

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G-02528A

Duncan Valley Electric Cooperative's Gas Division
PO Box 440
Duncan, AZ 85534

RECEIVED

APR 16 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
Gas

FOR YEAR ENDING

12	31	2017
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FOR COMMISSION USE

ANN 02	17
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4-18-18

COMPANY INFORMATION

Company Name (Business Name) <u>DUNCAN VALLEY ELECTRIC COOPERATIVE - GAS DIVISION</u>			
Mailing Address <u>PO BOX 440</u>			
(Street)			
<u>DUNCAN</u>	<u>AZ</u>	<u>85534</u>	
(City)	(State)	(Zip)	
<u>928-359-2503</u>	<u>928-359-2370</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>kimberly@dvec.org</u>			
Local Office Mailing Address <u>same as above</u>			
(Street)			
(City) (State) (Zip)			
Local Customer Service Phone No. (Include Area Code)		(1-800 or other long distance Customer Service Phone No.)	
Email Address _____		Website address _____	

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Steven Lunt</u> <u>CEO</u>			
(Name) (Title)			
<u>PO Box 440</u>	<u>Duncan</u>	<u>AZ</u>	<u>85534</u>
(Street)	(City)	(State)	(Zip)
<u>928-359-2503</u>	<u>928-359-2370</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>stevel@dvec.org</u>			
On Site Manager: <u>same as above</u>			
(Name)			
(Street) (City) (State) (Zip)			
Telephone No. (Include Area Code)		Cell No. (Include Area Code)	
Fax No. (Include Area Code)			
Email Address: _____			

Statutory Agent: J. Grant Walker, PLLC

(Name)

1124 W. Thatcher Blvd

Safford

AZ

85546

(Street)

(City)

(State)

(Zip)

928-428-2728

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: same as above

(Name)

(Street)

(City)

(State)

(Zip)

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:

Sole Proprietor (S)

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co-op (A)

Receivership (R)

Limited Liability Company

Other (Describe) _____

COUNTIES SERVED

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

APACHE

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

YAVAPAI

YUMA

STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

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

Gas

Natural Gas

Propane

Other (Specify) _____

STATISTICAL INFORMATION

GAS UTILITIES ONLY

Total number of customers	703 _____
Residential	642 _____
Commercial	46 _____
Industrial	_____
Irrigation	15 _____
Resale	_____
Total therms sold	347,947 _____ therms
Residential	216,375 _____
Commercial	57,320 _____
Industrial	_____
Irrigation	74,206 _____
Resale	_____

COMPANY NAME: DUNCAN VALLEY ELECTRIC

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-311.B	Termination with Notice R14-2-311.C	OTHER
JANUARY		1	
FEBRUARY		3	
MARCH		1	
APRIL		1	
MAY		1	
JUNE		0	
JULY		0	
AUGUST		1	
SEPTEMBER		1	
OCTOBER		0	
NOVEMBER		1	
DECEMBER		1	
TOTALS →			

OTHER (description):

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 16 2018

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	GREENLEE
NAME (OWNER OR OFFICIAL), TITLE	STEVEN LUNT, CEO
COMPANY NAME	DUNCAN VALLEY 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 (\$)
\$ 544,797

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
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)**

Handwritten Signature

SIGNATURE OF OWNER OR OFFICIAL

928-359-2503

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

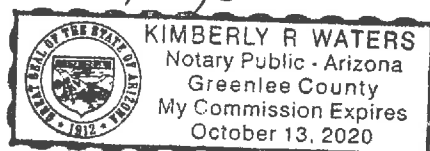
THIS 12th DAY OF
(SEAL)

COUNTY NAME	Greenlee
MONTH	April .20 18

MY COMMISSION EXPIRES 10/13/2020

Handwritten Signature: Kimberly R. Waters

SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED
APR 16 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) GREENLEE	
NAME (OWNER OR OFFICIAL) STEVE LUNT	TITLE CEO
COMPANY NAME DUNCAN VALLEY ELECTRIC COOPERATIVE, INC.	

I, THE UNDERSIGNED

OF THE

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 REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2017 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>377,635.74</u>

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 27,705.81 IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

Steve Lunt
SIGNATURE OF OWNER OR OFFICIAL
928-359-2503
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

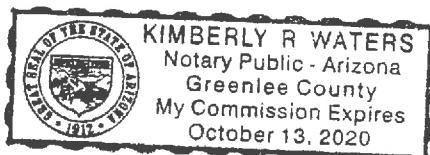
THIS 12th DAY OF

(SEAL)

MY COMMISSION EXPIRES 10/13/2020

NOTARY PUBLIC NAME <u>Kimberly R. Waters</u>
COUNTY NAME <u>Greenlee</u>
MONTH <u>April</u> , 20 <u>18</u>

Kimberly R. Waters
SIGNATURE OF NOTARY PUBLIC



FINANCIAL AND STATISTICAL REPORT	DUNCAN VALLEY ELECTRIC COOPERATIVE GAS DIVISION DUNCAN, AZ 85534	
	YEAR ENDING December 31, 2017	

SIGNATURE OF OFFICE MANAGER OR ACCCOUNTANT	DATE
SIGNATURE OF MANAGER	DATE

PART A. STATEMENT OF OPERATIONS				January
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	(d)
1. Operating Revenue and Patronage Capital	97,823	91,435	104,655	91,435
2. Cost of Purchased Gas	22,886	31,377	31,755	31,377
3. Revenue Less Cost of Purchased Gas	74,937	60,058	72,900	60,058
	-	-		
5. Distribution Expense-Operation	19,279	18,796	21,929	18,796
6. Distribution Expense-Maintenance	2,568	3,779	3,849	3,779
7. Consumer Accounts Expense	4,783	4,064	4,195	4,064
8. Customer Service and Informational Expense	773	177	309	177
9. Sales Expense	-	-	-	
10. Administrative and General Expense	1,400	1,350	2,289	1,350
11. Total Operation & Maintenance Expense (5 - 10)	28,803	28,165	32,571	28,165
12. Depreciation and Amortization Expense	3,810	4,146	4,028	4,146
13. Tax Expense - Property	-	-		
14. Tax Expense - Other	-	-		
15. Interest on Long-Term Debt	-	-		
16. Interest Charged to Construction - Credit	-	-		
17. Interest Expense - Other	9	13	14	13
18. Other Deductions	-	-		
19. Total Cost of Gas Service (11 - 18)	32,622	32,323	36,612	32,323
20. Operating Margins (1 - 19)	42,315	27,734	36,288	27,734
21. Non Operating Margins - Interest	-	-		
22. Non Operating Margins - Other	-	-		
23. Total Margins (20 - 26)	42,315	27,734	36,288	27,734

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT						
ITEM	Month	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
		LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connect	2	1	2			
2. Services Retired	1	0	1			
3. Total Services in Place	890	889	890	7. Miles Distribution Underground	55	55
4. Idle Services (Exclude Seasonal)	188	172	188	8. Total Miles of Line	55	55

FINANCIAL AND STATISTICAL REPORT

**DUNCAN VALLEY ELECTRIC COOPERATIVE
GAS DIVISION**

**MONTH ENDING
January 31, 2017**

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	1,751,324	26. Equity Position - Divisional Balancing	1,268,538
2. Construction Work in Progress	2,164	27. Patronage Capital	
3. Total Utility Plant (1 + 2)	1,753,487	28. Operating Margins - Prior Years	(490,480)
4. Accum. Provision for Depreciation & Amort	992,432	29. Operating Margins - Current Year	27,734
5. Net Utility Plant (3 - 4)	761,055	30. Non Operating Margins	
6. Nonutility Property - Net		31. Other Margins and Equities	
7. Invest in Assoc Org - Patronage Capital		32. Total Margins & Equities (26 thru 31)	805,792
8. Invest in Assoc Org - Other		33a. Long-Term Debt-DVEC 25 Year	
9. Invest in Assoc Org - Nongeneral Funds		33b. Long-Term Debt-DVEC 35 Year	
10. Other Investments		33c. Long-Term Debt-DVEC 25 Year	
11. Special Funds		33d. Long-Term Debt-DVEC 25 Year	
12. Total Other Property & Investments (6 thru 11)	-	34. Total Long-Term Debt	-
13. Cash - General Funds		35. Notes Payable	
14. Cash - Construction Funds - Trustee		36. Accounts Payable	30,570
15. Special Deposits		37. Consumers Deposits	23,535
16. Temporary Investments		38. Other Current & Accrued Liabilities	15,356
17. Notes Receivable - Net		39. Total Current & Accrued Liabilities (36 thru 39)	69,460
18. Accounts Receivable - Net Sales	89,008	40. Deferred Credits	
19. Accounts Receivable - Net Other		41. Miscellaneous Operating Reserves	
20. Materials & Supplies	21,052	42. Total Liabilities & Other Credits (32 + 34 + 39 thru 41)	875,253
21. Prepayments	4,342		
22. Other Current & Accrued Assets			
23. Total Current & Accrued Assets (13 thru 22)	114,402		
24. Deferred Debits	(204)		
25. Total Assets & Other Debits (5+12+23+24)	875,253		

PART D. NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT. (IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)