

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

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G-02528A

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

**RECEIVED**

APR 25 2016  
AZ CORP COMM  
Director - Utilities

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	<del>2014</del>
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2015

FOR COMMISSION USE

ANN 02	<del>14</del>
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15

4.25.16

## 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: J. Grant Walker, PLLC

(Name)

1124 W. Thatcher Blvd

Safford

AZ

85546

(Street)

(City)

(State)

(Zip)

928-428-2728

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	730
Residential	664
Commercial	51
Industrial	
Irrigation	15
Resale	
 Total therms sold	 369,992 therms
Residential	251,747
Commercial	65,566
Industrial	
Irrigation	52,679
Resale	0

COMPANY NAME:

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-311.B</b>	<b>Termination with Notice R14-2-311.C</b>	<b>OTHER</b>
JANUARY		0	
FEBRUARY		0	
MARCH		0	
APRIL		0	
MAY		1	
JUNE		0	
JULY		0	
AUGUST		1	
SEPTEMBER		2	
OCTOBER		3	
NOVEMBER		0	
DECEMBER		1	
<b>TOTALS →</b>		<b>8</b>	

OTHER (description):

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VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

APR 25 2016

AZ CORP COMM  
Director - Utilities

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED  
OF THE

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

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$705,198.90

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$42,221.91  
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)

*Steve Lunt*  
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

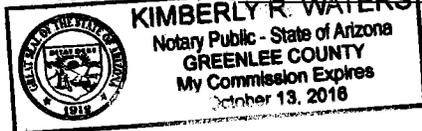
THIS 21<sup>st</sup> DAY OF

(SEAL)

COUNTY NAME	Greenlee
MONTH	April
	2015-2016

*Kimberly R. Waters*  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES



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

**RECEIVED**

APR 25 2016

AZ CORP COMM  
Director - Utilities

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) <b>Greenlee</b>	
NAME (OWNER OR OFFICIAL) <b>Steve Lunt</b>	TITLE <b>CEO</b>
COMPANY NAME <b>Duncan Valley Electric Cooperative - Gas Division</b>	

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	<del>2014</del>	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 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
\$ <u>530,809.93</u>

(THE AMOUNT IN BOX AT LEFT INCLUDES \$31,872.44 IN SALES TAXES BILLED, OR COLLECTED)

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

*Steve Lunt*  
\_\_\_\_\_  
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

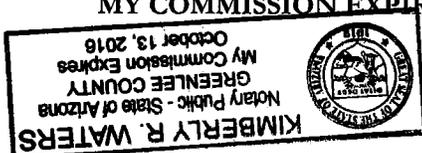
THIS 21<sup>st</sup> DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME <i>Kimberly R. Waters</i>	
COUNTY NAME <b>Greenlee</b>	
MONTH <b>April</b>	20 <b>15</b> / 16

*Kimberly R. Waters*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



10/13/2016

FINANCIAL AND STATISTICAL REPORT	DUNCAN VALLEY ELECTRIC COOPERATIVE GAS DIVISION DUNCAN, AZ 85534	
	YEAR ENDING December 31, 2016	

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT	DATE
SIGNATURE OF MANAGER	DATE

PART A. STATEMENT OF OPERATIONS				February
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1. Operating Revenue and Patronage Capital	158,981	177,230	183,356	79,407
2. Cost of Purchased Gas	42,302	39,453	55,634	16,568
3. Revenue Less Cost of Purchased Gas	116,679	137,777	127,721	62,839
	-	-	-	
5. Distribution Expense-Operation	47,326	31,383	42,924	12,104
6. Distribution Expense-Maintenance	11,182	5,037	8,338	2,469
7. Consumer Accounts Expense	5,270	9,791	7,180	5,007
8. Customer Service and Informational Expense	1,061	996	884	223
9. Sales Expense	-	-	-	
10. Administrative and General Expense	5,114	3,234	4,470	1,834
11. Total Operation & Maintenance Expense (5 - 10)	69,952	50,440	63,797	21,637
12. Depreciation and Amortization Expense	7,587	7,620	7,457	3,810
13. Tax Expense - Property	-	-		
14. Tax Expense - Other	-	-		
15. Interest on Long-Term Debt	-	-		
16. Interest Charged to Construction - Credit	-	-		
17. Interest Expense - Other	4	18	4	9
18. Other Deductions	-	-		
19. Total Cost of Gas Service (11 - 18)	77,543	58,079	71,258	25,456
20. Operating Margins (1 - 19)	39,137	79,698	56,464	37,383
21. Non Operating Margins - Interest	-	-		
22. Non Operating Margins - Other	(253)	-		
23. Total Margins (20 - 26)	38,883	79,698	56,464	37,383

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	-	0	1			
2. Services Retired	-	0	-			
3. Total Services in Place	876	875	876	7. Miles Distribution Underground	55	55
4. Idle Services (Exclude Seasonal)	146	144	146	8. Total Miles of Line	55	55

**FINANCIAL AND STATISTICAL REPORT**

**DUNCAN VALLEY ELECTRIC COOPERATIVE  
GAS DIVISION**

**MONTH ENDING  
February 29, 2016**

**PART C. BALANCE SHEET**

<b>ASSETS AND OTHER DEBITS</b>		<b>LIABILITIES AND OTHER CREDITS</b>	
1. Total Utility Plant in Service	1,629,020	26. Equity Position - Divisional Balancing	1,213,624
2. Construction Work in Progress	47,616	27. Patronage Capital	(552,910)
3. Total Utility Plant (1 + 2)	1,676,636	28. Operating Margins - Prior Years	
4. Accum. Provision for Depreciation & Amort	988,340	29. Operating Margins - Current Year	79,698
5. Net Utility Plant (3 - 4)	688,296	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)	740,412
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	20,633
15. Special Deposits		37. Consumers Deposits	24,070
16. Temporary Investments		38. Other Current & Accrued Liabilities	16,633
17. Notes Receivable - Net		39. Total Current & Accrued Liabilities (36 thru 39)	61,337
18. Accounts Receivable - Net Sales	102,833	40. Deferred Credits	
19. Accounts Receivable - Net Other		41. Miscellaneous Operating Reserves	
20. Materials & Supplies	24,590	42. Total Liabilities & Other Credits (32 + 34 + 39 thru 41)	801,748
21. Prepayments	2,865		
22. Other Current & Accrued Assets			
23. Total Current & Accrued Assets (13 thru 22)	130,288		
24. Deferred Debits	(16,836)		
25. Total Assets & Other Debits (5+12+23+24)	801,748		

**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.)**