116.16	7.78	7.18
		1000 139.09	143.21	4.12	2.96
		1250 169.80	170.28	0.48	0.27
		1500 200.51	197.32	(3.20)	(1.59)
		2000 261.93	251.42	(10.51)	(4.01)
		3000 384.77	359.63	(25.14)	(8.53)
Customer Chg		\$ 16.25	\$ 35.00		
Energy Chg		\$ 0.0822	\$ 0.10821		
Power Cost Adj		\$ 0.04084			

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

SCHEDULE H-4-1

CORRECTED

SMALL COMMERCIAL		CORRECTED		Rates 15, 25		(0 Customers)	
TIME OF USE				PRESENT	PROPOSED	\$	%
		KWH		BILL	BILL	INCREASE	INCREASE
On Peak	49.5%	250			\$ 66.53		
Off Peak	50.5%	500			94.55		
		750			122.58		
		1000	N/A		150.61		
		1500			208.66		
		2000			262.71		
		3000			374.82		
Customer Chg				\$ 19.50	\$ 38.50		
Energy Chg - On Peak				\$ 0.0822	\$ 0.13725		
Energy Chg - On Peak				\$ 0.0590	\$ 0.08746		
Power Cost Adj							

LARGE COMMERCIAL		CORRECTED		Rate 8		(0 Customers)	
50 - 350 KVA				PRESENT	PROPOSED	\$	%
	KW	LD.FCTR	KWH	BILL	BILL	INCREASE	INCREASE
KW DEMAND	50		20% 7,300		\$ 1,568.54		
	50		30% 10,950	N/A	1,760.31		
	50		40% 14,600		1,952.08		
	50		50% 18,250		2,143.86		
	50		60% 21,900		2,335.63		
Customer Chg					\$ 390.00		
KW Demand Charge					\$ 16.50		
Energy Charge					\$ 0.05264		
Power Cost Adj							

INDUSTRIAL		CORRECTED		Rate 8		(0 Customers)	
OVER 350 KVA				PRESENT	PROPOSED	\$	%
	KW	LD.FCTR	KWH	BILL	BILL	INCREASE	INCREASE
KW DEMAND	400		20% 58400		\$ 10,685.73		
	400		25% 73000	NA	11,482.16		
	400		30% 87600		12,296.59		
	400		40% 116800		13,931.46		
	400		50% 146000		15,564.32		
Customer Chg					\$ 600.00		
KW Demand Charge					\$ 17.00		
Energy Charge					\$ 0.05562		
Power Cost Adj							

		CORRECTED		Rate 7		(13 Customers)	
				PRESENT	PROPOSED	\$	%
				BILL	BILL	INCREASE	INCREASE
175 Watt Mercury Vapor				N/A	\$ 15.25		
100 Watt High Pressure Sodium				\$ 15.24	\$ 16.25	\$ 1.01	6.64
400 Watt High Pressure Sodium				N/A	\$ 32.45		
Customer Charge		KWH					
100 Watt High Pressure Sodium		42		\$ 13.50	\$ 16.25		
Fuel Adjustment Charge				\$ 0.04137			

ORIGINAL



0000147360

BOLINGER, SEGARS, GILBERT & MOSS

CERTIFIED PUBLIC ACCOUNTANT

PHONE: (806) 747-3808

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

August 14, 2013

Re: Columbus Electric Cooperative, Inc.  
Docket Number E-01851A-13-0252

Via Federal Express

We are including the original and 13 copies of the Cost of Service Study prepared for Columbus Electric Cooperative, Inc.

If any further action is required please notify us.

Very truly yours,

Bolinger, Segars, Gilbert & Moss L.L.P.

Chris Martinez  
Chuck Kreter

Arizona Corporation Commission  
DOCKETED

AUG 15 2013

DOCKETED BY	nr
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EXHIBIT A-1-D

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**DEMING, NEW MEXICO**

**COST OF SERVICE STUDY**

**Prepared by:**  
**BOLINGER, SEGARS, GILBERT & MOSS, L.L.P.**  
**Certified Public Accountants**  
**Lubbock, Texas**

**Columbus Electric Cooperative, Inc.  
Deming, New Mexico**

**Cost of Service Study**

**Background:**

**The service area of Columbus:**

Columbus Electric Cooperative, Inc. serves a total of 5,762 consumers, of which 5,297 are located in New Mexico and 483 in Arizona. Columbus has historically provided, and plans to continue to provide, service to all its consumers in each respective rate class at the same rate, jurisdictions notwithstanding. The reasons for this are:

- a) There is no difference in service characteristics of the customers in New Mexico and Arizona.
- b) All customers are members of the cooperative in equal standing whose respective service needs are all provided for in the same manner.

The Board of Trustees is aware that some differences in rate of return will occur between jurisdictions when identical rates are applied in this manner; however, the equality of the members and the administrative benefits of uniform rate schedules for each class of customer are of far greater importance. Additionally, the customers in each jurisdiction have requested that the customer classes in the total system be served at the same rate.

**Cost of Service Study:**

A cost of service study has been prepared to determine the net return to Columbus for each class of consumer. For the reasons set forth above, the study was developed on a system-wide basis, with additional information developed separately as to the Arizona portion of the system.

The study was performed under procedures and methodology which are generally accepted standards throughout the utility industry. Allocation of invested capital (rate base - at original cost) and operating expenses were allocated to the respective customer charges on the basis of demand, energy, and customer factors.

**The study is presented in the following manner:**

Section A is a summary reflecting the results of operations of Columbus for the test year ended September 30, 2012, at present rates, and at proposed rates, after adjustments to operating revenue and expenses. As reflected on Schedule A-1.0, the only adjustment to expenses is to reflect the wholesale power cost for the test year at the wholesale rate which became effective January 1, 2012. This rate, when applied to the wholesale power purchased from October 1, 2011 to December 31, 2011 results in additional power cost of \$56,522, which was added to purchased power expense and to FPPCA revenue. The purchased power cost, actual and adjusted, are reflected on Schedules A-2.0 and A-2.1.

**Columbus Electric Cooperative, Inc.  
Deming, New Mexico**

**Cost of Service Study**

The additional revenue requested in the Request for Adjustment is \$115,000. This amount has been added to revenue and to margins, and the FPPCA revenue and the debt cost adjustment revenue have been included in the electric energy rates.

Also reflected in Section A are the schedules of return and operating TIER for each respective class, as well as the computation of rate base.

Section B presents the Balance Sheet of Columbus at September 30, 2012.

Section C reflects the allocation factors used in the Cost of Service Study and reflects the development of demand, energy, and customer allocation factors.

Schedule C-1.0 summarizes the factors used.

Schedule C-2.0 consists of twenty-six (26) pages which reflect the allocation factors summarized on Schedule C-1.0.

The demand functions utilized in this study are the NCP – Non Coincident Peak, and the system CP – Coincident Peak. The NCP of the large commercial and industrial classes was determined from the monthly demand readings from the consumer billing records. The NCP of the other classes was computed from estimated load data and load factor data.

The monthly billing of KW demand from the wholesale power supplier – the TGST/MCP from the monthly power bills was adopted as the system CP, which was allocated to each customer class by the average and excess demand method.

The demand portion of wholesale power costs was allocated on the basis of total CP (coincidental demand) computed for each class – allocation factor #11.

The allocation of energy costs is based on Kwh sales to each consumer class, based on actual consumer billings. Kwh purchases were allocated on the basis of Kwh sales. The energy portion of wholesale power costs is allocated on this basis, as reflected by allocation Factor #12.

The allocation of the portion of demand – related plant investment to each class is based on the Peak NCP of each class allocation Factor #1.

Section D reflects the allocation of plant investment to each customer class. Schedules D-1.0 through D-5.0 reflect the detail of the allocation of plant by general ledger account.

Section E reflects the allocation of operating revenues by customer class. This allocation was more from actual billing records. Schedules E-2.0 through E-3.0 reflect a proof of revenue under existing and proposed rates. Schedule E-4.0 presents a comparison of consumer bills at each respective rate.

**Columbus Electric Cooperative, Inc.  
Deming, New Mexico**

**Cost of Service Study**

Section F reflects the allocation of operating expenses to each customer class. The allocation factors used in the allocation are reflected for each expense.

Section G contains the existing rate schedules.

Section H contains the proposed rate schedules.

**Rate design:**

The design of the proposed rates is identified to the present rates in effect. Items of note are:

- a) A customer charge applies to all rate classes. The lighting class is unmetered; kWh usage has been assigned based on industry standards for each size light. The customer charge to the various classes has been increased to more closely reflect the customer charge indicated by the Cost of Service Study.
- b) Each rate contains an energy charge for all classes except lighting, as reference in (a). The energy charge is flat with no steps for different levels of usage.
- c) A KW demand charge applies to the large commercial and industrial classes. The Ag Service rate is demand metered; however the demand reading is only utilized to measure a minimum load factor requirement.

**Rates of return by class:**

The proposed rates have been designed to yield an adequate overall return which, although not equal as to all classes, are reasonable and equitable under the circumstances.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**COST OF SERVICE**

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**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**COST OF SERVICE**

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A

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**STATEMENT OF INCOME AND PATRONAGE CAPITAL - TOTAL SYSTEM**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2012**

SCHEDULE A-1.0

	Balance Per Books		Adjustments		Proposed Increase		Adjusted Balance
<b>OPERATING REVENUES</b>							
Electric Energy Revenue	\$ 9,321,706				(2) 4,066,950		\$ 13,420,656
FPPCA Revenue	3,749,856	(1)	56,552		(2) (3,808,408)		
Debt Cost Revenue	177,542				(2) (177,542)		
Other Operating Revenues	26,577						26,577
<b>Total Operating Revenues</b>	<b>\$ 13,275,681</b>		<b>56,552</b>	(2)	<b>115,000</b>		<b>\$ 13,447,233</b>
<b>OPERATING EXPENSES</b>							
Purchased Power	\$ 7,874,153	(1)	56,552				\$ 7,930,705
Transmission Expense	17,902						17,902
Distribution - Operation	942,890						942,890
Distribution - Maintenance	338,152						338,152
Customer Accounts	630,545						630,545
Customer Service and Information	95,935						95,935
Administrative and General	1,202,907						1,202,907
Depreciation and Amortization	1,162,512						1,162,512
Other Interest	8,175						8,175
Other Deductions (Income)	4,191						4,191
<b>Total Operating Expenses</b>	<b>\$ 12,273,362</b>		<b>56,552</b>		<b>0</b>		<b>\$ 12,329,914</b>
<b>UTILITY OPERATING MARGINS (RETURN)</b>	<b>\$ 1,002,319</b>				<b>\$ 115,000</b>		<b>\$ 1,117,319</b>
Interest on Long-Term Debt	558,003						558,003
<b>OPERATING MARGINS</b>	<b>\$ 444,316</b>				<b>\$ 115,000</b>		<b>\$ 559,316</b>
<b>CAPITAL CREDITS</b>							
G&T Capital Credits	\$ 507,855						\$ 507,855
Other Capital Credits	17,633						17,633
	<b>\$ 525,488</b>				<b>0</b>		<b>\$ 525,488</b>
<b>NET OPERATING MARGINS</b>	<b>\$ 969,804</b>				<b>\$ 115,000</b>		<b>\$ 1,084,804</b>
<b>NON-OPERATING MARGINS</b>							
Interest & Other Income	55,430						55,430
<b>NET MARGINS</b>	<b>\$ 1,025,234</b>				<b>\$ 115,000</b>		<b>\$ 1,140,234</b>

(1) Tri-State increased wholesale power rate effective January 1, 2012; adjustment is to apply 2012 wholesale power rate to October - December, 2011.

Power Cost - Test Year, Annualized	\$ 7,930,705
Power Cost - Test Year, Per Books	7,874,153
Adjustment	\$ 56,552

(2) Proposed increase in rates in current filing.  
FPPCA, Debt Cost Adjustment Revenue folded into Rates

\$ 115,000

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF POWER COST  
 YEAR ENDED SEPTEMBER 30, 2012

Schedule A-2.0

	October '11	November '11	December '11	January '12	February '12	March '12	April '12
Energy Cost	\$ 198,999	\$ 138,653	\$ 159,064	\$ 165,913	\$ 173,671	\$ 259,739	\$ 303,376
Demand Cost	271,309	206,766	240,865	245,584	268,963	375,962	415,239
Total	\$ 470,307	\$ 345,418	\$ 399,929	\$ 411,497	\$ 442,634	\$ 635,701	\$ 718,614

Kwh Purchased	7,276,000	5,069,577	5,815,876	5,731,022	5,999,007	8,972,000	10,479,305
KW Demand	12,619	9,617	11,203	10,973	12,018	16,799	18,554

Rate:							
Energy Charge	\$ 0.02735		\$ 5,815,876	\$ 5,731,022	\$ 5,999,007	\$ 8,972,000	\$ 10,479,305
Demand Charge	\$ 21.50		\$ 11,203	\$ 10,973	\$ 12,018	\$ 16,799	\$ 18,554

	May '12	June '12	July '12	August '12	September '12	Total
Energy Cost	\$ 324,940	\$ 382,178	\$ 393,489	\$ 404,103	\$ 298,571	\$ 3,202,697
Demand Cost	466,153	552,137	559,276	569,705	499,499	4,671,456
Total	\$ 791,093	\$ 934,315	\$ 952,765	\$ 973,808	\$ 798,070	\$ 7,874,153

Kwh Purchased	11,224,191	13,201,329	13,592,005	13,958,645	10,313,340	111,632,297
KW Demand	20,829	24,671	24,990	25,456	22,319	210,048

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF POWER COST  
 YEAR ENDED SEPTEMBER 30, 2012  
 AT 2012 TRI-STATE RATES

Schedule A-2.1

	<u>October '11</u>	<u>November '11</u>	<u>December '11</u>	<u>January '12</u>	<u>February '12</u>	<u>March '12</u>	<u>April '12</u>
Energy Cost	\$ 210,640	\$ 146,764	\$ 168,370	\$ 165,913	\$ 173,671	\$ 259,739	\$ 303,376
Demand Cost	282,413	215,228	250,723	245,441	267,172	375,962	415,239
Total	\$ 493,053	\$ 361,993	\$ 419,093	\$ 411,355	\$ 440,844	\$ 635,701	\$ 718,614
Kwh Purchased	7,276,000	5,069,577	5,815,876	5,731,022	5,999,007	8,972,000	10,479,305
KW Demand	12,619	9,617	11,203	10,967	11,938	16,799	18,554

Rate:  
 Energy Charge \$ 0.02895  
 Demand Charge \$ 22.38

	<u>May '12</u>	<u>June '12</u>	<u>July '12</u>	<u>August '12</u>	<u>September '12</u>	<u>Total</u>
Energy Cost	\$ 324,940	\$ 382,178	\$ 393,489	\$ 404,103	\$ 298,571	\$ 3,231,755
Demand Cost	466,153	552,137	559,276	569,705	499,499	4,698,950
Total	\$ 791,093	\$ 934,315	\$ 952,765	\$ 973,808	\$ 798,070	\$ 7,930,705
Kwh Purchased	11,224,191	13,201,329	13,592,005	13,958,645	10,313,340	111,632,297
KW Demand	20,829	24,671	24,990	25,456	22,319	209,962

Case: CEC20122  
Solved: 06-17-2013 @ 11:09:34

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PRESENT RATES  
SUMMARY REPORT

ACCOUNT	TOTAL DOLLARS	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
RATE BASE	24,342,178	9,675,421	1,718,712	7,053,754	3,156,258	1,497,007	933,016	308,011
OPERATING REVENUES	13,332,233	3,951,746	936,883	4,840,826	1,451,916	1,386,836	656,081	107,945
OPERATING EXPENSES	12,329,916	3,583,861	873,952	4,530,908	1,389,932	1,293,739	584,749	102,776
RETURN	1,002,317	367,886	62,932	309,919	91,984	93,097	71,331	5,169
RATE OF RETURN	4.118%	3.802%	3.662%	4.394%	2.914%	6.219%	7.645%	1.678%
RELATIVE ROR	1.000	0.923	0.889	1.067	0.708	1.510	1.857	0.408
INTEREST	558,003	229,428	38,694	157,183	72,155	32,710	20,803	7,030
OPERATING MARGINS	444,314	138,457	24,238	152,736	19,829	60,387	50,528	-1,862
MARGINS % OF REVENUE	3.333%	3.504%	2.587%	3.155%	1.365%	4.354%	7.702%	-1.725%
OPERATING TIER	1.796	1.603	1.626	1.972	1.275	2.846	3.429	0.735
REVENUE DEFICIENCIES	458,214	212,640	40,191	113,307	97,391	-3,276	-15,350	13,312
UNIFORM ROR =	6.000000	5.381%	4.290%	2.341%	6.708%	-0.236%	-2.340%	12.332%
REV DEF AS % REV	3.437%	128,583	39,674	175,566	80,459	32,503	-8,122	9,551
UNIFORM % MAR =	6.544586	3.254%	4.235%	3.627%	5.542%	2.344%	-1.238%	8.848%
REV DEF AS % REV	3.437%	3.254%	4.235%	3.627%	5.542%	2.344%	-1.238%	8.848%

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
SUMMARY REPORT

ACCOUNT	TOTAL DOLLARS	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
RATE BASE	24,342,178	9,881,577	1,698,244	6,947,978	3,123,442	1,466,708	918,685	305,544
OPERATING REVENUES	13,447,233	4,011,740	936,877	4,840,884	1,501,907	1,386,845	656,056	112,924
OPERATING EXPENSES	12,329,916	3,583,861	873,952	4,530,908	1,359,932	1,293,739	584,749	102,776
RETURN	1,117,317	427,880	62,925	309,977	141,975	93,106	71,307	10,148
RATE OF RETURN	4.590%	4.330%	3.705%	4.461%	4.545%	6.348%	7.762%	3.321%
RELATIVE ROR	1.000	0.943	0.807	0.972	0.990	1.383	1.691	0.724
INTEREST	558,003	229,428	38,694	157,183	72,155	32,710	20,803	7,030
OPERATING MARGINS	559,314	198,451	24,232	152,794	69,819	60,396	50,504	3,118
MARGINS % OF REVENUE	4.159%	4.947%	2.586%	3.156%	4.649%	4.355%	7.698%	2.761%
OPERATING TIER	2.002	1.865	1.626	1.972	1.968	2.846	3.428	1.443
REVENUE DEFICIENCIES								
UNIFORM ROR =	4.590045	25,689	15,025	8,939	1,393	-25,783	-29,139	3,876
REV DEF AS % REV	-0.000%	0.640%	1.604%	0.185%	0.093%	-1.859%	-4.442%	3.433%
UNIFORM % MAR =	4.159324	-32,961	15,376	50,661	-7,669	-2,830	-24,224	1,647
REV DEF AS % REV	-0.000%	-0.822%	1.641%	1.047%	-0.511%	-0.204%	-3.692%	1.459%



**COLUMBUS ELECTRIC COOPERATIVE, INC.  
 SCHEDULE OF RATE BASE - TOTAL SYSTEM - ORIGINAL COST  
 YEAR ENDED SEPTEMBER 30, 2012**

**Schedule A-4.0**

Total Utility Plant - at Original Cost		\$	38,572,812	
Less: Accumulated Provision for Depreciation			<u>(15,217,020)</u>	
Net Utility Plant		\$	23,355,792	
Materials & Supplies Inventory			475,194	
Prepayments			145,211	
Customer Deposits and Prepayments			<u>(293,800)</u>	
Cash Working Capital				
Coat of Power	\$	7,930,705		
Working Capital Allowance	12 Days		260,736	
Working Capital Allowance				
Transmission Expense	\$	17,902		
Distribution Operations & Maintenance		1,279,042		
Customer Accounts Expense		630,545		
Customer Service Expense		95,935		
Administrative General Expense		<u>1,213,273</u>		
Total Operations & Maintenance Expense	\$	<u>3,236,697</u>		
Working Capital Allowance	45 Days		<u>399,045</u>	
Total Rate Base				\$ <u>24,342,177</u>

**Return on Rate Base:**

Utility Operating Margin - Schedule F-1	(a)	\$	1,002,320	\$	1,117,320
Rate Base - Above	(b)	\$	24,342,177	\$	24,342,177
Return on Rate Base	(a)/(b)		4.12%		4.59%

Supporting Schedules  
 E-1 ; E-2

Summary Schedule:  
 A-1

Case: CEC2912P  
 Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 COST OF SERVICE ALLOCATION - RATE BASE

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
PLANT IN SERVICE	38,572,812	111	15,439,168	2,712,574	11,308,034	4,879,307	2,292,104	1,471,971	469,654
ACCUM DEPR TRANS	-1,173,622	102	-176,722	-108,898	-652,522	-72,804	-91,327	-68,439	-2,910
ACCUM DEPR DIST	-11,856,930	107	-4,875,090	-822,193	-3,339,951	-1,533,219	-695,952	-442,039	-149,386
ACCUM DEPR GEN PLT	-2,186,468	110	-875,156	-153,760	-640,987	-276,579	-129,926	-83,437	-26,622
Subtotal	23,355,792	125*	9,512,200	1,627,722	6,674,574	2,996,704	1,375,800	878,055	290,736
NET PLANT			40.727%	6.969%	28.578%	12.831%	5.891%	3.759%	1.245%
MATERIALS & SUPPLIES	475,194	109	190,201	33,417	139,308	60,110	28,237	18,134	5,786
PREPAYMENTS	145,211	121	54,451	10,448	33,896	19,754	17,503	6,319	2,841
CASH WK CAP PHR COST	260,736	122	62,737	18,413	112,829	25,405	27,369	13,142	841
CASH WK CAP O&M	399,045	119	149,632	28,711	93,146	54,284	48,098	17,366	7,807
CUST DEPS	-293,800	9	-87,644	-20,468	-105,776	-32,815	-30,299	-14,331	-2,467
TOTAL	24,342,178	126*	9,881,577	1,698,244	6,947,978	3,123,442	1,466,708	918,685	305,544
RATE BASE			40.594%	6.977%	28.543%	12.831%	6.025%	3.774%	1.256%

SCHEDULE A-6.0

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 COMPONENTS OF RATE BASE

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>DEMAND COMPONENT</b>									
NONCOIN DEMAND	10,887,487	1	1,639,417	1,010,230	6,053,334	675,390	847,223	634,898	26,995
PMR COST SUM COIN DM	154,486	11	34,779	11,522	67,851	14,444	16,739	8,789	363
ACCT 368 TRANSF 30%	1,355,260	16	741,028	89,566	144,026	252,944	93,074	34,621	0
ACCT 369 OVHD SV 30%	229,820	17	196,203	3,832	3,301	24,869	1,393	222	0
ACCT 369 UNDG SV 60%	620,920	18	186,276	62,092	62,092	155,230	77,615	77,615	0
ACCT 370 METERS 30%	413,828	19	223,511	27,095	38,055	101,751	18,362	5,053	0
TOTAL DEMAND COMPONENT	13,661,800		3,021,214	1,204,337	6,368,659	1,224,628	1,054,407	761,199	27,357
			22.114%	8.815%	46.617%	8.964%	7.718%	5.572%	0.200%
<b>CUSTOMER COMPONENT</b>									
Avg CONS	5,314,283	4	4,016,419	169,910	146,368	899,702	70,625	11,259	0
WTD CONS	54,216	6	20,703	4,379	6,036	9,276	10,921	2,902	0
WTD CONS	141,191	7	50,346	10,649	13,760	22,556	35,412	8,468	0
ACCT 368 TRANSF 70%	3,162,272	16	1,729,064	208,988	336,061	590,203	217,172	80,783	0
ACCT 369 OVHD SV 70%	536,246	17	457,807	8,940	7,702	58,027	3,251	519	0
ACCT 369 UNDG SV 40%	413,947	18	124,184	41,395	41,395	103,487	51,743	51,743	0
ACCT 370 METERS 70%	965,598	19	521,526	63,223	88,795	237,418	42,846	11,790	0
ACCT 371 SECURITY LI	280,175	20	0	0	0	0	0	0	280,175
TOTAL CUSTOMER COMPONENT	10,867,928		6,920,049	507,484	640,117	1,920,669	431,970	167,464	280,175
			63.674%	4.670%	5.890%	17.673%	3.975%	1.541%	2.578%
<b>ENERGY COMPONENT</b>									
POWER COST KWH	106,250	12	27,958	6,892	44,978	10,961	10,630	4,353	478
TOTAL ENERGY COMPONENT	106,250		27,958	6,892	44,978	10,961	10,630	4,353	478
			26.313%	6.486%	42.333%	10.316%	10.005%	4.097%	0.450%
<b>REVENUE COMPONENT</b>									
BASE REVENUE PROPOS	-293,800	9	-87,644	-20,468	-105,776	-32,815	-30,299	-14,331	-2,467
TOTAL REVENUE COMPONENT	-293,800		-87,644	-20,468	-105,776	-32,815	-30,299	-14,331	-2,467
			29.831%	6.967%	36.003%	11.169%	10.313%	4.878%	0.840%
TOTAL RATE BASE	24,342,178		9,881,577	1,698,244	6,947,978	3,123,442	1,466,708	918,685	305,544
			40.594%	6.977%	28.543%	12.831%	6.025%	3.774%	1.255%

**B**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**BALANCE SHEET  
9/30/2011 AND 2012**

Schedule B-1.0

**ASSETS**

	<u>2012</u>	<u>2011</u>
<b>UTILITY PLANT AT COST</b>		
Electric Plant in Service	\$ 37,884,762	\$ 37,793,987
Construction Work in Progress	888,050	344,777
	<u>\$ 38,572,812</u>	<u>\$ 38,138,764</u>
Less: Accumulated Provision for Depreciation	15,217,020	14,561,071
	<u>\$ 23,355,792</u>	<u>\$ 23,577,693</u>
 <b>OTHER PROPERTY AND INVESTMENTS - AT COST OR STATED VALUE</b>		
Investments in Associated Organizations	\$ 2,950,358	\$ 2,430,609
 <b>CURRENT ASSETS</b>		
Cash - General	\$ 316,035	\$ 668,666
Temporary Cash Investments	701,000	
Accounts Receivable (Less allowance for uncollectibles of \$53,150 in 2012 and \$76,406 in 2011)	1,725,603	1,432,582
Materials and Supplies at Average Cost	475,194	388,542
Power Cost and Debt Cost Adjustments Underbilled	363,353	394,586
Other Current and Accrued Assets	145,211	136,320
	<u>\$ 3,728,396</u>	<u>\$ 3,050,898</u>
 <b>DEFERRED CHARGES</b>		
Regulatory Assets	\$ 575,060	\$ 634,231
Other	561,670	656,121
	<u>\$ 1,136,730</u>	<u>\$ 1,290,352</u>
 <b>TOTAL ASSETS</b>	<u>\$ 31,169,277</u>	<u>\$ 30,349,552</u>

**EQUITIES AND LIABILITIES**

<b>EQUITIES</b>		
Patronage Capital	\$ 10,332,640	\$ 9,323,369
Other Equities - Deficit	(447,280)	(463,265)
	<u>\$ 9,885,360</u>	<u>\$ 8,860,124</u>
 <b>LONG-TERM DEBT</b>		
RUS Mortgage Notes	\$ 7,926,775	\$ 11,533,227
FFB Mortgage Notes	6,144,199	5,448,935
CFC Mortgage Notes	2,067,822	1,401,579
CoBank Mortgage Notes	2,974,186	
	<u>\$ 19,112,982</u>	<u>\$ 18,383,741</u>
 <b>ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS</b>		
Post-Retirement Benefits	\$ 190,704	\$ 204,337
 <b>CURRENT LIABILITIES</b>		
Notes Payable - Line of Credit	\$	\$ 856,382
Accounts Payable - Purchased Power	798,070	801,770
Accounts Payable - Other	94,536	40,218
Consumers' Deposits and Prepayments	293,800	137,911
Accrued Taxes	255,581	247,585
Accrued Employee Compensated Absences	249,201	337,177
Other Current and Accrued Liabilities	122,908	150,548
	<u>\$ 1,814,096</u>	<u>\$ 2,571,589</u>
 <b>DEFERRED CREDITS</b>	\$ 166,135	\$ 329,761
 <b>TOTAL EQUITIES AND LIABILITIES</b>	<u>\$ 31,169,277</u>	<u>\$ 30,349,552</u>

C

Case: CEC2912P  
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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
ALLOCATION FACTORS

A.F.	FACTOR	TOTAL PERCENT	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
1	NONCOIN DEMAND	100.000000	15.057814	9.278817	55.598999	6.203362	7.781619	5.831446	0.247944
2	COIN DEMAND	100.000000	18.705803	9.136136	50.90821	7.526385	8.293948	5.081554	0.355353
3	KWH SALES	100.000000	26.313103	6.486235	42.302726	10.316261	10.004628	4.097155	0.449891
4	AVG CONS	100.000000	75.577812	3.197227	2.754237	16.929892	1.329968	0.211864	0.000000
5	WTD CONS	100.000000	67.094127	5.676669	4.890143	15.029495	5.898948	1.410618	0.000000
6	WTD CONS METER READ	100.000000	38.186065	8.077073	11.132736	17.107824	20.144025	5.352277	0.000000
7	WTD CONS CONS ACCTS	100.000000	35.658140	7.542369	9.746013	15.975283	25.080649	5.997546	0.000000
8	BASE REVENUE PRESENT	100.000000	30.870251	7.210257	34.187937	11.006204	10.494206	5.273423	0.957722
9	BASE REVENUE PROPOS	100.000000	29.831153	6.966581	41.286688	10.618231	10.186072	4.877958	0.839519
10	FPPCA DCA REVENUE	100.000000	26.755055	7.458032	43.920264	9.349559	10.835452	5.689338	0.462205
11	PNR COST SUM COIN DM	100.000000	22.512640	6.486235	42.32726	10.316261	10.004628	4.097156	0.234715
12	POWER COST KWH	100.000000	26.313104	0.000000	0.000000	0.000000	0.000000	0.000000	0.449890
13	ACCT 364 POLES & FIX	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
14	ACCT 365 OVHD LINES	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	ACCT 367 UG DIST	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
16	ACCT 368 TRANSFRMS	100.000000	54.677900	6.608800	10.627200	18.663900	6.867600	2.554600	0.000000
17	ACCT 369 OVHD SVCS	100.000000	85.372600	1.667200	1.436200	10.821000	0.606300	0.096700	0.000000
18	ATT 369 UNDG SVCS	100.000000	30.000000	10.000000	10.000000	25.000000	12.500000	12.500000	0.000000
19	ACCT 370 METERS	100.000000	54.010700	6.547500	9.195900	24.587700	4.437200	1.221000	0.000000
20	ACCT 371 SECURITY LI	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	100.000000
21	OTHER REVENUE PROPO	100.000000	30.868796	7.209241	34.187455	11.00557	10.494036	5.275238	0.959476
22	DIRECT IRRIGATION	100.000000	0.000000	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000
23	DIRECT AG SVC	100.000000	0.000000	0.000000	100.000000	0.000000	0.000000	0.000000	0.000000
24	DIRECT SM COMM	100.000000	0.000000	0.000000	0.000000	100.000000	0.000000	0.000000	0.000000
25	DIRECT LG COMM	100.000000	0.000000	0.000000	0.000000	0.000000	100.000000	0.000000	0.000000
26	DIRECT INDUSTRIAL	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000	100.000000	0.000000
101	INTANGIBLE PLANT	100.000000	15.057814	9.278817	55.598999	6.203362	7.781619	5.831446	0.247944
102	TRANSMISSION PLANT	100.000000	15.057814	9.278817	55.598999	6.203362	7.781619	5.831446	0.247944
103	TOTAL LND ST EP POLE	100.000000	39.265814	6.846181	34.461093	10.493974	5.200558	3.583613	0.148766
104	TOTAL OHD LINES	100.000000	39.265810	6.846181	34.461097	10.493973	5.200559	3.583614	0.148766
105	TOTAL UNDG COND	100.000000	30.670097	7.709956	41.966688	8.970474	6.117035	4.381768	0.183982
106	TOTAL SERVICES	100.000000	53.553926	6.455464	41.966688	18.968657	7.440759	7.239990	0.000000
107	DISTRIBUTION PLANT	100.000000	41.115954	6.934282	28.168767	12.930993	5.861988	3.728109	1.259906
108	CHP	100.000000	41.115954	6.934282	28.168767	12.930993	5.861988	3.728109	1.259906
109	SUBTOTAL PLANT	100.000000	40.026037	7.032346	29.316074	12.649601	5.942280	3.816084	1.217579
110	GENERAL PLANT	100.000000	40.026037	7.032346	29.316074	12.649601	5.942280	3.816084	1.217579
111	PLANT	100.000000	40.026037	7.032346	29.316074	12.649601	5.942280	3.816084	1.217579
112	REVENUES	100.000000	29.833204	6.967061	35.999111	11.168891	10.313235	4.878743	0.839756
113	REVENUES	100.000000	29.833204	6.967061	35.999111	11.168891	10.313235	4.878743	0.839756
114	TRANSMISSN EXPENSE	100.000000	15.057814	9.278817	55.598999	6.203362	7.781619	5.831446	0.247944
115	DIST OPR EXP	100.000000	38.089583	6.827230	29.765026	12.224189	5.471224	3.492290	4.130458
116	DIST MAINT EXPENSE	100.000000	39.491938	7.044514	32.161381	12.061288	5.548885	3.514034	0.177320
117	CONS ACCTS EXP	100.000000	36.466232	7.713296	10.189302	16.337318	23.502576	5.791276	0.000000
118	CUST SERVICE EXP	100.000000	35.658140	7.542369	9.746013	15.975283	25.080649	5.997546	0.000000

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
ALLOCATION FACTORS

A.F.	FACTOR	TOTAL PERCENT	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
119	SUBTOTAL EXPENSES	100.000000	37.497633	7.196042	23.342312	13.603555	12.053270	4.351793	1.956394
120	ADMIN GEN EXP	100.000000	37.497633	7.196042	23.342312	13.603555	12.053270	4.351793	1.956394
121	SUBTOTAL EXPENSES	100.000000	37.497633	7.196042	23.342312	13.603555	12.053270	4.351793	1.956394
122	POWER COST	100.000000	24.061326	7.062026	43.273343	9.743489	10.496892	5.040525	0.322399
123	DEPRECIATION	100.000000	39.736568	6.967794	29.548593	12.636304	6.118966	3.797416	1.194368
124	EXPENSES	100.000000	29.066383	7.088059	36.747271	11.029532	10.492684	4.742523	0.83548
125	NET PLANT	100.000000	40.727370	6.969245	28.577812	12.830669	5.890614	3.759474	1.244815
126	RATE BASE	100.000000	40.594465	6.976551	28.542959	12.831401	6.025375	3.774045	1.255205
127	INTEREST	100.000000	41.115954	6.934282	28.168767	12.930993	5.861988	3.728109	1.259906



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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 1: NONCOIN DEMAND

Class Name	Purchased kWhr	Average kW	Non-Coin. kW	Ld Fact.
RESIDENTIAL	29,373,922	3,353	6,316	53.0904
IRRIGATION	7,240,734	827	3,892	21.2376
AG SERVICE	47,256,994	5,395	23,321	23.1321
SM COMMERCIAL	11,516,279	1,315	2,602	50.5244
LG COMMERCIAL	11,168,396	1,275	3,264	39.0604
INDUSTRIAL	4,573,749	522	2,446	21.3458
LIGHTING	502,223	57	104	55.1263
TOTAL	111,632,297	12,743	41,945	30.3812

Class Name	Excess kW	Alloc Exc kW	Total kW	Percent
RESIDENTIAL	2,963	2,963	6,316	15.057814
IRRIGATION	3,065	3,065	3,892	9.278817
AG SERVICE	17,926	17,926	23,321	55.598999
SM COMMERCIAL	1,287	1,287	2,602	6.203362
LG COMMERCIAL	1,989	1,989	3,264	7.781619
INDUSTRIAL	1,924	1,924	2,446	5.831446
LIGHTING	47	47	104	0.247944
TOTAL	29,202	29,202	41,945	100.000000

System Coincident Peak = 41,945

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 2: COIN DEMAND

Class Name	Purchased kWhr	Average kW	Non-Coin. kW	Ld Fact.
RESIDENTIAL	29,373,922	3,353	5,264	63.7004
IRRIGATION	7,240,734	827	2,571	32.1497
AG SERVICE	47,256,994	5,395	14,324	37.6615
SM COMMERCIAL	11,516,279	1,315	2,118	62.0701
LG COMMERCIAL	11,168,396	1,275	2,334	54.6243
INDUSTRIAL	4,573,749	522	1,430	36.5117
LIGHTING	502,223	57	100	57.3314
TOTAL	111,632,297	12,743	28,141	45.2842

Class Name	Excess kW	Alloc Exc kW	Total kW	Percent
RESIDENTIAL	1,911	1,911	5,264	18.705803
IRRIGATION	1,744	1,744	2,571	9.136136
AG SERVICE	8,929	8,929	14,324	50.900821
SM COMMERCIAL	803	803	2,118	7.526385
LG COMMERCIAL	1,059	1,059	2,334	8.293948
INDUSTRIAL	908	908	1,430	5.081554
LIGHTING	43	43	100	0.355353
TOTAL	15,398	15,398	28,141	100.000000

System Coincident Peak = 28,141

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 3: KWH SALES

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 100.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Percent
RESIDENTIAL	26,580,300.00	26.313103
IRRIGATION	6,552,100.00	6.486235
AG SERVICE	42,762,594.00	42.332726
SM COMMERCIAL	10,421,018.00	10.316261
LG COMMERCIAL	10,106,220.00	10.004628
INDUSTRIAL	4,138,760.00	4.097155
LIGHTING	454,459.00	0.449891
TOTAL	101,015,451.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 4: AVG CONS

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Weight	Product	Percent
RESIDENTIAL	3,924.00	1.000000	3,924.00	75.577812
IRRIGATION	166.00	1.000000	166.00	3.197227
AG SERVICE	143.00	1.000000	143.00	2.754237
SM COMMERCIAL	879.00	1.000000	879.00	16.929892
LG COMMERCIAL	69.00	1.000000	69.00	1.328968
INDUSTRIAL	11.00	1.000000	11.00	0.211864
LIGHTING	571.00	0.000000	0.00	0.000000
TOTAL	5,763.00	0.900920	5,192.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 5: WTD CONS

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Weight	Product	Percent
RESIDENTIAL	3,924.00	1.000000	3,924.00	67.094127
IRRIGATION	166.00	2.000000	332.00	5.676669
AG SERVICE	143.00	2.000000	286.00	4.890143
SM COMMERCIAL	879.00	1.000000	879.00	15.029495
LG COMMERCIAL	69.00	5.000000	345.00	5.898948
INDUSTRIAL	11.00	7.500000	82.50	1.410618
LIGHTING	571.00	0.000000	0.00	0.000000
TOTAL	5,763.00	1.014836	5,848.50	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 6: WTD CONS METER READ

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Weight	Product	Percent
RESIDENTIAL	3,924.00	1.000000	3,924.00	38.186065
IRRIGATION	166.00	5.000000	830.00	8.077073
AG SERVICE	143.00	8.000000	1,144.00	11.132736
SM COMMERCIAL	879.00	2.000000	1,758.00	17.107824
LG COMMERCIAL	69.00	30.000000	2,070.00	20.144025
INDUSTRIAL	11.00	50.000000	550.00	5.352277
LIGHTING	571.00	0.000000	0.00	0.000000
TOTAL	5,763.00	1.783099	10,276.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 7: WTD CONS CONS ACCTS

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Weight	Product	Percent
RESIDENTIAL	3,924.00	1.000000	3,924.00	35.658140
IRRIGATION	166.00	5.000000	830.00	7.542369
AG SERVICE	143.00	7.500000	1,072.50	9.746013
SM COMMERCIAL	879.00	2.000000	1,758.00	15.975283
LG COMMERCIAL	69.00	40.000000	2,760.00	25.080649
INDUSTRIAL	11.00	60.000000	660.00	5.997546
LIGHTING	571.00	0.000000	0.00	0.000000
TOTAL	5,763.00	1.909509	11,004.50	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 8: BASE REVENUE PRESENT

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	2,877,634.00	30.870251
IRRIGATION	672,119.00	7.210257
AG SERVICE	3,186,899.00	34.187937
SM COMMERCIAL	1,025,966.00	11.006204
LG COMMERCIAL	978,239.00	10.494206
INDUSTRIAL	491,573.00	5.273423
LIGHTING	89,276.00	0.957722
TOTAL	9,321,706.00	100.000000



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COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES

Allocation Factor # 9: BASE REVENUE PROPOS

Comp: Demand: 0.000000  
 Customer: 0.000000  
 Energy: 0.000000  
 Fuel: 0.000000  
 Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	4,003,537.00	29.831153
IRRIGATION	934,961.00	6.966581
AG SERVICE	4,831,799.00	36.002698
SM COMMERCIAL	1,498,982.00	11.169214
LG COMMERCIAL	1,384,056.00	10.312877
INDUSTRIAL	654,654.00	4.877958
LIGHTING	112,669.00	0.839519
TOTAL	13,420,658.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 10: FPPCA DCA REVENUE

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	1,065,908.00	26.755055
IRRIGATION	262,848.00	6.597673
AG SERVICE	1,644,841.00	41.286688
SM COMMERCIAL	423,025.00	10.618231
LG COMMERCIAL	405,808.00	10.186072
INDUSTRIAL	163,106.00	4.094077
LIGHTING	18,414.00	0.462205
TOTAL	3,983,950.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 11: PWR COST SUM COIN DM

Comp: Demand: 100.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Percent
RESIDENTIAL	47,286.00	22.512640
IRRIGATION	15,665.00	7.458032
AG SERVICE	92,251.00	43.920264
SM COMMERCIAL	19,638.00	9.349559
LG COMMERCIAL	22,759.00	10.835452
INDUSTRIAL	11,950.00	5.689338
LIGHTING	493.00	0.234715
TOTAL	210,042.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES

Allocation Factor # 12: POWER COST KWH

Comp: Demand: 0.000000  
 Customer: 0.000000  
 Energy: 100.000000  
 Fuel: 0.000000  
 Revenue: 0.000000

Class Name	Number	Percent
RESIDENTIAL	29,373,922.00	26.313104
IRRIGATION	7,240,734.00	6.486236
AG SERVICE	47,256,994.00	42.332726
SM COMMERCIAL	11,516,279.00	10.316261
LG COMMERCIAL	11,168,396.00	10.004628
INDUSTRIAL	4,573,749.00	4.097156
LIGHTING	502,223.00	0.449890
TOTAL	111,632,297.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 13: ACCT 364 POLES & FIX

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
-----	-----
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
-----	-----
TOTAL	0.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 14: ACCT 365 OVHD LINES

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	0.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES

Allocation Factor # 15: ACCT 367 UG DIST

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	0.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 16: ACCT 368 TRANSFRMRS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	54.677900
IRRIGATION	6.608800
AG SERVICE	10.627200
SM COMMERCIAL	18.663900
LG COMMERCIAL	6.867600
INDUSTRIAL	2.554600
LIGHTING	0.000000
TOTAL	100.000000



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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 17: ACCT 369 OVHD SVCS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	85.372600
IRRIGATION	1.667200
AG SERVICE	1.436200
SM COMMERCIAL	10.821000
LG COMMERCIAL	0.606300
INDUSTRIAL	0.096700
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 18: ATTT 369 UNDG SVCS

Comp:	Demand:	60.000000
	Customer:	40.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	30.000000
IRRIGATION	10.000000
AG SERVICE	10.000000
SM COMMERCIAL	25.000000
LG COMMERCIAL	12.500000
INDUSTRIAL	12.500000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 19: ACCT 370 METERS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	54.010700
IRRIGATION	6.547500
AG SERVICE	9.195900
SM COMMERCIAL	24.587700
LG COMMERCIAL	4.437200
INDUSTRIAL	1.221000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 20: ACCT 371 SECURITY LI

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	100.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 21: OTHER REVENUE PROPO

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	8,204.00	30.868796
IRRIGATION	1,916.00	7.209241
AG SERVICE	9,086.00	34.187455
SM COMMERCIAL	2,925.00	11.005757
LG COMMERCIAL	2,789.00	10.494036
INDUSTRIAL	1,402.00	5.275238
LIGHTING	255.00	0.959476
TOTAL	26,577.00	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 22: DIRECT IRRIGATION

Comp: Demand: 0.000000  
Customer: 100.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	100.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 23: DIRECT AG SVC

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	100.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 24: DIRECT SM COMM

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	100.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	100.000000



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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 25: DIRECT LG COMM

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	100.000000
INDUSTRIAL	0.000000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 26: DIRECT INDUSTRIAL

Comp:	Demand:	0.000000
	Customer:	100.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	0.000000
IRRIGATION	0.000000
AG SERVICE	0.000000
SM COMMERCIAL	0.000000
LG COMMERCIAL	0.000000
INDUSTRIAL	100.000000
LIGHTING	0.000000
TOTAL	100.000000

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - PLANT

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>INTANGIBLE PLANT</b>									
INTANGIBLE PLANT	411	1	62	38	229	25	32	24	1
Total	411	101*	62	38	229	25	32	24	1
INTANGIBLE PLANT			15.058%	9.279%	55.599%	6.203%	7.782%	5.831%	0.248%
<b>TRANSMISSION PLANT</b>									
TRANSMISSION PLANT	1,466,239	1	220,784	136,050	815,214	90,956	114,097	85,503	3,635
Total	1,466,239	102*	220,784	136,050	815,214	90,956	114,097	85,503	3,635
TRANSMISSION PLANT			15.058%	9.279%	55.599%	6.203%	7.782%	5.831%	0.248%
<b>DISTRIBUTION PLANT</b>									
360 LAND	38,316	1	5,770	3,555	21,303	2,377	2,982	2,234	95
362 STATION EQPT	3,130,649	1	471,407	290,487	1,740,609	194,205	243,615	182,562	7,762
364 POLES TOWERS	4,376,657	4	3,307,782	139,932	120,544	740,963	58,164	9,273	0
364 POLES & TOWERS	6,564,985	1	988,543	609,153	3,650,066	407,250	510,862	382,834	16,277
Subtotal									
TOTAL LND ST EP PO	10,941,642	103*	4,296,325	749,085	3,770,609	1,148,213	569,026	392,106	16,277
			39.266%	6.846%	34.461%	10.494%	5.201%	3.584%	0.149%
365 OVHD LINES	2,713,436	4	2,050,756	86,755	74,734	459,382	36,061	5,749	0
365 OVHD LINES	4,070,155	1	612,876	377,662	2,262,965	252,486	316,724	237,349	10,092
Subtotal									
TOTAL OHV LINES	6,783,591	104*	2,663,632	464,417	2,337,700	711,868	352,785	243,098	10,092
			39.266%	6.846%	34.461%	10.494%	5.201%	3.584%	0.149%
367 UNDERGRND COND	245,085	4	185,230	7,836	6,750	41,493	3,257	519	0
367 UNDERGRND COND	704,971	1	106,153	65,413	391,957	43,732	64,858	41,110	1,748
Subtotal									
TOTAL UNDRG COND	950,056	105*	291,383	73,249	398,707	85,225	68,115	41,629	1,748
			30.670%	7.710%	41.967%	8.970%	6.117%	4.382%	0.184%
368 LINE TRANSFRMS	6,293,850	16	3,441,345	415,948	668,860	1,174,678	432,236	160,783	0
369 OVHD SVCS	1,069,133	17	912,747	17,825	15,355	115,691	6,482	1,034	0
369 UNDERGRND SVCS	1,444,277	18	433,283	144,428	144,428	361,069	180,535	180,535	0
Subtotal									
TOTAL SERVICES	2,513,410	106*	1,346,030	162,252	159,783	476,760	187,017	181,568	0
			53.554%	6.455%	6.357%	18.969%	7.441%	7.224%	0.000%
370 METERS	1,880,329	19	1,015,579	123,115	172,913	462,330	83,434	22,959	0

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - PLANT

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
371 INST ON CONS PR	378,667	20	0	0	0	0	0	0	378,667
Total									
DISTRIBUTION PLANT	32,910,510	107*	13,531,470 41.116%	2,282,108 6.934%	9,270,485 28.169%	4,255,656 12.931%	1,929,210 5.862%	1,226,940 3.728%	414,641 1.260%
CMIP									
CMIP	688,050	107	282,898	47,711	193,815	88,972	40,333	25,651	8,669
Total									
CMIP	688,050	108*	282,898 41.116%	47,711 6.934%	193,815 28.169%	88,972 12.931%	40,333 5.862%	25,651 3.728%	8,669 1.260%
SUBTOTAL PLANT	35,065,210	109*	14,035,214 40.026%	2,465,907 7.032%	10,279,743 29.316%	4,435,609 12.650%	2,083,673 5.942%	1,338,118 3.816%	426,947 1.218%
GENERAL PLANT									
389 LAND	21,947	109	8,785	1,543	6,434	2,776	1,304	838	267
390 STRTB & IMPR	1,078,442	109	431,658	75,840	316,157	136,419	64,084	41,154	13,131
391 FURN & EPQT	409,340	109	163,843	28,786	120,002	51,780	24,324	15,621	4,984
392 TRANSP EQPT	1,543,809	109	617,926	108,566	452,584	196,286	91,737	58,913	18,797
393 STORES EQPT	14,831	109	5,936	1,043	4,348	1,876	881	566	181
394 SHOP & GARAGE	99,661	109	39,890	7,009	29,217	12,607	5,922	3,803	1,213
395 LAB EQPT	183,948	109	73,627	12,936	53,926	23,269	10,931	7,020	2,240
396 PMR OPR EQPT	40,167	109	16,077	2,825	11,775	5,081	2,387	1,533	489
397 COMMUNICATIONS	115,457	109	46,213	8,119	33,847	14,605	6,861	4,406	1,406
Total									
GENERAL PLANT	3,507,602	110*	1,403,954 40.026%	246,667 7.032%	1,028,291 29.316%	443,698 12.650%	208,432 5.942%	133,853 3.816%	42,708 1.218%
TOTAL PLANT	38,572,812	111*	15,439,168 40.026%	2,712,574 7.032%	11,308,034 29.316%	4,879,307 12.650%	2,292,104 5.942%	1,471,971 3.816%	469,654 1.218%

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 ALLOCATION OF ACCOUNT 364 POLES, TOWERS, FIXTURES

Allocated on Factor 4 - Average Consumers		Allocated on Factor 1 - Peak Non-Coincident Demand							
	RATE	Number Consumers	% Of Total	Allocation	Non-Coin Demand	% Of Total	Allocation	Total Investment	
RESIDENTIAL	1	3,831	73.7866%	\$ 3,229,386	6,162	14.6907%	\$ 964,440	\$ 4,193,826	40% \$ 4,376,657
RESIDENTIAL TOU	11,21	93	1.7912%	78,395	154	0.3671%	24,103	102,499	60% 6,564,985
TOTAL RESIDENTIAL		3,924	75.5778%	\$ 3,307,782	6,316	15.0578%	\$ 988,543	\$ 4,296,325	Total \$ 10,941,642
IRRIGATION	4	131	2.5231%	\$ 110,428	3,581	8.5374%	\$ 560,477	\$ 670,905	
IRRIGATION TOU	14,24	35	0.6741%	29,504	311	0.7414%	48,676	78,180	
TOTAL IRRIGATION		166	3.1972%	\$ 139,932	3,892	9.2788%	\$ 609,153	\$ 749,085	
AG SERVICE	3	143	2.7542%	\$ 120,544	23,321	55.5990%	\$ 3,650,066	\$ 3,770,609	
SMALL COMMERCIAL	5	864	16.6410%	\$ 728,319	2,507	5.9769%	\$ 392,381	\$ 1,120,700	
SMALL COMMERCIAL TOU	15,25	15	0.2889%	12,644	95	0.2265%	14,869	27,513	
TOTAL SMALL COMMERCIAL		879	16.9299%	\$ 740,963	2,602	6.2034%	\$ 407,250	\$ 1,148,213	
LARGE COMMERCIAL	6	69	1.3290%	\$ 58,164	3,264	7.7816%	\$ 510,862	\$ 569,026	
INDUSTRIAL	8	11	0.2119%	\$ 9,273	2,446	5.8314%	\$ 382,834	\$ 392,106	
LIGHTING SERVICE					104	0.2479%	\$ 16,277	\$ 16,277	
TOTALS		5,192	100.0000%	\$ 4,376,657	41,945	100.0000%	\$ 6,564,985	\$ 10,941,642	

COLUMBUS ELECTRIC COOPERATIVE, INC.  
ALLOCATION OF ACCOUNT 365 OVERHEAD LINES

Allocated on Factor 4 - Average Consumers  
Allocated on Factor 1 - Peak Non-Coincident Demand

40% \$ 2,713,436  
60% 4,070,155  
Total \$ 6,783,591

	RATE	Number Consumers	% Of Total	Allocation	Non-Coin Demand	% Of Total	Allocation	Total Investment
RESIDENTIAL	1	3,831	73.7866%	\$ 2,002,152	6,162	14.6907%	\$ 597,933	\$ 2,600,085
RESIDENTIAL TOU	11,21	93	1.7912%	48,604	154	0.3671%	14,943	63,547
TOTAL RESIDENTIAL		3,924	75.5778%	\$ 2,050,756	6,316	15.0578%	\$ 612,876	\$ 2,663,632
IRRIGATION	4	131	2.5231%	\$ 68,463	3,581	8.5374%	\$ 347,484	\$ 415,947
IRRIGATION TOU	14,24	35	0.6741%	18,292	311	0.7414%	30,178	48,470
TOTAL IRRIGATION		166	3.1972%	\$ 86,755	3,892	9.2788%	\$ 377,662	\$ 464,417
AG SERVICE	3	143	2.7542%	\$ 74,734	23,321	55.5990%	\$ 2,262,965	\$ 2,337,700
SMALL COMMERCIAL	5	864	16.6410%	\$ 451,543	2,507	5.9769%	\$ 243,268	\$ 694,811
SMALL COMMERCIAL TOU	15,25	15	0.2889%	7,839	95	0.2265%	9,218	17,058
TOTAL SMALL COMMERCIAL		879	16.9299%	\$ 459,382	2,602	6.2034%	\$ 252,486	\$ 711,868
LARGE COMMERCIAL	6	69	1.3290%	\$ 36,061	3,264	7.7816%	\$ 316,724	\$ 352,785
INDUSTRIAL	8	11	0.2119%	\$ 5,749	2,446	5.8314%	\$ 237,349	\$ 243,098
LIGHTING SERVICE					104	0.2479%	\$ 10,092	\$ 10,092
TOTALS		5,192	100.0000%	\$ 2,713,436	41,945	100.0000%	\$ 4,070,155	\$ 6,783,591

COLUMBUS ELECTRIC COOPERATIVE, INC.  
ALLOCATION OF ACCOUNT 368 LINE TRANSFORMERS

	RATE	No. Consumers	kva Per Customer	Installed Kva	Cost Per Kva \$	Cost Ratio	Weighted Kva	% Of Total	Total Investment
Total Investment									\$ 6,293,850
RESIDENTIAL	1	3,831	15	57,465	\$ 35	1.40	80,451	53.3820%	3,359,785
RESIDENTIAL TOU	11,21	93	15	1,395	35	1.40	1,953	1.2959%	81,561
TOTAL RESIDENTIAL		3,924		58,860			82,404	54.6779%	3,441,346
IRRIGATION	4	131	50	6,550	30	1.20	7,860	5.2154%	328,248
IRRIGATION TOU	14,24	35	50	1,750	30	1.20	2,100	1.3934%	87,700
TOTAL IRRIGATION		166		8,300			9,960	6.6088%	415,948
AG SERVICE	3	143	100	14,300	28	1.12	16,016	10.6272%	668,858
SMALL COMMERCIAL	5	864	25	21,600	32	1.28	27,648	18.3454%	1,154,633
SMALL COMMERCIAL TOU	15,25	15	25	375	32	1.28	480	0.3185%	20,046
TOTAL SMALL COMMERCIAL		879		21,975			28,128	18.6639%	1,174,678
LARGE COMMERCIAL	6	69	150	10,350	25	1.00	10,350	6.8676%	432,235
INDUSTRIAL	8	11	350	3,850	25	1.00	3,850	2.5546%	160,783
LIGHTING SERVICE		571						0.0000%	-
TOTALS		5,763		117,635			150,708	100.0000%	\$ 6,293,850







COLUMBUS ELECTRIC COOPERATIVE, INC.  
ALLOCATION OF ACCOUNT 370 - METERS

	RATE	No. Consumers	Cost Per Consumer	Cost Ratio	Weighted Consumers	% Of Total	Allocation
TOTAL INVESTMENT							\$ 1,880,329
RESIDENTIAL	1	3,831	\$ 186	1.00	3,831	52.7306%	\$ 991,509
RESIDENTIAL TOU	11,21	93	\$ 186	1.00	93	1.2801%	24,070
TOTAL RESIDENTIAL		3,924			3,924	54.0107%	\$ 1,015,579
IRRIGATION	4	131	\$ 533	2.87	375	5.1670%	\$ 97,156
IRRIGATION TOU	14,24	35	\$ 533	2.87	100	1.3805%	25,958
TOTAL IRRIGATION		166			476	6.5475%	\$ 123,114
AG SERVICE	3	143	\$ 869	4.67	668	9.1959%	\$ 172,913
SMALL COMMERCIAL	5	864	\$ 378	2.03	1,756	24.1682%	\$ 454,441
SMALL COMMERCIAL TOU	15,25	15	\$ 378	2.03	30	0.4196%	7,890
TOTAL SMALL COMMERCIAL		879			1,786	24.5877%	\$ 462,330
LARGE COMMERCIAL	6	69	\$ 869	4.67	322	4.4372%	\$ 83,434
INDUSTRIAL	8	11	\$ 1,500	8.06	89	1.2210%	\$ 22,959
LIGHTING SERVICE		571				0.0000%	\$ -
TOTALS		5,763			7,265	100.0000%	\$ 1,880,329

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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - REVENUES

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
ENERGY REVENUE	13,420,656	9	4,003,536	934,961	4,831,798	1,498,982	1,384,056	654,654	112,669
FPPCA & DCA REVENUE	0	10	0	0	0	0	0	0	0
OTHER REVENUE	26,577	21	8,204	1,916	9,086	2,925	2,789	1,402	255
Total	13,447,233	112*	4,011,740	936,877	4,840,884	1,501,907	1,386,845	656,056	112,924
REVENUES			29.833%	6.967%	35.999%	11.169%	10.313%	4.879%	0.840%
TOTAL	13,447,233	113*	4,011,740	936,877	4,840,884	1,501,907	1,386,845	656,056	112,924
REVENUES			29.833%	6.967%	35.999%	11.169%	10.313%	4.879%	0.840%

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-2.0  
 NEW MEXICO

RESIDENTIAL

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 12.35	\$ 510,179
Customer Charge - TOU	820		\$ 15.60	12,792
Energy Charge - Regular		23,460,048	\$ 0.0864	2,026,948
Energy Charge - TOU - On Peak		415,461	\$ 0.0975	40,507
Energy Charge - TOU - Off Peak		271,426	\$ 0.0600	16,286
FPPCA Revenue		24,146,935	\$ 0.038407	927,417
DCA Revenue		24,146,935	\$ 0.001557	37,585
Total Revenue				<u>\$ 3,571,714</u>

IRRIGATION

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 32.50	\$ 47,743
Customer Charge - TOU	359		\$ 45.50	16,335
Energy Charge - Regular		5,513,655	\$ 0.09200	507,256
Energy Charge - TOU - On Peak		337,128	\$ 0.1030	34,724
Energy Charge - TOU - Off Peak		373,187	\$ 0.0600	22,391
Revenue from Minimum Bills				8,541
FPPCA Revenue		6,223,970	\$ 0.038534	239,834
DCA Revenue		6,223,970	\$ 0.001944	12,102
Total Revenue				<u>\$ 888,926</u>

AG SERVICE

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 65.00	\$ 104,845
Energy Charge		39,375,674	\$ 0.06950	2,736,609
Revenue from Minimums		1,435,827	\$ 0.06950	99,790
FPPCA Revenue		40,811,501	\$ 0.03565	1,455,096
DCA Revenue		40,811,501	\$ 0.00174	71,081
Total Revenue				<u>\$ 4,467,421</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-2.0  
 NEW MEXICO

COMMERCIAL Under 50 KVA

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	9,958		\$ 16.25	\$ 161,818
Customer Charge - TOU	180		\$ 19.50	3,510
Energy Charge - Regular		9,653,854	\$ 0.08220	793,547
Energy Charge - TOU-On Peak		192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak		196,413	\$ 0.0590	11,588
FPPCA Revenue		10,042,728	\$ 0.03822	383,790
DCA Revenue		10,042,728	\$ 0.00238	23,862
Total Revenue				<u>\$ 1,395,860</u>

COMMERCIAL 50 - 350 KVA

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
Total Revenue					<u>\$ 1,384,047</u>

COMMERCIAL Over 350 KVA

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.037264	154,225
DCA Revenue			4,138,760	\$ 0.002146	8,881
Total Revenue					<u>\$ 654,679</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-2.0  
 NEW MEXICO

	Bills	Kwh	Rate	Revenue
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
400 Watt High Pressure Sodium	3,022	126,924	\$ 13.50	\$ 40,797
100 Watt High Pressure Sodium	272	48,960	\$ 23.50	\$ 6,392
FPPCA Revenue		447,724	\$ 0.03856	17,266
DCA Revenue		447,724	\$ 0.00194	870
Total Revenue				<u>\$ 105,252</u>
Totals		<u>95,917,838</u>		<u>\$ 12,467,898</u>



COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-2.0  
 ARIZONA

RESIDENTIAL

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	4,666		\$ 12.35	\$ 57,625
Customer Charge - TOU	286		\$ 15.60	4,462
Energy Charge - Regular		2,219,074	\$ 0.0864	191,728
Energy Charge - TOU - On Peak		113,348	\$ 0.0975	11,051
Energy Charge - TOU - Off Peak		100,943	\$ 0.0600	6,057
FPPCA Revenue		2,433,365	\$ 0.041468	100,906
Total Revenue				<u>\$ 371,829</u>

IRRIGATION

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	109		\$ 32.50	\$ 3,543
Customer Charge - TOU	54		\$ 45.50	2,457
Energy Charge - Regular		209,607	\$ 0.09200	19,284
Energy Charge - TOU - On Peak		50,943	\$ 0.1030	5,247
Energy Charge - TOU - Off Peak		67,580	\$ 0.0600	4,055
Revenue from Minimum Bills				544
FPPCA Revenue		328,130	\$ 0.033255	10,912
Total Revenue				<u>\$ 46,041</u>

AG SERVICE

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	107		\$ 65.00	\$ 6,955
Energy Charge		3,386,920	\$ 0.06950	235,391
Revenue from Minimums		47,612	\$ 0.06950	3,309
FPPCA Revenue		3,434,532	\$ 0.03424	118,664
Total Revenue				<u>\$ 364,319</u>

COMMERCIAL Under 50 KVA

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	410		\$ 16.25	\$ 6,663
Customer Charge - TOU			\$ 19.50	-
Energy Charge - Regular		378,290	\$ 0.08220	31,095
Energy Charge - TOU-On Peak			\$ 0.0922	-
Energy Charge - TOU-Off Peak			\$ 0.0590	-
FPPCA Revenue		378,290	\$ 0.04064	15,373
Total Revenue				<u>\$ 53,131</u>

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
100 Watt High Pressure Sodium	160	6,720	\$ 13.50	\$ 2,160
FPPCA Revenue		6,720	\$ 0.04137	278
Total Revenue				<u>\$ 2,438</u>
Totals		<u>6,581,037</u>		<u>\$ 837,758</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

**SCHEDULE E-2.0  
 TOTAL SYSTEM**

**RESIDENTIAL**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	45,976		\$ 12.35	\$ 567,804
Customer Charge - TOU	1,106		\$ 15.60	17,254
Energy Charge - Regular		25,679,122	\$ 0.0864	2,218,676
Energy Charge - TOU - On Peak		528,809	\$ 0.0975	51,559
Energy Charge - TOU - Off Peak		372,369	\$ 0.0600	22,342
FPPCA Revenue		26,580,300	\$ 0.038687	1,028,323
DCA Revenue		24,146,935	\$ 0.001557	37,585
Total Revenue		26,580,300		<u>\$ 3,943,542</u>

**IRRIGATION**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,578		\$ 32.50	\$ 51,285
Customer Charge - TOU	413		\$ 45.50	18,792
Energy Charge - Regular		5,723,262	\$ 0.09200	526,540
Energy Charge - TOU - On Peak		388,071	\$ 0.1030	39,971
Energy Charge - TOU - Off Peak		440,767	\$ 0.0600	26,446
Revenue from Minimum Bills				9,085
FPPCA Revenue		6,552,100	\$ 0.038270	250,746
DCA Revenue		6,223,970	\$ 0.001944	12,102
Total Revenue				<u>\$ 934,967</u>

**AG SERVICE**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,720		\$ 65.00	\$ 111,800
Energy Charge		42,762,594	\$ 0.06950	2,972,000
Revenue from Minimums		1,483,439	\$ 0.0695	103,099
FPPCA Revenue		44,246,033	\$ 0.03557	1,573,760
DCA Revenue		39,375,674	\$ 0.00181	71,081
Total Revenue				<u>\$ 4,831,740</u>

**COMMERCIAL Under 50 KVA**

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	10,368		\$ 16.25	\$ 168,480
Customer Charge - TOU	180		\$ 19.50	3,510
Energy Charge - Regular		10,032,144	\$ 0.08220	824,642
Energy Charge - TOU-On Peak		192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak		196,413	\$ 0.0590	11,588
FPPCA Revenue		10,421,018	\$ 0.03830	399,163
DCA Revenue		10,042,728	\$ 0.00238	23,862
Total Revenue				<u>\$ 1,448,991</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-2.0  
 TOTAL SYSTEM

COMMERCIAL 50 - 350 KVA

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
Total Revenue					<u>\$ 1,384,047</u>

COMMERCIAL Over 350 KVA

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
FPPCA Revenue			4,138,760	\$ 0.03726	154,225
DCA Revenue			4,138,760	\$ 0.00215	8,881
Total Revenue					<u>\$ 654,679</u>

LIGHTING

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
100 Watt High Pressure Sodium	3,182	133,644	\$ 13.50	\$ 42,957
400 Watt High Pressure Sodium	272	48,960	\$ 23.50	\$ 6,392
FPPCA Revenue		454,444	\$ 0.03861	17,544
DCA Revenue		447,724	\$ 0.00194	870
Total Revenue				<u>\$ 107,690</u>

Totals

102,498,875      \$ 13,305,656

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
 TOTAL SYSTEM

RESIDENTIAL		Rates 1, 11, 21					
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge - Regular		45,976		\$ 20.00	\$	919,520	
Customer Charge - TOU		1,106		\$ 23.50		25,991	
Energy Charge - Regular			25,679,122	\$ 0.11507		2,954,897	
Energy Charge - TOU - On Peak			528,809	\$ 0.13500		71,389	
Energy Charge - TOU - Off Peak			372,369	\$ 0.08524		31,741	
FPPCA Revenue							
DCA Revenue							
Totals			26,580,300		\$	<u>4,003,538</u>	
IRRIGATION		Rates 4, 14, 24					
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge - Regular		1,578		\$ 75.00	\$	118,350	
Customer Charge - TOU		413		\$ 78.50		32,421	
Energy Charge - Regular			5,723,262	\$ 0.12200		698,238	
Energy Charge - TOU - On Peak			388,071	\$ 0.13000		50,449	
Energy Charge - TOU - Off Peak			440,767	\$ 0.08055		35,504	
FPPCA Revenue							
DCA Revenue							
Totals			6,552,100		\$	<u>934,961</u>	
AG SERVICE		Rate 3					
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge		1,720		\$ 110.00	\$	189,200	
Energy Charge			42,762,594	\$ 0.104930		4,487,079	
Revenue from Minimums			1,483,439	\$ 0.104930		155,657	
FPPCA Revenue							
DCA Revenue							
Total Revenue			42,762,594		\$	<u>4,831,936</u>	
COMMERCIAL Under 50 KVA		Rates 5, 15, 25					
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge - Regular		10,368		\$ 35.00	\$	362,880	
Customer Charge - TOU		180		\$ 38.50		6,930	
Energy Charge - Regular			10,032,144	\$ 0.10821		1,085,578	
Energy Charge - TOU-On Peak			192,461	\$ 0.13725		26,415	
Energy Charge - TOU-Off Peak			196,413	\$ 0.08746		17,178	
FPPCA Revenue							
DCA Revenue							
Totals			10,421,018		\$	<u>1,498,982</u>	

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
 TOTAL SYSTEM

COMMERCIAL 50 - 350 KVA		Rate 6					
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge - Regular	822			\$ 360.00	\$	295,920	
Demand Charge		33,767		\$ 16.50	\$	557,156	
Energy Charge			10,106,220	\$ 0.05254	\$	530,981	
Revenue from Minimum Bills							
FPPCA Revenue							
<b>Total Revenue</b>			10,106,220			<u>\$ 1,384,056</u>	
COMMERCIAL Over 350 KVA		Rate 9					
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>		<u>Revenue</u>	
Customer Charge	136			\$ 600.00	\$	81,600	
Demand Charge		20,095		\$ 17.00	\$	341,615	
Energy Charge			4,138,760	\$ 0.05592	\$	231,439	
Minimums							
FPPCA Revenue							
DCA Revenue							
<b>Total Revenue</b>			4,138,760			<u>\$ 654,654</u>	
		<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>		<u>Revenue</u>	
175 Watt Mercury Vapor		3,398	271,840	\$ 15.25	\$	51,820	
100 Watt High Pressure Sodium		3,182	133,644	\$ 16.25	\$	51,708	
400 Watt High Pressure Sodium		272	48,960	\$ 32.45	\$	8,826	
FPPCA Revenue							
DCA Revenue							
<b>Total Revenue</b>			454,444			<u>\$ 112,353</u>	
<b>Totals</b>			<u>101,015,436</u>			<u>13,420,481</u>	

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
 NEW MEXICO

RESIDENTIAL	Rates 1, 11, 21	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		41,310		\$ 20.00	\$ 826,200
Customer Charge - TOU		820		\$ 23.50	19,270
Energy Charge - Regular			23,460,048	\$ 0.11507	2,699,548
Energy Charge - TOU - On Peak			415,461	\$ 0.13500	56,087
Energy Charge - TOU - Off Peak			271,426	\$ 0.08524	23,136
Revenue from Minimum Bills					
FPPCA Revenue					
DCA Revenue					
Totals			24,146,935		<u>\$ 3,624,241</u>

IRRIGATION	Rates 4, 14, 24	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		1,469		\$ 75.00	\$ 110,175
Customer Charge - TOU		359		\$ 78.50	28,182
Energy Charge - Regular			5,513,655	\$ 0.12200	672,666
Energy Charge - TOU - On Peak			337,128	\$ 0.13000	43,827
Energy Charge - TOU - Off Peak			373,187	\$ 0.08055	30,060
Revenue from Minimum Bills					
FPPCA Revenue					
DCA Revenue					
Total Revenue			6,223,970		<u>\$ 884,909</u>

AG SERVICE	Rate 3	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge		1,613		\$ 110.00	\$ 177,430
Energy Charge			39,375,674	\$ 0.104930	4,131,689
Revenue from Minimums			1,435,827	\$ 0.104930	150,661
FPPCA Revenue					
DCA Revenue					
Totals			39,375,674		<u>\$ 4,459,781</u>

COMMERCIAL Under 50 KVA	Rates 5, 15, 25	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		9,958		\$ 35.00	\$ 348,530
Customer Charge - TOU		180		\$ 38.50	6,930
Energy Charge - Regular			9,653,854	\$ 0.10821	1,044,644
Energy Charge - TOU-On Peak			192,461	\$ 0.13725	26,415
Energy Charge - TOU-Off Peak			196,413	\$ 0.08746	17,178
FPPCA Revenue					
DCA Revenue					
Totals			10,042,728		<u>\$ 1,443,697</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
 NEW MEXICO

COMMERCIAL 50 - 350 KVA Rate 6

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 360.00	\$ 295,920
Demand Charge		33,767		\$ 16.50	557,156
Energy Charge			10,106,220	\$ 0.05254	530,981
Revenue from Minimum Bills					
FPPCA Revenue					
DCA Revenue					
Totals			10,106,220		<u>\$ 1,384,056</u>

COMMERCIAL Over 350 KVA Rate 9

	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 600.00	\$ 81,600
Demand Charge		20,095		\$ 17.00	341,615
Energy Charge			4,138,760	\$ 0.05592	231,439
Minimums					
FPPCA Revenue					
DCA Revenue					
Totals			4,138,760		<u>\$ 654,654</u>

LIGHTING SERVICE

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 15.25	\$ 51,820
100 Watt High Pressure Sodium	3,022	126,924	\$ 16.25	\$ 49,108
400 Watt High Pressure Sodium	272	48,960	\$ 32.45	\$ 8,826
FPPCA Revenue				
DCA Revenue				
Total Revenue		447,724		<u>\$ 109,753</u>
Totals		<u>94,482,011</u>		<u>\$ 12,561,092</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PROPOSED RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
 ARIZONA

RESIDENTIAL

Rates 1, 11, 21

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	4,666		\$ 20.00	\$ 93,320
Customer Charge - TOU	286		\$ 23.50	6,721
Energy Charge - Regular		2,219,074	\$ 0.11507	255,349
Energy Charge - TOU - On Peak		113,348	\$ 0.13500	15,302
Energy Charge - TOU - Off Peak		100,943	\$ 0.08524	8,604
FPPCA Revenue				
Totals		2,433,365		<u>\$ 379,296</u>

IRRIGATION

Rates 4, 14, 24

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	109		\$ 75.00	\$ 8,175
Customer Charge - TOU	54		\$ 78.50	4,239
Energy Charge - Regular		209,607	\$ 0.12200	25,572
Energy Charge - TOU - On Peak		50,943	\$ 0.13000	6,623
Energy Charge - TOU - Off Peak		67,580	\$ 0.08055	5,444
Revenue from Minimum Bills				
FPPCA Revenue				
Totals		328,130		<u>\$ 50,052</u>

AG SERVICE

Rate 3

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	107		\$ 110.00	\$ 11,770
Energy Charge		3,386,920	\$ 0.10493	355,390
Revenue from Minimums		47,612	\$ 0.10493	4,996
FPPCA Revenue				
Totals		3,386,920		<u>\$ 372,155</u>

COMMERCIAL Under 50 KVA

Rates 5,15, 25

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	410		\$ 35.00	\$ 14,350
Customer Charge - TOU			\$ 38.50	-
Energy Charge - Regular		378,290	\$ 0.10821	40,935
Energy Charge - TOU-On Peak			\$ 0.13725	-
Energy Charge - TOU-Off Peak			\$ 0.08746	-
FPPCA Revenue				
Totals		378,290		<u>\$ 55,285</u>



COLUMBUS ELECTRIC COOPERATIVE, INC.  
PROOF OF REVENUE - PROPOSED RATES  
OCTOBER 1, 2011 - SEPTEMBER 30, 2012

SCHEDULE E-3.0  
ARIZONA

LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
100 Watt High Pressure Sodium	160	6,720	\$ 16.25	\$ 2,600
FPPCA Revenue				
Totals		6,720		<u>\$ 2,600</u>
Totals		<u>6,533,425</u>		<u>\$ 859,388</u>

SCHEDULE E-4.0

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

RESIDENTIAL

KWH	Rate 1		(3,442 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 12.35	\$ 20.00	7.65	61.94
100	\$ 24.99	\$ 31.51	6.52	26.10
250	43.94	48.77	4.83	10.98
500	75.53	77.54	2.00	2.65
750	107.12	106.30	(0.82)	(0.77)
1000	138.71	135.07	(3.64)	(2.63)
1500	201.90	192.61	(9.29)	(4.60)
2000	265.08	250.14	(14.94)	(5.64)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0864	\$ 0.11507
Power Cost Adj	\$ 0.038407	
Debt Cost Adj	\$ 0.001557	

RESIDENTIAL - TIME OF USE

KWH	Rates 11, 21		(88 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 15.60	\$ 23.50	7.90	50.64
100	27.88	35.03	7.17	25.73
250	46.25	52.32	6.07	13.12
500	76.91	81.15	4.24	5.51
750	107.56	109.97	2.41	2.24
1000	138.21	138.80	0.58	0.42
1500	199.52	198.44	(3.08)	(1.54)
2000	260.83	254.09	(6.74)	(2.58)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0975	\$ 0.13500
Energy Chg - Off Peak	\$ 0.0800	\$ 0.08524
Power Cost Adj	\$ 0.038407	
Debt Cost Adj	\$ 0.001557	

IRRIGATION

KWH	Rate 4		(122 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
1000	\$ 164.98	\$ 197.00	32.02	19.41
1500	231.22	258.00	26.78	11.58
2000	297.46	319.00	21.54	7.24
2500	363.70	380.00	16.31	4.48
3000	429.93	441.00	11.07	2.57
4000	562.41	563.00	0.59	0.10
5000	694.89	685.00	(9.89)	(1.42)

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.0920	\$ 0.12200
Power Cost Adj	\$ 0.038534	
Debt Cost Adj	\$ 0.001944	

SCHEDULE E-4.0

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

IRRIGATION TIME OF USE

		Rates 14, 24		(30 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
On Peak	47.5%	1000 \$ 188.40	182.54	18.14	9.70
Off Peak	52.5%	1500 228.85	234.58	7.70	3.40
		2000 287.31	288.58	(0.73)	(0.25)
		2500 347.76	338.60	(9.16)	(2.63)
		3000 408.21	380.82	(17.59)	(4.31)
		4000 529.11	494.86	(34.46)	(6.51)
		5000 650.02	598.69	(51.32)	(7.90)
Customer Chg		\$ 45.50	\$ 78.50		
Energy Chg - On Peak		\$ 0.1030	\$ 0.13000		
Energy Chg - On Peak		\$ 0.0600	\$ 0.06055		
Power Cost Adj		\$ 0.038534			
Debt Cost Adj		\$ 0.001944			

AG SERVICE

		Rate 3		(134 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
		5000 \$ 608.30	\$ 634.65	28.35	4.68
		7500 876.95	898.98	20.03	2.28
		10000 1,147.60	1,159.30	11.70	1.02
		12500 1,418.25	1,421.63	3.38	0.24
		15000 1,688.90	1,683.95	(4.95)	(0.29)
		20000 2,230.20	2,208.60	(21.60)	(0.97)
		25000 2,771.50	2,733.25	(38.25)	(1.38)
Customer Chg		\$ 85.00	\$ 110.00		
Energy Chg		\$ 0.0695	\$ 0.10493		
Power Cost Adj		\$ 0.038950			
Debt Cost Adj		\$ 0.001810			

SMALL COMMERCIAL  
UNDER 50 KVA

		Rate 5		(630 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
		250 \$ 48.95	\$ 62.05	15.10	32.17
		500 77.65	89.11	11.48	14.75
		750 108.35	116.16	7.81	7.21
		1000 139.05	143.21	4.16	2.99
		1250 169.75	170.28	0.51	0.30
		1500 200.45	197.32	(3.13)	(1.56)
		2000 281.85	251.42	(10.43)	(3.68)
		3000 384.65	359.63	(25.02)	(6.50)
Customer Chg		\$ 16.25	\$ 35.00		
Energy Chg		\$ 0.0822	\$ 0.10821		
Power Cost Adj		\$ 0.038220			
Debt Cost Adj		\$ 0.002380			

SCHEDULE E-4.0

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - NEW MEXICO

SMALL COMMERCIAL  
TIME OF USE

		Rates 15, 25		(15 Customers)		
		PRESENT	PROPOSED	\$	%	
		KWH	BILL	BILL	INCREASE	INCREASE
On Peak	49.5%	250	\$ 38.38	\$ 66.53	28.15	73.34
Off Peak	50.5%	500	57.24	94.55	37.32	65.19
		750	76.08	122.58	46.50	61.13
		1000	94.93	150.61	55.67	58.64
		1500	132.65	206.66	74.01	55.79
		2000	170.37	262.71	92.34	54.20
		3000	245.80	374.82	129.02	52.49
Customer Chg			\$ 19.50	\$ 38.50		
Energy Chg - On Peak			\$ 0.0922	\$ 0.13725		
Energy Chg - On Peak			\$ 0.0590	\$ 0.06748		
Power Cost Adj			\$ 0.038220			
Debs Cost Adj			\$ 0.002390			

LARGE COMMERCIAL  
50 - 350 KVA

		Rate 6		(89 Customers)			
		PRESENT	PROPOSED	\$	%		
		KWH	BILL	BILL	INCREASE	INCREASE	
KW DEMAND	LD.FCTR	20%	7300	\$ 1,318.20	\$ 1,568.54	250.35	18.99
		30%	10950	1,654.54	1,760.31	105.77	6.39
		40%	14600	1,980.89	1,952.08	(38.81)	(1.95)
		50%	18250	2,327.24	2,143.88	(183.36)	(7.89)
		60%	21900	2,663.59	2,335.63	(327.96)	(12.31)
Customer Chg			\$ 45.50	\$ 360.00			
KW Demand Charge			\$ 12.00	\$ 16.50			
Energy Charge			\$ 0.0520	\$ 0.05254			
Power Cost Adj			\$ 0.037890				
Debt Cost Adj			\$ 0.002290				

INDUSTRIAL  
OVER 350 KVA

		Rate 8		(11 Customers)			
		PRESENT	PROPOSED	\$	%		
		KWH	BILL	BILL	INCREASE	INCREASE	
KW DEMAND	LD.FCTR	20%	58400	\$ 9,922.48	\$ 10,665.73	743.24	7.49
		25%	73000	11,141.73	11,482.18	340.43	3.06
		30%	87600	12,380.98	12,298.59	(82.39)	(0.50)
		40%	116800	14,799.47	13,931.46	(868.01)	(5.87)
		50%	146000	17,237.98	15,564.32	(1,673.64)	(9.71)
Customer Chg			\$ 45.50	\$ 600.00			
KW Demand Charge			\$ 12.50	\$ 17.00			
Energy Charge			\$ 0.0441	\$ 0.05592			
Power Cost Adj			\$ 0.037284				
Debt Cost Adj			\$ 0.002146				

LIGHTING

		Rate 7		(568 Customers)		
		PRESENT	PROPOSED	\$	%	
		BILL	BILL	INCREASE	INCREASE	
175 Watt Mercury Vapor		\$ 14.99	\$ 15.25	\$ 0.26	1.73	
100 Watt High Pressure Sodium		\$ 15.12	\$ 16.25	\$ 1.13	7.47	
400 Watt High Pressure Sodium		\$ 30.45	\$ 32.45	\$ 2.00	6.57	
Customer Charge	KWH					
175 Watt Mercury Vapor	80	\$ 11.75	\$ 15.25			
100 Watt High Pressure Sodium	42	\$ 13.50	\$ 16.25			
400 Watt High Pressure Sodium	180	\$ 23.50	\$ 32.45			
Fuel Adjustment Charge		\$ 0.038560				
Debt Cost Adj		\$ 0.001940				

SCHEDULE E-4.1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

RESIDENTIAL

KWH	Rate 1		(389 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 12.35	\$ 20.00	7.65	61.94
100	25.14	31.51	6.37	25.34
250	44.32	48.77	4.45	10.04
500	76.28	77.54	1.26	1.64
750	108.25	108.30	(1.05)	(1.80)
1000	140.22	136.07	(5.15)	(3.67)
1500	204.15	192.61	(11.55)	(5.66)
2000	268.09	250.14	(17.95)	(6.69)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0884	\$ 0.11507
Power Cost Adj	\$ 0.041468	

RESIDENTIAL - TIME OF USE

KWH		Rates 11, 21		(24 Customers)	
		PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0		\$ 15.60	\$ 23.50	7.90	50.64
100		27.73	34.66	6.93	24.96
250		45.94	51.40	5.47	11.90
500		76.27	79.31	3.03	3.98
750		106.61	107.21	0.60	0.57
1000		136.94	136.11	(1.83)	(1.34)
1500		197.81	190.82	(6.70)	(3.39)
2000		258.29	246.73	(11.56)	(4.46)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0675	\$ 0.13500
Energy Chg - On Peak	\$ 0.0600	\$ 0.08524
Power Cost Adj	\$ 0.041468	

IRRIGATION

KWH	Rate 4		(9 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
1000	\$ 157.76	\$ 197.00	39.25	24.88
1500	220.38	258.00	37.62	17.07
2000	283.01	319.00	35.99	12.72
2500	345.64	380.00	34.36	9.94
3000	408.27	441.00	32.74	8.02
4000	533.52	563.00	29.48	5.53
5000	658.78	685.00	26.23	3.98

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.09200	\$ 0.12200
Power Cost Adj	\$ 0.033255	

SCHEDULE E-4.1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

RESIDENTIAL

KWH	Rate 1		(389 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 12.35	\$ 20.00	7.65	61.94
100	25.14	31.51	6.37	25.34
250	44.32	48.77	4.45	10.04
500	76.28	77.54	1.25	1.64
750	108.25	106.30	(1.95)	(1.80)
1000	140.22	135.07	(5.15)	(3.67)
1500	204.15	192.61	(11.55)	(5.66)
2000	268.09	250.14	(17.95)	(6.69)

Customer Chg	\$ 12.35	\$ 20.00
Energy Chg	\$ 0.0864	\$ 0.11507
Power Cost Adj	\$ 0.041468	

RESIDENTIAL - TIME OF USE

KWH	Rates 11, 21		(24 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
0	\$ 15.60	\$ 23.50	7.90	50.64
100	27.73	34.66	6.93	24.98
250	45.94	51.40	5.47	11.90
500	76.27	79.31	3.03	3.98
750	106.61	107.21	0.60	0.57
1000	136.94	135.11	(1.83)	(1.34)
1500	197.61	190.92	(6.70)	(3.39)
2000	258.29	246.73	(11.56)	(4.48)

Customer Chg	\$ 15.60	\$ 23.50
Energy Chg - On Peak	\$ 0.0975	\$ 0.13500
Energy Chg - Off Peak	\$ 0.0600	\$ 0.08524
Power Cost Adj	\$ 0.041468	

IRRIGATION

KWH	Rate 4		(9 Customers)	
	PRESENT BILL	PROPOSED BILL	\$ INCREASE	% INCREASE
1000	\$ 157.76	\$ 197.00	39.25	24.88
1500	220.38	258.00	37.62	17.07
2000	283.01	319.00	35.99	12.72
2500	345.64	380.00	34.36	9.94
3000	408.27	441.00	32.74	8.02
4000	533.52	563.00	29.48	5.53
5000	658.78	685.00	26.23	3.98

Customer Chg	\$ 32.50	\$ 75.00
Energy Chg	\$ 0.09200	\$ 0.12200
Power Cost Adj	\$ 0.033255	

SCHEDULE E-4.1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

IRRIGATION TIME OF USE

		Rates 14, 24		(5 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
On Peak	43%	1000	\$ 157.25	\$ 180.31	23.07	14.67
Off Peak	57%	1500	213.12	231.22	18.10	8.49
		2000	268.98	282.13	13.14	4.88
		2500	324.86	333.03	8.17	2.52
		3000	380.74	383.94	3.21	0.84
		4000	492.48	485.75	(6.73)	(1.37)
		5000	604.23	587.57	(16.66)	(2.76)
Customer Chg			\$ 45.50	\$ 78.50		
Energy Chg - On Peak			\$ 0.1030	\$ 0.13000		
Energy Chg - On Peak			\$ 0.0800	\$ 0.080550		
Power Cost Adj			\$ 0.033255			

AG SERVICE

		Rate 3		(9 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
		5000	\$ 583.70	\$ 634.65	50.95	8.73
		7500	843.05	896.88	53.83	6.40
		10000	1,102.40	1159.30	56.90	5.16
		12500	1,381.75	1421.63	58.88	4.40
		15000	1,621.10	1683.95	62.85	3.88
		20000	2,139.80	2208.60	66.80	3.22
		25000	2,858.50	2733.25	74.75	2.61
Customer Chg			\$ 65.00	\$ 110.00		
Energy Chg			\$ 0.0895	\$ 0.10493		
Power Cost Adj			\$ 0.03424			

SMALL COMMERCIAL  
UNDER 50 KVA

		Rate 5		(34 Customers)		
		PRESENT	PROPOSED	\$	%	
		<u>KWH</u>	<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	
		250	\$ 48.88	\$ 62.05	15.09	32.14
		500	77.87	89.11	11.44	14.72
		750	108.38	116.16	7.78	7.18
		1000	139.09	143.21	4.12	2.96
		1250	169.80	170.28	0.48	0.27
		1500	200.51	197.32	(3.20)	(1.59)
		2000	281.83	251.42	(10.51)	(4.01)
		3000	384.77	359.63	(25.14)	(6.53)
Customer Chg			\$ 16.25	\$ 35.00		
Energy Chg			\$ 0.0822	\$ 0.10821		
Power Cost Adj			\$ 0.04084			

SCHEDULE E-4.1

COLUMBUS ELECTRIC COOPERATIVE, INC  
TYPICAL BILL COMPARISONS - ARIZONA

SMALL COMMERCIAL TIME OF USE		Rates 15, 25		(0 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>KWH</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
On Peak	48.5%	250	\$ 66.53		
Off Peak	50.5%	500	84.55		
		750	122.58		
		1000	N/A	150.61	
		1500		206.66	
		2000		262.71	
		3000		374.82	
Customer Chg		\$ 19.50	\$ 38.50		
Energy Chg - On Peak		\$ 0.0922	\$ 0.13725		
Energy Chg - On Peak		\$ 0.0590	\$ 0.08746		
Power Cost Adj					

LARGE COMMERCIAL 50 - 350 KVA			Rate 6		(0 Customers)	
	<u>KW</u>	<u>LD FCTR</u>	PRESENT	PROPOSED	\$	%
			<u>KWH</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
KW DEMAND	50	20%	7,300	\$ 1,568.54		
	50	30%	10,950	N/A	1,760.31	
	50	40%	14,600		1,952.08	
	50	50%	18,250		2,143.86	
	50	60%	21,900		2,335.63	
Customer Chg				\$ 360.00		
KW Demand Charge				\$ 16.50		
Energy Charge				\$ 0.05254		
Power Cost Adj						

INDUSTRIAL OVER 350 KVA			Rate 6		(0 Customers)	
	<u>KW</u>	<u>LD FCTR</u>	PRESENT	PROPOSED	\$	%
			<u>KWH</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
KW DEMAND	400	20%	58400	\$ 10,685.73		
	400	25%	73000	NA	11,482.16	
	400	30%	87600		12,296.59	
	400	40%	116800		13,931.46	
	400	50%	146000		15,594.32	
Customer Chg				\$ 600.00		
KW Demand Charge				\$ 17.00		
Energy Charge				\$ 0.05592		
Power Cost Adj						

		Rate 7		(13 Customers)	
		PRESENT	PROPOSED	\$	%
		<u>BILL</u>	<u>BILL</u>	<u>INCREASE</u>	<u>INCREASE</u>
175 Watt Mercury Vapor		N/A	\$ 15.25		
100 Watt High Pressure Sodium		\$ 15.24	\$ 16.25	\$ 1.01	6.64
400 Watt High Pressure Sodium		N/A	\$ 32.45		
Customer Charge	<u>KWH</u>				
100 Watt High Pressure Sodium	42	\$ 13.50	\$ 16.25		
Fuel Adjustment Charge		\$ 0.04137			



F

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - EXPENSES

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>TRANSMISSION EXPENSE</b>									
570 OPR & MAINT	17,902	102	2,696	1,661	9,953	1,111	1,393	1,044	44
Total	17,902	114*	2,696	1,661	9,953	1,111	1,393	1,044	44
TRANSMISSION EXPENSE			15.058%	9.279%	55.599%	6.203%	7.782%	5.831%	0.248%
<b>DIST OPR EXP</b>									
580 OPR SUPV ENGR	79,411	107	32,651	5,507	22,369	10,269	4,655	2,961	1,001
582 STATION EXP	61,566	1	9,270	5,713	34,230	3,819	4,791	3,590	153
583 OH LINE EXP	272,149	104	106,862	18,632	93,786	28,559	14,153	9,753	405
584 UG LINE EXP	52,814	105	16,198	4,072	22,164	4,738	3,231	2,314	97
586 METER EXPENSE	89,614	19	48,401	5,867	8,241	22,034	3,976	1,094	0
587 INST CONS PREM	32,824	20	0	0	0	0	0	0	32,824
588 MISC DIST EXP	354,513	107	145,761	24,583	99,862	45,842	20,782	13,217	4,467
Total	942,891	115*	359,143	64,373	280,652	115,261	51,588	32,928	38,946
DIST OPR EXP			38.090%	6.827%	29.765%	12.224%	5.471%	3.492%	4.130%
<b>DIST MAINT EXPENSE</b>									
592 MAINT STATION EQ	31,648	1	4,765	2,937	17,596	1,963	2,463	1,846	78
593 MAINT OH LINES	232,665	104	91,358	15,929	80,179	24,416	12,100	8,338	346
594 MAINT UG LINES	6,230	105	1,911	480	2,615	559	381	273	11
595 MAINT TRANSFRMR	29,007	16	15,860	1,917	3,083	5,414	1,992	741	0
596 MAINT SEC LITES	75	20	0	0	0	0	0	0	75
597 MAINT METERS	29,780	19	16,084	1,950	2,739	7,322	1,321	364	85
598 MISC MAINT DIST	6,747	107	2,774	468	1,901	872	396	252	85
Total	336,152	116*	132,753	23,680	108,111	40,546	18,653	11,812	596
DIST MAINT EXPENSE			39.492%	7.045%	32.161%	12.062%	5.549%	3.514%	0.177%
<b>CONS ACCTS EXP</b>									
902 METER READING	201,564	6	76,969	16,280	22,440	34,483	40,603	10,788	0
903 RECORDS & COLLEC	428,981	7	152,967	32,355	41,809	68,531	107,591	25,728	0
Total	630,545	117*	229,936	48,636	64,248	103,014	148,194	36,517	0
CONS ACCTS EXP			36.466%	7.713%	10.189%	16.337%	23.503%	5.791%	0.000%

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - EXPENSES

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
CUST SERVICE EXP	95,935	7*	34,209	7,236	9,350	15,326	24,061	5,754	0
908 CUST SERVICE									
Total	95,935	118*	34,209	7,236	9,350	15,326	24,061	5,754	0
CUST SERVICE EXP	36,658%		34,209	7,236	9,350	15,326	24,061	5,754	0
			36,658%	7,542%	9,746%	15,975%	25,081%	5,998%	0.000%
SUBTOTAL EXPENSES	2,023,425	119*	758,736	145,586	472,314	275,258	243,889	88,055	39,586
			37,498%	7,195%	23,342%	13,604%	12,053%	4,352%	1,956%
ADMIN GEN EXP	508,298	119	190,600	36,572	118,649	69,147	61,267	22,120	9,944
920 ADMIN GEN SALARY	46,228	119	17,334	3,326	10,791	6,289	5,572	2,012	904
921 AG OFC SUPPLY	77,660	119	29,121	5,588	18,128	10,565	9,361	3,380	1,519
923 OUTSIDE SVCS	65,517	119	24,567	4,714	15,293	8,913	7,897	2,851	1,282
928 REG COMM EXP	515,570	119	193,327	37,095	120,346	70,136	62,143	22,437	10,087
930 MISC GEN EXP									
Total	1,213,273	120*	454,949	87,296	283,206	165,048	146,239	52,799	23,736
ADMIN GEN EXP	37,498%		37,498%	7,195%	23,342%	13,604%	12,053%	4,352%	1,956%
SUBTOTAL EXPENSES	3,236,698	121*	1,213,685	232,882	755,520	440,306	390,128	140,854	63,323
			37,498%	7,195%	23,342%	13,604%	12,053%	4,352%	1,956%
POWER COST	4,698,950	11	1,057,858	350,449	2,063,791	439,331	509,152	267,339	11,029
DEMAND COST	3,231,755	12	850,375	209,619	1,368,090	333,396	323,325	132,410	14,539
ENERGY COST									
Total	7,930,705	122*	1,908,233	560,068	3,431,881	772,727	832,478	399,749	25,568
POWER COST	24,061%		24,061%	7,062%	43,273%	9,743%	10,497%	5,041%	0,322%
DEPRECIATION	23,956	102	3,607	2,223	13,319	1,486	1,864	1,397	59
403.5 TRANSMISSION	984,511	107	404,791	68,269	277,325	127,307	57,712	36,704	12,404
403.6 DISTRIBUTION	94,875	110	37,975	6,672	27,814	12,001	5,638	3,621	1,155
403.7 GENERAL PLANT	59,171	12	15,570	3,838	25,049	6,104	5,920	2,424	266
407.3 REGULATORY DEB									
Total	1,162,513	123*	461,943	81,002	343,506	146,899	71,134	44,145	13,885
DEPRECIATION	39,731%		39,731%	6,968%	29,549%	12,636%	6,119%	3,797%	1,194%
TOTAL EXPENSES	12,329,916	124*	3,583,861	873,952	4,530,908	1,359,932	1,293,739	584,749	102,776
			29,066%	7,088%	36,747%	11,030%	10,493%	4,743%	0,834%

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - INTEREST

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
INTEREST LTD	558,003	107	229,428	38,694	157,183	72,155	32,710	20,803	7,030
TOTAL INTEREST	558,003	127*	229,428 41.116%	38,694 6.934%	157,183 28.169%	72,155 12.931%	32,710 5.862%	20,803 3.728%	7,030 1.260%

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 COMPONENTS OF EXPENSES

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>DEMAND COMPONENT</b>									
NONCOIN DEMAND	1,791,138	1	269,706	166,196	995,855	111,111	139,380	104,449	4,441
PWR COST SUM COIN DM	4,698,950	11	1,057,858	350,449	2,063,791	439,331	509,152	267,339	11,029
ACCT 368 TRANSF 30%	148,075	16	80,964	9,786	16,736	27,637	10,169	3,783	0
ACCT 369 OVHD SV 30%	22,789	17	19,455	380	327	2,466	138	22	0
ACCT 369 UNDG SV 60%	61,570	18	18,471	6,157	6,157	15,393	7,696	7,696	0
ACCT 370 METERS 30%	97,375	19	52,593	6,376	8,955	23,942	4,321	1,189	0
TOTAL	6,819,898		1,499,048	539,344	3,090,821	619,879	670,856	384,478	15,470
DEMAND COMPONENT			21.981%	7.908%	45.321%	9.089%	9.837%	5.638%	0.227%
<b>CUSTOMER COMPONENT</b>									
AVG CONS	868,539	4	656,423	27,769	23,922	147,043	11,543	1,840	0
WTD CONS METER READ	322,425	6	123,121	26,042	35,895	55,160	64,949	17,257	0
WTD CONS CONS ACCTS	839,663	7	299,408	63,330	81,834	134,138	210,593	50,359	0
ACCT 368 TRANSF 70%	345,509	16	188,917	22,834	36,718	64,485	23,728	8,826	0
ACCT 369 OVHD SV 70%	53,174	17	45,396	887	5,764	5,754	322	51	0
ACCT 369 UNDG SV 40%	41,047	18	12,314	4,105	4,105	10,262	5,131	5,131	0
ACCT 370 METERS 70%	227,208	19	122,717	14,876	20,894	55,865	10,082	2,774	0
ACCT 371 SECURITY LI	79,530	20	0	0	0	0	0	0	79,530
TOTAL	2,777,095		1,448,296	159,844	204,130	472,707	326,348	86,239	79,530
CUSTOMER COMPONENT			52.151%	5.756%	7.350%	17.022%	11.751%	3.105%	2.864%
<b>ENERGY COMPONENT</b>									
POWER COST KWH	3,290,926	12	865,945	213,457	1,393,139	339,501	329,245	134,834	14,806
TOTAL	3,290,926		865,945	213,457	1,393,139	339,501	329,245	134,834	14,806
ENERGY COMPONENT			26.313%	6.486%	42.333%	10.316%	10.005%	4.097%	0.450%
TOTAL	12,887,919		3,813,289	912,645	4,688,090	1,432,087	1,326,449	605,552	109,806
EXPENSES			29.588%	7.081%	36.376%	11.112%	10.298%	4.699%	0.852%

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 SUMMARY OF COMPONENTS OF EXPENSES

	SYSTEM TOTALS	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
Average Consumers	5,763	3,924	166	143	879	69	11	671
kWh Sold	101,315,451	26,580,300	6,552,100	42,762,594	10,421,018	10,406,220	4,138,760	454,459
kWh1		5,367	4,017	26,653	3,577	3,264	2,446	104
kWh2		4,713	2,474	14,654	2,696	2,231	1,333	96
Customer Component	2,777,095	1,448,296	159,844	204,130	472,707	326,348	86,239	79,530
Monthly Cost Per Cons	40.16	30.76	80.24	118.96	44.81	394.14	653.33	11.61
Cost Per kWh		270.36	39.79	7.66	132.15	99.98	35.26	764.71
Cost Per kWh		307.30	64.61	13.93	175.34	146.28	64.70	828.44
Energy Component	3,290,926	865,945	213,457	1,393,139	339,501	329,245	134,834	14,806
Average Cost Per kWh	0.032482	0.032578	0.032578	0.032578	0.032578	0.031639	0.032578	0.032578
Demand Component	6,819,898	1,499,048	539,344	3,090,821	619,879	670,866	384,478	15,470
Cost Per kWh		279.83	134.27	115.97	173.30	206.53	157.19	148.75
Cost Per kWh		318.07	218.00	210.92	229.93	300.70	288.43	161.15
Demand & Energy Component	10,110,824	2,364,993	752,801	4,483,960	969,380	1,000,101	519,313	30,276
Average Cost Per kWh	0.099795	0.088975	0.114895	0.104857	0.092062	0.096106	0.125475	0.066619
Total Expenses	12,887,919	3,813,289	912,645	4,688,090	1,432,087	1,326,449	605,552	109,806
Average Cost Per kWh	0.127206	0.143463	0.139290	0.109631	0.137423	0.127467	0.146312	0.241619

kWh1=45419  
 kWh2=28199

**G**

COLUMBUS ELECTRIC COOPERATIVE, INC.

SECTION G

RATE SCHEDULES – PRESENT RATES

NEW MEXICO

ARIZONA



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

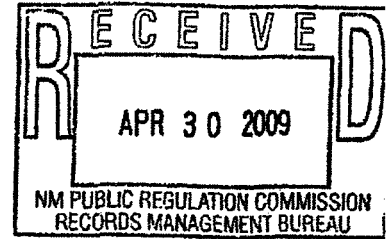
**FOURTH REVISED RATE NO. 1**

**CANCELLING THIRD REVISED RATE NO. 1**

**RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 1 of 2**



**AVAILABILITY:**

Available to residential consumers, small schools, churches, and community halls requiring less than 50 KVA of transformer capacity, for all rural and town uses within the utility's service area, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

**TYPE OF SERVICE:**

Single-phase, 60 cycles, at available secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$12.35
Energy Charge – All kWh	8.64¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer:**

Customer Charge – All Customers	\$15.60
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	9.75¢ / kWh
From 9:00 p.m. to 6:00 a.m.	6.0¢ / kWh

Metering and timing devices must be installed to record usage during each specified time. The cost of the equipment installed is to be paid by the Cooperative.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

**EFFECTIVE**

**MAY 30 2009**

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 1**

**CANCELLING THIRD REVISED RATE NO. 1**

**RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC**  
**BY Rule #540**

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

COLUMBUS ELECTRIC COOPERATIVE, INC.

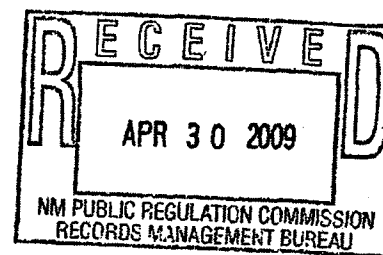
FOURTH REVISED RATE NO. 2

CANCELLING THIRD REVISED RATE NO. 2

SMALL COMMERCIAL

X Numerous Changes

Page 1 of 2



AVAILABILITY:

Available for commercial and industrial service requiring installed transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations.

TYPE OF SERVICE:

Single-phase and three-phase at secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

MONTHLY RATE:

Customer Charge - All Customers	\$16.25
Energy Charge - All kWh	8.22¢ / kWh

MONTHLY TIME-OF-USE RATE - at the option of the customer:

Customer Charge - All Customers	\$19.50
Energy Charge - All kWh	
From 6:00 a.m. to 9:00 p.m.	9.22¢ / kWh
From 9:00 p.m. to 6:00 a.m.	5.9¢ / kWh

Metering and timing devices must be installed to record usage during each specified time.

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

**EFFECTIVE**

MAY 30 2009

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. 44

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 2**

**CANCELLING THIRD REVISED RATE NO. 2**

**SMALL COMMERCIAL**

**X Numerous Changes**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate where 10 KVA or less of transformer capacity is required, shall be the customer charge plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TEMPORARY SERVICE:**

The utility shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein are due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.550 NMAC.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC**  
**BY Rule #540**

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

COLUMBUS ELECTRIC COOPERATIVE, INC.

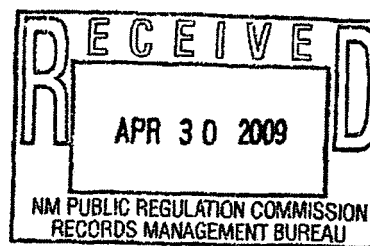
FIFTH REVISED RATE NO. 3

CANCELLING FOURTH REVISED RATE NO. 3

IRRIGATION SERVICE

X Numerous Changes

Page 1 of 3



AVAILABILITY:

Available to irrigation consumers located within the utility's service area, subject to the established rules and regulations.

TYPE OF SERVICE:

Three-phase at secondary voltages.

MONTHLY RATE:

Customer Charge – All Customers	\$32.50
Energy Charge – All kWh	9.2¢ / kWh

MONTHLY TIME-OF-USE RATE – at the option of the customer:

Customer Charge – All Customers	\$45.50
Energy Charge – All kWh	
During the period 8:00 a.m. to 9:00 p.m. MST	10.3¢ / kWh
During the period 9:00 p.m. to 8:00 a.m. MST	6.0¢ / kWh

Metering and timing devices shall be installed at Cooperative expense to record usage during each specified time.

The optional rate set forth above is voluntary and shall be applicable with the first complete billing cycle after receipt of the customer's written request. Customers electing service under the monthly time-of-use rate may transfer to the Agricultural Service rate beginning with the next complete billing cycle after receipt of written request.

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

**EFFECTIVE**

MAY 30 2009

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 3**

**CANCELLING FOURTH REVISED RATE NO. 3**

**IRRIGATION SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The cooperative shall determine the connected horsepower by name plate rating of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.540 NMAC.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC**

**BY Rule #540**

Advice Notice No. \_\_\_\_\_ 44

Signature:  \_\_\_\_\_

Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 3**

**CANCELLING FOURTH REVISED RATE NO. 3**

**IRRIGATION SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein are due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC**  
**BY Rule # 540**

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager





**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 5**

**CANCELLING THIRD REVISED RATE NO. 5**

**LARGE POWER SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the highest one of the following charges as determined for the consumer in questions.

1. The minimum monthly charge specified in the contract for service.
2. A charge of \$150.00.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein are due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**EFFECTIVE**

**MAY 30 2009**

REPLACED BY NMPRC  
BY Rule # 540

Advice Notice No. \_\_\_\_\_ 44

Signature:  \_\_\_\_\_  
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 5**

**CANCELLING THIRD REVISED RATE NO. 5**

**LARGE POWER SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**EFFECTIVE**

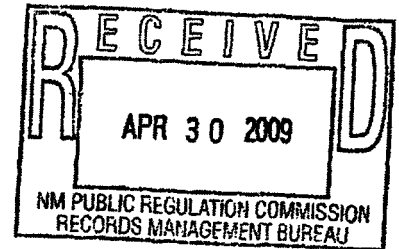
**MAY 30 2009**

**REPLACED BY NMPRC**  
**BY Rule #540**

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

COLUMBUS ELECTRIC COOPERATIVE, INC.  
FOURTH REVISED RATE NO. 6  
CANCELLING THIRD REVISED RATE NO. 6  
INDUSTRIAL SERVICE



X Numerous Changes

Page 1 of 3

AVAILABILITY:

Available to consumers located within the utility's service area, requiring transformer capacity in excess of 350 KVA, for all types of usage, subject to the established rules and regulations.

TYPE OF SERVICE:

Three-phase, 60 cycles, at Seller's standard voltages.

MONTHLY RATES:

Customer Charge – All Customers	\$45.50
Demand Charge	\$12.50 / KW
Energy Charge – All kWh	4.41¢ / kWh

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

MINIMUM MONTHLY CHARGE:

The monthly minimum charge shall be the highest one of the following charges as determined for the customer in question.

1. The minimum monthly charge specified in the contract for service.
2. \$1.25 per KVA of installed transformer capacity.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**EFFECTIVE**

MAY 30 2009

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. \_\_\_\_\_ 44

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 6**

**CANCELLING THIRD REVISED RATE NO. 6**

**INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein are due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period, if applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC**  
**BY Rule #540**

Advice Notice No. \_\_\_\_\_ 44

Signature: \_\_\_\_\_

Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 6**

**CANCELLING THIRD REVISED RATE NO. 6**

**INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**EFFECTIVE**

**MAY 30 2009**

**REPLACED BY NMPRC  
BY Rule # 540**

Advice Notice No. \_\_\_\_\_ 44

Signature:  \_\_\_\_\_  
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**THIRD REVISED RATE NO. 12**

**CANCELLING SECOND REVISED RATE NO. 12**

**LIGHTING SERVICE**

**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to all consumers within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**RATE:**

175 Watt Mercury Vapor Lamps	\$11.75 per month
400 Watt High Pressure Sodium	\$23.50 per month
100 Watt High Pressure Sodium	\$13.50 per month

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY RATE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above or as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

175 Watt Fixtures – 80 kWh per month;  
400 Watt Fixtures – 180 kWh per month;  
100 Watt Fixtures – 42 kWh per month.

FOR

*[Handwritten signature]*

ON

*[Handwritten text]*

*Req 540*

Advice Notice No. 35

Signature: *[Handwritten signature]*  
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**THIRD REVISED RATE NO. 12**

**CANCELLING SECOND REVISED RATE NO. 12**

**LIGHTING SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule No. 550.

**CONDITIONS OF SERVICE:**

1. The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
2. The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right or ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.
3. All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.
4. Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.

**SERVICE**

*Rel. 540*

Advice Notice No. 35

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**THIRD REVISED RATE NO. 12**  
**CANCELLING SECOND REVISED RATE NO. 12**  
**LIGHTING SERVICE**

**X Numerous Changes**

**Page 3 of 3**

5. Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/7 pole and secondary wire for each light, not to exceed 100 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.

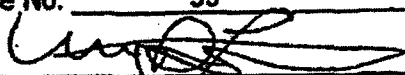
**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 540.11.

E. 13172	
FOR	<b>SERVICE</b> 0.
750 28 2000	
<i>Rule 540</i>	

Advice Notice No. 35  
Signature:   
Michael D. Fletcher, General Manager



PUBLIC UTILITY  
REGULATION  
COMMISSION

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**THIRD REVISED RATE NO. 15**

2009 NOV 30 AM 10 26

**CANCELLING SECOND REVISED RATE NO. 15**

**AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to consumers with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages,

**MONTHLY RATE:**

Customer Charge – All Customers	\$65.00
Energy Charge – All kWh	6.95¢ / kWh

The rate set forth above shall be applicable upon ten (10) days written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

**EFFECTIVE**

**DEC 31 2009**

**REPLACED BY NMPRC  
BY Rule # 540**

Advice Notice No. \_\_\_\_\_ 45

Signature:  \_\_\_\_\_  
Michael D. Fletcher, General Manager

COLUMBUS ELECTRIC COOPERATIVE, INC.

THIRD REVISED RATE NO. 15

CANCELLING SECOND REVISED RATE NO. 15

AGRICULTURAL SERVICE

X Numerous Changes

Page 2 of 3

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

CONDITIONS OF SERVICE:

1. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

TERMS OF PAYMENT:

The monthly bill rendered in accordance with the rates set forth herein are due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

POWER FACTOR ADJUSTMENT:

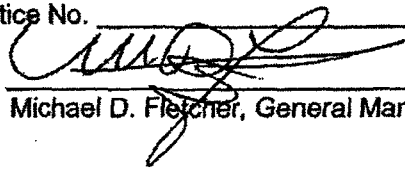
The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**EFFECTIVE**

DEC 31 2009

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. \_\_\_\_\_ 45

Signature:   
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**THIRD REVISED RATE NO. 15**

**CANCELLING SECOND REVISED RATE NO. 15**

**AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.04172 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 540.11.

**EFFECTIVE**

DEC 31 2009

REPLACED BY NMPRC  
BY Rule #540

Advice Notice No. \_\_\_\_\_ 45

Signature:  \_\_\_\_\_  
Michael D. Fletcher, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE A  
RESIDENTIAL SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to residential consumers, small schools, churches, community hall and other public buildings, for all rural and town uses requiring less than 50 KVA of transformer capacity, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

**TYPE OF SERVICE:**

Single-phase, 60 cycles, at available secondary voltages.

**MONTHLY RATES:**

Customer Charge – All Customers - \$12.35  
Energy Charge – All kWh – 8.64¢/kWh

**OPTIONAL RATE – Available at the option of the consumer:**

Customer Charge – All Customers - \$15.60  
Energy Charge:  
6 a.m. to 9 p.m. Mountain Standard Time – 9.75¢/kWh  
9 p.m. to 6 a.m. Mountain Standard Time – 6.00¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

The minimum monthly charge under the above rate where 5 KVA or less or transformer capacity is required shall be the customer charge. This minimum does not include any charges for kWh used, or applicable taxes.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE A  
RESIDENTIAL SERVICE**

Page 2 of 2

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL**

Page 1 of 2

**AVAILABILITY:**

Available for commercial and industrial service requiring transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Single-phase and three-phase at available secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers - \$16.25  
Energy Charge – All kWh – 8.22¢/kWh

**OPTIONAL RATE – Available at the option of the consumer:**

Customer Charge – All Customers - \$19.50  
Energy Charge:  
6 a.m. to 9 p.m. Mountain Standard Time – 9.22¢/kWh  
9 p.m. to 6 a.m. Mountain Standard Time – 5.90¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MONTHLY MINIMUM CHARGE:**

The minimum monthly charge under the above rate where 10 KVA or less or transformer capacity is required shall be the customer charge, plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity is required shall be the customer charge, plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL**

Page 2 of 2

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TEMPORARY SERVICE:**

Temporary service shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the values of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connections and disconnection.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to irrigation consumers located adjacent to the Cooperative's three-phase lines provided the Cooperative has sufficient available capacity, all subject to the established rules and regulations of the Cooperative covering this service.

**MONTHLY RATE:**

Customer Charge - All Customers - \$32.50  
Energy Charge - All kWh - 9.20¢/kWh

**OPTIONAL MONTHLY RATE**

*At the option of the customer:*

Customer Charge - All Customers - \$45.50  
Energy Charge:

During the period 6 a.m. to 9 p.m. Mountain Standard Time - 10.30¢/kWh  
During the period 9 p.m. to 6 a.m. Mountain Standard Time - 6.00¢/kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MONTHLY MINIMUM CHARGE:**

The minimum monthly charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used, or applicable sales tax.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The Cooperative shall determine the connected horsepower by name plate ratings of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The Cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the Cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE 1  
ELECTRIC IRRIGATION SERVICE**

Page 2 of 2

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

**TYPE OF SERVICE:**

Single-phase or three-phase, at standard secondary voltages.

**CONDITIONS OF SERVICE:**

- 1.) Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100HP.
- 2.) All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within ten (10) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission, the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of the surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to consumers, including existing three-phase consumers with KW demand of 15 or greater, and motors of 20 horsepower or greater, located within the utility's service area, who are engaged in agricultural activities relating to the production of food and/or fiber, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge - All Customers - \$65.00

Energy Charge - All kWh - 6.95¢/kWh

The rate set forth above shall be applicable upon thirty (30) days written notice from the customer, commencing with the first complete billing cycle thereafter. The rate is subject to termination upon thirty (30) days notice by the customer.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 2 of 2

**CONDITIONS OF SERVICE:**

- 1.) Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
- 2.) All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172/kWh.

COLUMBUS ELECTRIC COOPERATIVE, INC.

ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE

Page 1 of 2

AVAILABILITY:

Available to all consumers within the utility's service area, subject to established rules and regulations.

TYPE OF SERVICE:

Single-phase, 60 cycle, at available secondary voltages.

MONTHLY RATE:

175 Watt Mercury Vapor Lamps	\$11.75 per month
400 Watt Mercury Vapor Lamps	\$23.50 per month
100 Watt High Pressure Sodium	\$13.50 per month

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of the applicable taxes, fees, or charges (exclusive of ad valorem, state, and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

MINIMUM MONTHLY CHARGE:

The monthly minimum charge under the above rate shall be the net rate per month as quoted above, as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

175 Watt Fixture -- 80 kWh per month;
400 Watt Fixture -- 180 kWh per month;
100 Watt Fixture -- 42 kWh per month.

FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:

In the event the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the cooperative shall increase or decrease the consumer's bill by an amount equal to the kWh usage multiplied by a fuel and purchased power adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.04172.

CONDITIONS OF SERVICE:

- (1) The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
- (2) The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right of ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.
- (3) All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.

COLUMBUS ELECTTRIC COOPERATIVE, INC.

ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE

Page 2 of 2

- (4) Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
- (5) Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/7 pole and secondary wire for each light, not to exceed 100 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandallism, malicious mischief, or other causes.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**TEMPORARY PURCHASED POWER COST ADJUSTMENT:**

Upon the approval of this tariff by the Arizona Corporation Commission the Cooperative shall add to the consumer's net bill as computed above, a surcharge to amortize the one month unrecovered fuel and purchased power adjustment costs which the utility will realize upon the Commission's acceptance of the Cooperative's new base cost of purchased power. The amount of surcharge per kWh and the duration to the application thereof shall be as directed by the Commission.

H

COLUMBUS ELECTRIC COOPERATIVE, INC.

SECTION H

RATE SCHEDULES – PROPOSED RATES

NEW MEXICO

ARIZONA

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 1**

**CANCELLING FOURTH REVISED RATE NO. 1**

**NEW MEXICO RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available for single-family houses, individual apartments, or separate living quarters ordinarily designated and recognized as single-family living quarters for primary domestic or home use and for livestock water pumping. Service under this Schedule is not available for multiple unit trailer parks, commercial, professional or business establishments within the utility's service area, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

**TYPE OF SERVICE:**

Single-phase, 60 cycles, at available secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 20.00
Energy Charge – All kWh	11.507¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer. This rate will not be available after December 2013:**

Customer Charge – All Customers	\$ 23.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.500¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.524¢ / kWh

Metering and timing devices must be installed to record usage during each specified time. The cost of the equipment installed is to be paid by the Cooperative.

Advice Notice No. 54

Signature: Chris Martinez, General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 1**

**CANCELLING FOURTH REVISED RATE NO. 1**

**NEW MEXICO RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**ACCESSIBILITY**

Equipment used to provide service must be physically accessible.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 1**

**CANCELLING FOURTH REVISED RATE NO. 1**

**NEW MEXICO RESIDENTIAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**LIMITATION OF THE RATE**

Electric Service under this schedule shall not be resold or shared with others.

**INTERRUPTION OF SERVICE**

The company will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**

**X Numerous Changes**

**AVAILABILITY:**

**Page 1 of 3**

Available for commercial and industrial service requiring installed transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations. Customer's peak must be less than 50kW for at least 11 months during the previous 12 continuous months. Should the customer's demand exceed this 50kW requirement for two months in a continuous 12 month period, the service will be transferred to the Large Commercial Rate. The Cooperative reserves the right to install metering equipment to determine if this provision applies.

**TYPE OF SERVICE:**

Single-phase and three-phase at secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers	\$35.00
Energy Charge – All kWh	10.821¢ /kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer. This rate will not be available after December 2013:**

Customer Charge – All Customers	\$38.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.725¢/ kWh
From 9:00 p.m. to 6:00 a.m.	8.746¢/kWh

Metering and timing devices must be installed to record usage during each specified time.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege or rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate where 10 KVA or less of transformer capacity is required shall be the customer charge plus applicable taxes. For consumers requiring more than 25KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**TEMPORARY SERVICE:**

The utility shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 2**

**CANCELLING FOURTH REVISED RATE NO. 2**

**NEW MEXICO SMALL COMMERCIAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**ACCESSIBILITY:**

Equipment used to provide electric service must be physically accessible.

**LIMITATION OF THE RATE:**

Electric service under this schedule shall not be resold or shared with others.

**INTERRUPTION OF SERVICE**

The company will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SIXTH REVISED RATE NO. 3**

**CANCELLING FIFTH REVISED RATE NO. 3**

**NEW MEXICO IRRIGATION SERVICE**

**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to irrigation consumers located within the utility's service area, subject to the established rules and regulations. This schedule is available **ONLY** for irrigation pumping installations of not less than 10HP.

**TYPE OF SERVICE:**

Three-phase at secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$75.00
Energy Charge – All kWh	12.20¢ /kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer: This rate will not be available after December 2013**

Customer Charge – All Customers	\$78.50
Energy Charge – All kWh	
During the period 6:00 a.m. to 9:00 p.m. MST	13.00¢ / kWh
During the period 9:00 p.m. to 6:00 a.m. MST	8.055¢ / kWh

Metering and timing devices shall be installed at Cooperative expense to record usage during each specified time.

The optional rate set forth above is voluntary and shall be applicable with the first complete billing cycle after receipt of the customer's written request. Customers electing service under the monthly time-of-use rate may transfer to the Agricultural Service rate beginning with the next complete billing cycle after receipt of written request.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SIXTH REVISED RATE NO. 3**

**CANCELLING FIFTH REVISED RATE NO. 3**

**NEW MEXICO IRRIGATION SERVICE**

**X Numerous Changes**

**Page 2 of 3**

the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The cooperative shall determine the connected horsepower by name plate rating of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.540 NMAC.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SIXTH REVISED RATE NO. 3**

**CANCELLING FIFTH REVISED RATE NO. 3**

**NEW MEXICO IRRIGATION SERVICE**

**X Numerous Changes**

**Page 3 of 3**

B. Primary Voltage 14,400 volts, motors =>100 H.P.

2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others. Upon abandonment or failure to use water pumped with electric power for two irrigation seasons, or if lands are irrigated by water from other sources, the Cooperative may remove its facilities without any liability to consumer.

Advice Notice No. 54

Signature: Chris Martinez, General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to consumers including existing single-phase consumers located within the utility's service area, requiring transformer capacity of 50 KVA, but not more than 350 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$360.00
Demand Charge	\$16.50 / KW
Energy Charge – All kWh	5.254¢ / kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**  
**FIFTH REVISED RATE NO. 5**  
**CANCELLING FOURTH REVISED RATE NO. 5**  
**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 2 of 4**

2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**MINIMUM MONTHLY CHARGES:**

The monthly minimum charge shall be the highest one of the following charges as determined for the consumer in questions.

1. The minimum monthly charge specified in the contract for service.
2. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 3 of 4**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 5**

**CANCELLING FOURTH REVISED RATE NO. 5**

**NEW MEXICO LARGE POWER SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**ACCESSIBILITY:**

Equipment used to provide electric service must be physically accessible.

**LIMITATION OF THE RATE:**

Electric service under this schedule is not available for standby service, shall not be resold or shared with others.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to consumers located within the utility's service area, requiring transformer capacity in excess of 350 KVA but not more than 2,000 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATES:**

Customer Charge – All Customers	\$600.00
Demand Charge	\$17.00 / KW
Energy Charge – All kWh	5.592¢ / kWh

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 2 of 4**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the highest one of the following charges as determined for the customer in question.

1. The minimum monthly charge specified in the contract for service.
2. \$1.25 per KVA of installed transformer capacity.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 3 of 4**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period, if applicable, during the month adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510/kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FIFTH REVISED RATE NO. 6**

**CANCELLING FOURTH REVISED RATE NO. 6**

**NEW MEXICO INDUSTRIAL SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others. .

Advice Notice No. 54

Signature: Chris Martinez, General Manager



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 1 of 4**

**AVAILABILITY:**

Available to all consumers within the utility's service area by contract where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served, subject to the established rules and regulations.

Pursuant to the Federal Energy Policy Act of 2005, mercury vapor lamp ballast shall not be manufactured or imported after January 1, 2008. When the Company's inventory of mercury vapor ballasts and lamps is exhausted, customers will be given the option of having the lighting removed, or replaced with another type of light at the rate for the replacement light.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**RATE:** Unmetered wooden pole, where the Cooperative furnishes poles and fixtures.

175 Watt Mercury Vapor Lamps	\$15.25per month
400 Watt High Pressure Sodium	\$32.45 per month
100 Watt High Pressure Sodium	\$16.25 per month

Underground service for Cooperative owned unmetered street lighting is not available for new installations after July 1, 2013.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 2 of 4**

**MINIMUM MONTHLY RATE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above or as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

- 175 Watt Fixtures – 80 kWh per month;
- 400 Watt Fixtures – 180 kWh per month;
- 100 Watt Fixtures – 42 kWh per month.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule No. 17.9.550 NMAC.

**CONDITIONS OF SERVICE:**

1. The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
2. The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right or ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 3 of 4**

3. All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.
4. Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
5. Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/6 pole and secondary wire for each light, not to exceed 125 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.
6. The Cooperative reserves the right to remove lamp and appurtenances at any time in the event more than two calls per year become necessary due to vandalism or other causes over and above regular maintenance required, unless the consumer agrees to pay for the additional calls and cost incurred.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 12**

**CANCELLING THIRD REVISED RATE NO. 12**

**NEW MEXICO LIGHTING SERVICE**

**X Numerous Changes**

**Page 4 of 4**

**LATE PAYMENT CHARGE:**

A late payment charge of two percent (2%) per billing period or fraction thereof will be charged on all utility service bills and invoices which are delinquent per the provision of the tariff.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 17.9.540 NMAC.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 15**

**CANCELLING THIRD REVISED RATE NO. 15**

**NEW MEXICO AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 1 of 3**

**AVAILABILITY:**

Available to consumers, with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages,

**MONTHLY RATE:**

Customer Charge – All Customers	\$110.00
Energy Charge – All kWh	10.493¢/kWh

The rate set forth above shall be applicable upon ten (10) days within written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 15**

**CANCELLING THIRD REVISED RATE NO. 15**

**NEW MEXICO AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 2 of 3**

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**FOURTH REVISED RATE NO. 15**

**CANCELLING THIRD REVISED RATE NO. 15**

**NEW MEXICO AGRICULTURAL SERVICE**

**X Numerous Changes**

**Page 3 of 3**

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

The utility shall, if purchased power expense is increased or decreased above or below the base purchased power cost of \$0.078510 / kWh sold, flow through to the users such increases or decreases, in accordance with NMPRC Rule 17.9.550 NMAC.

**DEBT COST ADJUSTMENT:**

Billings under this schedule shall be increased or decreased by the change in the current debt cost from the debt cost utilized in establishing the present rates, in accordance with NMPRC Rule No. 17.9.540 NMAC.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others. Upon abandonment or failure to use water pumped with electric power for two irrigation seasons, or if lands are irrigated by water from other sources, the Cooperative may remove its facilities without any liability to consumer.

Advice Notice No. 54

Signature: Chris Martinez, General Manager

COLUMBUS ELECTRIC COOPERATIVE, INC.

SCHEDULE A

ARIZONA RESIDENTIAL SERVICE

Page 1 of 2

AVAILABILITY:

Available to residential consumers, small schools, churches, and community halls requiring less than 50 KVA of transformer capacity, for all rural and town uses within the utility's service area, subject to established rules and regulations. The capacity of individual motors served under this schedule shall not exceed 10 HP.

TYPE OF SERVICE:

Single-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE:

Customer Charge – All Customers	\$20.00
Energy Charge – All kWh	11.507¢ / kWh

MONTHLY TIME-OF-USE RATE – at the option of the customer:

Customer Charge – All Customers	\$23.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.500¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.524¢ / kWh

Metering and timing devices must be installed to record usage during each specified time. The cost of the equipment installed is to be paid by the Cooperative.

TAX ADJUSTMENT CLAUSE:

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**SCHEDULE A**

**ARIZONA RESIDENTIAL SERVICE**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL SERVICE**

**Page 1 of 2**

**AVAILABILITY:**

Available for commercial and industrial service requiring installed transformer capacity of 50 KVA or less, for all uses within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Single-phase and three-phase at secondary voltages. Motors having a rated capacity in excess of ten horsepower must be three-phase.

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 35.00
Energy Charge – All kWh	10.821¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer:**

Customer Charge – All Customers	\$ 38.50
Energy Charge – All kWh	
From 6:00 a.m. to 9:00 p.m.	13.725¢ / kWh
From 9:00 p.m. to 6:00 a.m.	8.746¢ / kWh

Metering and timing devices must be installed to record usage during each specified time.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE B  
SMALL COMMERCIAL SERVICE**

**Page 2 of 2**

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate where 10 KVA or less of transformer capacity is required shall be the customer charge plus applicable taxes. For consumers requiring more than 10 KVA of transformer capacity, the minimum monthly charge shall be increased by \$1.50 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the monthly minimum charge may be increased to assure adequate compensation for the added facilities. The minimum charge as computed above does not include any charges for kWh used.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**TEMPORARY SERVICE:**

The utility shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charge the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to irrigation consumers located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase at secondary voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$75.00
Energy Charge – All kWh	12.20 ¢ / kWh

**MONTHLY TIME-OF-USE RATE – at the option of the customer:**

Customer Charge – All Customers	\$78.50
Energy Charge – All kWh	
During the period 6:00 a.m. to 9:00 p.m. MST	13.00¢ / kWh
During the period 9:00 p.m. to 6:00 a.m. MST	8.055¢ / kWh

Metering and timing devices shall be installed at Cooperative expense to record usage during each specified time.

The optional rate set forth above is voluntary and shall be applicable with the first complete billing cycle after receipt of the customer's written request. Customers electing service under the monthly time-of-use rate may transfer to the Agricultural Service rate beginning with the next complete billing cycle after receipt of written request.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTIC CONSUMER RATE  
SCHEDULE I  
ELECTRIC IRRIGATION SERVICE**

Page 2 of 2

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge under the above rate shall be the customer charge. This minimum charge does not include any charges for kWh used or applicable sales tax.

**DETERMINATION OF CONNECTED HORSEPOWER:**

The cooperative shall determine the connected horsepower by name plate rating of the motors, or at its option by test under conditions of maximum operating load.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain a power factor of not less than 90%. The cooperative reserves the right to measure such power factor at any time. Should such measurement indicate that the power factor of the consumer is less than 90%, the consumer agrees, upon sixty (60) days written notice, to correct such power factor to 90%, or, if the cooperative shall so elect, the energy for billing purposes shall be the energy as indicated by the meter reading, multiplied by 90%, and divided by the percent power factor.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**CONDITIONS OF SERVICE:**

- A. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
- B. All wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 1 of 2

**AVAILABILITY:**

Available to consumers with motors of 20 horsepower or greater serving irrigation wells, irrigation machines, tail water pumps, and irrigation booster pumps, located within the utility's service area, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages,

**MONTHLY RATE:**

Customer Charge – All Customers	\$ 110.00
Energy Charge – All kWh	10.493¢ / kWh

The rate set forth above shall be applicable upon ten (10) days written notice from the customer, commencing with the first complete billing cycle thereafter.

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the customer charge plus an energy charge based on kWh usage assuming a load factor not less than thirty percent (30%). The Fuel and Purchased Power Cost Adjustment shall apply to kWh actually used.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE AS  
AGRICULTURAL SERVICE**

Page 2 of 2

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, the billing demand for the month will be adjusted for power factor as provided below.

**CONDITIONS OF SERVICE:**

1. Reduced voltage starting equipment shall be required on all irrigation motors of 125 HP or larger, and across the line starters may be used up to and including 100 HP.
2. Wiring, pole lines, wires, and other electrical equipment beyond the metering point will be considered the distribution system of the consumer and shall be furnished and maintained by the consumers.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

**Page 1 of 3**

**AVAILABILITY:**

Available to all consumers within the utility's service area, subject to the established rules and regulations.

Pursuant to the Federal Energy Policy Act of 2005, mercury vapor lamp ballast shall not be manufactured or imported after January 1, 2008. When the Company's inventory of mercury vapor ballasts and lamps is exhausted, customers will be given the option of having the lighting removed, or replaced with another type of light at the rate for the replacement light.

**TYPE OF SERVICE:**

Single-phase, 60 cycle, at available secondary voltages.

**MONTHLY RATE:**

175 Watt Mercury Vapor Lamps	\$15.25 per month
400 Watt High Pressure Sodium	\$32.45 per month
100 Watt High Pressure Sodium	\$16.25per month

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.



**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

Page 2 of 3

**MINIMUM MONTHLY RATE:**

The monthly minimum charge under the above rate shall be the net rate per month as quoted above or as established by contract between the consumer and the utility in accordance with the utility's extension policy.

In lieu of metering each individual lighting service, the utility has assigned a standard kWh usage to each service as follows:

- 175 Watt Fixtures – 80 kWh per month;
- 400 Watt Fixtures – 180 kWh per month;
- 100 Watt Fixtures – 42 kWh per month.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**CONDITIONS OF SERVICE:**

1. The term of this Agreement shall be for a period of four (4) years from the date hereof and shall continue thereafter from term to term, unless a written notice to the contrary is given by either party to the other at least 60 days prior to the expiration of the original term or of any renewal thereof.
2. The consumer hereby grants to Cooperative all easements necessary for Cooperative to install the electrical equipment upon the Consumer's property, and hereby grants Cooperative, its agents and employees, the right or ingress and egress to Consumer's premises for all purposes necessary for the performance of this agreement, including the express right to trim any tree on the premises.
3. All facilities installed by Cooperative will remain the property of the Cooperative and may be removed by the Cooperative upon discontinuance of service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LS  
LIGHTING SERVICE**

**Page 3 of 3**

4. Automatic control devices shall be set for lights to burn from approximately dusk to dawn. Cooperative will exercise reasonable diligence at all times to furnish Consumer service as herein set forth, but will not be liable in damages for any interruption, deficiency or failure of service for any reason whatsoever. Cooperative reserves the right to interrupt the service when such interruption is necessary for repairs to lines or equipment. Any interruption of services for any reason shall not constitute a breach of contract.
5. Cooperative will provide at its expense all necessary wiring, replacements, material and labor for repairs and maintenance, whereby the light may be installed on an existing pole, or, by installing one (1) additional 30/6 pole and secondary wire for each light, not to exceed 100 feet distance from existing service with 110/220 volt service is available. When, at the consumer's request, service is required at a location other than mentioned above, the consumer will provide the pole, secondary wire and necessary transformer equipment, prior to the construction. Cooperative reserves the right to cancel this agreement in the event of excessive damage to its equipment by vandalism, malicious mischief, or other causes.

**TERMS OF PAYMENT:**

The above rates are net, and due and payable within twenty (20) days from the date of bill.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

Page 1 of 3

**AVAILABILITY:**

Available to consumers including existing single-phase consumers located within the utility's service area, requiring transformer capacity of 50 KVA, but not more than 350 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATE:**

Customer Charge – All Customers	\$360.00
Demand Charge	\$16.50 / KW
Energy Charge – All kWh	5.254¢ / kWh

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

Page 2 of 3

**MINIMUM MONTHLY CHARGES:**

The monthly minimum charge shall be the highest one of the following charges as determined for the consumer in questions.

1. The minimum monthly charge specified in the contract for service.
2. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period. If applicable, during the month adjusted for power factor as provided below.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE LP  
LARGE POWER SERVICE**

Page 3 of 3

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month proceeding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510/kWh.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**ACCESSIBILITY:**

Equipment used to provide electric service must be physically accessible.

**LIMITATION OF THE RATE:**

*Electric service under this schedule is not available for standby service, shall not be resold or shared with others.*

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

Page 1 of 3

**AVAILABILITY:**

Available to consumers located within the utility's service area, requiring transformer capacity in excess of 350 KVA but not more than 2,000 KVA, for all types of usage, subject to the established rules and regulations.

**TYPE OF SERVICE:**

Three-phase, 60 cycles, at Seller's standard voltages.

**MONTHLY RATES:**

Customer Charge – All Customers	\$ 600.00
Demand Charge	\$ 17.00 / KW
Energy Charge – All kWh	5.592¢ / kWh

**CONDITION OF SERVICE:**

1. Reduced voltage starting equipment may be required on all motors at levels based on the following primary voltage levels:
  - A. Primary Voltage 7,600 volts, motors =>50 H.P.
  - B. Primary Voltage 14,400 volts, motors =>100 H.P.
2. All wiring, pole lines, wires, and other electrical equipment beyond the metering point shall be considered the distribution system of the consumer and shall be furnished and maintained by the consumer.

**TAX ADJUSTMENT CLAUSE:**

Billings under this schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

Page 2 of 3

**MINIMUM MONTHLY CHARGE:**

The monthly minimum charge shall be the highest one of the following charges as determined for the customer in question.

1. The minimum monthly charge specified in the contract for service.
2. \$1.25 per KVA of installed transformer capacity.
3. Billings otherwise applicable under the applicable rate (excluding power cost adjustment charges) are applicable to the minimums.

**SERVICE PROVISIONS:**

Delivery Point. If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

If the service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service.

**TERMS OF PAYMENT:**

The monthly bill rendered in accordance with the rates set forth herein is due and payable within twenty (20) days from the date on the bill. A ten percent (10%) charge shall be added to any account balance which is outstanding for more than sixty (60) days from the date of the bill.

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes in each specified time period, if applicable, during the month adjusted for power factor as provided below.

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**ARIZONA ELECTRIC CONSUMER RATE  
SCHEDULE IS  
INDUSTRIAL SERVICE**

**Page 3 of 3**

**POWER FACTOR ADJUSTMENT:**

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90% and may be so adjusted for other consumers if and when the seller deems necessary. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the average power is less than 90% lagging.

**FUEL AND PURCHASED POWER ADJUSTMENT CLAUSE:**

In the event, the Cooperative's wholesale power supplier increases or decreases the rate under which the Cooperative buys power, the Cooperative shall increase or decrease the consumers bill by an amount equal to the kWh usage multiplied by a fuel and purchased power cost adjustment factor. The parameters under which the adjustment factor is determined shall be purchased power expense and kWh sales for the month preceding the month in which the bill is rendered and a base fuel and purchased power cost of \$0.078510 /kWh.

**INTERRUPTION OF SERVICE**

The cooperative will use reasonable diligence to furnish a regular and uninterrupted supply of energy. However, interruptions or partial interruptions may occur or service may be curtailed, become irregular, or fail as a result of circumstances beyond the control of the Cooperative. In any such case the Cooperative will not be liable for damages. The Cooperative cannot guarantee 100 percent reliability.

**LIMITATION OF RATE**

Electric service under this schedule is not available for standby service and shall not be resold or shared with others.



ORIGINAL



0000148641

**BOLINGER, SEGARS, GILBERT & MC**

CERTIFIED PUBLIC ACCOUNTANTS

PHONE: (806) 747-3806

FAX: (806) 747-3815

8215 NASHVILLE AVENUE

LUBBOCK, TEXAS 79423-1954

September 24, 2013

AZ CORP COMMISSION  
DOCKET CONTROL

2013 SEP 30 P 12:59

RECEIVED

Arizona Corporation Commission

DOCKETED

SEP 30 2013

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, AZ 85201

DOCKETED BY

Re: Columbus Electric Cooperative, Inc.  
Docket No. E-01851A-13-0252

Enclosed for filing in the above named Document are the following Schedules pertaining to the Cost of Service Study filed by Columbus Electric Cooperative, Inc.

Schedule	Title
E-2.0 - Updated	Proof of Revenue Present Rates – Total System
E-2.0 - Updated	Proof of Revenue Present Rates – New Mexico
E-2.0 - Updated	Proof of Revenue Present Rates - Arizona
C-2.0 Page 1 of 26 Supplement	Noncoincident Demand
C-2.0 Page 1 of 26 Supplement	Computation of Plant Investment
C-2.0 Page 2 of 26 Supplement	Coincident Demand
C-2.0 Page 3 of 26 Supplement	KWH Sales
C-2.0 Page 4 of 26 Supplement	Average No. Consumers
C-2.0 Page 4 of 26 Supplement	Computation of Plant Investment
C-2.0 Page 8 of 26 Supplement	Base Revenue – Present Rates
C-2.0 Page 6 of 26 Supplement	Schedule of Meter Reading Expense
C-2.0 Page 8 of 26 Supplement	Consumer Accounts Expense
C-2.0 Page 9 of 26 Supplement	Base Revenue Present Rates
C-2.0 Page 10 of 26 Supplement	FPPCA/DCA Revenue Present Rates
C-2.0 Page 11 of 26 Supplement	Demand Portion of Power Cost
C-2.0 Page 12 of 26 Supplement	Energy Portion of Power Cost
C-2.0 Page 16 of 26 Supplement	Transformer Investment

EXHIBIT A-1-E

Arizona Corporation Commission  
September 24, 2013  
Page 2

C-2.0 Page 17 of 26 Supplement Overhead Services Investment  
C-2.0 Page 18 of 26 Supplement Underground Services Investment  
C-2.0 Page 19 of 26 Supplement Meter Investment  
C-2.0 Page 21 of 26 Supplement Other Revenue

These schedules are presented to further clarify information contained in the Cost of Service Study, in accordance with a review by telephone with a member of Commission Staff.

If additional information is required, please advise.

Very Truly Yours  
Bolinger, Segars, Gilbert & Moss, LLP



E. L. Moss

Copy:  
Chris Martinez  
Rachel Marrufo  
Charles C. Kretek

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED SCHEDULE E-2.0  
 TOTAL SYSTEM

RESIDENTIAL

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	45,976		\$ 12.35	\$ 567,804
Customer Charge - TOU	1,106		\$ 15.60	17,254
Energy Charge - Regular		25,679,122	\$ 0.0864	2,218,676
Energy Charge - TOU - On Peak		528,809	\$ 0.0975	51,559
Energy Charge - TOU - Off Peak		372,369	\$ 0.0600	22,342
Total Base Revenue				<u>\$ 2,877,634</u>
FPPCA Revenue		26,580,300	\$ 0.038687	1,028,323
DCA Revenue		24,146,935	\$ 0.001557	37,585
Total FPPCA/DCA Revenue				<u>\$ 1,065,908</u>
Total Revenue & kWh Sales		26,580,300		<u><u>\$ 3,943,542</u></u>

IRRIGATION

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,578		\$ 32.50	\$ 51,285
Customer Charge - TOU	413		\$ 45.50	18,792
Energy Charge - Regular		5,723,262	\$ 0.09200	526,540
Energy Charge - TOU - On Peak		388,071	\$ 0.1030	39,971
Energy Charge - TOU - Off Peak		440,767	\$ 0.0600	26,446
Revenue from Minimum Bills				9,085
Total Base Revenue				<u>\$ 672,119</u>
FPPCA Revenue		6,552,100	\$ 0.038270	250,746
DCA Revenue		6,223,970	\$ 0.001944	12,102
Total FPPCA/DCA Revenue				<u>\$ 262,848</u>
Total Revenue & kWh Sales		6,552,100		<u><u>\$ 934,967</u></u>

AG SERVICE

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,720		\$ 65.00	\$ 111,800
Energy Charge		42,762,594	\$ 0.06950	2,972,000
Revenue from Minimums		1,483,439	\$ 0.06950	103,099
Total Base Revenue				<u>\$ 3,186,899</u>
FPPCA Revenue		44,246,033	\$ 0.03557	1,573,760
DCA Revenue		39,375,674	\$ 0.00181	71,081
Total FPPCA/DCA Revenue				<u>\$ 1,644,841</u>
Total Revenue & kWh Sales		42,762,594		<u><u>\$ 4,831,740</u></u>

SMALL COMMERCIAL COMMERCIAL Under 50 KVA

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	10,368		\$ 16.25	\$ 168,480
Customer Charge - TOU	180		\$ 19.50	3,510
Energy Charge - Regular		10,032,144	\$ 0.08220	824,642
Energy Charge - TOU-On Peak		192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak		196,413	\$ 0.0590	11,588
Total Base Revenue				<u>\$ 1,025,966</u>
FPPCA Revenue		10,421,018	\$ 0.03830	399,163
DCA Revenue		10,042,728	\$ 0.00238	23,862
Total FPPCA/DCA Revenue				<u>\$ 423,025</u>
Total Revenue & kWh Sales		10,421,018		<u><u>\$ 1,448,991</u></u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED      SCHEDULE E-2.0  
 TOTAL SYSTEM

LARGE COMMERCIAL	COMMERCIAL 50 - 350 KVA					
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>	
Customer Charge - Regular	822			\$ 45.50	\$ 37,401	
Demand Charge		33,767		\$ 12.00	405,204	
Energy Charge			10,106,220	\$ 0.05200	525,523	
Revenue from Minimum Bills					10,111	
<b>Total Base Revenue</b>					<u>\$ 978,239</u>	
FPPCA Revenue			10,106,220	\$ 0.03786	382,647	
DCA Revenue			10,106,220	\$ 0.00229	23,161	
<b>Total FPPCA/DCA Revenue</b>					<u>\$ 405,808</u>	
<b>Total Revenue &amp; kWh Sales</b>			10,106,220		<u>\$ 1,384,047</u>	

INDUSTRIAL	COMMERCIAL	Over 350 KVA				
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>	
Customer Charge	136			\$ 45.50	\$ 6,188	
Demand Charge		20,095		\$ 12.50	251,188	
Energy Charge			4,138,760	\$ 0.04410	182,519	
Minimums					51,678	
<b>Total Base Revenue</b>					<u>\$ 491,573</u>	
FPPCA Revenue			4,138,760	\$ 0.03726	154,225	
DCA Revenue			4,138,760	\$ 0.00215	8,881	
<b>Total FPPCA/DCA Revenue</b>					<u>\$ 163,106</u>	
<b>Total Revenue &amp; kWh Sales</b>			4,138,760		<u>\$ 654,679</u>	

LIGHTING

	<u>Bills</u>	<u>Kwh</u>	<u>Rate</u>	<u>Revenue</u>
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
100 Watt High Pressure Sodium	3,182	133,644	\$ 13.50	42,957
400 Watt High Pressure Sodium	272	48,960	\$ 23.50	6,392
<b>Total Base Revenue</b>				<u>\$ 89,276</u>
FPPCA Revenue		454,444	\$ 0.03861	\$ 17,544
DCA Revenue		447,724	\$ 0.00194	870
<b>Total FPPCA/DCA Revenue</b>				<u>\$ 18,414</u>
<b>Total Revenue &amp; kWh Sales</b>		454,444		<u>\$ 107,690</u>

Totals	<u>101,015,436</u>	<u>\$ 13,305,656</u>
--------	--------------------	----------------------

Total Base Revenue	\$ 9,321,706
Total FPPCA/DCA Revenue	3,983,950
<b>Total Revenue</b>	<u>\$ 13,305,656</u>

Reference:  
 Schedule C-2.0 Page 3  
 Schedule C-2.0 Page 8  
 Schedule C-2.0 Page 10

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED  
 SCHEDULE E-2.0  
 NEW MEXICO

RESIDENTIAL

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	41,310		\$ 12.35	\$ 510,179
Customer Charge - TOU	820		\$ 15.60	12,792
Energy Charge - Regular		23,460,048	\$ 0.0864	2,026,948
Energy Charge - TOU - On Peak		415,461	\$ 0.0975	40,507
Energy Charge - TOU - Off Peak		271,426	\$ 0.0600	16,286
Total Base Revenue				<u>\$ 2,606,712</u>
FPPCA Revenue		24,146,935	\$ 0.038407	927,417
DCA Revenue		24,146,935	\$ 0.001557	37,585
Toal FPPCA /DCA Revenue				<u>\$ 965,002</u>
Total Revenue & kWh Sales		24,146,935		<u><u>\$ 3,571,714</u></u>

IRRIGATION

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	1,469		\$ 32.50	\$ 47,743
Customer Charge - TOU	359		\$ 45.50	16,335
Energy Charge - Regular		5,513,655	\$ 0.09200	507,256
Energy Charge - TOU - On Peak		337,128	\$ 0.1030	34,724
Energy Charge - TOU - Off Peak		373,187	\$ 0.0600	22,391
Revenue from Minimum Bills				8,541
Total Base Revenue				<u>\$ 636,990</u>
FPPCA Revenue		6,223,970	\$ 0.038534	239,834
DCA Revenue		6,223,970	\$ 0.001944	12,102
Toal FPPCA/ DCA Revenue				<u>\$ 251,936</u>
Total Revenue & kWh Sales		6,223,970		<u><u>\$ 888,926</u></u>

AG SERVICE

	<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	1,613		\$ 65.00	\$ 104,845
Energy Charge		39,375,674	\$ 0.06950	2,736,609
Revenue from Minimums		1,435,827	\$ 0.06950	99,790
Total Base Revenue				<u>\$ 2,941,244</u>
FPPCA Revenue		39,375,674	\$ 0.03695	1,455,096
DCA Revenue		39,375,674	\$ 0.00181	71,081
Toal FPPCA /DCA Revenue				<u>\$ 1,526,177</u>
Total Revenue & kWh Sales		39,375,674		<u><u>\$ 4,467,421</u></u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED  
 SCHEDULE E-2.0  
 NEW MEXICO

SMALL COMMERCIAL	COMMERCIAL	Under 50 KVA			
		<u>Bills</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular		9,958		\$ 16.25	\$ 161,818
Customer Charge - TOU		180		\$ 19.50	3,510
Energy Charge - Regular			9,653,854	\$ 0.08220	793,547
Energy Charge - TOU-On Peak			192,461	\$ 0.0922	17,745
Energy Charge - TOU-Off Peak			196,413	\$ 0.0590	11,588
Total Base Revenue					<u>\$ 988,208</u>
FPPCA Revenue			10,042,728	\$ 0.03822	383,790
DCA Revenue			10,042,728	\$ 0.00238	23,862
Toal FPPCA /DCA Revenue					<u>\$ 407,651</u>
Total Revenue & kWh Sales			10,042,728	\$ 0.13899	<u>\$ 1,395,859</u>

LARGE COMMERCIAL	COMMERCIAL	50 - 350 KVA			
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge - Regular	822			\$ 45.50	\$ 37,401
Demand Charge		33,767		\$ 12.00	405,204
Energy Charge			10,106,220	\$ 0.05200	525,523
Revenue from Minimum Bills					10,111
Total Base Revenue					<u>\$ 978,239</u>
FPPCA Revenue			10,106,220	\$ 0.03786	382,647
DCA Revenue			10,106,220	\$ 0.00229	23,161
Toal FPPCA/ DCA Revenue					<u>\$ 405,808</u>
Total Revenue & kWh Sales			10,106,220		<u>\$ 1,384,047</u>

INDUSTRIAL	COMMERCIAL	Over 350 KVA			
	<u>Bills</u>	<u>KW Demand</u>	<u>kWh</u>	<u>Rate</u>	<u>Revenue</u>
Customer Charge	136			\$ 45.50	\$ 6,188
Demand Charge		20,095		\$ 12.50	251,188
Energy Charge			4,138,760	\$ 0.04410	182,519
Minimums					51,678
Total Base Revenue					<u>\$ 491,573</u>
FPPCA Revenue			4,138,760	\$ 0.037264	154,225
DCA Revenue			4,138,760	\$ 0.002146	8,881
Toal FPPCA /DCA Revenue					<u>\$ 163,106</u>
Total Revenue & kWh Sales			4,138,760		<u>\$ 654,679</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED SCHEDULE E-2.0  
 NEW MEXICO

LIGHTING SERVICE

	Bills	Kwh	Rate	Revenue
175 Watt Mercury Vapor	3,398	271,840	\$ 11.75	\$ 39,927
400 Watt High Pressure Sodium	3,022	126,924	\$ 13.50	40,797
100 Watt High Pressure Sodium	272	48,960	\$ 23.50	6,392
Total Base Revenue				<u>\$ 87,116</u>
FPPCA Revenue		447,724	\$ 0.03856	17,266
DCA Revenue		447,724	\$ 0.00194	870
Total FPPCA/ DCA Revenue				<u>\$ 18,136</u>
Total Revenue & kWh Sales		447,724		<u>\$ 105,252</u>
Totals		<u>94,482,011</u>		<u>\$ 12,467,897</u>
Total Base Revenue				\$ 8,730,081
Total FPPCA/ DCA Revenue				<u>3,737,816</u>
Total Revenue				<u>\$ 12,467,897</u>

COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED  
 SCHEDULE E-2.0  
 ARIZONA

RESIDENTIAL

	Bills	kWh	Rate	Revenue
Customer Charge - Regular	4,666		\$ 12.35	\$ 57,625
Customer Charge - TOU	286		\$ 15.60	4,462
Energy Charge - Regular		2,219,074	\$ 0.0864	191,728
Energy Charge - TOU - On Peak		113,348	\$ 0.0975	11,051
Energy Charge - TOU - Off Peak		100,943	\$ 0.0600	6,057
Total Base Revenue				<u>\$ 270,923</u>
FPPCA Revenue		2,433,365	\$ 0.041468	<u>\$ 100,906</u>
Total Revenue & kWh Sales		2,433,365		<u><u>\$ 371,829</u></u>

IRRIGATION

	Bills	kWh	Rate	Revenue
Customer Charge - Regular	109		\$ 32.50	\$ 3,543
Customer Charge - TOU	54		\$ 45.50	2,457
Energy Charge - Regular		209,607	\$ 0.09200	19,284
Energy Charge - TOU - On Peak		50,943	\$ 0.1030	5,247
Energy Charge - TOU - Off Peak		67,580	\$ 0.0600	4,055
Revenue from Minimum Bills				544
Total Base Revenue				<u>\$ 35,129</u>
FPPCA Revenue		328,130	\$ 0.033255	<u>\$ 10,912</u>
Total Revenue & kWh Sales		328,130		<u><u>\$ 46,041</u></u>

AG SERVICE

	Bills	kWh	Rate	Revenue
Customer Charge	107		\$ 65.00	\$ 6,955
Energy Charge		3,386,920	\$ 0.06950	235,391
Revenue from Minimums		47,611	\$ 0.06950	3,309
Total Base Revenue				<u>\$ 245,655</u>
FPPCA Revenue		3,386,920	\$ 0.03504	<u>\$ 118,664</u>
Total Revenue & kWh Sales		3,386,920		<u><u>\$ 364,319</u></u>



COLUMBUS ELECTRIC COOPERATIVE, INC.  
 PROOF OF REVENUE - PRESENT RATES  
 OCTOBER 1, 2011 - SEPTEMBER 30, 2012

UPDATED  
 SCHEDULE E-2.0  
 ARIZONA

SMALL COMMERCIAL	COMMERCIAL	Under 50 KVA				Revenue
		Bills	kWh		Rate	
Customer Charge - Regular		410		\$	16.25	\$ 6,663
Customer Charge - TOU				\$	19.50	-
Energy Charge - Regular			378,290	\$	0.08220	31,095
Energy Charge - TOU-On Peak				\$	0.0922	-
Energy Charge - TOU-Off Peak				\$	0.0590	-
Total Base Revenue						<u>\$ 37,758</u>
FPPCA Revenue			378,290	\$	0.04064	<u>\$ 15,373</u>
Total Revenue & kWh Sales			378,290			<u><u>\$ 53,131</u></u>
		Bills	Kwh		Rate	Revenue
100 Watt High Pressure Sodium		160	6,720	\$	13.50	<u>\$ 2,160</u>
FPPCA Revenue			6,720	\$	0.04137	<u>\$ 278</u>
Total Revenue			6,720			<u><u>\$ 2,438</u></u>
Totals			<u>6,533,425</u>			<u><u>\$ 837,758</u></u>
Total Base Revenue						\$ 591,625
Total FPPCA Revenue						<u>246,133</u>
Total Revenue						<u><u>\$ 837,758</u></u>

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 1: NONCOIN DEMAND

Class Name	Purchased kWhr	Average kW	Non-Coin. kW	Ld Fact.
RESIDENTIAL	29,373,922	3,353	6,316	53.0904
IRRIGATION	7,240,734	827	3,892	21.2376
AG SERVICE	47,256,994	5,395	23,321	23.1321
SM COMMERCIAL	11,516,279	1,315	2,602	50.5244
LG COMMERCIAL	11,168,396	1,275	3,264	39.0604
INDUSTRIAL	4,573,749	522	2,446	21.3458
LIGHTING	502,223	57	104	55.1263
TOTAL	111,632,297	12,743	41,945	30.3812

Class Name	Excess kW	Alloc Exc kW	Total kW	Percent
RESIDENTIAL	2,963	2,963	6,316	15.057814
IRRIGATION	3,065	3,065	3,892	9.278817
AG SERVICE	17,926	17,926	23,321	55.598999
SM COMMERCIAL	1,287	1,287	2,602	6.203362
LG COMMERCIAL	1,989	1,989	3,264	7.781619
INDUSTRIAL	1,924	1,924	2,446	5.831446
LIGHTING	47	47	104	0.247944
TOTAL	29,202	29,202	41,945	100.000000

SYSTEM NON COINCIDENT PEAK 41,945

COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 1: PEAK NON COINCIDENT DEMAND

<u>CLASS NAME</u>	<u>PEAK N/C DEMAND</u>	<u>PERCENT</u>	<u>INTANGIBLE PLANT</u>	<u>TRANSMN PLANT</u>	<u>LAND</u>	<u>POLES &amp; FIXTURES</u>	<u>OVHD LINES</u>	<u>UNDRND COND</u>
RESIDENTIAL	6,316	15.057814	62	220,784	5,770	988,543	612,878	106,153
IRRIGATION	3,892	9.278817	38	136,050	3,555	609,153	377,663	65,413
AG SERVICE	23,321	55.598999	229	815,214	21,303	3,650,066	2,262,971	391,957
SMALL COMMERCIAL	2,602	6.203362	25	90,956	2,377	407,250	252,487	43,732
LARGE COMMERCIAL	3,264	7.781619	32	114,097	2,982	510,862	316,725	54,858
INDUSTRIAL	2,446	5.831446	24	85,503	2,234	382,834	237,349	41,110
LIGHTING	104	0.247944	1	3,635	95	16,277	10,092	1,748
TOTALS	41,945	100.000000	411	1,466,239	38,316	6,564,985	4,070,165	704,971

REFERENCE:  
SCHEDULE D-1.0 PAGE 1

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

SUPPLEMENT

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 2: COIN DEMAND

Class Name	Purchased kWhr	Average kW	COIN DEMAND	Ld Fact.
RESIDENTIAL	29,373,922	3,353	5,264	63.7004
IRRIGATION	7,240,734	827	2,571	32.1497
AG SERVICE	47,256,994	5,395	14,324	37.6615
SM COMMERCIAL	11,516,279	1,315	2,118	62.0701
LG COMMERCIAL	11,168,396	1,275	2,334	54.6243
INDUSTRIAL	4,573,749	522	1,430	36.5117
LIGHTING	502,223	57	100	57.3314
TOTAL	111,632,297	12,743	28,141	45.2842

Class Name	Excess kW	Alloc Exc kW	Total kW	Percent
RESIDENTIAL	1,911	1,911	5,264	18.705803
IRRIGATION	1,744	1,744	2,571	9.136136
AG SERVICE	8,929	8,929	14,324	50.900821
SM COMMERCIAL	803	803	2,118	7.526385
LG COMMERCIAL	1,059	1,059	2,334	8.293948
INDUSTRIAL	908	908	1,430	5.081554
LIGHTING	43	43	100	0.355353
TOTAL	15,398	15,398	28,141	100.000000

System Coincident Peak = 28,141

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 3: KWH SALES

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 100.000000  
Fuel: 0.000000  
Revenue: 0.000000

Class Name	Number	Percent
RESIDENTIAL	26,580,300.00	26.313103
IRRIGATION	6,552,100.00	6.486235
AG SERVICE	42,762,594.00	42.332726
SM COMMERCIAL	10,421,018.00	10.316261
LG COMMERCIAL	10,106,220.00	10.004628
INDUSTRIAL	4,138,760.00	4.097155
LIGHTING	454,459.00	0.449891
TOTAL	101,015,451.00	100.000000

REFERENCE:  
SCHEDULE E-2.0-UPDATED-TOTAL SYSTEM

Case: CEC2912P

Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES

Allocation Factor # 4: AVG CONS

Comp: Demand: 0.000000  
 Customer: 100.000000  
 Energy: 0.000000  
 Fuel: 0.000000  
 Revenue: 0.000000

Class Name	Number	Weight	Product	Percent
RESIDENTIAL	3,924.00	1.000000	3,924.00	75.577812
IRRIGATION	166.00	1.000000	166.00	3.197227
AG SERVICE	143.00	1.000000	143.00	2.754237
SM COMMERCIAL	879.00	1.000000	879.00	16.929892
LG COMMERCIAL	69.00	1.000000	69.00	1.328968
INDUSTRIAL	11.00	1.000000	11.00	0.211864
LIGHTING	571.00	0.000000	0.00	0.000000
<b>TOTAL</b>	<b>5,763.00</b>	<b>0.900920</b>	<b>5,192.00</b>	<b>100.000000</b>

REFERENCE:  
 SCHEDULE D-2.0  
 SCHEDULE D-3.0  
 SCHEDULE D-4.0

COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 4: AVERAGE CONSUMERS

DEMAND	0.000000
CUSTOMER	100.000000
ENERGY	0.000000
FUEL	0.000000
REVENUE	0.000000

<u>CLASS NAME</u>	<u>CONSUMERS</u>	<u>PERCENT</u>	<u>POLES &amp; TOWERS</u>	<u>OVHD LINES</u>	<u>UNDRGRND COND</u>
RESIDENTIAL	3,924	75.577812	3,307,782	2,050,756	185,230
IRRIGATION	166	3.197227	139,932	86,755	7,836
AG SERVICE	143	2.754237	120,544	74,734	6,750
SMALL COMMERCIAL	879	16.929892	740,963	459,382	41,493
LARGE COMMERCIAL	69	1.328968	58,164	36,061	3,257
INDUSTRIAL	11	0.211864	9,273	5,749	519
LIGHTING	-	-	-	-	-
TOTALS	5,192	100.000000	4,376,657	2,713,436	245,085

REFERENCE:  
SCHEDULE D-1.0 PAGE 1

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 8: BASE REVENUE PRESENT

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	2,877,634.00	30.870251
IRRIGATION	672,119.00	7.210257
AG SERVICE	3,186,899.00	34.187937
SM COMMERCIAL	1,025,966.00	11.006204
LG COMMERCIAL	978,239.00	10.494206
INDUSTRIAL	491,573.00	5.273423
LIGHTING	89,276.00	0.957722
TOTAL	9,321,706.00	100.000000

REFERENCE:  
SCHEDULE E-2.0 - UPDATED - TOTAL SYSTEM



COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 6: WEIGHTED CONSUMERS - METER READING

DEMAND	0.000000
CUSTOMER	100.000000
ENERGY	0.000000
FUEL	0.000000
REVENUE	0.000000

<u>CLASS NAME</u>	<u>CONSUMERS</u>	<u>WEIGHTING</u>	<u>WEIGHTED CONSUMERS</u>	<u>PERCENT</u>	<u>METER READ EXP</u>
RESIDENTIAL	3,924	1.000000	3,924	38.186065	76,969
IRRIGATION	166	5.000000	830	8.077073	16,280
AG SERVICE	143	8.000000	1,144	11.132736	22,440
SMALL COMMERCIAL	879	2.000000	1,758	17.107824	34,483
LARGE COMMERCIAL	69	30.000000	2,070	20.144025	40,603
INDUSTRIAL	11	50.000000	550	5.352277	10,788
LIGHTING	-	-	-	-	-
TOTALS	5,192	96.000000	10,276	100.000000	201,564

REFERENCE:  
SCHEDULE F-1.0 PAGE 1

This schedule represents the varying degrees of complexity in meter reading expense for the different classes. The weighting is a judgemental factor, considering the following:  
Residential meters are readily read, with no KW demand implications; Small Commercial slightly more time consuming, depending on location of meter on consumer premises. Irrigation and Ag Service meters sometimes in more remote areas, requiring more travel time to get to; Ag Service meters have KW demand implications because of the minimum load factor clause in the Ag Service rate. Large Commercial and Industrial meter readings are more time consuming because of re-setting the demand indicator, and a certain amount of inspection to determine that location is properly functioning.

COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 7: WEIGHTED CONSUMERS - CONSUMER ACCOUNTS EXPENSE

DEMAND	0.000000
CUSTOMER	100.000000
ENERGY	0.000000
FUEL	0.000000
REVENUE	0.000000

<u>CLASS NAME</u>	<u>CONSUMERS</u>	<u>WEIGHTING</u>	<u>WEIGHTED CONSUMERS</u>	<u>PERCENT</u>	<u>RECORDS &amp; COLLECT</u>	<u>CUSTOMER SERVICE</u>
RESIDENTIAL	3,924	1.000000	3,924.00	35.658140	152,967	34,209
IRRIGATION	166	5.000000	830.00	7.542369	32,355	7,236
AG SERVICE	143	7.500000	1,072.50	9.746013	41,809	9,350
SMALL COMMERCIAL	879	2.000000	1,758.00	15.975283	68,531	15,326
LARGE COMMERCIAL	69	40.000000	2,760.00	25.080649	107,591	24,061
INDUSTRIAL	11	60.000000	660.00	5.997546	25,728	5,754
LIGHTING	-	-	-	-	-	-
TOTALS	5,192	115.500000	11,004.50	100.000000	428,981	95,935

REFERENCE:  
SCHEDULE F-1.0 PAGES 1 & 2

Weighting factor is based on judgement regarding complexity in consumer accounts expense of various classes.  
Irrigation and Ag Service classes require more connect costs administratively, in that a contract is required.  
Large Commercial and Industrial consumers require contracts, and frequently require security deposit arrangements that must be considered.

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 9: BASE REVENUE PROPOS

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	4,003,537.00	29.831153
IRRIGATION	934,961.00	6.966581
AG SERVICE	4,831,799.00	36.002698
SM COMMERCIAL	1,498,982.00	11.169214
LG COMMERCIAL	1,384,056.00	10.312877
INDUSTRIAL	654,654.00	4.877958
LIGHTING	112,669.00	0.839519
TOTAL	13,420,658.00	100.000000

REFERENCE:  
SCHEDULE E-3.0 - TOTAL SYSTEM

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 10: FPPCA DCA REVENUE

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	1,065,908.00	26.755055
IRRIGATION	262,848.00	6.597673
AG SERVICE	1,644,841.00	41.286688
SM COMMERCIAL	423,025.00	10.618231
LG COMMERCIAL	405,808.00	10.186072
INDUSTRIAL	163,106.00	4.094077
LIGHTING	18,414.00	0.462205
TOTAL	3,983,950.00	100.000000

REFERENCE:  
SCHEDULE E-2.0 - UPDATED - TOTAL SYSTEM

COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 11: SUM OF COINCIDENT DEMAND - DEMAND PORTION OF POWER COST

COMP	DEMAND	100.000000
	CUSTOMER	0.000000
	ENERGY	0.000000
	FUEL	0.000000
	REVENUE	0.000000

<u>CLASS NAME</u>	<u>SUM COIN DEMAND</u>	<u>PERCENT</u>	<u>POWER COST</u>
RESIDENTIAL	47,286	22.512640	1,057,858
IRRIGATION	15,665	7.458032	350,449
AG SERVICE	92,251	43.920264	2,063,791
SMALL COMMERCIAL	19,638	9.349559	439,331
LARGE COMMERCIAL	22,759	10.835452	509,152
INDUSTRIAL	11,950	5.689338	267,339
LIGHTING	<u>493</u>	<u>0.234715</u>	<u>11,029</u>
TOTALS	210,042	100.000000	4,698,950

REFERENCE:  
SCHEDULE F-1.0 PAGE 2

COLUMBUS ELECTRIC COOPERATIVE, INC.  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

ALLOCATION FACTOR # 12: KWH PURCHASES - ENERGY PORTION OF POWER COST

COMP	DEMAND	0.000000
	CUSTOMER	0.000000
	ENERGY	100.000000
	FUEL	0.000000
	REVENUE	0.000000

<u>CLASS NAME</u>	<u>KWH PURCHASES</u>	<u>PERCENT</u>	<u>POWER COST</u>
RESIDENTIAL	29,373,922	26.313104	850,375
IRRIGATION	7,240,734	6.486236	209,619
AG SERVICE	47,256,994	42.332726	1,368,090
SMALL COMMERCIAL	11,516,279	10.316261	333,396
LARGE COMMERCIAL	11,168,396	10.004628	323,325
INDUSTRIAL	4,573,749	4.097156	132,410
LIGHTING	<u>502,223</u>	<u>0.449890</u>	<u>14,539</u>
TOTALS	111,632,297	100.000000	3,231,755

REFERENCE:  
SCHEDULE F-1.0 PAGE 2

Case: CEC2912P  
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COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 16: ACCT 368 TRANSFRMRS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	54.677900
IRRIGATION	6.608800
AG SERVICE	10.627200
SM COMMERCIAL	18.663900
LG COMMERCIAL	6.867600
INDUSTRIAL	2.554600
LIGHTING	0.000000
TOTAL	100.000000

REFERENCE:  
SCHEDULE D-5.0

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 17: ACCT 369 OVHD SVCS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	85.372600
IRRIGATION	1.667200
AG SERVICE	1.436200
SM COMMERCIAL	10.821000
LG COMMERCIAL	0.606300
INDUSTRIAL	0.096700
LIGHTING	0.000000
TOTAL	100.000000

REFERENCE:  
SCHEDULE D-6.0



Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 18: ATTT 369 UNDG SVCS

Comp:	Demand:	60.000000
	Customer:	40.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
-----	-----
RESIDENTIAL	30.000000
IRRIGATION	10.000000
AG SERVICE	10.000000
SM COMMERCIAL	25.000000
LG COMMERCIAL	12.500000
INDUSTRIAL	12.500000
LIGHTING	0.000000
-----	-----
TOTAL	100.000000

REFERENCE:  
SCHEDULE D-6.0

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

SUPPLEMENT

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 19: ACCT 370 METERS

Comp:	Demand:	30.000000
	Customer:	70.000000
	Energy:	0.000000
	Fuel:	0.000000
	Revenue:	0.000000

Class Name	Percent
RESIDENTIAL	54.010700
IRRIGATION	6.547500
AG SERVICE	9.195900
SM COMMERCIAL	24.587700
LG COMMERCIAL	4.437200
INDUSTRIAL	1.221000
LIGHTING	0.000000
TOTAL	100.000000

REFERENCE:  
SCHEDULE D-7.0

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES

Allocation Factor # 21: OTHER REVENUE PROPO

Comp: Demand: 0.000000  
Customer: 0.000000  
Energy: 0.000000  
Fuel: 0.000000  
Revenue: 100.000000

Class Name	Number	Percent
RESIDENTIAL	8,204.00	30.868796
IRRIGATION	1,916.00	7.209241
AG SERVICE	9,086.00	34.187455
SM COMMERCIAL	2,925.00	11.005757
LG COMMERCIAL	2,789.00	10.494036
INDUSTRIAL	1,402.00	5.275238
LIGHTING	255.00	0.959476
TOTAL	26,577.00	100.000000

REFERENCE:  
SCHEDULE E-1.0



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**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

- BOB STUMP, Chairman**
- GARY PIERCE**
- BRENDA BURNS**
- BOB BURNS**
- SUSAN BITTER SMITH**

**ORIGINAL**

**IN THE MATTER OF THE APPLICATION OF )**  
**COLUMBUS ELECTRIC COOPERATIVE, INC. )**  
**FOR AN INCREASE IN RATES AND FOR )**  
**OTHER RELATED APPROVALS )**

**DOCKET NO. E-01851A-13-0252**

Arizona Corporation Commission

**DOCKETED**

**JAN 14 2014**

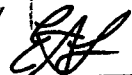
**REBUTTAL**

**TESTIMONY OF**

**CHRIS MARTINEZ**

**COLUMBUS ELECTRIC COOPERATIVE, INC.**

**JANUARY 10, 2014**

DOCKETED BY 

RECEIVED  
 2014 JAN 14 A 8:30  
 ARIZONA CORPORATION COMMISSION  
 DOCKET CONTROL

EXHIBIT  
**A-2**  
 ADMITTED

**EXHIBIT A-2**

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2  
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1 **INTRODUCTION**

2 **Q: Please state your name and business address.**

3 A: My name is Chris Martinez. My business address is 900 North Gold Avenue in Deming, New  
4 Mexico and my business mailing address is P.O. Box 631, Deming, New Mexico 88031.

5 **Q: What is your position with Columbus Electric Cooperative, Inc.?**

6 A: I am the Executive Vice President and General Manger for Columbus Electric Cooperative, Inc.

7 **Q: Have you previously provided testimony in this matter?**

8 A: Yes. I filed direct testimony attached and in support of the Application filed in this matter.

9 **Q: Was this testimony prepared for you under your direction?**

10 A: Yes.

11 **Q: What areas does this testimony address?**

12 A: This testimony addresses the primary areas of the Staff testimony filed on December 6, 2013,  
13 and on December 20, 2013.

14 **RECOMMENDATIONS**

15 **Q: What are your recommendations?**

16 A: We have reviewed Staff's recommendations in both the above referenced testimonies and  
17 Columbus Electric Cooperative, Inc. agrees with and stipulates to all of the recommendations of Staff  
18 Witnesses Crystal S. Brown; Julie McNeely-Kirwan; Candrea Allen; Margaret (Toby) Little; and Patrick  
19 Lowe and will make the recommended corrections and comply with the filing requirements  
20 recommended therein.

1 **Q: Do you have any additional comments?**

2 **A: As Staff and the Commission are aware, our Arizona consumers have expressed concern**  
3 **regarding the time required to implement the rates and other changes proposed by Columbus Electric**  
4 **Cooperative, Inc. and I would respectfully ask that we proceed toward a stipulated recommendation and**  
5 **order as expeditiously as possible for the benefit of all the members of our cooperative.**

6 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**


7 **A: Yes.**

8


1 STATE OF NEW MEXICO )  
2 :ss  
3 COUNTY OF LUNA )  
4

5 VERIFICATION  
6

7 I, Chris Martinez, being first duly sworn upon oath, deposes and states that I am the Executive  
8 Vice-President and General Manager of Columbus Electric Cooperative, Inc. and that I have read the  
9 foregoing document, entitled Rebuttal Testimony of Chris Martinez and the same is true and correct to  
10 the best of my information, knowledge and belief.  
11

12   
13 \_\_\_\_\_  
14 Chris Martinez,  
15 Executive Vice-President and  
16 General Manager of Columbus  
17 Electric Cooperative, Inc.  
18

19 SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Chris  
20  
21 Martinez, Executive Vice-President and General Manager of Columbus Electric  
22  
23 Cooperative, Inc, on the 9<sup>th</sup> day of January, 2014.  
24  
25

26  
27   
28 CHARLES C. KEELEY  
29 NOTARY PUBLIC  
30 My Commission Expires:  
31 October 1, 2014

26   
27 \_\_\_\_\_  
28 NOTARY PUBLIC  
29  
30  
31



1  
2 Original and thirteen (13) copies of  
3 the foregoing Rebuttal Testimony mailed for filing  
4 this 14<sup>th</sup> day of January, 2014, to:

5  
6 Docket Control  
7 Arizona Corporation Commission  
8 1200 West Washington Street  
9 Phoenix, AZ 85007

10  
11 Mr. Brian Smith, Esq.,  
12 Legal Division  
13 Arizona Corporation Commission  
14 1200 West Washington Street  
15 Phoenix, AZ 85007

16  
17  
18  
19  
20  
21  
22

By   
Charles C. Kretek, General Counsel  
Columbus Electric Cooperative, Inc.

LEGAL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

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IN THE MATTER OF THE APPLICATION OF  
COLUMBUS ELECTRIC COOPERATIVE,  
INC. FOR AN INCREASE IN RATES AND  
FOR OTHER RELATED APPROVALS.

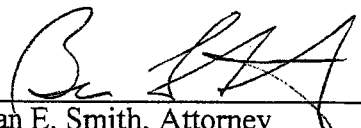
DOCKET NO. E-01851A-13-0252

STAFF'S NOTICE OF FILING DIRECT  
TESTIMONY

FEB 12 2014

Staff of the Arizona Corporation Commission ("Staff") herby files the Direct Testimony of  
Crystal S. Brown, Julie McNeely-Kirwan, Margaret "Toby" Little and Candrea Allen in the above  
docket.

RESPECTFULLY SUBMITTED this 6<sup>th</sup> day of December 2013.

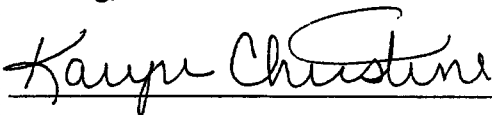
  
\_\_\_\_\_  
Brian E. Smith, Attorney  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Original and thirteen (13) copies  
of the foregoing filed this  
6<sup>th</sup> day of December 2013 with:

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

Copy of the foregoing mailed this  
6<sup>th</sup> day of December 2013 to:

Charles C. Kretek, General Counsel  
Columbus Electric Cooperative, Inc.  
Post Office Box 631  
Deming, New Mexico 88031-0631

  
\_\_\_\_\_  
Kaye Christine

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5-1  
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USPS

**BEFORE THE ARIZONA CORPORATION COMMISSION**

BOB STUMP  
Chairman  
GARY PIERCE  
Commissioner  
BRENDA BURNS  
Commissioner  
BOB BURNS  
Commissioner  
SUSAN BITTER SMITH  
Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC., )  
FOR AN INCREASE IN RATES AND FOR )  
OTHER RELATED APPROVALS. )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT  
TESTIMONY  
OF  
CRYSTAL S. BROWN  
PUBLIC UTILITIES ANALYST V  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

DECEMBER 6, 2013

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**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DOCKET NO. E-01851A-13-0252**

Columbus Electric Cooperative, Inc. ("Columbus Electric" or "Cooperative") is a non-profit rural electric cooperative located in Deming, New Mexico. The Cooperative provides electric service to a total of 5,259 consumers, 4,840 in New Mexico and 419 in Cochise County, Arizona.

On July 22, 2013, Columbus Electric filed an application for a permanent rate increase. The Cooperative states that it incurred an adjusted test year operating loss of \$31,344 in Arizona resulting in no rate of return.

The Cooperative proposes total annual operating revenue of \$861,049 in Arizona. This represents an increase of \$21,590, or 2.57 percent, over test year revenue of \$839,459 in Arizona. The proposed revenue increase would produce an operating loss of \$9,754 for no rate of return on an original cost rate base ("OCRB") of \$1,789,299 in Arizona.

Staff recommends the same annual operating revenue, \$861,049, as proposed by Columbus Electric. Although the revenue recommended by Staff and the Cooperative provide an operating loss for the Arizona jurisdiction, on a consolidated basis, Columbus Electric would experience an adequate operating Time Interest Earned Ratio ("TIER") of 3.00.

1 **INTRODUCTION**

2 **Q. Please state your name, occupation, and business address.**

3 A. My name is Crystal S. Brown. I am a Public Utilities Analyst V employed by the Arizona  
4 Corporation Commission ("ACC" or "Commission") in the Utilities Division ("Staff").  
5 My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

6  
7 **Q. Briefly describe your responsibilities as a Public Utilities Analyst V.**

8 A. I am responsible for the examination and verification of financial and statistical  
9 information included in utility rate applications. In addition, I develop revenue  
10 requirements, prepare written reports, testimonies, and schedules that include Staff  
11 recommendations to the Commission. I am also responsible for testifying at formal  
12 hearings on these matters.

13  
14 **Q. Please describe your educational background and professional experience.**

15 A. I received a Bachelor of Science Degree in Business Administration from the University  
16 of Arizona and a Bachelor of Science Degree in Accounting from Arizona State  
17 University.

18  
19 Since joining the Commission in August 1996, I have participated in numerous rate cases  
20 and other regulatory proceedings involving electric, gas, water, and wastewater utilities. I  
21 have testified on matters involving regulatory accounting and auditing. Additionally, I  
22 have attended utility-related seminars sponsored by the National Association of  
23 Regulatory Utility Commissioners ("NARUC") on ratemaking and accounting designed to  
24 provide continuing and updated education in these areas.

1 **Q. What is the scope of your testimony in this case?**

2 A. I am presenting Staff's analysis and recommendations in the areas of rate base, operating  
3 revenues and expenses, and revenue requirement regarding Columbus Electric  
4 Cooperative Inc.'s ("Columbus Electric" or "Cooperative") application for a permanent  
5 rate increase.

6

7 **Q. Who else is providing Staff testimony and what issues will they address?**

8 A. Staff witness Julie McNeely-Kirwan is presenting Staff's base cost of purchased power  
9 recommendation. Ms. McNeely-Kirwan is also presenting Staff's recommendation  
10 concerning the Cooperative's adjustor mechanism and requested miscellaneous service  
11 charges. Staff witness Patrick Lowe is presenting Staff's rate design recommendations.  
12 Staff witness Candrea Allen is presenting Staff's recommendations concerning the  
13 Cooperative's rules, regulations, and line extensions. Staff witness Margaret Little is  
14 presenting Staff's cost of service and engineering analysis and recommendations.

15

16 **Q. What is the basis of your recommendations?**

17 A. I performed a regulatory audit of Columbus Electric's application to determine whether  
18 sufficient, relevant, and reliable evidence exists to support the Cooperative's requested  
19 rate increase. The regulatory audit consisted of examining and testing the Cooperative's  
20 financial information, accounting records, and other supporting documentation and  
21 verifying that the accounting principles it applied were in accordance with the United  
22 States Department of Agriculture Rural Utilities Service's ("RUS") Uniform System of  
23 Accounts - Electric ("USOA").

1 **BACKGROUND**

2 **Q. Please review the background of this Applicant.**

3 A. Columbus Electric is a non-profit rural electric cooperative located in Deming, New  
4 Mexico. The Cooperative provides electric service to a total of 5,259 consumers, 4,840 in  
5 New Mexico and 419 in Cochise County, Arizona. The Cooperative claims that all  
6 consumers by class have the same characteristics and are considered to be identical with  
7 equal rights, irrespective of jurisdiction. Consequently, Columbus Electric provides  
8 service to each account class under the same tariff regardless of jurisdiction. In addition,  
9 the Cooperative maintains a common financial record for all consumers, for ease of  
10 administration.

11  
12 Columbus Electric's current rates were authorized in Decision No. 71792, dated July 12,  
13 2010. That Decision authorized an \$18,466 revenue increase that provided no rate of  
14 return on a \$1,699,565 original cost rate base ("OCRB").

15  
16 **Q. What is the primary reason for the Cooperative's requested permanent rate  
17 increase?**

18 A. According to the Cooperative, the primary reason is to recover increased operating  
19 expenses.

20  
21 **CONSUMER SERVICE**

22 **Q. Please provide a brief history of customer complaints received by the Commission  
23 regarding Columbus Electric.**

24 A. Staff reviewed the Commission's records for the period January 1, 2010 through October  
25 21, 2013, and found 13 complaints as follows:

26 2010 1 Complaint (Billing Dispute)



1                   2011   No Complaints  
2                   2012   2 Complaints (1-Billing Dispute, 1-New Service Main Line Extensions)  
3                   2013   10 Complaints (7-Billing High & Low, 1 Billing Dispute, 2-Rates&Tariffs)

4

5                   All Complaints have been resolved and closed.

6

7                   **PUBLIC NOTICE**

8                   **Q.    Has the Cooperative provided public notice?**

9                   A.    Yes. The Cooperative complied with the procedural order issued in this case on August  
10                   30, 2013, which required public notice be provided by October 31, 2013.

11

12                   **COMPLIANCE**

13                   **Q.    Please provide a summary of the compliance status of Columbus Electric.**

14                   A.    A check of the compliance database indicates that there are currently no delinquencies for  
15                   Columbus Electric.

16

17                   **SUMMARY OF PROPOSED REVENUES**

18                   **Q.    Please summarize the Cooperative's filing.**

19                   A.    The Cooperative proposes total annual operating revenue of \$861,049 in Arizona. This  
20                   represents an increase of \$21,590, or 2.57 percent, over test year revenue of \$839,459 in  
21                   Arizona. The proposed revenue increase would produce an operating loss of \$9,754 for  
22                   no rate of return on an OCRB of \$1,789,299 in Arizona.

23

24                   **Q.    Please summarize Staff's recommended revenue.**

25                   A.    Staff recommends the same annual revenue, \$861,049, proposed by Columbus Electric.

26

1 **Q. Does Staff's recommended revenue provide adequate coverage of operating expenses**  
2 **and debt service?**

3 A. Yes. Although the rates recommended by Staff and the Cooperative provide an operating  
4 loss for the Arizona jurisdiction, on a consolidated basis, Columbus Electric would  
5 experience an adequate operating TIER of 3.00 as shown on schedule CSB-1. Since the  
6 recommended rates for Arizona are identical to the rates adopted in New Mexico, the  
7 earnings by customer class are the same in both states.

8  
9 **Q. What test year did Columbus Electric use in this filing?**

10 A. Columbus Electric's rate filing is based on the twelve months ended September 30, 2012  
11 ("test year").

12  
13 **Q. Please summarize the rate base and operating income adjustments addressed in your**  
14 **testimony for Columbus Electric.**

15 A. Staff made no adjustments to rate base. Staff's adjustment to operating revenue addresses  
16 the following issue:

17  
18 Base Cost of Power Revenue and Purchased Power Cost Adjustor ("PPCA") – This  
19 adjustment matches the Base Cost of Power Revenue to the Staff recommended Base Cost  
20 of Power Expense and eliminates the PPCA revenues from operating revenues. The net  
21 result of these adjustments is zero.

22  
23

1 **RATE BASE**

2 **Fair Value Rate Base**

3 **Q. Did the Cooperative prepare a schedule showing the elements of Reconstruction Cost**  
4 **New Rate Base?**

5 A. No, the Cooperative did not. The Cooperative requested that its OCRB be treated as its  
6 fair value rate base.

7

8 **Rate Base – Arizona Jurisdiction**

9 **Q. Please summarize Staff's adjustments to the Cooperative's rate base.**

10 A. Staff made no adjustments to rate base. Staff reviewed the Cooperative's filing and found  
11 that Columbus Electric appropriately omitted construction work in progress ("CWIP")  
12 from rate base as CWIP is not used and useful. Moreover, the Cooperative appropriately  
13 omitted working capital from rate base as the working capital was not supported by a lead-  
14 lag study.

15

16 **Q. What is Staff's recommendation?**

17 A. Staff recommends adoption of the Cooperative proposed rate base of \$1,789,299 as shown  
18 on Schedule CSB-2.

19

20 **Operating Margin – Arizona Jurisdiction**

21 **Operating Margin Summary**

22 **Q. What are the results of Staff's analysis of test year revenues, expenses and operating**  
23 **margin?**

24 A. As shown on Schedules CSB-3 and CSB-4, Staff's analysis resulted in test year revenues  
25 of \$839,459, expenses of \$870,803 and an operating loss of \$31,344.

26

1 **Operating Margin Adjustment No. 1 – Base Cost of Power Revenue and Purchased Power**  
2 **Cost Adjustor**

3 **Base Cost of Power Revenue**

4 **Q. What is the base cost of power (“BCOP”) rate and how is it calculated?**

5 A. The BCOP rate is the portion of the base rate that recovers the test year purchased power  
6 expense. The BCOP rate is calculated by dividing the test year purchased power expense  
7 by the number of kWh’s sold in the test year.

8  
9 **Q. For ratemaking purposes, should the revenues generated from the BCOP rate match**  
10 **purchased power expense?**

11 A. Yes, the revenues generated from the BCOP rate (“BCOP revenue”) should match the  
12 purchased power expense since the BCOP rate is designed to recover the test year level of  
13 purchased power expense.

14  
15 Further, the Cooperative has a purchased power adjustor mechanism that facilitates full  
16 recovery of all purchased power costs. The adjustor mechanism ensures that the  
17 Cooperative neither over- nor under- recovers purchased power cost. This means that  
18 changes in the cost of purchased power do not affect income. The difference between the  
19 amount collected from customers and the amount paid to power suppliers for purchased  
20 power in any year due to timing differences is reflected on the balance sheet as an asset or  
21 liability, rather than on the income statement.

22  
23 Failure to recognize equal amounts for the revenue and expense associated with purchased  
24 power when an adjustor mechanism is in effect could lead to an over- or under- recovery  
25 of purchased power costs.

1 **Q. Did Columbus Electric's test year BCOP revenue match the purchased power**  
2 **expense?**

3 A. No, the BCOP revenue is \$273,640 and the purchased power expense is \$511,638; a  
4 difference of \$237,998 as shown on Schedules CSB-5 and CSB-6.

5  
6 **Q. What was the cause of the mismatch?**

7 A. The Cooperative has proposed a new BCOP rate of \$0.07851 to recover its proposed  
8 purchased power expense of \$511,638 as discussed in greater detail by Staff witness Julie  
9 McNeely-Kirwan. However, the Cooperative did not make a pro forma adjustment to  
10 reflect this new BCOP rate in test year revenue.

11

12 **Q. How does the Cooperative use the BCOP rate?**

13 A. The Cooperative uses the BCOP rate to determine the amount of under- or over- collection  
14 of power costs that should flow through the Cooperative's fuel bank.

15

16 **Q. What is Staff's recommendation?**

17 A. Staff recommends increasing the BCOP revenue by \$237,998 to match the purchased  
18 power expense as shown on Schedules CSB-5 and CSB-6.

19

20 **Purchased Power Cost Adjustor Revenue**

21 **Q. Explain the purpose of the break-out of the total revenue from sales of electricity into**  
22 **components as shown on Schedules CSB-5 and CSB-6.**

23 A. The purpose is to show the portion of revenue that is generated from base rates separately  
24 from revenue that is generated from the purchased power cost adjustor.

25

1 **Q. Is it appropriate to include monies collected through the Cooperative's power cost**  
2 **adjustor in operating revenues as the Cooperative has done?**

3 A. No, it is not appropriate. Staff's base rates are designed to recover the Cooperative's total  
4 revenue requirement which consists of the Cooperative's operating expenses (including  
5 the test year purchased power expense of \$511,638) plus a return on rate base.  
6 Consequently, since the base rates recover the Cooperative's total revenue requirement,  
7 the revenue generated by the PPCA rate would no longer reflect recovery of any expense  
8 in the revenue requirement and, therefore, should be eliminated for ratemaking purposes.

9

10 Further, the PPCA revenues are set using a mechanism that is separate from that used to  
11 set base rates. Moreover, the Cooperative can change the PPCA rate, without action by  
12 the Commission, based on over- or under-collections in the Cooperative's fuel bank.

13

14 **Q. What is Staff's recommendation?**

15 A. Staff recommends decreasing the PPCA revenue shown in the Cooperative's filing by  
16 \$237,998 to eliminate the PPCA revenue as shown on Schedules CSB-5 and CSB-6.

17

18 **Q. What is the net effect of Staff's recommendation?**

19 A. There is no net change to income since the changes to power revenue are offset by  
20 purchased power expense.

21

22 **Q. Does this conclude your direct testimony?**

23 A. Yes, it does.

REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)
		COMPANY ORIGINAL COST			STAFF ORIGINAL COST
		Total System	New Mexico	Arizona	Arizona
1	Adjusted Rate Base	\$ 24,340,318	\$ 22,455,315	\$ 1,789,299	\$ 1,789,299
2	Adjusted Operating Margins (Loss) Before Interest on L.T. Debt	\$ 1,002,320	\$ 1,033,663	\$ (31,344)	\$ (31,344)
3	Current Rate of Return (L2 / L1)	4.12%	4.60%	-1.75%	-1.75%
4	Proposed Operating Margins Before Interest on L.T. Debt	\$ 1,117,319	\$ 1,127,163	\$ (9,754)	\$ (9,754)
5	Proposed Rate of Return (L1 / L4)	4.59%	5.02%	-0.55%	-0.55%
6	Operating Income Deficiency (L4 - L2)	\$ 115,000	\$ 93,410	\$ 21,590	\$ 21,590
7	Gross Revenue Conversion Factor	1.0000	1.0000	1.0000	1.0000
8	Required Revenue Increase (L7 * L6)	\$ 115,000	\$ 93,410	\$ 21,590	\$ 21,590
9	Adjusted Test Year Revenue	\$ 13,332,233	\$ 12,492,864	\$ 839,459	\$ 839,459
10	Proposed Annual Revenue (L8 + L9)	\$ 13,447,233	\$ 12,586,274	\$ 861,049	\$ 861,049
11	Required Increase in Revenue (%)	0.86%	0.75%	2.57%	2.57%
12	Interest Expense on Long-term Debt	\$ 558,003	\$ 513,586	\$ 44,417	\$ 44,417
13	Operating TIER (L4+L12)/L12	3.00	3.19	0.78	0.78

RATE BASE - ORIGINAL COST					
LINE NO.	[A] Total New Mexico and Arizona as Filed	[B] New Mexico as Filed	[C] Arizona as Filed	[D] Staff Adjustments	[E] Staff as Adjusted
1	\$ 37,884,763	\$ 34,849,491	\$ 3,035,272	\$ -	\$ 3,035,272
2	(15,217,020)	(13,989,850)	(1,227,170)	-	(1,227,170)
3	\$ 22,667,743	\$ 20,859,641	\$ 1,808,102	\$ -	\$ 1,808,102
4	685,549	685,549	-	-	-
5	\$ 23,353,292	\$ 21,545,190	\$ 1,808,102	\$ -	\$ 1,808,102
6					
7	<u>LESS:</u>				
8	\$ -	\$ -	\$ -	\$ -	\$ -
9	(293,780)	(274,977)	(18,803)	-	(18,803)
10	(293,780)	(274,977)	(18,803)	-	(18,803)
11					
12	<u>ADD:</u>				
13	\$ 607,249	\$ 607,249	\$ -	\$ -	\$ -
14	444,782	444,782	-	-	-
15	133,071	133,071	-	-	-
16	\$ 1,185,102	\$ 1,185,102	\$ -	\$ -	\$ -
17					
18	<b>\$ 24,244,614</b>	<b>\$ 22,455,315</b>	<b>\$ 1,789,299</b>	<b>\$ -</b>	<b>\$ 1,789,299</b>

References:

Column A, Cooperative Corrected Schedule B-1  
Columns B & C: Cooperative Schedule B-1.1  
Column D: Schedule CSB-3  
Column E: Column C + Column D



SUMMARY OF RATE BASE ADJUSTMENTS

LINE NO.	Acct. No.	DESCRIPTION	[A]	[B]	[C]	[D]	[E]
			Total				
			New Mexico and Arizona AS FILED	New Mexico AS FILED	Arizona AS FILED	Staff Adjustments	STAFF ADJUSTED
			REF: Cooperative Schedule E-5	REF: Cooperative Schedule E-5.1	REF: Cooperative Schedule E-5.2		
1		<u>PLANT IN SERVICE:</u>					
		<u>Intangible Plant</u>					
2	301	Organization	\$ 411	\$ 377	\$ 34	\$ -	\$ 34
3		<u>Transmission Plant</u>					
4	350	Right of Way	\$ 13,557	\$ 12,424	\$ 1,133	\$ -	\$ 1,133
5	355	Poles and Fixtures	871,754	798,907	72,847	-	72,847
6	356	OH Conductors	561,728	514,788	46,940	-	46,940
7	359	Roads and Trails	19,200	17,596	1,604	-	1,604
8		Subtotal	\$ 1,466,239	\$ 1,343,715	\$ 122,524	\$ -	\$ 122,524
9		<u>Distribution Plant</u>					
10	360	Land and Land Rights	\$ 38,317	\$ 35,296	\$ 3,021	\$ -	\$ 3,021
11	362	Station Equipment	3,130,649	2,865,865	264,784	-	264,784
12	364	Poles, Towers, and Fixtures	10,941,642	9,929,693	1,011,949	-	1,011,949
13	365	OH Conductors	6,783,591	6,211,772	571,819	-	571,819
14	367	Distribution URD Plant	950,056	668,929	281,127	-	281,127
15	368	Line Transformers	6,293,850	6,250,349	43,501	-	43,501
16	369	Services	2,513,410	2,139,549	373,861	-	373,861
17	370	Meters	1,880,329	1,833,201	47,128	-	47,128
18	371	Installation On Consumer's Premises	378,667	363,126	15,541	-	15,541
19		Subtotal	\$ 32,910,511	\$ 30,297,780	\$ 2,612,731	\$ -	\$ 2,612,731
20							
21		<u>General Plant</u>					
22	389	Land and Land Rights	\$ 21,947	\$ 19,953	\$ 1,994	\$ -	\$ 1,994
23	390	Structures and Improvements	1,078,442	989,715	88,727	-	88,727
24	391	Office Furniture and Equipment	409,340	368,883	40,457	-	40,457
25	392	Transportation Equipment	1,543,809	1,421,886	121,923	-	121,923
26	393	Stores Equipment	14,831	13,484	1,347	-	1,347
27	394	Shop & Garage Equipment	99,661	89,896	9,765	-	9,765
28	395	Laboratory Equipment	183,948	168,534	15,414	-	15,414
29	396	Power Operated Equipment	40,167	26,183	13,984	-	13,984
30	397	Communications Equipment	115,457	109,085	6,372	-	6,372
31		Subtotal	\$ 3,507,602	\$ 3,207,619	\$ 299,983	\$ -	\$ 299,983
32							
33		Total Plant in Service	\$ 37,884,763	\$ 34,849,491	\$ 3,035,272	\$ -	\$ 3,035,272
34		Construction Work In Progress (CWIP)	685,549	685,549	-	-	-
35		Total Plant in Service and CWIP	\$ 38,570,312	\$ 35,535,040	\$ 3,035,272	\$ -	\$ 3,035,272
36							
37		<u>Accumulated Depreciation</u>					
38		Accumulated Depr-Transmission Plant	\$ (1,173,622)	\$ (1,075,550)	\$ (98,072)	\$ -	\$ (98,072)
39		Accumulated Depr-Distribution Plant	(11,856,930)	(10,914,827)	(942,103)	-	(942,103)
40		Accumulated Depr-General Plant	(2,186,468)	(1,999,473)	(186,995)	-	(186,995)
41		Total Accumulated Depreciation & Amortization	\$ (15,217,020)	\$ (13,989,850)	\$ (1,227,170)	\$ -	\$ (1,227,170)
42							
43		Net Plant in Service	\$ 23,353,292	\$ 21,545,190	\$ 1,808,102	\$ -	\$ 1,808,102
44							
45		<u>LESS:</u>					
46		Deferred Credits	\$ -	\$ -	\$ -	\$ -	\$ -
47		Consumer Deposits	(293,780)	(274,977)	(18,803)	-	(18,803)
48		Total	\$ (293,780)	\$ (274,977)	\$ (18,803)	\$ -	\$ (18,803)
49							
50		<u>ADD:</u>					
51		Cash Working Capital Allowance	\$ 607,249	\$ 607,249	\$ -	\$ -	\$ -
52		Materials and Supplies	444,782	444,782	-	-	-
53		Prepayments	133,071	133,071	-	-	-
54		Total	\$ 1,185,102	\$ 1,185,102	\$ -	\$ -	\$ -
55							
56		Rounding	\$ -	\$ -	\$ -	\$ -	\$ -
57							
58		Total Rate Base	\$ 24,244,614	\$ 22,455,315	\$ 1,789,299	\$ -	\$ 1,789,299

Columbus Electric Cooperative, Inc.  
 Docket No. E-01851A-13-0252  
 Test Year Ended September 30, 2012

OPERATING MARGIN - TEST YEAR AND STAFF RECOMMENDED

Line No.	DESCRIPTION	(A) TOTAL	(B) COOPERATIVE - TEST YEAR	(C) ARIZONA*	(D) STAFF TEST YEAR ADJUSTMENTS	(E) ADJ. NO.	(F) STAFF TEST YEAR AS ADJUSTED	(G) STAFF RECOMMENDED CHANGES	(H) STAFF RECOMMENDED
<b>REVENUES:</b>									
1	Margin Revenue (Non-Power Base Rates)	\$ 4,063,936	\$ 3,737,816	\$ 326,120	\$ -	1	\$ 326,120	\$ 21,590	\$ 347,710
2									
3	Base Cost of Power Revenue	\$ 5,264,881	\$ 4,992,265	\$ 272,616	\$ 240,401		\$ 513,017	\$ -	\$ 513,017
4	Reconciling Amount	\$ 223,444	\$ 222,420	\$ 1,024	\$ (2,403)		\$ (1,379)	\$ -	\$ (1,379)
5	Total Base Cost of Power Revenue	\$ 5,488,325	\$ 5,214,685	\$ 273,640	\$ 237,998	1	\$ 511,638	\$ -	\$ 511,638
6									
7	Purchased Pwr Cost Adjustor (PPCA) Revenue	\$ 3,753,485	\$ 3,515,487	\$ 237,998	\$ (237,998)	1	\$ -	\$ -	\$ -
8									
9	Total Base Rates and PPCA Revenue	\$ 13,305,746	\$ 12,467,988	\$ 837,758	\$ 0		\$ 837,758	\$ 21,590	\$ 859,348
10									
11	Other Revenues	\$ 26,577	\$ 24,876	\$ 1,701	\$ -		\$ 1,701	\$ -	\$ 1,701
12	Total Revenues	\$ 13,332,323	\$ 12,492,864	\$ 839,459	\$ 0		\$ 839,459	\$ 21,590	\$ 861,049
13									
<b>EXPENSES:</b>									
14	Cost of Power	\$ 7,930,705	\$ 7,419,067	\$ 511,638	\$ -		\$ 511,638	\$ -	\$ 511,638
15	Transmission Expense	17,902	16,468	1,434	-		1,434	-	1,434
16	Distribution - Operations	942,890	867,365	75,525	-		75,525	-	75,525
17	Distribution - Maintenance	336,152	309,226	26,926	-		26,926	-	26,926
18	Customer Accounts	630,545	577,831	52,714	-		52,714	-	52,714
19	Customer Accounts & Information	95,935	87,915	8,020	-		8,020	-	8,020
20	Administrative & General	1,202,907	1,102,344	100,563	-		100,563	-	100,563
21	Depreciation	1,162,512	1,069,395	93,117	-		93,117	-	93,117
22	Other Interest	6,175	5,659	516	-		516	-	516
23	Other Deductions	4191	3841	350	-		350	-	350
24	Total Operating Expenses	\$ 12,329,914	\$ 11,459,111	\$ 870,803	\$ -		\$ 870,803	\$ -	\$ 870,803
25									
26	Operating Margin Before Interest on L.T. - Debt	\$ 1,002,409	\$ 1,033,753	\$ (31,344)	\$ 0		\$ (31,344)	\$ -	\$ (9,754)
27									
28									
<b>INTEREST ON LONG-TERM DEBT &amp; OTHER DEDUCTIONS</b>									
29	Interest on Long-term Debt	\$ 558,003	\$ 513,586	\$ 44,417	\$ -		\$ 44,417	\$ -	\$ 44,417
30	Interest - Other	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
31	Other Deductions	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
32	Total Interest & Other Deductions	\$ 558,003	\$ 513,586	\$ 44,417	\$ -		\$ 44,417	\$ -	\$ 44,417
33									
34									
35	<b>MARGINS (LOSS) AFTER INTEREST EXPENSE</b>	\$ 444,406	\$ 520,167	\$ (75,761)	\$ 0		\$ (75,761)	\$ -	\$ (54,171)
36									
<b>NON-OPERATING MARGINS</b>									
37	Interest Income	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
38	Other Margins	\$ 55,430	\$ 51,882	\$ 3,548	\$ -		\$ 3,548	\$ -	\$ 3,548
39	G&T Capital Credits	\$ 507,855	\$ 475,352	\$ 32,503	\$ -		\$ 32,503	\$ -	\$ 32,503
40	Other Capital Credits	\$ 17,633	\$ 16,504	\$ 1,129	\$ -		\$ 1,129	\$ -	\$ 1,129
41	Total Non-Operating Margins	\$ 580,918	\$ 543,738	\$ 37,180	\$ -		\$ 37,180	\$ -	\$ 37,180
42									
43									
44	<b>NET MARGINS (LOSS)</b>	\$ 1,025,324	\$ 1,063,905	\$ (38,581)	\$ 0		\$ (38,581)	\$ -	\$ (16,991)

References:  
 Column A: Column B + Column C  
 Column B and C: Cooperative Schedule C-1.1 and C-1.2  
 Column D: Schedule CSB-7  
 Column E: Schedule CSB-7  
 Column F: Column C + Column D  
 Column G: Schedule CSB-1  
 Column H: Column F + Column G

SUMMARY OF OPERATING MARGIN ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	(A) ARIZONA COMPANY	(B) ADJ #1 Base Cost of Power and Pwr Cost Adjustor Ref: Sch CSB-6	(C) STAFF ADJUSTED
1	Margin Revenue (Non-Power Base Rates)	\$ 326,120	\$ -	\$ 326,120
2				
3	Base Cost of Power Revenue	\$ 272,616	\$ 240,401	\$ 513,017
4	Reconciling Amount	\$ 1,024	(2,403)	(1,379)
5	Total Base Cost of Power Revenue	\$ 273,640	\$ 237,998	\$ 511,638
6				
7	Purchased Pwr Cost Adjustor (PPCA) Revenue	\$ 237,998	\$ (237,998)	\$ -
8				
9	Total Base Rates and PPCA Revenue	\$ 837,758	\$ 0	\$ 837,758
10				
11	Other Revenues	\$ 1,701	-	1,701
12	Total Revenues	\$ 839,459	\$ 0	\$ 839,459
13				
14	<b>OPERATING EXPENSES:</b>			
15	Cost of Power	\$ 511,638	\$ -	\$ 511,638
16	Transmission Expense	1,434	-	1,434
17	Distribution - Operations	75,525	-	75,525
18	Distribution - Maintenance	26,926	-	26,926
19	Customer Accounts	52,714	-	52,714
20	Customer Accounts & Information	8,020	-	8,020
21	Administrative & General	100,563	-	100,563
22	Depreciation	93,117	-	93,117
23	Other Interest	516	-	516
24	Other Deductions	350	-	350
25	Total Operating Expenses	\$ 870,803	\$ -	\$ 870,803
26				
27	Operating Margin Before Interest on L.T.- Debt	\$ (31,344)	\$ 0	\$ (31,344)
28				
29	<b>INTEREST ON LONG-TERM DEBT &amp; OTHER DEDUCTIONS</b>			
30	Interest on Long-term Debt	\$ 44,417	\$ -	\$ 44,417
31	Interest - Other	\$ -	-	-
32	Other Deductions	-	-	-
33	Total Interest & Other Deductions	\$ 44,417	\$ -	\$ 44,417
34				
35	<b>MARGINS (LOSS) AFTER INTEREST EXPENSE</b>	\$ (75,761)	\$ 0	\$ (75,761)
36				
37	<b>NON-OPERATING MARGINS</b>			
38	Interest Income	\$ -	\$ -	\$ -
39	Other Margins	3,548	-	3,548
40	G&T Capital Credits	32,503	-	32,503
41	Other Capital Credits	1,129	-	1,129
42	Total Non-Operating Margins	\$ 37,180	\$ -	\$ 37,180
43				
44	<b>EXTRAORDINARY ITEMS</b>	\$ -	-	-
45				
46	<b>NET MARGINS (LOSS)</b>	\$ (38,581)	\$ 0	\$ (38,581)

**OPERATING MARGIN ADJUSTMENT NO. 1 - BASE COST OF POWER REVENUE AND  
PURCHASED POWER COST ADJUSTOR REVENUE**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
1	<u>Revenues</u>			
2	Base Cost of Power Revenue ("BCOP") From Line 21	\$ 272,616	\$ -	\$ 272,616
3	To Increase BCOP Revenue to Match Pur Pwr Exp (From Line 21)	-	240,401	240,401
4	Reconciling Amount	1,024	(2,403)	(1,379)
5	Total BCOP Revenue	\$ 273,640	\$ 237,998	\$ 511,638
6				
7	To Eliminate Purchased Power Cost Adjustor ("PPCA")	237,998	(237,998)	-
8				
9	<b>Total Base Cost of Power and PPCA Revenue</b>	<b>\$ 511,638</b>	<b>\$ 0</b>	<b>\$ 511,638</b>
10				
11	<u>Expenses</u>			
12	Total Purchased Power Expense	\$ 511,638	\$ -	\$ 511,638
13	<b>Operating Margin (Line 9 - Line 13)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>
14				
15				
16				
17				
18	Test Year Sales (In kWhs)	6,534,412	-	6,534,412
19	Multiplied by: Base Cost of Power per kWh	0.04172	0.0367900	0.07851
20	Total Base Cost of Power	\$ 272,616	\$ 240,401	\$ 513,017

References:

- Column A: Cooperative Schedules C-1.2 and F-4
- Column B: Testimony, CSB
- Column C: Column A + Column B

**BEFORE THE ARIZONA CORPORATION COMMISSION**

BOB STUMP

Chairman

GARY PIERCE

Commissioner

BRENDA BURNS

Commissioner

BOB BURNS

Commissioner

SUSAN BITTER SMITH

Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR AN INCREASE IN RATE AND FOR )  
OTHER RELATED APPROVALS. )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT

TESTIMONY

OF

JULIE MCNEELY-KIRWAN

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 6, 2013

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**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DOCKET NO. E-01851A-13-0252**

Staff's testimony concerns Columbus Electric Cooperative's ("Columbus" or "the Cooperative") base cost of purchased power, its purchased power adjustor mechanism and its miscellaneous charges.

Staff recommends a \$0.078510 base cost of purchased power, as requested by Columbus. Staff also recommends that the Cooperative be allowed to include its Arizona service area in a system-wide purchased power adjustor mechanism. However, while Staff recommends that a Temporary Balance Resolution Charge be used to resolve the remaining balance for the existing Arizona purchased power adjustor, that charge should be capped at \$0.01 per kWh, not \$0.02 per kWh. Staff also recommends that the Cooperative file a Plan of Administration ("POA") regarding the system-wide purchased power adjustor mechanism. Staff recommends that Columbus be allowed to retain its existing fees and charges, as requested.

1 **INTRODUCTION**

2 **Q. Please state your name, occupation, and business address.**

3 A. My name is Julie McNeely-Kirwan. I am a Public Utilities Analyst V employed by the  
4 Arizona Corporation Commission (“ACC” or “Commission”) in the Utilities Division  
5 (“Staff”). My business address is 1200 West Washington Street, Phoenix, Arizona  
6 85007.

7  
8 **Q. Briefly describe your responsibilities as a Public Utilities Analyst V.**

9 A. My duties as a Public Utilities Analyst V include reviewing and analyzing applications  
10 filed with the Commission, and preparing memoranda and proposed orders for Open  
11 Meetings. In addition, my duties have included preparing written testimony in multiple  
12 rate cases, and testifying during the related hearings. I have also acted as lead in several  
13 rate cases and have performed evaluations of energy efficiency implementation plans.

14  
15 **Q. Please describe your educational background and professional experience.**

16 A. In 1979, I graduated Magna Cum Laude from Arizona State University, receiving a  
17 Bachelor of Arts degree in History. In 1987, I received a Master’s Degree in Political  
18 Science from the University of Wisconsin, Madison. I have been employed by the  
19 Commission since September of 2006. Since that time, I have attended seminars and  
20 classes on general regulatory issues, including demand-side management and the gas and  
21 electric industries.



1 **Q. What is the scope of your testimony in this case?**

2 A. My testimony addresses Columbus Electric Cooperative's ("Columbus" or "the  
3 Cooperative") base cost of purchased power, its purchased power adjustor mechanism  
4 and its miscellaneous charges.

5

6 **BASE COST OF POWER**

7 **Q. What is the current base cost of power for customers in the Cooperative's Arizona**  
8 **territory?**

9 A. The current base cost of power for the Cooperative's Arizona customers is \$0.04172 per  
10 kWh.

11

12 **Q. What is the current base cost of power for customers in the Cooperative's New**  
13 **Mexico territory?**

14 A. The current base cost of power for the Cooperative's New Mexico customers is  
15 \$0.078510 per kWh. This base cost of power took effect in September 2013.

16

17 **Q. What is the base cost of power proposed by Columbus for its Arizona customers?**

18 A. Columbus has proposed a base cost of \$0.078510 per kWh for its Arizona customers, as  
19 calculated based on a total purchased power cost of \$7,930,705 and sales of 101,015,436  
20 kWh. This calculation uses the Cooperative's total system-wide costs and sales for the  
21 test year, rather than Arizona costs and sales alone. A base cost of \$0.078510 per kWh  
22 for Arizona customers would make the base cost of power for the Cooperative's Arizona  
23 and New Mexico customers identical.

1 **Q. Did Columbus make any adjustments to its test year cost of power?**

2 A. Yes. Columbus made an adjustment of \$56,552 for the entire system, \$52,894 for New  
3 Mexico customers and \$3,658 for Arizona customers. (The allocation is based on usage).  
4 This adjustment was made in order to annualize an increase in the cost of power and  
5 equals \$0.00055984 per kWh sold.  
6

7 **Q. Is this adjustment to the cost of power reasonable?**

8 A. Yes. Annualizing such an increase allows the base cost to be calculated to more closely  
9 reflect what the actual cost of power is likely to be.  
10

11 **Q. Is it reasonable to calculate the base cost using total system costs and sales?**

12 A. Yes. Columbus has a total of 5,259 customers in New Mexico and Arizona. Of those  
13 customers, 4,840, or approximately 92%, are located in New Mexico. In comparison, the  
14 Cooperative's territory in Arizona consists of 419 customers, or approximately 8% of the  
15 Cooperative's customer total. Maintaining a separate base cost for a much smaller, and  
16 essentially similar, customer group is burdensome, impractical and can create a  
17 perception of inequity.  
18

19 In addition, Columbus witness E. L. Moss has indicated that the administrative benefits  
20 of a uniform rate schedule and equal treatment of members are of greater importance to  
21 the Cooperative than the difference in the rate of return between jurisdictions when  
22 identical rates are applied.

1 **Q. Are there any questions with respect to the Cooperative's testimony on base cost**  
2 **that need to be addressed?**

3 A. Yes. In his testimony, Chris Martinez references a proposed base cost of \$0.077950,  
4 while Mr. Moss proposes a base cost of \$0.078510 per kWh. In communication with the  
5 Company, Staff was informed that the base cost mentioned in Mr. Martinez's testimony  
6 was a preliminary estimate and that Columbus actually proposes a base cost of  
7 \$0.078510.

8  
9 **Q. What base cost of power does Staff recommend for Columbus?**

10 A. Staff recommends a base cost of power of \$0.078510 per kWh, as proposed by  
11 Columbus. Setting the base cost at \$0.078510 reflects the system-wide cost of power and  
12 would make the base cost of purchased power for Arizona and New Mexico customers  
13 equal.

14

15 **ADJUSTOR MECHANISM**

16 **Q. What is the purpose of a purchased power adjustor mechanism?**

17 A. An adjustor mechanism is generally designed to recover the cost of purchased power and  
18 to adjust for changes in that cost between rate cases.

19

20 **Q. Does the Cooperative currently have a Commission-approved purchased power**  
21 **adjustor mechanism in Arizona?**

22 A. Yes. The Cooperative has a Commission-approved purchased power adjustor mechanism  
23 in Arizona. It also has a purchased power adjustor mechanism in New Mexico.

1 **Q. Does the existing adjustor mechanism treat the Arizona and New Mexico service**  
2 **areas as a single unit?**

3 A. No. The bank balances for Arizona and New Mexico are separately tracked and the  
4 formulae differ between the two states.

5  
6 **Q. How is the bank balance in Arizona calculated?**

7 A. The Arizona bank balance is calculated in the following way:

- 8 1. The purchased power expense for the current month is added to the bank balance  
9 carried over from the previous month (“carryover bank balance”);
- 10 2. The base cost per kWh is multiplied by the kWh sales for the current month and  
11 subtracted from the total of the balance and current month’s expense;
- 12 3. The factor set in the previous month (a per-kWh charge equal to the carryover  
13 bank balance divided by the previous month’s usage) is multiplied times the  
14 current month’s kWh sales, and this amount is billed. The total actually  
15 recovered is then also subtracted from the balance and current month’s expense;
- 16 4. The remaining bank balance is divided by the current month’s kWh sales to create  
17 the factor that will be used the following month.

18  
19 **Q. How does the calculation for the New Mexico customers differ?**

20 A. In New Mexico, the factor for the next month is calculated using the number of kWh sold  
21 to the Agricultural Rate Class in the current month, instead of the number of kWh sold to  
22 the Agricultural Rate Class in the previous month.

1 **Q. What is the purpose of using the kWh sold to the Agricultural Rate Class in the**  
2 **current month in the fuel adjustor calculation?**

3 A. To minimize the shifting of costs between customers and rate classes. This primarily  
4 protects non-Agricultural ratepayers against cost shifting that could occur due to usage  
5 patterns associated with the growing season.

6  
7 **Q. Have there been problems or complaints regarding Columbus's existing adjustor**  
8 **mechanism formula in Arizona?**

9 A. Yes. Because Arizona's customer population is primarily residential in nature  
10 (approximately 419 Residential customers out of 477 total customers), kWh sales can  
11 vary significantly with the seasons, producing large swings in adjustor rates. Because the  
12 New Mexico customer base is more diverse, and more heavily Non-residential in nature,  
13 usage levels are more consistent and adjustor rates are less volatile.

14  
15 **Q. Should one adjustor mechanism be used for the Cooperative's entire territory,**  
16 **meaning for both its Arizona and New Mexico service areas?**

17 A. Yes. Combining Arizona's small, primarily residential customer population with the far  
18 larger and more diverse New Mexico customer population should reduce rate volatility  
19 for Arizona customers.

20  
21 **Q. What is Staff's recommendation with respect to the adjustor mechanism proposed**  
22 **by Columbus?**

23 A. Staff recommends that a single adjustor mechanism be used for the Cooperative's entire  
24 service area, meaning for both its Arizona and New Mexico service areas.

1 **Q. Why is Columbus requesting a Temporary Surcharge?**

2 A. To address any under-collection that will remain once the new rates are implemented.  
3 Without a Temporary Surcharge any remaining under-collection for Arizona would need  
4 to be resolved in one month, creating the potential for rate shock in that month.  
5

6 **Q. What type of Temporary Surcharge is Columbus requesting?**

7 A. The actual level of under-collection will not be known until the new rates are  
8 implemented and the transition to a single-calculation adjustor rate begins. Columbus is  
9 requesting a \$0.02 per kWh cap.  
10

11 **Q. Does Staff agree with the Cooperative's proposal for a Temporary Surcharge?**

12 A. Yes, however Staff recommends it be referred to as the Temporary Balance Resolution  
13 Charge because Staff believes that "Temporary Balance Resolution Charge" more clearly  
14 describe the purpose of the charge. Staff also recommends that the Temporary Balance  
15 Resolution Charge be capped at \$0.01 per kWh, rather than \$0.02 per kWh, in order to  
16 further limit the potential rate shock. (As an example, with a \$0.02 per kWh cap, the  
17 Temporary Balance Resolution Charge could increase an average bill by as much as  
18 \$9.82. With a \$0.01 cap the potential increase would be no higher than \$4.91.)  
19

20 **PLAN OF ADMINISTRATION**

21 **Q. Should the Company file a Plan of Administration for its adjustor mechanism?**

22 A. Yes. Columbus should file a proposed Plan of Administration ("POA") for its purchased  
23 power adjustor mechanism in this docket as a compliance item, within 90 days after the  
24 effective date of the Decision in the current rate case. The POA should include a clear

1 and detailed description of how its adjustor mechanism functions. The POA should be  
2 filed for Staff's review and recommendation, subject to the Commission's approval.  
3

4 **MISCELLANEOUS FEES AND CHARGES**

5 **Q. Has Columbus proposed any changes to its miscellaneous fees and charges in**  
6 **Arizona?**

7 **A. No.** Columbus has proposed to retain its existing fees and charges, as shown in the table  
8 below:  
9

Type of Fee <sup>1</sup>	Amount
Connect Fee	\$25.00
Collection Fee	\$25.00
Reconnect Fee	\$25.00 (during normal business hours) \$50.00 (outside normal business hours)
Service Call Fee	\$25.00 (during normal business hours) \$50.00 (outside normal business hours)
Returned Check Fee	\$15.00
Meter Test Fee	\$25.00
Meter Tampering Charge	\$150.00 (first offense) \$300.00 (each subsequent offense)

10  
11 **Q. How long have these fees and charges been in place?**

12 **A.** These fees and charges have been in place since 1996.  
13

---

<sup>1</sup> Normally, Staff would roll any fees for work done after hours into a single After hours charge. However, because the majority of Columbus' customers are in New Mexico, it is reasonable to conform Arizona's fees to New Mexico's.

1 **Q. Are the fees and charges the same for the Cooperative's New Mexico and Arizona**  
2 **customers?**

3 A. Yes. The fees and charges are the same for customers in both states.  
4

5 **Q. Have there been complaints filed with the Commission regarding the Cooperative's**  
6 **Miscellaneous Fees and Charges?**

7 A. No. There is no record of any complaints being filed regarding the Cooperative's  
8 Miscellaneous Fees and Charges during the last three years.  
9

10 **Q. Does Staff agree that the fees and charges in place for Arizona customers should**  
11 **remain unchanged?**

12 A. Yes. The Cooperative is not requesting any changes to its Miscellaneous Fees and  
13 Charges. Given the absence of complaints about the fees and charges and the fact that  
14 the Cooperative is not requesting any increases, it is reasonable to maintain the fees and  
15 charges at their current level. Moreover, it would be burdensome and potentially  
16 inequitable to order changes that would result in differing fees and charges for a small  
17 percentage (8%) of the Cooperative's customer population.  
18

19 **SUMMARY OF TESTIMONY AND RECOMMENDATIONS**

20 **Q. Please summarize your testimony.**

21 A. Staff recommends:

- 22 • a base cost of power of \$0.078510 per kWh.  
23 • that the Commission approve the adjustor mechanism currently being used in New  
24 Mexico for use in the Cooperative's Arizona service territory.



- 1       • approval of a Temporary Surcharge capped at \$0.01 per kWh to resolve any under-  
2       collection remaining after the new rates take effect.
- 3       • Columbus file a proposed Plan of Administration (“POA”) for its purchased power  
4       adjustor mechanism in this docket as a compliance item, within 90 days after the  
5       effective date of the Decision in the current rate case. The POA should be filed for Staff  
6       review and recommendation, subject to Commission approval.
- 7       • that the Cooperative’s Miscellaneous Fees and Charges remain unchanged, as requested  
8       by Columbus.

9

10    **Q. Does this conclude your direct testimony?**

11    A. Yes, it does.

12

BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP

Chairman

GARY PIERCE

Commissioner

BRENDA BURNS

Commissioner

BOB BURNS

Commissioner

SUSAN BITTER SMITH

Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR A HEARING TO DETERMINE THE FAIR )  
VALUE OF ITS PROPERTY FOR )  
RATEMAKING PURPOSES, TO FIX A JUST )  
AND REASONABLE RETURN THEREON, TO )  
APPROVE RATES DESIGNED TO DEVELOP )  
SUCH RETURN AND FOR RELATED )  
APPROVALS )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT

TESTIMONY

OF

MARGARET (TOBY) LITTLE

ELECTRIC UTILITIES ENGINEER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 6, 2013

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Columbus Electric System Map.....	1
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**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE  
DOCKET NO. E-01851A-13-0252**

Margaret (Toby) Little's testimony discusses Utilities Division Staff's ("Staff") review of the rate case application ("Application") of Columbus Electric Cooperative ("Columbus Electric" or "Cooperative" or "CEC") filed with the Arizona Corporation Commission ("Commission") on July 1, 2013, and presents the results of Staff's engineering evaluation of the Cooperative's electric distribution system in Arizona. The Cooperative's most recent previous rate case was filed in 2009, resulting in Decision No. 71792, dated July 12, 2010.

Based on its review of Columbus Electric's Application and 2008-2011 Construction Work Plan ("Work Plan" or "CWP"), inspection of the Cooperative's electric system and discussions with the Cooperative's Operation Manager, Robert Offutt, and General Manager, Chris Martinez, Staff's conclusions are as follows:

- a. Columbus Electric is operating and maintaining its electrical system properly;
- b. Columbus Electric 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. The Cooperative's plant in service for the Arizona service territory is "used and useful;"
- c. The Cooperative has an acceptable level of system losses, consistent with industry guidelines; and
- d. CEC has a satisfactory record of service interruptions in the historic period from 2008 thru 2012, reflecting satisfactory quality of service.

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Margaret (Toby) Little. My business address is 1200 West Washington  
4 Street, Phoenix, Arizona 85007.

5  
6 **Q. By whom and in what capacity are you employed?**

7 A. I am employed by the Arizona Corporation Commission ("Commission") as a Utilities  
8 Consultant.

9  
10 **Q. Please describe your educational background.**

11 A. I received both my Bachelors and Masters Degrees in Electrical Engineering from New  
12 Mexico State University. I graduated with my Bachelor's Degree in July 1972, and  
13 received my Masters Degree in January 1979. My Masters Program at New Mexico State  
14 University was in Electric Utility Management. I received my Professional Engineering  
15 ("P.E.") License in the state of California in 1980.

16  
17 **Q. Please describe your pertinent work experience.**

18 A. I worked at the Commission from September 2010 to February 2011 as a Utilities  
19 Consultant, was employed by the Commission from February 2011 to February 2012 an  
20 Electric Utilities Engineer, and have been a Utilities Consultant since February 2012.  
21 During this time I have performed engineering analyses for financing and rate cases,  
22 coordinated the Seventh Biennial Transmission Assessment, reviewed utilities' load  
23 curtailment plans and summer preparedness plans, and conducted various other  
24 engineering analyses. From 1983 through 1987 I was the Supervisor of System Planning  
25 for Anchorage Municipal Light and Power, the second largest utility in Alaska. There I  
26 had overall responsibility for distribution, transmission and resource planning for the

1 utility and supervised six electrical engineers. From 1979 through 1982 and 1987 through  
2 1988 I worked for R.W. Beck and Associates, a nationally recognized engineering firm.  
3 There I performed many types of engineering analyses involving resource and  
4 transmission planning and worked on the engineer's reports for the financing of a major  
5 generation facility in northern California. Prior to that, I worked in the System Planning  
6 Sections of San Diego Gas and Electric Company and Hawaiian Electric Company, where  
7 I had responsibility for short and long range distribution planning.  
8

9 **II. PURPOSE OF TESTIMONY**

10 **Q. As part of your assigned duties at the Commission, did you perform an analysis of**  
11 **the application that is the subject of this proceeding?**

12 A. Yes, I did.  
13

14 **Q. Is your testimony herein based on that analysis?**

15 A. Yes, it is.  
16

17 **Q. What is the purpose of your prefiled testimony?**

18 A. The purpose of my testimony is to discuss Utilities Division Staff's ("Staff") engineering  
19 review of Columbus Electric Cooperative's ("Columbus Electric" or "Cooperative" or  
20 "CEC") most recent Construction Work Plan (CWP"), and present the results of Staff's  
21 engineering evaluation of the Cooperative's electric distribution system in the state of  
22 Arizona.  
23

1 **III. ENGINEERING REVIEW**

2 **Q. Did you perform an engineering evaluation of Columbus Electric's electrical system?**

3 A. Yes, I did. In response to CEC's rate filing, I inspected CEC's Arizona distribution  
4 system facilities on November 20, 2013. I reviewed the Cooperative's most recent CWP  
5 and Long Range Work Plan, (both of which will be updated in conjunction with CEC's  
6 next RUS Loan Application). I also relied on the responses to Staff's data requests  
7 received from Columbus Electric.

8  
9 **Q. Could you please provide a background of Columbus Electric including in particular  
10 its service to Arizona customers?**

11 A. Columbus Electric's service area is located in southwestern New Mexico and includes a  
12 small portion of southeastern Arizona. Headquartered in Deming, New Mexico, the  
13 service area covers approximately 7,000 square miles and serves portions of Luna, Grant  
14 and Hidalgo counties in New Mexico, and Cochise County in Arizona. See attached  
15 Exhibit 1 for the physical location and composition of the CEC's service area.

16  
17 CEC's electric system includes over 130 miles of transmission line, 2,098 miles of  
18 energized overhead distribution line and 82 miles of underground distribution. The  
19 portion of the system within Arizona is comprised of approximately 110 miles of  
20 14.4/24.9 kV distribution line of which the majority is single phase overhead construction.  
21 There are no CEC substations or transmission lines located within the state of Arizona.

22  
23 CEC is a member of Tri-State Generating and Transmission Cooperative, Inc. ("Tri-  
24 State") and purchases its full power and energy requirements from Tri-State pursuant to a  
25 Wholesale Electric Service Contract, generally described as an all-requirements contract.

1 CEC is allowed to obtain up to five percent of its power requirements from sources other  
2 than Tri-State but does not generate its own power and energy.  
3

4 **Q. Please describe historic customer and load growth for CEC.**

5 A. At year-end 2012, CEC had an average of 5,259 consumers, with 4,840 (92%) located in  
6 New Mexico and 419 (8%) located in Arizona. The number of active accounts in Arizona  
7 decreased from 462 to 419 during the four year period from 2008 to 2012. Of the  
8 101,612,619 kWh sold in 2012, 6,690 kWh (6.6%) was sold to Arizona consumers. Of the  
9 \$13,403,460 in total revenue for 2012, \$854,079 (6.4%) was derived from Arizona  
10 consumers.  
11

12 Over the past five years (2008-2012), CEC's total system number of customers has grown  
13 an average of less than one percent per year; while peak loads have grown at slightly less  
14 than five percent, and annual energy purchases have grown at slightly more than five  
15 percent per year. When asked about this seeming disparity between customer growth and  
16 peak load growth, CEC staff attributed it to the addition of a few relatively large irrigation  
17 customers.  
18

19 **Q. Please describe Columbus Electric's Quality of Service.**

20 A. Table 1 shows CEC's system reliability, as measured by the System Average Interruption  
21 Duration Index ("SAIDI") which measures the average outage minutes per customer on an  
22 annual basis, for the period 2008 through 2012. According to the Rural Utilities Service  
23 ("RUS") Bulletins 1730A-119 and 1730-1 Exhibit A, which Staff uses to judge the  
24 adequacy of a cooperative's reliability, a concern would exist when the SAIDI for the  
25 cause of "All Other" exceeds 200 minutes<sup>1</sup>. CEC's service quality over the five year

---

<sup>1</sup> As shown in Table 1 outage statistics are categorized into four major causes. Power Supplier and Planned causes are separated because they represent causes over which the cooperative has virtually no control or total control,



1 period in terms of this metric has ranged from 55.8 minutes to 144.0 minutes with an  
2 average of 92.16 minutes, all below the level of concern. Of note is that CEC's outage  
3 rate for the "All Other" cause category decreased in the most recent five year period  
4 relative to the previous five year period, (116.04 minutes average for 2003-2007; 92.16  
5 minutes average for 2008-2012), likely due in part to system improvements made by CEC.  
6

YEAR	SYSTEM AVERAGE INTERRUPTION DURATION INDEX - MINUTES					
	<i>Power Supplier</i>	<i>Planned</i>	<i>All Other</i>	<i>Total Excluding Major Events</i>	<i>Major Events</i>	<i>All Events</i>
2008	0.0	0.0	144.0	144.0	75.0	219.0
2009	0.0	0.0	90.0	90.0	18.0	108.0
2010	0.6	0.0	64.2	64.8	51.6	116.4
2011	24.6	0.0	55.8	80.4	63.0	143.4
2012	0.0	0.0	106.8	106.8	8.4	115.2
Five-Year Average	5.04	0.0	92.16	97.2	43.2	140.4

7  
8 **Table 4 - Annual System Average Interruption Duration Index in Minutes**  
9

- 10 **Q. What were Columbus Electric's historic system losses?**
- 11 **A.** Columbus Electric is a very rural system, with an average of 2.4 customers per mile of  
12 distribution line. As a result, losses can be expected to be greater than on an electric  
13 system with a higher customer density; long lines at a distribution voltage result in more  
14 system losses. The American Public Power Association's Distribution System Loss  
15 Evaluation Manual indicates that system losses of 10% are reasonable for a mostly rural

---

respectively, and should be analyzed separately. Major Events include outages on major event days which are days when the daily average outage minutes per customer exceed a threshold value. The threshold is determined based upon a formula specified in the RUS Bulletin 1703A-119, can change over time, and is specific to each cooperative. That leaves all other outages included in the All Other cause. All Other and Major Events are segregated to better reveal trends in daily operation in the All Other cause category that would be hidden by the large statistical effect of Major Events.

1 system. CEC's annual historic system losses average 9.56% for the most recent five year  
2 period (2008-2012) which is within the guidelines set forth in the Manual. CEC made  
3 significant system improvements in late August of 2007, energizing the new Camp Cody  
4 substation, which resulted in a reduction of losses. In addition, the Cooperative has  
5 implemented several measures to help further reduce losses, such as maintaining proper  
6 voltage and correct tap connections on transformers, disconnecting distribution  
7 transformers that are not serving load, using capacitors to provide power factor correction,  
8 and maintaining a close watch on metering for commercial and industrial consumers.

9  
10 **Q. Would you please describe your inspection and engineering evaluation of Columbus**  
11 **Electric's Distribution System?**

12 **A.** On November 20, 2013, I met with Mr. Robert Offutt, CEC's Operations Manager, in  
13 Lordsburg, New Mexico, and toured facilities in both New Mexico and Arizona. We also  
14 discussed CEC's 2008-2011 CWP, major improvements to the electric system since the  
15 last rate case in 2008, various aspects of CEC's maintenance and operations, and plans  
16 and expectations for the system in the future.

17  
18 SGS Engineering, LLC, of Lubbock, Texas, assisted CEC in preparation of the CWP. The  
19 most significant project in the CWP for the distribution system in Arizona is the proposed  
20 conversion of 6.7 miles of single-phase to three-phase 1/0 Aluminum Conductor Steel  
21 Reinforced ("ACSR") line from the Rodeo substation into Portal, Arizona. This project  
22 was originally scheduled for completion in 2010 but has been postponed due to lack of  
23 expected load growth. As has been the case with most utilities, when the economy took a  
24 downturn CEC did not experience the load growth that was forecast ten years ago. The  
25 timing for construction of the project will depend on future load growth in the CEC  
26 Arizona service area.

1 I inspected CEC's Animas warehouse and substation facility, CEC's western area  
2 construction and maintenance headquarters, and selectively inspected the distribution  
3 system emanating from the Pyramid Substation in New Mexico west to the Rodeo  
4 substation and into the Portal area of Cochise County, Arizona. I also inspected one of  
5 CEC's points of delivery from the Tri-State, Pyramid Substation. CEC's electric system,  
6 as observed, seems to be well maintained and the electric facilities in the Arizona area are  
7 used and useful.

8  
9 **Q. What is CEC's Pole Replacement Policy and Maintenance Program?**

10 **A.** CEC hires an outside contractor to inspect a minimum of ten percent of the wood poles on  
11 their system every year. This policy has resulted in the recent replacement of many poles  
12 on the distribution system in Arizona. RUS Bulletin 1730B-121 specifies recommended  
13 inspection schedules based upon decay severity zones. For Arizona it is an initial inspection  
14 12-15 years after installation and then every 12 years thereafter. CEC inspects its wood poles  
15 at least every 10 years. The Cooperative is aggressively developing a GIS system that  
16 enables field personnel to obtain information about equipment location, age, and condition  
17 on the GPS trackers in their vehicles. CEC also plans to introduce electronic reporting  
18 from the field on work that is being done, with direct links to the main office and the GIS  
19 system. These improvements will be particularly useful in maintaining a system as remote  
20 as that of CEC. The Cooperative has recently acquired a mobile substation that it feels  
21 will help a great deal with reliability. It is rated at 5MVA, and can be loaded to 7.5MVA  
22 peak, which will allow it to temporarily replace any substation on CEC's system.

1 **Q. What is CEC's Projected Load?**

2 A. Columbus Electric provided the following projections for peak demand growth for its  
3 system (including both New Mexico and Arizona service areas) over the next five year  
4 period. The projections were based on assumptions and methodologies that include both  
5 historical data and projections for the economy over the next few years and are based on  
6 disaggregated forecasts by customer class.

7

8	<u>Year</u>	<u>System Peak</u>	<u>Percent Growth</u>
9	2014	24.251 MW	1.01%
10	2015	24.486 MW	0.97%
11	2016	24.773 MW	1.17%
12	2017	25.021MW	1.00%
13	2018	25.275 MW	1.02%

14

15 The average annual growth is projected by Columbus to be approximately one percent per  
16 year over the next five year period which is consistent with growth on the system over the  
17 past ten years. Future load for the Cooperative is heavily dependent on the growth of  
18 agriculture in the area. Based on discussion with CEC personnel about expectations for  
19 the addition of irrigation customers, the projected load growth seems reasonable.

20

21 **IV. CONCLUSIONS**

22 **Q. What conclusions are derived based on Staff's engineering evaluation of CEC's**  
23 **electric distribution system in Arizona?**

24 A. Staff's conclusions are as follows:

25 a. Columbus Electric is operating and maintaining its electrical system properly;

26

27 b. Columbus Electric is carrying out system improvements, upgrades and new  
28 additions to meet the current and projected load of the Cooperative in an efficient

1                   and reliable manner. These improvements, system upgrades and new construction  
2                   are reasonable and appropriate. The Cooperative's plant in service is "used and  
3                   useful;"

4

5           c.       The Cooperative has acceptable level of system losses, consistent with industry  
6           guidelines; and

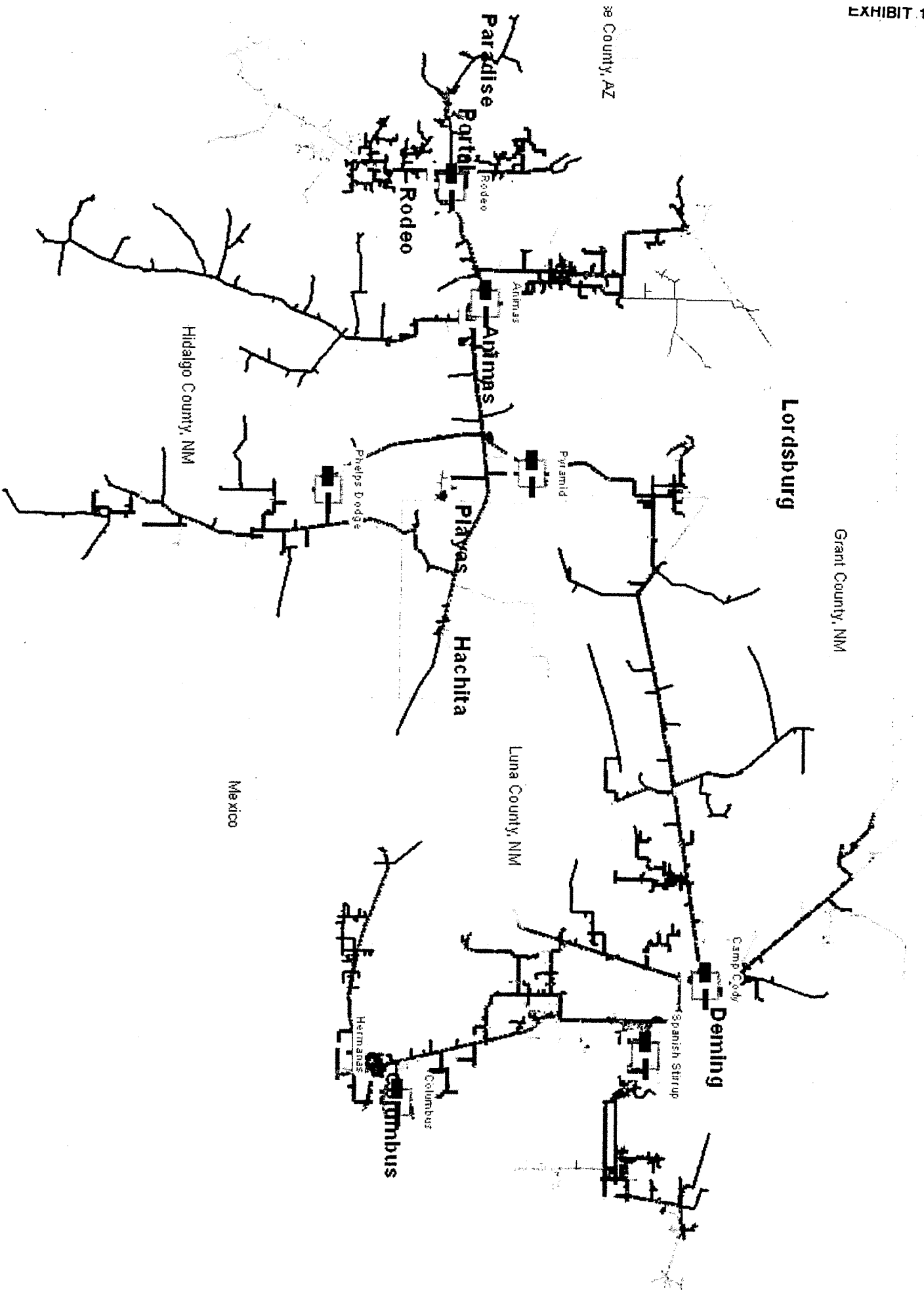
7

8           d.       The Cooperative has a satisfactory record of service interruptions in the historic  
9           period from 2008 thru 2012, reflecting satisfactory system reliability and quality of  
10          service.

11

12   **Q.    Does this conclude your testimony?**

13   A.    Yes, it does.



39 County, AZ

Lordsburg

Grant County, NM

Paradise

Paradise Rodeo

Animas

Animas

Playas

Hachita

Luna County, NM

Deming

Camp Cook

Spanish Strump

Columbus

Columbus

Hermanas

Hidalgo County, NM

Mexico

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**BOB STUMP**

Chairman

**GARY PIERCE**

Commissioner

**BRENDA BURNS**

Commissioner

**BOB BURNS**

Commissioner

**SUSAN BITTER SMITH**

Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR AN INCREASE IN RATES AND FOR )  
OTHER RELATED APPROVALS. )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT

TESTIMONY

OF

CANDREA ALLEN

PUBLIC UTILITIES ANALYST

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 6, 2013

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**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DOCKET NO. E-01851A-13-0252**

Staff's direct testimony contains its analysis and recommendations regarding the proposed changes to Columbus Electric Cooperative Inc.'s ("Columbus") Line and Service Extensions. In addition, Staff's testimony includes recommendations regarding Columbus' Rules and Regulations which are not addressed in the application.

1 **INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Candrea Allen. My business address is 1200 West Washington Street.  
4 Phoenix, Arizona 85007.

5  
6 **Q. By whom are you employed and in what capacity?**

7 A. I am employed by the Utilities Division ("Staff") of the Arizona Corporation Commission  
8 ("Commission") as a Public Utilities Analyst.

9  
10 **Q. Please summarize your educational background and work experience.**

11 A. I have a Bachelor of Arts in Economics from the University of Oklahoma. I have been  
12 employed by the Arizona Corporation Commission for approximately seven years.

13  
14 **Q. As part of your employment responsibilities were you assigned to review matters  
15 contained in Docket No. E-01851A-13-0252?**

16 A. Yes.

17  
18 **Q. What is the purpose of your testimony in this case?**

19 A. My testimony provides Staff's recommendations regarding the proposed changes to  
20 Columbus Electric Cooperative Inc.'s ("Columbus" or "Cooperative") Line and Service  
21 Extensions. In addition, my testimony includes recommendations regarding general Rules  
22 and Regulations not addressed in Columbus' application.

1 **LINE AND SERVICE EXTENSIONS**

2 **Q. Please describe Columbus' current policy for Line and Service Extensions for**  
3 **residential and non-residential applicants.**

4 A. Currently, in order to determine if an applicant will be charged for a line and service  
5 extension, Columbus performs an economic feasibility study. If the investment is not  
6 more than five times the estimated annual revenue less fuel and purchased power that will  
7 be received from the applicant, Columbus will construct the line or service extension with  
8 no charge to the applicant. In the instance where an applicant would be charged for a line  
9 or service extension, the applicant would be required to pay Columbus an Advance in Aid  
10 of Construction. Should an applicant request service from a line or service extension in  
11 which a customer has already paid an Advance in Aid of Construction, that applicant  
12 would be required to pay a pro rata share of the original Advance in Aid of Construction.  
13 A refund in the amount of the cost attributable to the additional applicant is given to the  
14 original customer.

15  
16 **Q. Has Columbus proposed any changes to its policy for Line and Service Extensions?**

17 A. Yes. Columbus has proposed to revise its policy for Line and Service Extensions.  
18

19 **Q. Please describe the revisions Columbus is proposing to its policy for Line and Service**  
20 **Extensions.**

21 A. Columbus currently requires an applicant requesting a line or service extension to execute  
22 a contract guaranteeing the estimated annual revenues. Columbus is proposing to require  
23 an applicant requesting a line or service extension to execute a contract guaranteeing the  
24 estimated annual kilowatt-hours ("kWh"). Columbus states that if the wholesale cost of  
25 power or any other cost component were to increase, the revenues associated with the

1 contract would decrease resulting in under-recovered revenues. However, a contract  
2 based on estimated annual kWh, as proposed, would ensure full recovery of revenues.

3 Columbus is proposing to introduce a section to its policy for Line and Service Extensions  
4 which defines permanent service and describes additional procedures to be used to  
5 determine the establishment of permanent service. Although Columbus does not currently  
6 have a written policy, “[s]hould a customer drill a well and/or spend a reasonable amount  
7 of money, improving said property to justifiably establish permanency, extension of  
8 facilities to serve said customer shall be governed by the formula as set forth in I.B (4).”  
9 I.B (4) specifies the formula used to determine the dollar amount, if any, owed by the  
10 customer for a line or service extension.

11  
12 Columbus is proposing to add a section entitled “Distribution Line Extension Estimates  
13 and Fee Schedule” to its policy for Line and Service Extensions. This section states that  
14 Columbus would prepare, without charge, a preliminary sketch and rough non-binding  
15 estimate of construction costs that would be paid by the applicant. In addition, this new  
16 section describes and establishes non-refundable application/design fees an applicant  
17 requesting an engineering estimate for new electric service or service upgrades would be  
18 required to pay. After receipt of all required documentation and non-refundable  
19 application/design fees, Columbus would make available, within 90 days, the construction  
20 plans/design estimates for the proposed line extension. An applicant would then have 90  
21 days to enter into a line extension agreement with Columbus. If after 90 days a line  
22 extension agreement is not entered into, a new request for an engineering design estimate  
23 would be required and would be subject to the proposed fees. For subdivisions, Columbus  
24 would provide plans/design estimates within 45 days of receipt of an application/design  
25 fee.

1 Q. What are the proposed non-refundable application/design fees?

2 A. The proposed non-refundable application/design fees charged to applicants requesting  
3 engineering design estimates for new electric service or service upgrades are shown in the  
4 table below.  
5

Type of Service	No. of Service Requests	Proposed Fee
Residential	1 service	\$100
Subdivision	2 or more lots	\$1,000 plus \$10 per lot in excess of 10 lots
Small Commercial (<50 kVA) (Overhead & Underground)	1 service	\$100
Commercial (50-350 kVA) (Overhead & Underground)	1 service	\$200 plus \$100 per service in excess of 1
Commercial (>350 kVA) (Overhead & Underground)	1 service	\$750 plus \$100 per service in excess of 1
Main Distribution (primary voltage)	N/A	\$0.22 per foot

6  
7 Staff notes that, according to Columbus, one Arizona customer was given a line extension  
8 at no charge in 2011 and none in 2012.

9  
10 Columbus is also proposing to add a section to its policy for Line and Service Extensions  
11 which details the responsibility of the applicant requesting service. This section specifies  
12 that an applicant must provide Columbus with development plans, a valid written legal  
13 description (along with a copy of the property deed), and mark any survey corners. For  
14 applicants requesting an underground extension, a certification signed by a licensed land  
15 surveyor or registered professional engineer would be required prior to staking. In  
16 addition, an applicant would be required to provide the trenching and conduit for  
17 underground primary and secondary line extensions. Further, Columbus states that an  
18 applicant requesting underground facilities where overhead facilities already exist would

1 be required to pay the cost of removing the overhead facilities plus installation of the  
2 underground facilities. Should an applicant request underground facilities where overhead  
3 facilities would normally be used, the applicant would be required to pay the difference  
4 between the cost of underground and overhead facilities. Further, Columbus is proposing  
5 to add clarifying language regarding line and service extensions built to provide service to  
6 a subdivision or development. Columbus' current policy only specifies the responsibility  
7 of the Cooperative and assumes that any item not specifically identified as Columbus'  
8 responsibility shall be the responsibility of the applicant.

9  
10 Currently, Columbus' policy for Line and Service Extensions does not address idle service  
11 billing. Columbus is proposing to add a section that specifies the circumstances in which  
12 the Cooperative would consider distribution lines to be idle. The proposed language is a  
13 current policy that has been approved by the Board of Trustee. Columbus is also  
14 proposing to add clarifying language regarding Rights-Of-Way and Easements.

15  
16 Columbus does not currently have a written procedure regarding applicant-built line  
17 extensions. The Cooperative is proposing to add language to its policy for Line and  
18 Service Extensions that describes the procedures for applicant-built line extensions. The  
19 applicant would be required to execute a contract with Columbus. The system would be  
20 designed at the applicant's expense. The applicant would be required to provide  
21 Columbus easements and rights-of-way, and Columbus would select a Construction  
22 Inspector who would have the authority to accept or reject the construction of the system.  
23 If the line extension is built in accordance with the Cooperative's requirements, Columbus  
24 would then purchase the line extension from the applicant for \$1.00 and assume  
25 ownership, maintenance, and operating responsibility for the line extension.  
26

1 Columbus is also proposing to introduce a Line and Service Extension Request form and  
2 revise its Line and Service Extension Agreement. Currently, Columbus does not have a  
3 formal, written process for requests for line and service extensions and is merely  
4 clarifying the language in its Line and Service Extension Agreement. In addition,  
5 Columbus is proposing to introduce the Consumer Built Line Extensions Requirements  
6 Agreement and the Line Extension Sales Agreement for applicant-built line and service  
7 extensions.

8  
9 Staff notes that, according to Columbus, there were no applicant-built line and service  
10 extensions built in 2011, 2012, and 2013 to date, in Arizona.

11  
12 **Q. Are there any clarifications that need to be made to Columbus' proposed policy for**  
13 **its Line and Service Extensions?**

14 **A.** Yes. Section II, Distribution Line Extension Estimates and Fee Schedules, states that  
15 there is a 90 day time frame for Columbus to produce construction plans/design estimates  
16 for the proposed line extension and that the construction plans/design estimates would be  
17 valid for 90 days. After speaking with the Cooperative, it was brought to Staff's attention  
18 that the 90 day time frames indicated should be 60 days. Therefore, Staff recommends  
19 that Columbus revise its policy for Line and Service Extensions to reflect the correct time  
20 frame of 60 days for construction plans/design estimates as specified in Section II,  
21 Distribution Line Extension Estimates and Fee Schedules.

22  
23 In addition, the table herein which specifies the proposed non-refundable  
24 application/design fees is also included in Columbus' proposed Line and Service  
25 Extension Request form. However, the language in the proposed policy for Line and  
26 Service Extensions table is slightly different. Staff believes the language from the table in

1 the proposed Line and Service Extension Request form should replace the language in the  
2 table in the policy for Line and Service Extensions. After speaking with the Cooperative,  
3 Staff was informed that the language in the Line and Service Extension Request form is  
4 the language that should apply to both documents.

5  
6 **Q. Does Staff have any objections to the proposed revisions to Columbus' policy for**  
7 **Line and Service Extensions?**

8 A. No. Staff does not have any objections to the proposed revisions.

9  
10 **RULES AND REGULATIONS**

11 **Q. Does Columbus currently have formal rules and regulations?**

12 A. No. Columbus does not currently have formal rules and regulations. The Cooperative  
13 primarily relies on the Arizona Administrative Code regarding the provision of electric  
14 service. In addition, Columbus provides a customer calendar which includes service fees  
15 and regulations.

16  
17 **Q. Should Columbus be required to have formal rules and regulations?**

18 A. Yes. Staff believes that Columbus should have formal rules and regulations on file with  
19 the Commission. This would allow its Arizona customers access to a single,  
20 comprehensive document that provides the guidelines regarding the provision of electric  
21 service. Staff recommends that Columbus file formal rules and regulations for Staff  
22 review and Commission approval no later than December 31, 2014.



1 **STAFF RECOMMENDATIONS**

2 **Q. Please summarize Staff's recommendations.**

- 3 A. 1. Staff recommends that Columbus' proposed revisions to its policy for Line and  
4 Service Extensions be adopted, as discussed in this testimony.
- 5 2. Staff recommends that Columbus revise its policy for Line and Service Extensions  
6 to reflect the correct time frame of 60 days regarding construction plans/design  
7 estimates.
- 8 3. Staff recommends that the proposed table indicating the non-refundable  
9 application/design fees from the Line and Service Extension Request form be the  
10 same table used in its policy for Line and Service Extensions
- 11 4. Staff recommends that Columbus be required to file formal rules and regulations  
12 for Staff review and Commission approval no later than December 31, 2014.

13

14 **Q. Does this conclude your direct testimony?**

15 A. Yes it does.

LEGAL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

- BOB STUMP - Chairman
- GARY PIERCE
- BRENDA BURNS
- BOB BURNS
- SUSAN BITTER SMITH

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IN THE MATTER OF THE APPLICATION OF  
COLUMBUS ELECTRIC COOPERATIVE,  
INC. FOR AN INCREASE IN RATES AND  
FOR OTHER RELATED APPROVALS.

DOCKET NO. E-01851A-13-0252

STAFF'S NOTICE OF FILING DIRECT  
TESTIMONY (RATE DESIGN AND COST  
OF SERVICE)

USRS FEB 12 2014

Staff of the Arizona Corporation Commission ("Staff") herby files the Direct Testimony of  
Margaret "Toby" Little and Patrick Lowe n the above docket.

RESPECTFULLY SUBMITTED this 20<sup>th</sup> day of December 2013.

Brian E. Smith, Attorney  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Original and thirteen (13) copies  
of the foregoing filed this  
20<sup>th</sup> day of December 2013 with:

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

Copy of the foregoing mailed this  
20<sup>th</sup> day of December 2013 to:

Charles C. Kretek, General Counsel  
Columbus Electric Cooperative, Inc.  
Post Office Box 631  
Deming, New Mexico 88031-0631

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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP

Chairman

GARY PIERCE

Commissioner

BRENDA BURNS

Commissioner

BOB BURNS

Commissioner

SUSAN BITTER SMITH

Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR A HEARING TO DETERMINE THE FAIR )  
VALUE OF ITS PROPERTY FOR )  
RATEMAKING PURPOSES, TO FIX A JUST )  
AND REASONABLE RETURN THEREON, TO )  
APPROVE RATES DESIGNED TO DEVELOP )  
SUCH RETURN AND FOR RELATED )  
APPROVALS )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT

TESTIMONY

OF

MARGARET (TOBY) LITTLE

ELECTRIC UTILITIES ENGINEER

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

DECEMBER 20, 2013

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CONCLUSIONS.....	5
RECOMMENDATIONS .....	6

**EXHIBIT 1**

**(COST OF SERVICE SCHEDULES G-1 THRU G-7.1)**

Cost of Service Summary – Present Rates.....	Schedule G-1
Cost of Service Summary – Proposed Rates.....	Schedule G-2
Cost of Service Allocation – Rate Base .....	Schedule G-3
Components of Rate Base .....	Schedule G-3.1
Expense Allocation.....	Schedule G-4
Summary of Components of Expenses .....	Schedule G-4.1

**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DOCKET NO. E-1851A-13-0252**

Margaret (Toby) Little's testimony makes recommendations regarding the Arizona Corporation Commission ("Commission" or "ACC") Utilities Division Staff's ("Staff") position in the case of Columbus Electric Cooperative, Inc.'s ("Columbus" or "Cooperative") application for a general rate increase. After reviewing Columbus' Cost of Service Study ("COSS"), Staff has the following conclusions and recommendations:

**CONCLUSIONS**

Based on Staff's evaluation and analysis of Columbus' COSS results, Staff concludes that:

1. Columbus has used its COSS model for the bundled rate filing appropriately. The model used by Columbus is consistent with what is generally accepted in the industry.
2. The results of the application of COSS model are reasonable.

**RECOMMENDATIONS**

1. Based on the aforementioned conclusions, Staff recommends that the Commission accept Columbus' COSS for use in this case.
2. Staff further recommends that Columbus use the same model for COSS in future rate cases.

1 **INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Margaret (Toby) Little. My business address is 1200 West Washington  
4 Street, Phoenix, Arizona 85007.

5  
6 **Q. By whom and in what capacity are you employed?**

7 A. I am employed by the Arizona Corporation Commission ("Commission") as a Utilities  
8 Consultant.

9  
10 **Q. Please describe your educational background.**

11 A. I received both my Bachelors and Masters Degrees in Electrical Engineering from New  
12 Mexico State University. I graduated with my Bachelors Degree in July 1972, and  
13 received my Masters Degree in January 1979. My Masters Program at New Mexico State  
14 University was in Electric Utility Management. I received my Professional Engineering  
15 ("P.E.") License in the state of California in 1980.

16  
17 **Q. Please describe your pertinent work experience.**

18 A. I worked at the Commission from September 2010 to February 2011 as a Utilities  
19 Consultant, was employed by the Commission from February 2011 to February 2012 as an  
20 Electric Utilities Engineer, and have been a Utilities Consultant since February 2012.  
21 During this time I have performed engineering analyses for financing and rate cases,  
22 coordinated the Seventh Biennial Transmission Assessment, reviewed utilities' load  
23 curtailment plans and summer preparedness plans, and conducted various other  
24 engineering analyses. From 1983 through 1987 I was the Supervisor of System Planning  
25 for Anchorage Municipal Light and Power, the second largest utility in Alaska. There, I  
26 had overall responsibility for distribution, transmission and resource planning for the

1 utility and supervised six electrical engineers. From 1979 through 1982 and 1987 through  
2 1988 I worked for R.W. Beck and Associates, a nationally recognized engineering firm.  
3 There, I performed many types of engineering analyses involving resource and  
4 transmission planning and worked on the engineer's reports for the financing of a major  
5 generation facility in northern California. Prior to that, I worked in the System Planning  
6 Sections of San Diego Gas and Electric Company and Hawaiian Electric Company where  
7 I had responsibility for short and long range distribution planning.  
8

9 **Q. As part of your assigned duties at the Commission did you perform an analysis of the**  
10 **application that is the subject of this proceeding?**

11 A. Yes, I did.  
12

13 **Q. Is your testimony herein based on that analysis?**

14 A. Yes, it is.  
15

16 **PURPOSE OF TESTIMONY**

17 **Q. What is the purpose of your prefiled testimony?**

18 A. The purpose of my testimony is to discuss Staff's engineering evaluation of Columbus  
19 Electric Cooperative, Inc.'s ("Columbus" or "Cooperative") Cost of Service Study  
20 ("COSS") for the bundled rate case, and present the results of this review. Staff analysis  
21 was performed by Mr. Prem Bahl.

1 **UTILITY OVERVIEW**

2 **Q. Please provide a Brief Overview of Columbus Electric.**

3 A. Columbus Electric's service area is located in southwestern New Mexico and includes a  
4 small portion of southeastern Arizona. Headquartered in Deming, New Mexico, the  
5 service area covers approximately 7,000 square miles and serves portions of Luna, Grant  
6 and Hidalgo counties in New Mexico, and Cochise County in Arizona.

7  
8 CEC's electric system includes over 130 miles of transmission line, 2,098 miles of  
9 energized overhead distribution line and 82 miles of underground distribution. The  
10 portion of the system within Arizona is comprised of approximately 110 miles of  
11 14.4/24.9 kV distribution line of which the majority is single phase overhead construction.  
12 There are no CEC substations or transmission lines located within Arizona.

13  
14 At year-end 2012, CEC had an average of 5,259 customers, with 4,840 (92%) located in  
15 New Mexico and 419 (8%) located in Arizona. The number of active accounts in Arizona  
16 decreased from 462 to 419 during the four year period from 2008 to 2012. Of the  
17 101,612,619 kWh sold in 2012, 6,690 kWh (6.6%) was sold to Arizona consumers. Of the  
18 \$13,403,460 in total revenue for 2012, \$854,079 (6.4%) was derived from Arizona  
19 customers.

20  
21 CEC is a member of Tri-State Generating and Transmission Cooperative, Inc. ("Tri-  
22 State") and purchases its full power and energy requirements from Tri-State pursuant to a  
23 Wholesale Electric Service Contract, generally described as an all-requirements contract.  
24 CEC is allowed to obtain up to five percent of its power requirements from sources other  
25 than Tri-State but does not generate its own power and energy.



1 **COST OF SERVICE STUDY**

2 **Q. What is the purpose of preparing a COSS?**

3 A. There are three steps to take in performing a COSS: 1) Functionalization, 2)  
4 Classification, and 3) Allocation. First, the COSS enables us to determine the system's  
5 cost of service by classifying the utility's revenue requirements (investments and  
6 expenses) by function, such as generation, transmission, distribution, or customers.  
7 Second, costs are then classified as customer-related, demand-related, or energy-related.  
8 Finally, the study breaks down costs by customer rate class to reflect, as closely as  
9 possible, the cost causation by respective customer rate class. The result of the COSS  
10 provides a benchmark for the revenues needed from each customer rate class.

11  
12 **Q. Is there a standard COSS model?**

13 A. There is no standard methodology for designing a COSS, but it is generally advisable to  
14 follow a range of alternatives to identify which allocations are more reasonable than  
15 others. For that reason, the COSS should be used as a general guide only and is only one  
16 of many considerations in designing rates.

17  
18 **Q. What process was used by Staff in reviewing the Columbus' COSS?**

19 A. Columbus' COSS was developed on a system-wide basis, with pertinent factors applicable  
20 to the Arizona portion of the system. First, I reviewed the model used by the Cooperative  
21 in developing various allocation factors in the bundled COSS. Second, I reviewed the  
22 Test Year rate base, revenues and expenses in the bundled rate case, as adjusted by the  
23 Cooperative, and matched them with the appropriate schedules contained in the  
24 application. Third, the changes in the revenue requirement made by Staff witness, Mary  
25 Rimback were incorporated into the COSS.

1 **Q. What did Staff determine from its review of the COSS?**

2 A. Columbus' COSS used appropriate procedures and methodology to functionalize, classify  
3 and allocate costs. The weighting factors Columbus used were reasonable. Columbus  
4 appropriately used the Average and Excess Method for allocating demand related costs.

5  
6 The COSS model appropriately calculated the components of the bundled case. Attached  
7 herewith as Exhibit 1 are the Cost of Service Study Schedules, showing Cost Allocation  
8 Summary - Staff Adjusted Rates (Schedule TL-G 1.0) and Summary of Components of  
9 Expenses (Schedule TL -G 4.0).

10  
11 **Q. Did the methods used by Columbus comply with industry standards?**

12 A. Columbus used procedures and methodology that are generally accepted standards  
13 throughout the utility industry for its COSS. Invested capital and operating expenses were  
14 allocated to the respective customer classes on the basis of demand, energy and other  
15 customer related factors.

16  
17 **CONCLUSIONS AND RECOMMENDATIONS**

18 **Q. Based upon your testimony, what are Staff's conclusions and recommendations**  
19 **regarding its evaluation of Columbus' COSS?**

20 A. Staff's conclusions and recommendations are as follows:

21  
22 **CONCLUSIONS**

23 Based on Staff's evaluation and analysis of Columbus' COSS results, Staff concludes that:

- 24 1. Columbus used its COSS model for the bundled rate filing appropriately. The  
25 model used by Columbus is consistent with what is generally accepted in the  
26 industry.

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2. The results of the application of COSS model are reasonable.

**RECOMMENDATIONS**

1. Based on the aforementioned conclusions, Staff recommends that the Commission accept Columbus' COSS for use in this case.
2. Staff further recommends that Columbus utilize the same COSS model in future rate cases.

**Q. Does this conclude your direct testimony?**

A. Yes, it does.

Case: CEC20122  
Solved: 06-17-2013 @ 11:09:34

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PRESENT RATES  
SUMMARY REPORT

ACCOUNT	TOTAL DOLLARS	RESIDENTIAL	IRRIGATION	AG SERVICE	SH COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
RATE BASE	24,342,178	9,675,421	1,718,712	7,058,764	3,156,258	1,497,007	933,016	308,011
OPERATING REVENUES	13,332,233	3,951,746	936,889	4,940,826	1,451,916	1,386,836	655,081	107,945
OPERATING EXPENSES	12,329,916	3,883,861	879,952	4,530,308	1,359,932	1,298,789	584,749	102,776
RETURN	1,002,317	367,886	62,932	309,919	91,984	93,097	71,381	5,169
RATE OF RETURN	4.118%	3.802%	3.662%	4.994%	2.914%	5.219%	7.645%	1.679%
RELATIVE ROR	1.000	0.923	0.889	1.067	0.708	1.510	1.857	0.408
INTEREST	558,003	229,428	38,694	157,183	72,155	32,710	20,803	7,030
OPERATING MARGINS	444,814	138,467	24,238	162,736	19,829	60,387	50,528	-1,052
MARGINS % OF REVENUE	3.333%	3.504%	2.587%	3.155%	1.365%	4.364%	7.702%	-1.725%
OPERATING TIER	1.796	1.603	1.626	1.972	1.275	2.846	3.429	0.736
REVENUE DEFICIENCIES								
UNIFORM ROR	6.000000							
REV DEF AS % REV	3.437%	212,640	40,191	113,307	97,891	-8,276	-15,360	13,312
UNIFORM % MAR	6.544586	5.381%	4.290%	2.941%	6.708%	-0.236%	-2.340%	12.332%
REV DEF AS % REV	3.437%	128,583	39,574	178,566	80,459	32,503	-8,122	9,551
		3.254%	4.235%	3.627%	5.542%	2.344%	-1.238%	8.848%

Case: CEC2012P  
Solved: 05-20-2013 @ 09:42:25

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
SUMMARY REPORT

ACCOUNT	TOTAL DOLLARS	RESIDENTIAL	IRRIGATION	AG SERVICE	SH COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
RATE BASE	24,342,178	9,881,577	1,698,244	6,947,978	3,123,442	1,466,708	918,688	305,844
OPERATING REVENUES	13,447,233	4,011,740	936,877	4,840,884	1,601,907	1,386,845	655,056	112,924
OPERATING EXPENSES	12,329,916	3,883,861	873,952	4,630,908	1,359,932	1,253,739	884,749	108,776
RETURN RATE OF RETURN	1.117,317	427,880	62,925	309,977	141,975	93,106	71,407	10,148
RELATIVE ROR	4.590%	4.330%	3.705%	4.461%	4.545%	6.348%	7.762%	3.321%
INTEREST	1,000	0.943	0.807	0.972	0.990	1.383	1.691	0.724
OPERATING MARGINS	568,003	229,428	38,694	157,183	72,156	32,710	20,803	7,030
MARGINS % OF REVENUE	859,314	198,451	24,232	152,794	69,819	60,395	60,604	3,118
OPERATING TIER	4.159%	4.947%	2.585%	3.156%	4.649%	4.365%	7.698%	2.761%
REVENUE DEFICIENCIES	2,002	1,655	1,626	1,972	1,968	2,846	3,428	1,443
UNIFORM ROR	-	25,689	15,026	8,939	1,393	-25,783	-29,139	3,876
REV DEF AS % REV	-0.000%	0.640%	1.604%	0.185%	0.093%	-1.859%	-4.442%	3.433%
UNIFORM % MAR	-	-32,951	15,676	50,651	-7,669	-2,830	-24,224	1,647
REV DEF AS % REV	-0.000%	-0.822%	1.641%	1.047%	-0.511%	-0.204%	-3.692%	1.459%

Case: CEC2912P  
Solved: 06-20-2013 @ 09:42:26

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - RATE BASE

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SH COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
PLANT IN SERVICE	38,572,812	111	15,439,168	2,712,674	11,308,034	4,879,307	2,292,104	1,471,971	469,664
ACCUM DEPR TRANS	-1,173,622	102	-176,722	-108,898	-852,622	-72,804	-91,327	-68,489	-2,910
ACCUM DEPR DIST	-11,866,930	107	-4,875,090	-922,198	-3,339,961	-1,633,219	-656,052	-442,039	-149,386
ACCUM DEPR GEN PLT	-2,186,468	110	-876,156	-153,760	-640,987	-276,579	-129,926	-83,437	-26,522
Subtotal	23,355,792	125*	9,512,200	1,627,722	6,674,574	2,996,704	1,075,800	878,088	290,736
NET PLANT			40,727%	6,969%	28,578%	12,831%	6,891%	3,759%	1,245%
MATERIALS & SUPPLIES	476,194	109	190,201	38,417	139,308	60,110	28,237	18,134	6,786
PREPAYMENTS	145,211	121	54,461	10,448	93,896	19,764	17,503	6,319	2,941
CASH WK CAP PHR COST	260,736	122	62,737	18,413	112,829	26,405	27,869	13,142	941
CASH WK CAP O&M	399,045	119	149,632	28,711	93,146	54,284	48,098	17,366	7,807
CUST DEPS	-293,800	9	-87,644	-20,468	-106,776	-32,815	-30,299	-14,831	-2,467
TOTAL	24,342,178	126*	9,881,577	1,698,244	6,947,978	3,129,442	1,466,700	910,585	305,544
RATE BASE			40,694%	6,977%	28,643%	12,831%	6,026%	3,774%	1,255%

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 COMPONENTS OF RATE BASE

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SH COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>DEMAND COMPONENT</b>									
NONCOIN DEMAND	10,887,487	1	1,639,417	1,010,230	6,053,334	675,390	847,223	634,898	26,995
PMR COST SUNI COIN DM	154,486	11	34,779	11,522	67,851	14,444	16,789	8,789	363
ACCT 368 TRANSF 30%	1,355,260	16	741,028	89,866	144,026	252,944	93,074	34,621	0
ACCT 369 OVHD SV 30%	229,820	17	196,203	3,832	3,301	24,869	1,393	77,222	0
ACCT 370 Meters 30%	413,028	19	186,276	62,092	62,092	186,230	77,615	5,053	0
TOTAL	13,661,800		3,021,214	1,204,337	6,868,669	1,224,628	1,054,407	761,199	27,357
			22.114%	8.815%	46.617%	6.964%	7.718%	5.572%	0.280%
<b>CUSTOMER COMPONENT</b>									
AVG CONS	5,314,293	4	4,016,419	169,910	146,368	899,702	70,659	11,259	0
WTD CONS	54,216	6	20,703	4,379	6,036	9,276	10,921	2,902	0
WTD CONS	141,191	7	60,346	10,649	13,760	22,556	35,412	8,468	0
ACCT 368 TRANSF 70%	3,162,272	16	1,729,064	208,988	836,061	590,203	217,172	80,783	0
ACCT 369 OVHD SV 70%	536,245	17	457,807	8,940	7,702	58,027	3,251	519	0
ACCT 370 Meters 70%	413,947	18	124,184	41,395	41,395	103,487	51,743	61,743	0
ACCT 371 SECURITY LI	965,698	19	521,526	53,223	88,795	237,418	42,846	11,790	0
TOTAL	280,175	20	0	0	0	0	0	0	280,175
CUSTOMER COMPONENT	10,867,928		6,920,049	507,484	640,117	1,920,669	431,970	167,484	280,175
			63.674%	4.670%	5.890%	17.673%	3.975%	1.541%	2.570%
<b>ENERGY COMPONENT</b>									
POWER COST KWH	106,250	12	27,958	6,892	44,978	10,961	10,630	4,353	479
TOTAL	106,250		27,958	6,892	44,978	10,961	10,630	4,353	478
ENERGY COMPONENT			26.319%	6.486%	42.333%	10.316%	10.005%	4.097%	0.450%
<b>REVENUE COMPONENT</b>									
BASE REVENUE PROPOS	-293,800	9	-87,644	-20,468	-105,776	-92,815	-30,299	-14,331	-2,467
TOTAL	-293,800		-87,644	-20,468	-105,776	-92,815	-30,299	-14,331	-2,467
REVENUE COMPONENT			28.831%	6.967%	36.003%	11.169%	10.319%	4.878%	0.840%
TOTAL	24,842,170		9,881,677	1,698,244	6,947,978	3,123,442	1,466,708	918,685	305,544
RATE BASE			40.594%	6.977%	28.543%	12.831%	6.025%	3.774%	1.255%

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - EXPENSES

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>TRANSMISSION EXPENSE</b>									
570 OPR & MAINT	17,902	102	2,696	1,661	9,953	1,111	1,893	1,044	44
Total	17,902	114*	2,696	1,661	9,953	1,111	1,893	1,044	44
TRANSMISSION EXPENSE			16.068%	9.279%	56.599%	6.203%	7.782%	6.831%	0.248%
<b>DIST OPR EXP</b>									
580 OPR SUPV ENGR	79,411	107	32,651	5,607	22,969	10,269	4,666	2,961	1,001
582 STATION EXP	61,666	1	9,270	5,713	34,230	3,819	4,791	3,590	153
583 OH LINE EXP	272,149	104	106,862	18,632	93,786	28,569	14,163	9,783	406
584 OH LINE EXP	62,814	105	16,198	4,072	22,164	4,738	3,231	2,314	97
586 METER EXPENSE	89,614	19	48,401	5,867	8,241	22,034	3,976	1,094	0
587 INST CONS PREM	32,824	20	0	0	0	0	0	0	0
588 MISC DIST EXP	854,613	107	145,761	24,583	89,862	45,842	20,782	19,217	32,824
Total	942,891	115*	359,143	64,373	280,652	116,261	61,588	32,928	38,946
DIST OPR EXP			38.090%	6.827%	29.765%	12.224%	6.471%	3.492%	4.130%
<b>DIST MAINT EXPENSE</b>									
592 MAINT STATION EQ	31,648	1	4,765	2,937	17,596	1,963	2,460	1,846	78
593 MAINT OH LINES	232,666	104	91,968	15,929	80,179	24,416	12,100	8,338	346
594 MAINT UG LINES	6,230	106	1,911	480	2,615	569	381	273	11
595 MAINT TRANSFORMR	29,007	16	16,860	1,917	3,083	6,414	1,992	741	0
596 MAINT SEC LITES	75	20	0	0	0	0	0	0	76
597 MAINT METERS	29,780	19	16,084	1,950	2,739	7,322	1,321	364	0
598 MISC MAINT DIST	6,747	107	2,774	468	1,901	872	396	262	86
Total	386,152	116*	132,753	23,680	108,111	40,546	18,658	11,812	596
DIST MAINT EXPENSE			39.492%	7.046%	32.161%	12.062%	5.549%	3.614%	0.177%
<b>CONS ACCTS EXP</b>									
902 METER READING	201,564	6	76,969	16,280	22,440	34,483	40,603	10,788	0
903 RECORDS & COLLEC	428,961	7	152,967	32,365	41,809	68,531	107,691	25,728	0
Total	630,545	117*	229,936	48,636	64,248	103,014	148,194	36,517	0
CONS ACCTS EXP			36.466%	7.713%	10.189%	16.387%	23.503%	5.791%	0.000%



COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - EXPENSES

ACCOUNTS	TOTAL DOLLARS	A, F,	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
<b>CUST SERVICE EXP</b>									
900 CUST SERVICE	96,936	7-	34,209	7,236	9,360	15,326	24,061	6,764	0
Total									
CUST SERVICE EXP	96,936	118*	34,209	7,236	9,360	15,926	24,061	6,764	0
			86,668%	7,542%	9,746%	16,975%	26,081%	6,998%	0,000%
<b>SUBTOTAL EXPENSES</b>	2,029,425	119*	769,736	145,586	472,314	275,258	243,889	88,055	39,586
<b>ADMIN GEN EXP</b>			37,498%	7,195%	23,342%	13,604%	12,053%	4,362%	1,956%
920 ADMIN GEN SALARY	508,298	119	190,600	36,572	118,649	69,147	61,267	22,120	9,944
921 AG OFC SUPPLY	46,228	119	17,384	3,326	10,791	6,289	5,572	2,012	904
923 OUTSIDE SVCS	77,660	119	29,121	5,588	18,128	10,566	9,861	3,380	1,519
928 REG COMM EXP	66,517	119	24,867	4,714	16,293	8,913	7,897	2,861	1,282
930 MISC GEN EXP	615,670	119	193,327	37,095	120,345	70,136	82,143	22,437	10,087
Total									
ADMIN GEN EXP	1,243,273	120*	464,949	87,296	283,206	165,048	146,239	62,799	23,736
			37,498%	7,195%	23,342%	13,604%	12,053%	4,362%	1,956%
<b>SUBTOTAL EXPENSES</b>	3,236,698	121*	1,213,685	232,882	785,520	440,306	390,128	140,864	63,923
<b>POWER COST</b>			37,498%	7,195%	23,342%	13,604%	12,053%	4,362%	1,956%
DEMAND COST	4,698,960	11	1,067,888	360,449	2,063,791	439,331	609,162	267,339	11,029
ENERGY COST	3,201,765	12	850,376	209,619	1,868,090	333,896	323,325	132,410	14,589
Total									
POWER COST	7,930,705	122*	1,908,233	560,068	3,431,881	772,727	832,478	999,749	25,668
			24,061%	7,062%	43,273%	9,743%	10,497%	6,041%	0,322%
<b>DEPRECIATION</b>									
408.5 TRANSMISSION	23,966	102	3,607	2,223	13,319	1,486	1,864	1,397	59
408.6 DISTRIBUTION	984,511	107	404,791	68,269	277,326	127,307	67,712	36,704	12,404
408.7 GENERAL PLANT	94,876	110	37,976	6,672	27,814	12,001	6,686	3,621	1,156
407.3 REGULATORY DEB	59,171	12	16,570	3,838	25,949	6,104	6,920	2,424	266
Total									
DEPRECIATION	1,162,513	123*	463,943	81,002	343,506	71,134	44,145	3,797%	19,885
			39,737%	6,968%	29,549%	12,686%	6,119%	3,797%	1,194%
<b>TOTAL EXPENSES</b>	12,329,916	124*	3,503,861	870,952	4,630,908	1,359,932	1,293,739	584,749	102,776
			29,066%	7,088%	36,747%	11,030%	10,493%	4,743%	0,834%

COLUMBUS ELECTRIC COOPERATIVE, INC  
TEST YEAR ENDED SEPTEMBER 30, 2012  
PROPOSED RATES  
COST OF SERVICE ALLOCATION - INTEREST

ACCOUNTS	TOTAL DOLLARS	A.F.	RESIDENTIAL	IRRIGATION	AG SERVICE	SN COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
INTEREST LTD	558,003	107	229,428	38,694	157,183	72,155	32,710	20,803	7,030
TOTAL INTEREST	558,003	127*	229,428 41.116%	38,694 6.934%	157,183 28.169%	72,155 12.931%	32,710 5.862%	20,803 3.728%	7,030 1.260%

COLUMBUS ELECTRIC COOPERATIVE, INC  
 TEST YEAR ENDED SEPTEMBER 30, 2012  
 PROPOSED RATES  
 SUMMARY OF COMPONENTS OF EXPENSES

	SYSTEM TOTALS	RESIDENTIAL	IRRIGATION	AG SERVICE	SM COMMERCIAL	LG COMMERCIAL	INDUSTRIAL	LIGHTING
Average Consumers	5,763	3,924	166	143	879	69	11	671
kWh Sold	101,315,451	26,580,300	6,552,100	42,762,594	10,421,018	10,406,220	4,138,760	454,489
kW		5,357	4,017	26,653	3,577	3,264	2,446	104
kW2		4,713	2,474	14,654	2,696	2,231	1,333	96
Customer Component	2,777,095	1,448,295	159,844	204,130	472,707	325,348	86,239	79,530
Monthly Cost Per Cons	40.16	30.76	80.24	118.96	44.81	394.14	653.33	11.61
Cost Per kWh		270.36	39.79	7.66	132.18	99.98	35.26	764.71
Cost Per kW2		307.30	64.61	18.93	175.34	146.28	64.70	828.44
Energy Component	3,290,925	865,946	219,457	1,393,139	339,501	329,245	134,834	14,805
Average Cost Per kWh	0.032482	0.032578	0.032578	0.032578	0.032578	0.031639	0.032578	0.032678
Demand Component	6,819,898	1,499,048	539,344	3,090,821	619,879	670,855	384,470	15,470
Cost Per kW		279.83	134.27	115.97	173.30	205.89	157.19	148.75
Cost Per kW2		318.07	218.00	210.92	229.93	300.70	280.43	161.15
Demand & Energy Component	10,110,824	2,364,993	752,801	4,483,950	969,380	1,000,101	519,313	30,276
Average Cost Per kWh	0.099796	0.088975	0.114895	0.104857	0.092062	0.095106	0.126476	0.066619
Total Expenses	12,887,919	3,013,289	912,645	4,688,090	1,432,087	1,826,449	605,552	109,806
Average Cost Per kWh	0.127206	0.143463	0.139290	0.109631	0.137423	0.127467	0.146312	0.241619

kW1=45419  
 kW2=28199

**BEFORE THE ARIZONA CORPORATION COMMISSION**

BOB STUMP  
Chairman  
GARY PIERCE  
Commissioner  
BRENDA BURNS  
Commissioner  
BOB BURNS  
Commissioner  
SUSAN BITTER SMITH  
Commissioner

IN THE MATTER OF THE APPLICATION OF )  
COLUMBUS ELECTRIC COOPERATIVE, INC. )  
FOR APPROVAL OF AN INCREASE IN RATES )  
AND FOR OTHER RELATED APPROVALS )  
 )  
 )  
\_\_\_\_\_ )

DOCKET NO. E-01851A-13-0252

DIRECT  
RATE DESIGN  
TESTIMONY  
OF  
PATRICK LOWE  
PUBLIC UTILITIES ANALYST II  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

DECEMBER 20, 2013

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**EXECUTIVE SUMMARY  
COLUMBUS ELECTRIC COOPERATIVE, INC.  
DOCKET NO. E-01851A-13-0252**

My testimony in this proceeding addresses the issue of rate design for Columbus Electric Cooperative, Inc.

1 **INTRODUCTION**

2 **Q. Please state your name, occupation, and business address.**

3 A. My name is Patrick Lowe. I am a Public Utilities Analyst II employed by the Arizona  
4 Corporation Commission ("Commission") in the Utilities Division ("Staff"). My business  
5 address is 1200 West Washington Street, Phoenix, Arizona 85007.

6  
7 **Q. Briefly describe your responsibilities as a Public Utilities Analyst.**

8 A. In my capacity as a Public Utilities Analyst, I review and analyze utility applications filed  
9 with the Commission, and prepare memoranda and proposed orders for Open Meetings. I  
10 also assist in the management of rate cases.

11  
12 **Q. Please describe your educational background and professional experience.**

13 A. In 2011, I graduated magna cum laude from Arizona State University, receiving a  
14 Bachelor of Science degree in Finance. My course of studies included classes in corporate  
15 finance, accounting, economics and supply chain management.

16  
17 **Q. What is the scope of your testimony in this case?**

18 A. In this Direct Testimony, I will address rate design with respect to electric sales of  
19 Columbus Electric Cooperative, Inc. ("Columbus" or "Company").

20  
21 **RATE DESIGN**

22 **Q. Has Staff prepared a schedule showing the existing rates and Staff's recommended  
23 rates?**

24 A. Yes. Schedule PML-1 shows existing rates and Staff's recommended rates, which are the  
25 same as those proposed by Columbus. Staff has also prepared Schedule PML-2, which  
26 shows the impact of the rate increase proposed by Columbus and Staff.

1 **Q. Are there any significant differences between the existing rate structure and the**  
2 **proposed rate structure?**

3 A. Yes. Columbus has included two additional rate schedules: Arizona Schedule IS  
4 Industrial Service and Arizona Schedule LP Large Power Service. These schedules are  
5 available to New Mexico customers and, as part of the effort to provide uniform rates and  
6 service for both jurisdictions, they have been included with this Application. Columbus is  
7 also recommending that the customer charge be increased for all customer classes and that  
8 time-of-use rates be sunset 90 days after new rates go in to effect.

9  
10 **Q. Does Staff concur with this proposal?**

11 A. Yes. Increasing customer charges and including the two additional rate schedules  
12 (Arizona Schedule IS Industrial Service and Arizona Schedule LP Large Power Service) is  
13 part of an effort to provide uniform rates and service for both jurisdictions in which  
14 Columbus services.

15  
16 Columbus currently has 21 residential and 2 irrigation time-of-use customers in Arizona.  
17 The Company has historically offered time-of-use pricing to provide members with an  
18 opportunity to save money by reducing use during times of peak demand. However,  
19 Columbus' supplier, Tri-State, has introduced new rates that have no peak demand period.  
20 Thus, Columbus has no opportunity to achieve savings in its wholesale energy costs via  
21 time-of-use rates. Columbus's time-of-use rates will sunset in New Mexico at the end of  
22 2013. Staff agrees that the Company's time-of-use rates should be eliminated to preserve  
23 uniform rates and services in both jurisdictions. However, Staff believes that the time of  
24 use rates should sunset as soon as new rates go in to effect. The impact of this proposed  
25 revision to Columbus is de minimis and does not require an adjustment to Columbus'  
26 revenue requirement.



1 **Q. Please describe Staff's proposed rate design and its effect on Columbus' customer**  
2 **classes.**

3 A. The proposed rate design results in an approximately 2 percent increase for the Residential  
4 and Agricultural Service classes which is approximately the same as the overall increase  
5 in revenues (2.82 percent). The Small Commercial, Lighting Service, and Irrigation  
6 classes ended up with larger increases (4.05 percent, 6.64 percent, and 13.50 percent,  
7 respectively). The rate design results from a Columbus policy to keep Arizona and New  
8 Mexico rates the same.

9  
10 **Q. Does Columbus have any other proposed changes?**

11 A. Yes. The Company has proposed several language changes to its tariffs to add clarity for  
12 customers. The clarifications include sections on accessibility, limitations of the rate, and  
13 interruption of service. Staff has reviewed these clarifications and recommends that they  
14 be adopted.

15

16 **SUMMARY OF TESTIMONY AND RECOMMENDATIONS**

17 **Q. Please summarize your testimony.**

18 A. Staff recommends:

- 19 • adoption of the rates described in PML-1,  
20 • that time-of-use rates sunset upon the effective date of the decision in this case,  
21 and  
22 • the language changes proposed by Columbus to tariffs be adopted.

23

24 **Q. Does this conclude your Direct Rate Design Testimony?**

25 A. Yes, it does.

**ELECTRIC RATE COMPONENTS - REVENUES AT PRESENT & PROPOSED RATES**

<b>CUSTOMER CLASS</b>	<b>TEST YEAR ENDED 12/31/11 PRESENT RATES</b>	<b>STAFF AND COMPANY PROPOSED RATES</b>	<b>% INCREASE</b>	<b>DOLLAR INCREASE</b>
<b>RESIDENTIAL:</b>				
Customer Charge	\$12.35	\$20.00		
Energy Charge	\$0.0864	\$0.11507		
FPPCA	\$0.041468	\$0.00000		
Total Revenue	\$341,372.94	\$379,047.00		
<b>RESIDENTIAL TOU:</b>				
Customer Charge	\$15.60	-		
Energy Charge On-Peak	\$0.0975	-		
Energy Charge Off-Peak	\$0.0600	-		
FPPCA	\$0.041468	-		
Total Revenue	\$30,455.76	-		
<i>Residential Total Revenue</i>	\$371,828.70	\$379,047.00	1.94%	\$7,218.30
<b>IRRIGATION:</b>				
Customer Charge	\$32.50	\$75.00		
Energy Charge	\$0.09200	\$0.12200		
FPPCA	\$0.033255	\$0.00000		
Total Revenue	\$30,144.35	\$52,257.00		
<b>IRRIGATION TOU:</b>				
Customer Charge	\$45.50	-		
Energy Charge On-Peak	\$0.1030	-		
Energy Charge Off-Peak	\$0.0600	-		
FPPCA	\$0.033255	-		
Total Revenue	\$15,896.92	-		
<i>Irrigation Total Revenue</i>	\$46,041.27	\$52,257.00	13.50%	\$6,215.73
<b>AG SERVICE:</b>				
Customer Charge	\$65.00	\$110.00		
Energy Charge	\$0.06950	\$0.10493		
FPPCA	\$0.03455	\$0.00000		
Total Revenue	\$364,319.00	\$372,155.44	2.15%	\$7,836.44
<b>COMMERCIAL UNDER 50 KVA:</b>				
Customer Charge	\$16.25	\$35.00		
Energy Charge	\$0.08220	\$0.10821		
FPPCA	\$0.04064	\$0.00000		
Total Revenue	\$53,130.94	\$55,284.76		

**COMMERCIAL UNDER 50 KVA TOU:**

Customer Charge	\$19.50	-
Energy Charge On-Peak	\$0.0922	-
Energy Charge Off-Peak	\$0.0590	-
FPPCA	\$0.04064	-
Total Revenue	\$0.00	-

<i>Commercial Total Revenue</i>	\$53,130.94	\$55,284.76	4.05%	\$2,153.82
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**COMMERCIAL 50 - 350 KVA:**

Customer Charge	-	\$360.00		
Demand Charge	-	\$16.50		
Energy Charge	-	\$0.05254		
Total Revenue	\$0.00	\$0.00	0.00%	\$0.00

**COMMERCIAL OVER 350 KVA:**

Customer Charge	-	\$600.00		
Demand Charge	-	\$17.00		
Energy Charge	-	\$0.05592		
Total Revenue	\$0.00	\$0.00	0.00%	\$0.00

**LIGHTING SERVICE:**

100 Watt High Pressure Sodium	\$13.50	\$16.25		
175 Watt Mercury Vapor	\$14.99	\$15.25		
400 Watt High Pressure Sodium	\$30.45	\$32.45		
FPPCA	\$0.04137	\$0.00000		
Total Revenue	\$2,438.00	\$2,600.00	6.64%	\$162.00

**TYPICAL BILL ANALYSIS**

PML-2

**RESIDENTIAL:**

KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
0	\$12.35	\$20.00	\$7.65	61.94%
100	\$25.14	\$31.51	\$6.37	25.34%
250	\$44.32	\$48.77	\$4.45	10.04%
500	\$76.28	\$77.54	\$1.25	1.64%
750	\$108.25	\$106.30	-\$1.95	-1.80%
1000	\$140.22	\$135.07	-\$5.15	-3.67%
1500	\$204.15	\$192.61	-\$11.55	-5.66%
2000	\$268.09	\$250.14	-\$17.95	-6.69%

**IRRIGATION:**

KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
1000	\$157.76	\$197.00	\$39.25	24.88%
1500	\$220.38	\$258.00	\$37.62	17.07%
2000	\$283.01	\$319.00	\$35.99	12.72%
2500	\$345.64	\$380.00	\$34.36	9.94%
3000	\$408.27	\$441.00	\$32.74	8.02%
4000	\$533.52	\$563.00	\$29.48	5.53%
5000	\$658.78	\$685.00	\$26.23	3.98%

**AG SERVICE:**

KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
5000	\$583.70	\$634.65	\$50.95	8.73%
7500	\$843.05	\$896.98	\$53.93	6.40%
10000	\$1,102.40	\$1,159.30	\$56.90	5.16%
12500	\$1,361.75	\$1,421.63	\$59.88	4.40%
15000	\$1,621.10	\$1,683.95	\$62.85	3.88%
20000	\$2,139.80	\$2,208.60	\$68.80	3.22%
25000	\$2,658.50	\$2,733.25	\$74.75	2.81%

**COMMERCIAL UNDER 50 KVA:**

KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
250	\$46.96	\$62.05	\$15.09	32.14%
500	\$77.67	\$89.11	\$11.44	14.72%
750	\$108.38	\$116.16	\$7.78	7.18%
1000	\$139.09	\$143.21	\$4.12	2.96%
1250	\$169.80	\$170.26	\$0.46	0.27%
1500	\$200.51	\$197.32	-\$3.20	-1.59%
2000	\$261.93	\$251.42	-\$10.51	-4.01%
3000	\$384.77	\$359.63	-\$25.14	-6.53%

**TYPICAL BILL ANALYSIS**

PML-2

**COMMERCIAL 50 KVA-350 KVA:**

KW	LD FCTR	KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
50	0.2	7300	\$1,301.48	\$1,568.54	\$267.06	20.52%
50	0.3	10950	\$1,629.47	\$1,760.31	\$130.85	8.03%
50	0.4	14600	\$1,957.46	\$1,952.08	-\$5.37	-0.27%
50	0.5	18250	\$2,285.45	\$2,143.86	-\$141.59	-6.20%
50	0.6	21900	\$2,613.43	\$2,335.63	-\$277.81	-10.63%

**COMMERCIAL OVER 350 KVA:**

KW	LD FCTR	KWH	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
400	0.2	58400	\$9,797.16	\$10,665.73	\$868.57	8.87%
400	0.25	73000	\$10,985.07	\$11,482.16	\$497.09	4.53%
400	0.3	87600	\$12,172.99	\$12,298.59	\$125.61	1.03%
400	0.4	116800	\$14,548.82	\$13,931.46	-\$617.36	-4.24%
400	0.5	146000	\$16,924.64	\$15,564.32	-\$1,360.32	-8.04%

**LIGHTING:**

	PRESENT	PROPOSED	\$ INCREASE	% INCREASE
175 Watt Mercury Vapor	\$14.99	\$15.25	\$0.26	1.73%
100 Watt High Pressure Sodium	\$15.12	\$16.25	\$1.13	7.47%
400 Watt High Pressure Sodium	\$30.45	\$32.45	\$2.00	6.57%