

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

RECEIVED

MAY 13 2015

AZ CORP COMM  
Sector - Utilities

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E-04100A

Southwest Transmission Cooperative, Inc.  
PO Box 2195  
Benson, AZ 85602

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:

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**ANNUAL REPORT**  
**Electric**

**FOR YEAR ENDING**

12	31	2014
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FOR COMMISSION USE

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5-14-15

## COMPANY INFORMATION

Company Name (Business Name) Southwest Transmission Cooperative, Inc.

Mailing Address P.O. Box 2195

(Street)

Benson AZ 85602-0670

(City)

(State)

(Zip)

520-586-5599 520-586-5279

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address \_\_\_\_\_

Local Office Mailing Address 1000 South Highway 80

(Street)

Benson AZ 85602-0670

(City)

(State)

(Zip)

Same as above

Local Customer Service Phone No. (Include Area Code)

(1-800 or other long distance Customer Service Phone No.)

Email Address \_\_\_\_\_ Website address www.azgt.coop

## MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Joe King Senior Financial Analyst

(Name)

(Title)

1000 South Highway 80 Benson AZ 85602-0670

(Street)

(City)

(State)

(Zip)

520-586-5129 520-586-5332

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: jking@ssw.coop

On Site Manager: Patrick F. Ledger, CEO

(Name)

1000 South Highway 80 Benson AZ 85602-0670

(Street)

(City)

(State)

(Zip)

520-586-5109

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: pledger@ssw.coop

Statutory Agent: Lewis and Roca, LLP

(Name)

One South Church Avenue, Suite 700

Tucson

AZ 85701-1611

(Street)

(City)

(State)

(Zip)

520-629-4466

520-879-4730

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Roy Kyle

(Name)

Same as above

(Street)

(City)

(State)

(Zip)

520-629-4466

520-879-4730

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

EmailAddress rkyle@lrrlaw.com

### 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:

- 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		
Commercial		
Industrial		
Public Street and Highway Lighting		
Irrigation		
<b>Total Retail</b>		

### Wholesale Information

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

Total MWh Sold \_\_\_\_\_ MWh

Maximum Peak Load \_\_\_\_\_ MW

COMPANY NAME:

**UTILITY SHUTOFFS / DISCONNECTS**

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

OTHER (description):

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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

**MAY 13 2015**

AZ CORP COMM  
Director - Utilities

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>Cochise</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Peter F. Scott, CFO</b>
COMPANY NAME <b>Southwest Transmission Cooperative, Inc.</b>

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

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>-0-</u>

(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  
**520-586-5319**

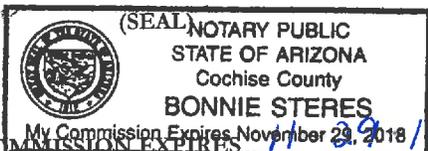
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12<sup>th</sup> DAY OF

COUNTY NAME <b>Cochise</b>
MONTH <b>May</b> 2015



*(Handwritten Signature)*

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11/29/18

## FINANCIAL INFORMATION

Attach to this annual report a copy of the Company year-end (Calendar Year 2014) 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.**

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

FINANCIAL AND OPERATING REPORT  
ELECTRIC POWER SUPPLY  
PART A - FINANCIAL

BORROWER DESIGNATION

A20031

PERIOD ENDED

December, 2014

INSTRUCTIONS - See help in the online application.

SECTION A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Electric Energy Revenues				
2. Income From Leased Property (Net)				
3. Other Operating Revenue and Income	39,113,954	35,105,379		3,021,914
4. Total Operation Revenues & Patronage Capital (1 thru 3)	39,113,954	35,105,379		3,021,914
5. Operating Expense - Production - Excluding Fuel				
6. Operating Expense - Production - Fuel				
7. Operating Expense - Other Power Supply	2,778,583	2,666,075		257,905
8. Operating Expense - Transmission	10,902,055	11,549,057		975,585
9. Operating Expense - RTD/ISO				
10. Operating Expense - Distribution				
11. Operating Expense - Customer Accounts				
12. Operating Expense - Customer Service & Information				
13. Operating Expense - Sales				
14. Operating Expense - Administrative & General	4,205,765	3,505,464		369,997
15. Total Operation Expense (5 thru 14)	17,886,403	17,720,596		1,602,487
16. Maintenance Expense - Production				
17. Maintenance Expense - Transmission	4,138,051	3,499,988		385,098
18. Maintenance Expense - RTD/ISO				
19. Maintenance Expense - Distribution				
20. Maintenance Expense - General Plant	1,394,960	1,536,447		134,880
21. Total Maintenance Expense (16 thru 20)	5,533,011	5,036,435		519,978
22. Depreciation and Amortization Expense	5,895,670	4,155,952		438,692
23. Taxes				
24. Interest on Long-Term Debt	4,910,697	4,811,497		405,762
25. Interest Charged to Construction - Credit	(30,490)	(31,825)		(3,549)
26. Other Interest Expense	47,150	23,212		1,877
27. Asset Retirement Obligations				
28. Other Deductions	1,515,746	(41,647)		(31,082)
29. Total Cost Of Electric Service (15 + 21 thru 28)	35,758,187	31,674,220		2,934,165
30. Operating Margins (4 less 29)	3,355,767	3,431,159		87,749
31. Interest Income	586,584	668,286		130,053
32. Allowance For Funds Used During Construction				
33. Income (Loss) from Equity Investments				
34. Other Non-operating Income (Net)	276,011	283,449		9,317
35. Generation & Transmission Capital Credits				
36. Other Capital Credits and Patronage Dividends	24,874	35,026		
37. Extraordinary Items				
38. Net Patronage Capital Or Margins (30 thru 37)	4,243,236	4,417,920		227,119

RUS Financial and Operating Report Electric Power Supply - Part A - Financial

Revision Date 2013

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION	
FINANCIAL AND OPERATING REPORT ELECTRIC POWER SUPPLY PART A - FINANCIAL		A20031	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED	
		December, 2014	
SECTION B. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	190,177,924	33. Memberships	900
2. Construction Work in Progress	2,430,887	34. Patronage Capital	
3. Total Utility Plant (1 + 2)	192,608,811	a. Assigned and Assignable	26,488,888
4. Accum. Provision for Depreciation and Amortization	89,868,822	b. Retired This year	0
5. Net Utility Plant (3 - 4)	102,739,989	c. Retired Prior years	0
6. Non-Utility Property (Net)	0	d. Net Patronage Capital (a - b - c)	26,488,888
7. Investments in Subsidiary Companies	0	35. Operating Margins - Prior Years	0
8. Invest. in Assoc. Org. - Patronage Capital	115,453	36. Operating Margin - Current Year	3,466,185
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Non-Operating Margins	951,735
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,445,505	38. Other Margins and Equities	0
11. Investments in Economic Development Projects	0	39. Total Margins & Equities (33 + 34d thru 38)	30,907,708
12. Other Investments	0	40. Long-Term Debt - RUS (Net)	0
13. Special Funds	0	41. Long-Term Debt - FFB - RUS Guaranteed	92,167,935
14. Total Other Property And Investments (6 thru 13)	1,560,958	42. Long-Term Debt - Other - RUS Guaranteed	0
15. Cash - General Funds	1,248,205	43. Long-Term Debt - Other (Net)	21,261,494
16. Cash - Construction Funds - Trustee	267,187	44. Long-Term Debt - RUS - Econ. Devel. (Net)	0
17. Special Deposits	43,200	45. Payments - Unapplied	7,758,912
18. Temporary Investments	16,752,914	46. Total Long-Term Debt (40 thru 44 - 45)	95,670,517
19. Notes Receivable (Net)	0	47. Obligations Under Capital Leases Noncurrent	304,437
20. Accounts Receivable - Sales of Energy (Net)	2,978,565	48. Accumulated Operating Provisions and Asset Retirement Obligations	0
21. Accounts Receivable - Other (Net)	1,557,092	49. Total Other NonCurrent Liabilities (47 + 48)	304,437
22. Fuel Stock	0	50. Notes Payable	0
23. Renewable Energy Credits	0	51. Accounts Payable	1,168,054
24. Materials and Supplies - Other	4,479,292	52. Current Maturities Long-Term Debt	6,103,860
25. Prepayments	1,252,081	53. Current Maturities Long-Term Debt - Rural Devel.	0
26. Other Current and Accrued Assets	17,374	54. Current Maturities Capital Leases	111,456
27. Total Current And Accrued Assets (15 thru 26)	28,595,910	55. Taxes Accrued	1,162,228
28. Unamortized Debt Discount & Extraordinary Property Losses	388,549	56. Interest Accrued	9,530
29. Regulatory Assets	0	57. Other Current and Accrued Liabilities	364,879
30. Other Deferred Debits	2,605,756	58. Total Current & Accrued Liabilities (50 thru 57)	8,920,007
31. Accumulated Deferred Income Taxes	0	59. Deferred Credits	88,493
32. Total Assets and Other Debits (5+14+27 thru 31)	135,891,162	60. Accumulated Deferred Income Taxes	0
		61. Total Liabilities and Other Credits (39 + 46 + 49 + 58 thru 60)	135,891,162