

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E-01461A

Trico Electric Cooperative, Inc.
PO Box 930
Marana, AZ 85653-0930

RECEIVED
APR 13 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT
Electric

FOR YEAR ENDING

12	31	2017
----	----	------

FOR COMMISSION USE

ANN 01	17
--------	----

4-16-18

COMPANY INFORMATION

Company Name (Business Name) <u>TRICO ELECTRIC COOPERATIVE, INC.</u>			
Mailing Address <u>P. O. BOX 930</u>			
(Street)			
<u>MARANA</u>	<u>ARIZONA</u>	<u>85653</u>	
(City)	(State)	(Zip)	
<u>(520) 744-2944</u>	<u>(520) 682-4896</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>vnitido@trico.coop</u>			
Local Office Mailing Address <u>P. O. BOX 930</u>			
(Street)			
<u>MARANA</u>	<u>ARIZONA</u>	<u>85653</u>	
(City)	(State)	(Zip)	
<u>(520) 744-2944</u>			
Local Customer Service Phone No. (Include Area Code)	(1-800 or other long distance Customer Service Phone No.)		
Email Address _____ Website address <u>www.trico.coop</u>			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input type="checkbox"/> Management Contact: <u>BRIAN FICKETT, MANAGER OF FINANCE AND ACCOUNTING</u>			
(Name) (Title)			
<u>8600 W. TANGERINE ROAD</u>	<u>MARANA</u>	<u>AZ</u>	<u>85658</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 744-2944</u>	<u>(520) 682-4896</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>bfickett@trico.coop</u>			
On Site Manager: <u>VINCENT NITIDO, CEO</u>			
(Name)			
<u>8600 W TANGERINE ROAD</u>	<u>MARANA</u>	<u>AZ</u>	<u>85658</u>
(Street)	(City)	(State)	(Zip)
<u>(520) 744-2944</u>	<u>(520) 682-4896</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: DURAZZO, ECKEL & HAWKINS, P.C.
(Name)

45 NORTH TUCSON BLVD TUCSON AZ 85716
(Street) (City) (State) (Zip)

(520) 792-0448
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: ERIC R. HAWKINS
(Name)

45 NORTH TUCSON BLVD TUCSON AZ 85716
(Street) (City) (State) (Zip)

(520) 792-0448
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|-------------------------------------------------|---------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|------------------------------------------------|------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input checked="" type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

- Electric**
- Investor Owned Electric
 - Rural Electric Cooperative
 - Utility Distribution Company
 - Electric Service Provider
 - Transmission Service Provider
 - Meter Service Provider
 - Meter Reading Service Provider
 - Billing and Collection
 - Ancillary Services
 - Generation Provider
 - Aggregator/Broker

Other (Specify) _____

STATISTICAL INFORMATION

Retail Information

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	43,445	470,009,804
Commercial	2,377	144,652,947
Industrial	20	80,513,753
Public Street and Highway Lighting	38	507,757
Irrigation	33	881,477
Total Retail	45,913	696,565,738

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale		
Short-term Sales (durations of less than one year)		
Total Wholesale		

Total MWh Sold 696,566 MWh

Maximum Peak Load 217 MW

COMPANY NAME: _____

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-211.B	Termination with Notice R14-2-211.C	OTHER
JANUARY	5	23	
FEBRUARY	6	27	
MARCH	6	22	
APRIL	3	22	
MAY	5	22	
JUNE	3	20	
JULY	2	34	
AUGUST	4	34	
SEPTEMBER	3	40	
OCTOBER	2	31	
NOVEMBER	1	35	
DECEMBER	1	21	
TOTALS →	41	331	

OTHER (description):

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 13 2018

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

VERIFICATION

STATE

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE VINCENT NITIDO, CEO
COMPANY NAME TRICO ELECTRIC COOPERATIVE, INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2017

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2017 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>96,349,488.67</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 6,092,453.67
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Vincent Nitido

SIGNATURE OF OWNER OR OFFICIAL
(520) 744-2944

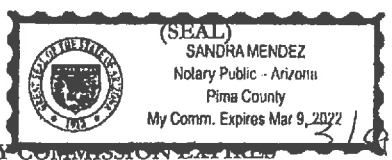
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 **DAY OF**

COUNTY NAME Pima
MONTH April , 20 18



Sandra Menendez

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 3/9/2022

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
AZ0020

FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION

PERIOD ENDED December, 2017 (Prepared with Audited Data)

BORROWER NAME
Trico 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.

Vincent Nitido

4/3/2018

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	85,502,123	90,257,035	87,319,462	7,434,009
2. Power Production Expense	6,654	7,617	6,487	543
3. Cost of Purchased Power	48,421,980	50,156,961	49,897,547	4,583,124
4. Transmission Expense	32,774	94,996	95,581	6,850
5. Regional Market Expense				
6. Distribution Expense - Operation	6,879,563	7,180,345	7,668,525	576,322
7. Distribution Expense - Maintenance	2,305,944	2,104,071	2,643,189	190,791
8. Customer Accounts Expense	2,449,529	2,476,645	2,449,299	321,682
9. Customer Service and Informational Expense	354,574	385,589	386,112	36,804
10. Sales Expense	279,993	275,418	416,952	17,859
11. Administrative and General Expense	5,804,014	6,184,001	6,266,161	632,015
12. Total Operation & Maintenance Expense (2 thru 11)	66,535,025	68,865,643	69,829,853	6,365,990
13. Depreciation and Amortization Expense	7,011,733	12,807,626	7,831,740	5,668,502
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other	(1)	30		(2)
16. Interest on Long-Term Debt	4,873,121	4,908,098	4,947,517	432,330
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	3,820	10,005	3,600	3,063
19. Other Deductions	1,133,588	1,246,142	210,765	277,762
20. Total Cost of Electric Service (12 thru 19)	79,557,286	87,837,544	82,823,475	12,747,645
21. Patronage Capital & Operating Margins (1 minus 20)	5,944,837	2,419,491	4,495,987	(5,313,636)
22. Non Operating Margins - Interest	331,053	420,028	284,287	45,627
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	130,672	92,963	71,668	(15,266)
26. Generation and Transmission Capital Credits	2,056,734	2,076,709		
27. Other Capital Credits and Patronage Dividends	449,885	429,303	438,000	32,599
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	8,913,181	5,438,494	5,289,942	(5,250,676)

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION AZ0020 PERIOD ENDED December, 2017
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	969	1,075	5. Miles Transmission	31.00	31.00
2. Services Retired	36	53	6. Miles Distribution – Overhead	1,586.00	1,578.00
3. Total Services in Place	48,138	49,175	7. Miles Distribution - Underground	2,196.00	2,241.00
4. Idle Services (Exclude Seasonals)	2,873	2,784	8. Total Miles Energized (5 + 6 + 7)	3,813.00	3,850.00

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	264,869,410	30. Memberships	0
2. Construction Work in Progress	2,460,989	31. Patronage Capital	95,946,859
3. Total Utility Plant (1 + 2)	267,330,399	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	93,197,052	33. Operating Margins - Current Year	4,925,503
5. Net Utility Plant (3 - 4)	174,133,347	34. Non-Operating Margins	512,990
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	6,985,671
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	108,371,023
8. Invest. in Assoc. Org. - Patronage Capital	42,674,640	37. Long-Term Debt - RUS (Net)	11,323,519
9. Invest. in Assoc. Org. - Other - General Funds	146,854	38. Long-Term Debt - FFB - RUS Guaranteed	70,950,380
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,100,569	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	48,090,009
12. Other Investments	311,446	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	39,705	42. Payments – Unapplied	2,594,197
14. Total Other Property & Investments (6 thru 13)	44,273,214	43. Total Long-Term Debt (37 thru 41 - 42)	127,769,711
15. Cash - General Funds	5,597,165	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	39,705
17. Special Deposits	25,050	46. Total Other Noncurrent Liabilities (44 + 45)	39,705
18. Temporary Investments	17,500,000	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	4,884,137
20. Accounts Receivable - Sales of Energy (Net)	4,612,321	49. Consumers Deposits	1,737,194
21. Accounts Receivable - Other (Net)	89,976	50. Current Maturities Long-Term Debt	5,501,712
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	4,426,117	52. Current Maturities Capital Leases	0
24. Prepayments	3,649,806	53. Other Current and Accrued Liabilities	4,179,437
25. Other Current and Accrued Assets	133,178	54. Total Current & Accrued Liabilities (47 thru 53)	16,302,480
26. Total Current and Accrued Assets (15 thru 25)	36,033,613	55. Regulatory Liabilities	381,487
27. Regulatory Assets	0	56. Other Deferred Credits	2,296,456
28. Other Deferred Debits	720,688	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	255,160,862
29. Total Assets and Other Debits (5+14+26 thru 28)	255,160,862		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION AZ0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2017

PART D. NOTES TO FINANCIAL STATEMENTS

1) Estimated unbilled revenue for 2017 not report in Part C Line 20 for Revenue Classes 1-7 is \$1,095,000.

2) Depreciation and amortization expense contains an additional \$5 million which is an acceleration of depreciation on existing meters and metering equipment that will be replaced in the next few years.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION AZ0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2017
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION AZ0020
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	PERIOD ENDED December, 2017
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	215,967,776	11,366,866	2,445,824		224,888,818
2. General Plant	12,333,966	1,151,577	266,957		13,218,586
3. Headquarters Plant	11,683,214	159,000			11,842,214
4. Intangibles	1,180	393,980			395,160
5. Transmission Plant	3,462,475	10,565,888	46,374		13,981,989
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	458,600	84,045			542,645
8. Total Utility Plant in Service (1 thru 7)	243,907,211	23,721,356	2,759,155		264,869,412
9. Construction Work in Progress	4,955,137	(2,494,149)			2,460,988
10. Total Utility Plant (8 + 9)	248,862,348	21,227,207	2,759,155		267,330,400

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	3,857,881	4,242,456	30,612	3,459,401	364	(252,580)	4,418,604
2. Other	6,243	13,504		13,133		899	7,513

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	75.900	0.000	46.400	122.300	
2. Five-Year Average	6.800	40.800	0.000	48.900	96.500	

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	130	4. Payroll - Expensed	8,136,053
2. Employee - Hours Worked - Regular Time	272,684	5. Payroll - Capitalized	2,339,243
3. Employee - Hours Worked - Overtime	9,612	6. Payroll - Other	2,508,213

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	1,696,624	34,478,639
	b. Special Retirements	68,716	943,536
	c. Total Retirements (a + b)	1,765,340	35,422,175
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	196,624	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	231,412	
	c. Total Cash Received (a + b)	428,036	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days	\$ 172,291	2. Amount Written Off During Year	\$ 30,194
----------------------------	------------	-----------------------------------	-----------

ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM

1. Anticipated Loan Delinquency %		4. Anticipated Loan Default %	
2. Actual Loan Delinquency %		5. Actual Loan Default %	
3. Total Loan Delinquency Dollars YTD	\$	6. Total Loan Default Dollars YTD	\$

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION AZ0020
INSTRUCTIONS - See help in the online application	PERIOD ENDED December, 2017

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	Arizona Electric Pwr Coop, Inc (AZ0028)	796			638,311,965	40,578,199	6.36		
2	Tucson Electric Power Company	24211			97,170,000	9,434,501	9.71		
3	Arizona Power Authority	798			1,416,000	68,863	4.86		
4	Arizona Public Service Company	803				30,556	0.00		
5	*Residential Renewable Supplier	700200			1,481,730	44,842	3.03		
	Total				738,379,695	50,156,961	6.79		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION AZ0020
INSTRUCTIONS - See help in the online application		PERIOD ENDED December, 2017
PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		
2		
3		
4		
5		

This document is the property of the Rural Utilities Service, United States Department of Agriculture. It is loaned to you for your use only. It is not to be distributed outside your organization. It is to be returned to the Rural Utilities Service when you are finished with it.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION AZ0020	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2017	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
TOTAL			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION AZ0020
	PERIOD ENDED December, 2017

INSTRUCTIONS - See help in the online application.

PART M. ANNUAL MEETING AND BOARD DATA

1. Date of Last Annual Meeting 4/8/2017	2. Total Number of Members 40,770	3. Number of Members Present at Meeting 260	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail	6. Total Number of Board Members 7	7. Total Amount of Fees and Expenses for Board Members \$ 67,500	8. Does Manager Have Written Contract? N

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

20140814 10:00:00 AM C:\Program Files\Microsoft Office\Office14\Word\WordDocument.docx

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION AZ0020			
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2017			
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
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)	11,323,519	654,546	988,152	1,642,698
2	National Rural Utilities Cooperative Finance Corporation	27,113,962	1,301,473	1,004,560	2,306,033
3	CoBank, ACB	20,976,047	942,747	642,916	1,585,663
4	Federal Financing Bank	70,950,380	2,011,665	2,473,617	4,485,282
5	RUS - Economic Development Loans				
6	Payments Unapplied	2,594,197			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	127,769,711	4,910,431	5,109,245	10,019,676

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION

AZ0020

PERIOD ENDED

December, 2017

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	43,914	43,445	
	b. kWh Sold			470,009,804
	c. Revenue			62,170,378
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served	14	15	
	b. kWh Sold			432,000
	c. Revenue			59,542
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	2,381	2,377	
	b. kWh Sold			144,652,947
	c. Revenue			18,104,437
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	20	20	
	b. kWh Sold			80,513,753
	c. Revenue			7,969,894
6. Public Street & Highway Lighting	a. No. Consumers Served	39	38	
	b. kWh Sold			507,757
	c. Revenue			99,206
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	18	18	
	b. kWh Sold			449,477
	c. Revenue			112,829
10. Total No. of Consumers (lines 1a thru 9a)		46,386	45,913	
11. Total kWh Sold (lines 1b thru 9b)				696,565,738
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				88,516,286
13. Transmission Revenue				
14. Other Electric Revenue				1,740,750
15. kWh - Own Use				2,107,303
16. Total kWh Purchased				738,379,695
17. Total kWh Generated				435,480
18. Cost of Purchases and Generation				50,259,574
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input type="checkbox"/> Coincident <input checked="" type="checkbox"/>				217,773

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION **AZ0020**

PERIOD ENDED **December, 2017**

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)	2,719	46,875	16,191	20,472	6,312,719	396,820
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	4		1,592	69	3,887,459	538,825
5. Comm. and Ind. Over 1000 KVA				3	8,396,752	200,505
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale - RUS Borrowers						
9. Sales for Resale - Other						
10. Total	2,723	46,875	17,783	20,544	18,596,930	1,136,150

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION AZ0020
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	PERIOD ENDED December, 2017

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 I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	PATRONAGE CAPITAL-AEPCO		41,407,603		
	PATRONAGE CAPITAL-NISC	245,103			
	PATRONAGE CAPITAL-CFC		746,626		
	PATRONAGE CAPITAL-NRTC	20,586			
	PATRONAGE CAPITAL-COBANK		254,723		
	MEMBERSHIP-NRUCFC		1,000		
	MEMBERSHIP-NRECA	10			
	MEMBERSHIP-GCSECA	100			
	MEMBERSHIP-NISC	25			
	MEMBERSHIP-NCSC	100			
	MEMBERSHIP-DESERT STAR ISO	1,000			
	CAPITAL TERM CERTIFICATES-CFC		1,100,569		
	GCSECA OFFICE BLDG OWNERSHIP	143,619			
	COBANK EQUITY	1,000			
	Totals	411,543	43,510,521		
4	Other Investments				
	FEDERATED STOCK	311,446			
	Totals	311,446			
5	Special Funds				
	DEFERRED COMPENSATIONS		39,705		
	Totals		39,705		
6	Cash - General				
	GENERAL FUNDS	5,254,605	250,000		
	CAPITAL CREDIT FUNDS	88,972			
	SECTION 125 DEPOSIT	1,588			
	WORKING FUNDS	2,000			
	Totals	5,347,165	250,000		
7	Special Deposits				
	POSTAGE DEPOSIT		8,000		
	WORKERS COMPENSATION PREMIUM DEPOSIT	17,050			
	Totals	17,050	8,000		
8	Temporary Investments				
	AEPCO	17,500,000			
	Totals	17,500,000			
9	Accounts and Notes Receivable - NET				
	ACCOUNTS RECEIVABLE-OTHER	89,976			
	Totals	89,976			
11	TOTAL INVESTMENTS (1 thru 10)	23,677,180	43,808,226		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION AZ0020
	PERIOD ENDED December, 2017

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)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION AZ0020
	PERIOD ENDED December, 2017

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]	8.86 %
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------

SECTION IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors	12/31/2018	2,412	358	
2	Energy Resources Conservation Loans				
	TOTAL		2,412	358	