

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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APR 22 2015

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

ARIZONA CORP COMM
Director - Utilities

G-02528A

Duncan Valley Electric Cooperative, Inc. - Gas Division
PO Box 440
Duncan, AZ 85534

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

Gas

FOR YEAR ENDING

12	31	2014
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FOR COMMISSION USE

ANN 02	14
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4-27-15

COMPANY INFORMATION

Company Name (Business Name) DUNCAN VALLEY ELECTRIC COOPERATIVE - GAS DIVISION

Mailing Address PO BOX 440

(Street)

DUNCAN

AZ

85534

(City)

(State)

(Zip)

928-359-2503

928-359-2370

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address kimberly@dvec.org

Local Office Mailing Address same as above

(Street)

(City)

(State)

(Zip)

Local Customer Service Phone No. (Include Area Code)

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

Email Address _____ **Website address** _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Steven Lunt

CEO

(Name)

(Title)

PO Box 440

Duncan

AZ

85534

(Street)

(City)

(State)

(Zip)

928-359-2503

928-359-2370

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address stevel@dvec.org

On Site Manager: same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address: _____

Statutory Agent: Gallaher & Kennedy

Mike Grant

(Name)

PO Box 32159

Phoenix

AZ

85064

(Street)

(City)

(State)

(Zip)

602-530-8000

602-257-9459

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: same as above

(Name)

(Street)

(City)

(State)

(Zip)

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 type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input 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 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:

Gas

Natural Gas

Propane

Other (Specify) _____

STATISTICAL INFORMATION

GAS UTILITIES ONLY

Total number of customers	742
Residential	674
Commercial	51
Industrial	
Irrigation	17
Resale	
Total therms sold	386,010 therms
Residential	250,950
Commercial	62,115
Industrial	
Irrigation	72,945
Resale	0

COMPANY NAME:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-311.B	Termination with Notice R14-2-311.C	OTHER
JANUARY		0	
FEBRUARY		0	
MARCH		1	
APRIL		0	
MAY		0	
JUNE		0	
JULY		0	
AUGUST		2	
SEPTEMBER		2	
OCTOBER		1	
NOVEMBER		0	
DECEMBER		0	
TOTALS →		6	

OTHER (description):

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 22 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED
OF THE

<small>COUNTY OF (COUNTY NAME)</small>	GREENLEE
<small>NAME (OWNER OR OFFICIAL) TITLE</small>	STEVE LUNT, CEO
<small>COMPANY NAME</small>	DUNCAN VALLEY ELECTRIC COOPERATIVE, INC.

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

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
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.

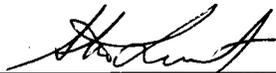
SWORN STATEMENT

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:

<small>Arizona Intrastate Gross Operating Revenues Only (\$)</small>
\$ <u>550,939.83</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 40,929.72
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
928-359-2503

TELEPHONE NUMBER

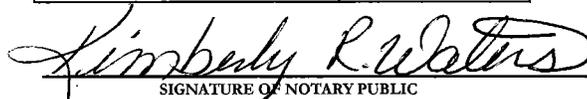
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF

(SEAL)

<small>COUNTY NAME</small>	Greenlee	
<small>MONTH</small>	April	2015



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 10/13/2016

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

RECEIVED
APR 22 2015

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) Greenlee	AZ CORP COMM <i>Director - Utilities</i>
NAME (OWNER OR OFFICIAL) Steve Lunt	TITLE CEO
COMPANY NAME Duncan Valley Electric Cooperative - Gas Division	

I, THE UNDERSIGNED

OF THE

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 REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 416,667.36

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 30,675.50 IN SALES TAXES BILLED, OR COLLECTED)

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



SIGNATURE OF OWNER OR OFFICIAL

928-359-2503

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS *17th* DAY OF

(SEAL)

MY COMMISSION EXPIRES *10/13/2016*

NOTARY PUBLIC NAME	
COUNTY NAME Greenlee	
MONTH April	,20 15



SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' 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.**

FINANCIAL AND STATISTICAL REPORT		DUNCAN VALLEY ELECTRIC COOPERATIVE GAS DIVISION DUNCAN, AZ 85534				
		YEAR ENDING December 31, 2014				
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT		DATE				
SIGNATURE OF MANAGER		DATE				
PART A. STATEMENT OF OPERATIONS					December	
ITEM	YEAR-TO-DATE			THIS MONTH		
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	(d)		
1. Operating Revenue and Patronage Capital	603,857	572,883	635,038	83,278		
2. Cost of Purchased Gas	162,388	180,226	192,685	27,341		
3. Revenue Less Cost of Purchased Gas	441,469	392,657	442,352	55,937		
	-	-	-			
5. Distribution Expense-Operation	273,011	290,064	243,495	31,145		
6. Distribution Expense-Maintenance	67,820	30,684	55,263	4,904		
7. Consumer Accounts Expense	64,475	41,635	59,134	4,332		
8. Customer Service and Informational Expense	2,344	4,233	2,522	307		
9. Sales Expense	-	-	-			
10. Administrative and General Expense	21,864	26,983	21,864	2,939		
11. Total Operation & Maintenance Expense (5 - 10)	429,515	393,599	382,277	43,625		
12. Depreciation and Amortization Expense	43,332	43,762	44,127	3,738		
13. Tax Expense - Property	-	-	-			
14. Tax Expense - Other	-	-	-			
15. Interest on Long-Term Debt	-	-	-			
16. Interest Charged to Construction - Credit	-	-	-			
17. Interest Expense - Other	26	24	36	2		
18. Other Deductions	-	-	-			
19. Total Cost of Gas Service (11 - 18)	472,872	437,385	426,440	47,365		
20. Operating Margins (1 - 19)	(31,403)	(44,728)	15,912	8,571		
21. Non Operating Margins - Interest	-	-	-			
22. Non Operating Margins - Other	-	-	-			
23. Total Margins (20 - 26)	(31,403)	(44,728)	15,912	8,571		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT						
ITEM	Month	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
		LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connect	-	3	4			
2. Services Retired	-	0	4			
3. Total Services in Place	928	928	928	7. Miles Distribution Underground	55	55
4. Idle Services (Exclude Seasonal)	199	181	199	8. Total Miles of Line	55	55

FINANCIAL AND STATISTICAL REPORT

**DUNCAN VALLEY ELECTRIC COOPERATIVE
GAS DIVISION**

**MONTH ENDING
December 31, 2014**

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	1,581,419	26. Equity Position - Divisional Balancing	1,220,026
2. Construction Work in Progress	1,498	27. Patronage Capital	
3. Total Utility Plant (1 + 2)	1,582,917	28. Operating Margins - Prior Years	(481,107)
4. Accum. Provision for Depreciation & Amort	954,674	29. Operating Margins - Current Year	(44,728)
5. Net Utility Plant (3 - 4)	628,243	30. Non Operating Margins	
6. Nonutility Property - Net		31. Other Margins and Equities	
7. Invest in Assoc Org - Patronage Capital		32. Total Margins & Equities (26 thru 31)	694,192
8. Invest in Assoc Org - Other		33a. Long-Term Debt-DVEC 25 Year	
9. Invest in Assoc Org - Nongeneral Funds		33b. Long-Term Debt-DVEC 35 Year	
10. Other Investments		33c. Long-Term Debt-DVEC 25 Year	
11. Special Funds		33d. Long-Term Debt-DVEC 25 Year	
12. Total Other Property & Investments (6 thru 11)	-	34. Total Long-Term Debt	-
13. Cash - General Funds		35. Notes Payable	
14. Cash - Construction Funds - Trustee		36. Accounts Payable	27,257
15. Special Deposits		37. Consumers Deposits	23,670
16. Temporary Investments		38. Other Current & Accrued Liabilities	8,748
17. Notes Receivable - Net		39. Total Current & Accrued Liabilities (36 thru 39)	59,675
18. Accounts Receivable - Net Sales	82,707	40. Deferred Credits	
19. Accounts Receivable - Net Other		41. Miscellaneous Operating Reserves	
20. Materials & Supplies	22,457	42. Total Liabilities & Other Credits (32 + 34 + 39 thru 41)	753,867
21. Prepayments	4,365		
22. Other Current & Accrued Assets		ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
23. Total Current & Accrued Assets (13 thru 22)	109,529	56. Balance Beginning of Year	6,832
24. Deferred Debits	16,095	57. Amounts Received This Year (Net)	0
25. Total Assets & Other Debits (5+12+23+24)	753,867	58. TOTAL Contributions in Aid of Construction	6,832

PART D. NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT. (IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)