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March 26, 2012

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Re: Navopache Electric Cooperative, Inc. REST Compliance Report
For January 2011 - December 2011
Docket No. E-01787A-11-0018

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 from January 1, 2011 through December 31, 2011.

If you have any questions do not hesitate to contact me at 928-368-1226.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles R. Moore".

Charles R. Moore, P.E.
Interim Chief Executive Officer

Enclosures

Cc: Brian Bozzo - ACC
Michael Curtis, NEC General Counsel

Arizona Corporation Commission
DOCKETED

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(928) 368-5118 • (800) 543-6324 • Fax (928) 368-6038 • www.navopache.org

Navopache Electric Cooperative, Inc.
 REST COMPLIANCE REPORT
 FOR THE YEAR 2011
 R14-2-1812-(A) & (B)

Actual kWh of energy or equivalent obtained from EREER: 2,316,306 kWh

Actual kWh of energy or equivalent obtained from EREER
 normalized to reflect a full year's production: 2,702,306 kWh

kW of generation capacity, disaggregated by technology type:

Utility-owned Grid-tied photovoltaic: 208.0 kW

Utility-owned photovoltaic distributed generation: 76.0 kW

Member-owned renewable distributed generation: 663.74 kW

Solar Thermal System: 700.0 kW

Cents / kWh of energy obtained from EREER:

Utility-owned Grid-tied photovoltaic: \$ 0.16 / kWh

Utility-owned photovoltaic distributed generation: \$ 0.24 / kWh

Member-owned distributed renewable generation: \$ 0.07 / kWh*

*The utility provided incentive is 50% of the installed cost which is not reflected in the cents / kWh of member-owned renewable energy distributed generation systems.

Solar Thermal System: \$ 0.06 / kWh

Cents / kW of generation capacity:

Utility-owned Grid-tied photovoltaic: \$ 6,932.00 / kW

Utility-owned photovoltaic distributed generation: \$ 9,660.00 / kW

Member-owned distributed renewable generation: \$ 3,000.00 / kW*

*The utility provided incentive is 50% of the installed cost, based upon the rate of \$3.00 / watt of nameplate capacity.

Solar Thermal System: \$ 1,666.22 / kW

Annual Renewable Energy Requirement Renewable Energy Credits:

Utility-owned Grid-tied photovoltaic:	324,309 kWh
Solar Thermal System:	<u>976,496 kWh</u>
Total Annual:	1,300,805 kWh

Distributed Renewable Energy Requirement Renewable Energy Credits:

Utility-owned photovoltaic distributed generation:	125,088 kWh
Member-owned photovoltaic distributed generation:	821,681 kWh
Member-owned solar thermal distributed generation:	52,103 kWh
Member-owned wind turbine distributed generation:	<u>16,629 kWh</u>
Total Distributed:	1,015,501 kWh

Affected Utility's receipt of Renewable Energy Credits:
(Attachments Included)

Affected Utility's procedures for choosing EREC:

Navopache Electric Cooperative, Inc., issued a Request For Proposals (RFP), to obtain EREC from qualified providers. NEC awarded a contract to Western Energy Solutions (WES) on March 8, 2012, to provide EREC from a biomass generation facility to be located in Apache County, Arizona. The WES facility is expected to be commissioned in mid-2013.

2011 NEC Solar Production

Blue Ridge School Site

12/29/2011	121029kwh
1/3/2011	36910kwh
TOTAL	84119kwh

Springerville Office Site

12/28/2011	271562kwh
1/3/2011	97200kwh
TOTAL	174362kwh

Mountian Meadow Park Trackers

12/28/2011	91826kwh
1/3/2011	50857kwh
TOTAL	40969kwh

St Johns Substation Site

12/28/2011	238187kwh
1/3/2011	88240kwh
TOTAL	149947kwh

Total KWH

84119kwh
174362kwh
40969kwh
149947kwh
449397kwh 2011 TOTAL

ABENGOA SOLAR INC

11500 West 13th Avenue, Lakewood, CO 80215
Phone: (303) 928-8500 Fax: (303) 928-8510

Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 019
Date of REC generation: January – March 2011

Pursuant to the September 19th, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 173,825 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due = $\$0.06/\text{kWh} \times 255,788 \text{ kWh} = \$15,347.28$

Attest to:

E. Kenneth May
Division Director
Abengoa Solar Inc
Date: April 16, 2011

Signature: 

*check none
5/2/11*

ABENGOA SOLAR INC

11500 West 13th Avenue, Lakewood, CO 80215
Phone: (303) 928-8500 Fax: (303) 928-8510

Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 020
Date of REC generation: April – June 2011

Pursuant to the September 19th, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 298,476 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

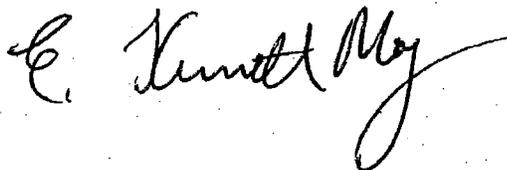
1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due = $\$0.06/\text{kWh} \times 298,476 \text{ kWh} = \$17,908.55$

Attest to:

E. Kenneth May
Division Director
Abengoa Solar Inc
Date: August 15, 2011

Signature:



ABENGOA SOLAR INC

11500 West 13th Avenue, Lakewood, CO 80215
Phone: (303) 928-8500 Fax: (303) 928-8510

Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 021
Date of REC generation: July – September 2011

Pursuant to the September 19th, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 220,008 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due = $\$0.06/\text{kWh} \times 220,008 \text{ kWh} = \$13,200.48$

Attest to:

E. Kenneth May
Division Director
Abengoa Solar Inc
Date: January 4, 2012

Signature:

1/5/12
E. Kenneth May

ABENGOA SOLAR INC

11500 West 13th Avenue, Lakewood, CO 80215
Phone: (303) 928-8500

Certificate of Transfer of EPS Credits

Certificate No. IST/NEC – 022

Date of REC generation: October – December 2011

Pursuant to the September 19th, 2001 Environmental Portfolio Standard Sales Agreement, Abengoa Solar Inc (ASI) transfers 202,224 kWh of EPS Credits to Navopache Electric Cooperative, Inc. to assist Navopache in meeting its portfolio requirements under the Arizona Corporation Commission's Environmental Portfolio Standard adopted in Decision Nos. 63364 and 63486.

1. ASI certifies that it derived the EPS credits from the operation of the solar thermal system at the Federal Correctional Institution in Phoenix, AZ. This system uses solar energy to displace the consumption of electricity used to heat hot water at the facility. The delivery of solar energy is measured using redundant metering equipment in a manner approved by the US Department of Justice and the National Renewable Energy Laboratory.
2. The above solar system was installed in 1999. Hence, the facility is eligible for the application of an early installation credit of 0.5.
3. Applying the EPS rules, 30% of the installed solar system has Arizona content materials. Such content generates an extra credit multiplier of $0.5 \times 0.3 = 0.15$
4. ASI further certifies that it has title to the EPS credits proposed for transfer to Navopache and that such credits have not previously expired and have not be transferred to any other entity.
5. The sale of these credits at the rate of \$0.06 per kWh is governed by the Agreement between Industrial Solar Technology (now Abengoa Solar Inc) and Navopache dated November 6, 2006. The invoice is payable on a net 30 basis.

Amount due = $\$0.06/\text{kWh} \times 202,224 \text{ kWh} = \$12,133.44$

Attest to:

E. Kenneth May
Division Director
Abengoa Solar Inc
Date: January 3, 2012

1/5/12
Chad M. May

Signature: