

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

E-01773A
Arizona Electric Power Cooperative, Inc.
PO Box 670
Benson, AZ 85602

RECEIVED
APR 18 2014
ACC UTILITIES DIRECTOR

ANNUAL REPORT
Electric

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

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S-2-14

COMPANY INFORMATION

Company Name (Business Name) Arizona Electric Power Cooperative, Inc.			
Mailing Address <u>PO Box 670</u>			
(Street)			
<u>Benson</u>	<u>Arizona</u>	<u>85602</u>	
(City)	(State)	(Zip)	
<u>520-586-3631</u>	<u>520-586-5343</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>1000 So. Hwy 80</u>			
(Street)			
<u>Benson</u>	<u>Arizona</u>	<u>85602</u>	
(City)	(State)	(Zip)	
<u>Same as above</u>			
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

<input checked="" type="checkbox"/> Regulatory Contact:			
<input type="checkbox"/> Management Contact: <u>Joe King</u> <u>Financial Analyst-Rates Administration</u>			
(Name)		(Title)	
<u>1000 So. Hwy 80</u>	<u>Benson</u>	<u>Arizona</u>	<u>85602</u>
(Street)	(City)	(State)	(Zip)
<u>520-586-5129</u>	<u>520-586-5332</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>jking@ssw.coop</u>			
On Site Manager: <u>Patrick F. Ledger</u>			
(Name)			
<u>1000 So. Hwy 80</u>	<u>Benson</u>	<u>Arizona</u>	<u>85602</u>
(Street)	(City)	(State)	(Zip)
<u>520-586-5008</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>pledger@ssw.coop</u>			

Statutory Agent: Rusing Lopez and Lizardi, PLLC

(Name)

6363 North Swan Road, Suite 151

Tucson

Arizona

85718

(Street)

(City)

(State)

(Zip)

520-792-4800

520-529-4262

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Patricio P. Lopez

(Name)

Same as above

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address plopez@rusingandlopez.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		
Total Retail		

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale	6	2,487,018,960
Short-term Sales (durations of less than one year)	35	2,678,237,968
Total Wholesale		

Total MWh Sold _____ MWh

Maximum Peak Load _____ 635 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):

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 18 2014

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	ACC UTILITIES DIRECTOR
NAME (OWNER OR OFFICIAL) TITLE	
COMPANY NAME	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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.

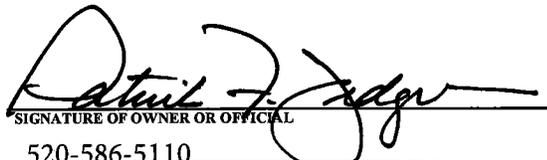
SWORN STATEMENT

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 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 153,383,751

(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)**


SIGNATURE OF OWNER OR OFFICIAL
520-586-5110
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

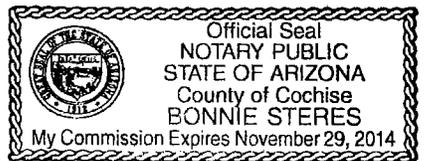
THIS 15th DAY OF

(SEAL)

COUNTY NAME Cochise	
MONTH April	2014


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11-29-14



FINANCIAL INFORMATION

Attach to this annual report a copy of the Company year-end (Calendar Year 2013) 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.**

OPERATING REPORT - FINANCIAL

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

MONTH ENDING

December 31, 2013

SECTION B. BALANCE SHEET**ASSETS AND OTHER DEBITS**

1. Total Utility Plant in Service	477,034,644
2. Construction Work in Progress	2,557,721
3. Total Utility Plant (1 + 2)	479,592,365
4. Accum. Provision for Depreciation & Amort.	-229,817,382
5. Net Utility Plant (3 - 4)	249,774,983
6. Non-Utility Property - Net	0
7. Investment in Subsidiary Companies	0
8. Invest. in Assoc. Org. - Patronage Capital	8,627,334
9. Invest. in Assoc. Org. - Other - General Funds	0
10. Invest. in Assoc. Org. - Other - Non-Gen. Funds	7,402,310
11. Investments in Economic Development Projects	289,897
12. Other Investments	0
13. Special Funds	2,992,388
14. Total Other Property & Investment (6 thru 13)	19,311,928
15. Cash - General Funds	-108,339
16. Cash - Construction Funds - Trustee	47,750
17. Special Deposits	596,628
18. Temporary Investments	25,290,845
19. Notes Receivable - Net	0
20. Accounts Receivable - Sales of Energy (Net)	14,744,474
21. Accounts Receivable - Net	4,750,124
22. Fuel Stock	9,749,528
23. Renewable Energy Credits	0
24. Materials and Supplies - Other	8,452,956
25. Prepayments	1,072,605
26. Other Current and Accrued Assets	80,798
27. Total Current and Accrued Assets (15 thru 26)	64,677,369
28. Unamortized Debt Disc. & Extraord. Prop. Losses	220,885
29. Regulatory Assets	0
30. Other Deferred Debits	10,735,820
31. Accumulated Deferred Income Tax	0
32. Total Assets & Other Debits (5 + 14 + 27 Thru 31)	344,720,985

LIABILITIES AND OTHER CREDITS

33. Memberships	430
34. Patronage Capital	
a. Assigned and Assignable	100,839,426
b. Retired This Year	(620,763)
c. Retired Prior Years	(463,799)
d. Net Patronage Capital	99,754,863
35. Operating Margins - Prior Years	0
36. Operating Margins - Current Year	11,122,697
37. Non-Operating Margins	419,035
38. Other Margins and Equities	0
39. Total Margins & Equities (33 + 34d thru 38)	111,297,025
40. Long-Term Debt - RUS (Net)	0
41. Long-Term Debt - FFB - RUS Guaranteed	154,324,052
42. Total Long-Term Debt - Other - REA Guaranteed	0
43. Total Long-Term Debt - Other (Net)	27,977,130
44. Long-Term Debt - REA - Econ. Devel. (Net)	0
45. (Payments-Unapplied \$)	(10,312,800)
46. Total Long-Term Debt (40 thru 45)	171,988,382
47. Obligations Under Capital Leases - Noncurrent	63,027
48. Accumulated Operating Provisions and ARO	16,528,086
49. Total Other Noncurrent Liabilities (47 + 48)	16,591,113
50. Notes Payable	7,887,583
51. Accounts Payable	15,473,014
52. Current Maturities Long Term Debt	10,440,556
53. Current Maturities Long Term Debt - Rural Devel.	0
54. Current Maturities Capital Leases	148,245
55. Taxes Accrued	1,345,293
56. Interest Accrued	35,501
57. Other Current & Accrued Liabilities	159,985
58. Total Current & Accrued Liabilities (50 thru 57)	35,490,178
59. Deferred Credits	9,354,287
60. Accumulated Deferred Income Taxes	0
61. Total Liabilities and Other Credits	
(39 + 46 + 49 + 58 thru 60)	344,720,985

USDA-RUS

BORROWER DESIGNATION

OPERATING REPORT - FINANCIAL

ARIZONA 28

BORROWER NAME AND ADDRESS

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

P.O. BOX 670

BENSON, ARIZONA 85602

INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to

PERIOD ENDING

RUS USE ONLY

nearest dollar. For detailed instructions, see RUS Bulletin 1717B-3

31-Dec-13

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

DATE

SIGNATURE OF MANAGER

DATE

SECTION A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			
	LAST YEAR	THIS YEAR	BUDGET	THIS MONTH
	(a)	(b)	(c)	(d)
1. Electric Energy Revenues	149,602,455	160,625,676	0	13,060,408
2. Income From Leased Property - Net	0	0	0	0
3. Other Operating Revenue and Income	8,247,489	9,366,449	0	721,404
4. Total Oper. Revenues & Patronage Capital (1 thru 3)	157,849,943	169,992,125	0	13,781,812
5. Operation Expense - Production - Excluding Fuel	13,845,935	14,144,948	0	1,661,980
6. Operation Expense - Production - Fuel	60,006,424	73,249,176	0	6,846,906
7. Operation Expense - Other Power Supply	22,244,448	18,469,233	0	767,783
8. Operation Expense - Transmission	10,214,055	10,822,463	0	1,246,395
9. Operation Expense - RTO / ISO				
10. Operation Expense - Distribution	0	0	0	0
11. Operation Expense - Consumer Accounts	508,528	639,150	0	24,123
12. Operation Expense - Consumer Service & Information	0	0	0	0
13. Operation Expense - Sales	0	0	0	0
14. Operation Expense - Administrative & General	6,854,733	8,842,344	0	1,085,070
15. Total Operation Expense (5 thru 13)	113,674,123	126,167,314	0	11,632,257
16. Maintenance Expense - Production	15,514,768	14,337,999		1,374,710
17. Maintenance Expense - Transmission	8,433	29,541	0	690
18. Maintenance Expense - RTO / ISO				
19. Maintenance Expense - Distribution	0	0	0	0
20. Maintenance Expense - General Plant	1,853,466	839,694	0	-71,869
21. Total Maintenance Expense (15 thru 18)	17,376,667	15,207,234	0	1,303,530
22. Depreciation & Amortization Expense	10,172,982	10,183,997	0	813,008
23. Taxes	0	0	0	0
24. Interest on Long-Term Debt	9,075,209	8,795,452	0	1,005,559
25. Interest Charged to Construction - Credit	-12,121	-7,163	0	-1,472
26. Other Interest Expense	380,170	182,715	0	9,860
27. Asset Retirement Obligation	172,183	160,704		228,952
28. Other Deductions	76,247	60,334	0	4,595
29. Total Cost of Electric Service (14 + 19 thru 25)	150,915,461	160,750,587	0	14,996,290
30. Operating Margins (4 - 26)	6,934,483	9,241,538	0	-1,214,478
31. Interest Income	704,257	1,035,469	0	213,263
32. Allowance for Funds Used During Construction	0	0	0	0
33. Income (Loss) from Equity Investments	0	0	0	0
34. Other Nonoperating Income - Net	-5,105,681	-616,434	0	-1,594,796
35. Generation & Transmission Capital Credits	0	0	0	0
36. Other Capital Credits & Patronage Dividends	2,433,049	1,881,160	0	-1
37. Extraordinary Items	0	0	0	0
38. Net Patronage Capital or Margins (27 thru 33)	4,966,107	11,541,732	0	-2,596,011
ITEM	Mills/kWh (Optional Use by Borrower)			
36. Electric Energy Revenue Per kWh Sold		0.00		
37. Total Operation & Maintenance Expense Per kWh Sold		0.00		
38. Total Cost of Electric Service Per kWh Sold		0.00		
39. Purchased Power Cost Per kWh		0.00		