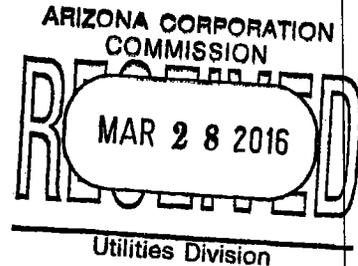


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

E-01787A

Navopache Electric Cooperative, Inc.
1878 W. White Mountain Blvd.
Lakeside, AZ 85929



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	2015
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FOR COMMISSION USE

ANN 01	15
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3-29-16

COMPANY INFORMATION

Company Name (Business Name) <u>Navopache Electric Cooperative, Inc</u>			
Mailing Address <u>1878 W. White Mountain Blvd.</u>			
<u>Lakeside</u>	<u>(Street)</u>	<u>AZ</u>	<u>85929</u>
(City)		(State)	(Zip)
<u>928-368-5118</u>	<u>928-368-6038</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>ggouker@navopache.org</u>			
Local Office Mailing Address <u>1878 W. White Mountain Blvd.</u>			
<u>Lakeside</u>	<u>(Street)</u>	<u>AZ</u>	<u>85929</u>
(City)		(State)	(Zip)
<u>928-368-5118</u>	<u>800-543-6324</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.navopache.org</u>		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Gayle Gouker</u> <u>Supervisor Financial Services</u>			
	<u>(Name)</u>	<u>(Title)</u>	
<u>1878 W. White Mountain Blvd.</u>	<u>Lakeside</u>	<u>AZ</u>	<u>85929</u>
(Street)	(City)	(State)	(Zip)
<u>928-368-5118</u>	<u>928-368-6038</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>ggouker@navopache.org</u>			
On Site Manager: <u>Charles R. Moore</u>			
	<u>(Name)</u>		
<u>1878 W. White Mountain Blvd.</u>	<u>Lakeside</u>	<u>AZ</u>	<u>85929</u>
(Street)	(City)	(State)	(Zip)
<u>928-368-5118</u>	<u>928-368-6038</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>cmoore@navopache.org</u>			

Statutory Agent: Elizabeth Neal			
(Name)			
1878 W. White Mountain Blvd.	Lakeside	AZ	85929
(Street)	(City)	(State)	(Zip)
928-368-5118	928-368-6038		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: Raymond Heyman, Snell & Wilmer			
(Name)			
One Arizona Center, 400 E Van Buren, Suite 1900	Phoenix	AZ	85004
(Street)	(City)	(State)	(Zip)
602-382-6000			
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 checked="" type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input checked="" type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input checked="" type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input checked="" 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

Retail Information

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	35,045	216,690,743
Commercial	3,326	131,236,861
Industrial	9	22,135,147
Public Street and Highway Lighting	117	1,048,258
Irrigation	145	8,473,051
Total Retail	38,642	379,584,060

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale	0	0
Short-term Sales (durations of less than one year)	0	0
Total Wholesale	0	0

Total MWh Sold 379,584 MWh

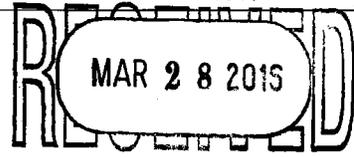
Maximum Peak Load 72.8 MW

COMPANY NAME: Navopache Electric Cooperative, Inc.

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-211.B	Termination with Notice R14-2-211	OTHER
JANUARY		428	
FEBRUARY		235	
MARCH		339	
APRIL		342	
MAY		306	
JUNE		282	
JULY		280	
AUGUST		408	
SEPTEMBER		406	
OCTOBER		370	
NOVEMBER		226	
DECEMBER		430	
TOTALS →		4,052	

OTHER (description):



VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

Utilities Division

VERIFICATION

STATE OF Arizona

Form with fields: COUNTY OF (COUNTY NAME) Navajo, NAME (OWNER OR OFFICIAL) TITLE Gayle Gouker, Supervisor Financial Services, COMPANY NAME Navopache Electric Cooperative, Inc.

I, THE UNDERSIGNED OF THE

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

FOR THE YEAR ENDING

Table with columns: MONTH (12), DAY (31), YEAR (2015)

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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ 57,694,969

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 3,677,878 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)

SIGNATURE OF OWNER OR OFFICIAL (handwritten signature) and TELEPHONE NUMBER 928-368-5118

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28th DAY OF

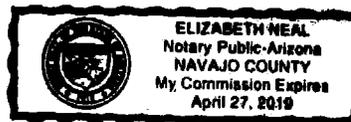
Form box for day of month

(SEAL)

Form with fields: COUNTY NAME Navajo, MONTH March, .20 16

SIGNATURE OF NOTARY PUBLIC (handwritten signature)

MY COMMISSION EXPIRES April 27, 2017



FINANCIAL INFORMATION

Attach to this annual report a copy of the Company year-end (Calendar Year 2015) 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.**

NEC
Balance Sheet
12/31/2015

ACC Utilities Division Report

Description	YTD System	AZ Estimate
ASSETS AND OTHER DEBITS		
1. Total Utility Plant in Service	155,195,972	146,029,951
2. Construction Work in Progress	7,308,142	6,802,856
3. Total Utility Plant (1 + 2)	162,504,114	152,832,807
4. Accum. Provision for Depreciation and Amort.	60,501,659	56,985,689
5. Net Utility Plant (3 - 4)	102,002,455	95,847,119
6. Non-Utility Property (Net)	-	-
7. Invest. in Subsidiary Companies	-	-
8. Invest. in Assoc. Org. - Patronage Capital	1,034,786	973,671
9. Invest. in Assoc. Org. - Other - General Funds	154,595	145,464
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,313,394	1,235,824
11. Invest. in Economic Development Projects	-	-
12. Other Investments	9,376	9,376
13. Special Funds	-	-
14. Total Other Property & Investments (6 thru 13)	2,512,152	2,364,336
15. Cash - General Funds	1,087,331	1,023,230
16. Cash - Construction Funds - Trustee	5	5
17. Special Deposits	967,321	967,321
18. Temporary Investments	3,500,000	3,293,287
19. Notes Receivable (Net)	1,753	1,717
20. Accounts Receivable - Sales of Energy (Net)	3,816,409	3,737,635
21. Accounts Receivable - Other (Net)	9,101	8,914
22. Renewable Energy Credits	-	-
23. Material and Supplies - Electric & Other	4,538,593	4,455,559
24. Prepayments	694,806	653,770
25. Other Current and Accrued Assets	284,940	260,377
26. Total Current and Accrued Assets (15 thru 25)	14,900,259	14,401,814
27. Regulatory Assets	-	-
28. Other Deferred Debits	619,920	603,725
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	120,034,786	113,216,994
LIABILITIES AND OTHER CREDITS		
30. Memberships	169,205	161,425
31. Patronage Capital	26,618,782	25,121,163
32. Operating Margins - Prior Years	(3,050,594)	(3,050,594)
33. Operating Margins - Current Year	705,279	1,329,530
34. Non-Operating Margins	93,125	90,550
35. Other Margins and Equities	1,848,282	1,776,978
36. Total Margins & Equities (30 thru 35)	25,678,800	24,099,521
37. Long-Term Debt - RUS (Net)	38,497,899	36,224,176
38. Long-Term Debt - FFB - RUS Guaranteed	41,116,353	38,687,982
39. Long-Term Debt - Other - RUS Guaranteed	-	-
40. Long-Term Debt - Other (Net)	2,142,536	2,015,996
41. Long-Term Debt - RUS Econ. Devel. (Net)	-	-
42. Payments - Unapplied	-	-
43. Total Long-Term Debt (37 thru 41 - 42)	81,756,788	76,928,154
44. Obligations Under Capital Leases - Noncurrent	-	-
45. Accumulated Operating Provisions	1,142,696	1,094,582
46. Total Other Noncurrent Liabilities (44 + 45)	1,142,696	1,094,582
47. Notes Payable	-	-
48. Accounts Payable	6,420,301	6,252,580
49. Consumers Deposits	1,015,756	976,569
50. Current Maturities Long-Term Debt	-	-
51. Current Maturities Long-Term Debt - Econ. Devel.	-	-
52. Current Maturities Capital Leases	-	-
53. Other Current and Accrued Liabilities	1,775,780	1,703,021
54. Total Current & Accrued Liabilities (47 thru 53)	9,211,837	8,932,170
55. Regulatory Liabilities	-	-
56. Other Deferred Credits	2,244,666	2,162,566
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	120,034,786	113,216,994

NEC
Income Statement
12/31/2015
ACC Utilities Division Report

Description	YTD System	AZ
1. Operating Revenue and Patronage Capital	55,137,663	53,612,979
2. Power Production Expense	-	
3. Cost of Purchased Power	31,460,729	30,638,863
4. Transmission Expense	249,554	228,042
5. Regional Market Expense	-	
6. Distribution Expense - Operation	3,430,521	3,134,798
7. Distribution Expense - Maintenance	2,218,611	2,027,359
8. Customer Accounts Expense	2,417,702	2,324,430
9. Customer Service and Informational Expense	261,908	251,803
10. Sales Expense	16,276	15,648
11. Administrative and General Expense	6,621,218	6,365,779
12. Total Operation & Maintenance Expense (2 thru 11)	46,676,519	44,986,723
13. Depreciation & Amortization Expense	5,495,990	5,171,392
14. Tax Expense - Property & Gross Receipts	-	-
15. Tax Expense - Other	13,971	13,585
16. Interest on Long-Term Debt	2,377,206	2,236,806
17. Interest Charged to Construction - Credit	-	
18. Interest Expense - Other	65,802	64,444
19. Other Deductions	7,374	7,089
20. Total Cost of Electric Service (12 thru 19)	54,636,861	52,480,038
21. Patronage Capital & Operating Margins (1 minus 20)	500,801	1,132,941
22. Non Operating Margins - Interest	65,490	63,679
23. Allowance for Funds Used During Construction	-	
24. Income (Loss) from Equity Investments	-	
25. Non Operating Margins - Other	27,635	26,871
26. Generation and Transmission Capital Credits	-	
27. Other Capital Credits and Patronage Dividends	204,477	196,589
28. Extraordinary Items	-	
29. Patronage Capital or Margins (21 thru 28)	798,404	1,420,080
Operating - Margin	705,279	1,329,530
Non Operating - Margin	93,125	90,550
Times Interest Earned Ratio - Net	1.34	1.63