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NAVOPACHE ELECTRIC COOPERATIVE

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AZ CORP COMMISSION
DOCKET CONTROL

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

May 6, 2015

Re: Navopache Electric Cooperative, Inc REST Compliance
Report for January 2014 – December 2014
Docket No. E-01787A-13-0220

Pursuant to A.A.C. R14-2-1812 (A) & (B), enclosed is the Navopache Electric Cooperative, Inc. (NEC) REST Compliance Report covering the time period January 1, 2014 through December 31, 2014.

Please feel free to contact me if you have any questions.

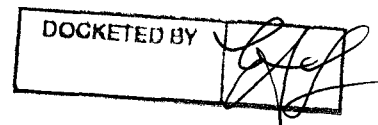
Respectfully,

Heather McInelly
Navopache Electric Cooperative
Revenue Assurance Supervisor
Phone: 928-368-1211

ORIGINAL

Arizona Corporation Commission
DOCKETED

MAY 11 2015

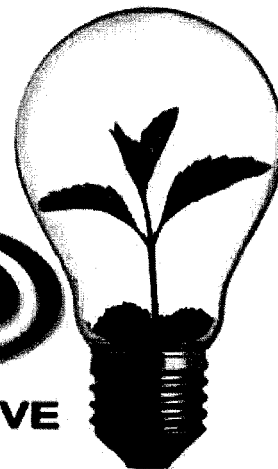


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NAVOPACHE ELECTRIC COOPERATIVE



**Renewable Energy Standard and Tariff
Compliance Report
Compliance Year 2014**

Submitted May 6, 2015

**Navopache Electric Cooperative, Inc.
Renewable Energy Standard and Tariff
Compliance Report
Compliance Year 2014**

INTRODUCTION

Pursuant to A.A.C. R14-2-1812, Navopache Electric Cooperative, Inc. (NEC) submits this compliance report for calendar year 2014.

EXECUTIVE SUMMARY

The REST Plan uses surcharge dollars from the NEC Commission-approved retail tariffs to support programs for developing renewable facilities, purchasing renewable energy and participation in large-scale renewable generation projects. Funds may also be used for administration, advertising and educational activities.

R14-2-1814 provides that, upon Commission approval of NEC's REST Plan, its provisions substitute for the Annual Renewable Energy and Distributed Renewable Energy requirements of Rules 1804 and 1805, respectively.

2014 INSTALLATIONS AND ENERGY GENERATED

In 2014, 19 new Photovoltaic ("PV") systems were installed in NEC's service area for a total installed capacity of 133.21 kW. Additionally, of these new systems, 19 are distributed generation (19 residential and 0 commercial).

In 2014, 2 new solar water heating systems was installed in NEC's service area. These new systems are expected to save approximately 6,850 kWh per year (as determined by the OG-300 rating program).

These additions bring the total number of renewable generation installations in NEC's AZ service area by the end of 2014 to 239. This includes 4 utility owned PV installations (a total installed capacity of 284 kW) 205 member owned PV installations (a total installed capacity of 1,469.98 kW), 9 wind installations with a total capacity of 12.2 kW, and 21 solar water heating installations expected to save approximately 61,731 kWh per year.

2014 REQUIRED REPORTING INFORMATION

The ACC requested that the Electric Utilities develop a standard REST reporting format. NEC submits the following tables to meet this requirement (see attached tables).

Table 1a – Renewable Resources

Table 1b – Compliance Summary

Table 2b – RES Cash Incentive Costs

The following tables were not included because they are not applicable to the Commission approved NEC REST program.

Table 2a - RES Resource Costs

Implementation Plan Table 1 – Targeted Resources

Implementation Plan Table 2 – Targeted RES Resources Costs

Compliance Report - Energy

12/31/2014

Table 1a - Renewable Resources

Resource	Technology	Ownership	MWac ¹	MWdc ¹	Production (Actual)	Production + (Annualized) ²	Multiplier Credits	Total MWh or Equivalent
GENERATION:								
Grid-Tied Photovoltaic	NEC			0.208		456		456
Gross Total (if needed)								
Adjustments (if needed)								
Subtotal Generation			0.208			456		456 (A)
DISTRIBUTED ENERGY (DE):								
Residential								
Photovoltaic	Member			1.1769		2,577		2,577
Solar Hot Water Heating	Member					62		62
Wind	Member			0.0094		21		21
Gross Total (if needed)								
Adjustments (if needed)								
Subtotal Residential			1.186			2,660		2,660 (B)
Non-Residential								
Photovoltaic	Member			0.229		501		501
Photovoltaic	NEC			0.076		166		166
Gross Total (if needed)								
Adjustments (if needed)								
Subtotal Non-Residential			0.305			668		668 (C)
Subtotal Distributed Energy (B + C)			1.491			3,328		3,328 (D)
Total RES Resources (A + D)			1.699			3,783		3,783 (E)
Total MWac equivalent³								

Notes to Table 1:

¹ Generation capacity is generally reported in MWac and DE is generally reported in MWdc.

² Assumes 2190 kWh per installed kW for non-metered or current year installed residential PV systems, and 2190 kWh per installed kW for similar non-residential systems. Solar Hot Water Heater data from OG-300.

³ Represents the total RES portfolio capacity in MWac. Assumes a 0% dc-ac conversion factor applied to MWdc capacity.

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Table 1b - Compliance Summary

Category	Metric	%	Compliance Measure (MWh)	RES Resources (MWh or Equivalent)	
* Retail Sales	379,415	1.00%	3,794	3,794	(F)
Prior year carrying balance ¹					(E)
2014 Total RES Resources [From (E) in Table 1a]				3,783	
2014 Total RES Requirement	N/A				(G)
DE Requirement	N/A				(H)
DE Sub-Requirements:					(I)
Residential DE	N/A				
Non-Residential DE	N/A				
Non-DE Target	N/A				(J)
Resources Used for 2014 Compliance (G + H + I)					
End 2014 carrying balance (F + E - J)				11	(K)

Notes to Table 1b:

¹The RES-eligible resource carrying balance is accounted for using FIFO methodology, wherein the entire carrying balance is applied to the RES requirement and the year-end carrying balance consists of current year remaining resources.

* Actual 2014 AZ Retail Sales

Table 2b - RES Cash Incentive Costs

12/31/2014

2014 Distributed Energy Cash Incentive Program Costs

Up-Front Incentives				
	MW	MWh	(\$/MW) ¹	(\$/MWh) ¹
Residential:	0.13	287	527,723	240,969
				2014 Total Incentives Paid (\$)
<i>Subtotal: Residential</i>				69,243
Up-Front Incentives Production-Based Incentives				
	MW	MWh	(\$/MW) ¹	(\$/MWh) ¹
Non-Residential:	-	-	-	-
<i>Subtotal: Non-Residential</i>				-
				2014 Total Incentives Paid (\$)
				-
Total DE Incentive Costs				69,243

Notes to Table:

¹ Based on expected annual system production.