

COMPANY INFORMATION

Company Name (Business Name) Garkane Energy Cooperative, Inc.

Mailing Address 120 West 300 South P.O. Box 465

(Street)

Loa

UT

84747

(City)

(State)

(Zip)

(435) 836-2795

(435) 836-2497

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address calbrecht@garkaneenergy.com

Local Office Mailing Address 120 West 300 South P.O. Box 465

(Street)

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Email Address calbrecht@garkaneenergy.com

MANAGEMENT INFORMATION

Management Contact: Carl R. Albrecht General Manager

(Name)

(Title)

120 West 300 South

Loa

UT

84747

(Street)

(City)

(State)

(Zip)

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Email Address calbrecht@garkaneenergy.com

On Site Manager: Carl R. Albrecht

(Name)

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Cell No. (Include Area Code)

Email Address calbrecht@garkaneenergy.com

Statutory Agent:

Robert T. Jones

(Name)

120 North 44th Street Suite 100
(Street)Phoenix
(City)AZ
(State)85034-1822
(Zip)(602) 286-6925
Telephone No. (Include Area Code)(602) 286-6932
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney:

Michael Grant

(Name)

2575 East Camelback
(Street)Phoenix
(City)AZ
(State)85016-9225
(Zip)(602) 530-8291
Telephone No. (Include Area Code)(602) 257-9459
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 checked="" 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 checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input 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

Total number of customers	691	
Residential	539	
Commercial	127	
Industrial	--	
Public Street and Highway lighting	4	
Irrigation	14	
Resale Public Authority & Municipal	7	
Total kilowatt-hours sold	17,102,033	kWh
Residential	7,894,200	
Commercial	8,315,649	
Industrial	--	
Public Street and Highway lighting	14,880	
Irrigation	503,559	
Resale Public Authority & Municipal	373,745	
Maximum Peak Load	n/a	MW

COMPANY NAME:

Garkane Energy Cooperative, Inc.

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-211.B	Termination with Notice R14-2-211	OTHER
JANUARY	0	2	
FEBRUARY	0	1	
MARCH	0	2	
APRIL	0	2	
MAY	0	2	
JUNE	0	1	
JULY	0	2	
AUGUST	0	2	
SEPTEMBER	0	1	
OCTOBER	0	1	
NOVEMBER	0	1	
DECEMBER	0	0	
TOTALS →		17	

OTHER (description):

4/23/2008
COUNTY CLERK
COURT HOUSE
PHOENIX, ARIZONA

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF UTAH

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Wayne
NAME (OWNER OR OFFICIAL) TITLE	Stan T. Chappell - Finance Manager
COMPANY NAME	Garkane Energy Cooperative, Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>1,464,704</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 84,061
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)

Stan T. Chappell
SIGNATURE OF OWNER OR OFFICIAL
(435) 836-2795
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18th DAY OF

(SEAL)

COUNTY NAME	Wayne
MONTH	March 2009

April G. [Signature]
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5-6-11

FINANCIAL INFORMATION

Attach to this annual report a copy of the Company year-end (Calendar Year 2008) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

Garkane Energy Cooperative, Inc.
 120 W 300 S PO Box 465
 Loa, UT 84747
 1-435-836-2975

FINANCIAL STATEMENTS ON ARIZONA-SPECIFIC

For Year Ending December 31,2008

BALANCE SHEET

ELECTRIC PLANT

	Total System	Utah	Arizona
Plant in Service	\$ 71,621,557	\$ 67,531,925	\$ 4,089,632
Construction Work In Progress	\$ 4,163,926	\$ 4,163,926	\$ -
Acc Prov For Depreciation	\$ (27,421,432)	\$ (25,368,257)	\$ (2,053,175)
Net Electric Plant	\$ 48,364,051	\$ 46,327,594	\$ 2,036,457

INCOME STATEMENT

	Total System	Utah	Arizona
UTILITY OPERATING INCOME			
Operating Revenue	\$ 15,837,717	\$ 14,389,097	\$ 1,448,620
Operating Expenses:			
Operation & Maintenance expense	\$ 12,086,739	\$ 10,986,845	\$ 1,099,894
Depreciation expense	\$ 2,141,920	\$ 2,026,380	\$ 115,540
Taxes	\$ 344,297	\$ 283,079	\$ 61,218
Total Operating Expenses	\$ 14,572,956	\$ 13,296,304	\$ 1,276,652
Net Operating Revenue	\$ 1,264,761	\$ 1,092,793	\$ 171,968
Miscellaneous Deductions	\$ 17,375	\$ -	
Net Income before Interest	\$ 1,247,386		
Interest Expense	\$ 1,710,263		
Operating Margin	\$ (462,877)		
Other Income			
Net Merchandising	\$ 29,334		
Interest Income	\$ 91,560		
Miscellaneous nonoperating income	\$ 229,872		
Other capital credits & dividends	\$ 162,894		
Net margins & patronage capital	\$ 50,783		

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

MAY 29 2008
NOTARY PUBLIC

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Wayne	
NAME (OWNER OR OFFICIAL) Stan T. Chappell	TITLE Finance Manager
COMPANY NAME Garkane Energy Cooperative, Inc.	

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FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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SWORN STATEMENT

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ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 664,272

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 37,600 IN SALES TAXES BILLED, OR COLLECTED)

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

X Stan T. Chappell
SIGNATURE OF OWNER OR OFFICIAL
435-836-2795
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 18 DAY OF
(SEAL)
MY COMMISSION EXPIRES 5-6-11

NOTARY PUBLIC NAME <u>Camille Blackburn</u>	
COUNTY NAME <u>Wayne</u>	
MONTH <u>March</u>	YEAR <u>2009</u>

X Camille Blackburn
SIGNATURE OF NOTARY PUBLIC