

SOCORRO ELECTRIC COOPERATIVE

April 14, 2015

New Mexico Public Regulation Commission
Records Management Bureau
PO Box 1269
Santa Fe, NM 87504-1269

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To Whom It May Concern:

Enclosed please find the 2014 Annual Report to the Commission for Socorro Electric Cooperative, Inc. In addition is the unaudited Form 7 for December 2014. Should you have any questions or need further assistance, please contact me at 1-575-835-0560.

Sincerely,



Joseph Herrera
General Manager



Your Touchstone Energy® Cooperative
The power of human connections®



RURAL ELECTRIC COOPERATIVES

Annual Report

Of

Socorro Electric Cooperative, Inc.

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NEW MEXICO
PUBLIC REGULATION COMMISSION

TO THE

NEW MEXICO

PUBLIC REGULATION COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2014

Long Term debt (Accounts 221-228)											
Line No.	Note Ident.	To Whom Issued	PRC Decision No.	Date Issued	Date of Maturity	Principal Amount	Amount Outstanding		Per Balance Sheet	Interest for Year	
							Principal	Deferred Interest		Rate	Amount
1	14290	RUS		10/25/1988	10/25/2023	751,000	252,291		252,291	2.000%	5,350
2	14291	RUS		10/25/1988	10/25/2023	133,000	46,721		46,721	2.000%	989
3	14292	RUS		10/25/1988	10/25/2023	66,000	31,358		31,358	2.000%	650
4	18320	RUS		7/1/1997	7/1/2032	444,000	324,798		324,798	5.125%	16,944
5	18321	RUS		7/1/1997	7/1/2032	587,000	430,475		430,475	5.125%	22,454
6	18325	RUS		7/1/1997	7/1/2032	791,000	574,158		574,158	5.125%	29,968
7	18326	RUS		7/1/1997	7/1/2032	240,000	174,207		174,207	5.125%	9,093
8	18340	RUS		11/1/2006	11/1/2041	4,264,000	3,856,690		3,856,690	4.410%	171,813
9	18341	RUS		11/1/2006	11/1/2041	1,926,000	1,743,639		1,743,639	4.460%	78,552
10	18342	RUS		11/1/2006	11/1/2041	4,968,000	4,458,758		4,458,758	3.700%	166,857
11	18343	RUS		11/1/2006	11/1/2041	2,878,000	2,630,778		2,630,778	4.350%	115,617
12	18344	RUS		11/1/2006	11/1/2041	4,149,000	3,841,296		3,841,296	4.710%	182,673
13	18345	RUS		11/1/2006	11/1/2041	1,717,000	1,587,953		1,587,953	4.590%	73,611
14	H0010	FFB		9/28/1999	9/28/2034	893,000	642,575		642,575	6.122%	41,134
15	H0015	FFB		11/9/1999	11/9/2034	759,000	546,907		546,907	6.156%	35,198
16	H0020	FFB		5/5/2000	5/5/2035	1,171,000	913,098		913,098	6.327%	59,978
17	H0025	FFB		11/3/2000	11/30/2035	1,460,000	1,111,469		1,111,469	5.820%	67,340
18	H0030	FFB		4/19/2001	4/19/2036	910,000	695,490		695,490	5.569%	40,379
19	H0035	FFB		12/31/2003	12/31/2038	1,652,000	1,365,823		1,365,823	4.973%	70,691
20	H0040	FFB		11/19/2003	11/19/2038	1,285,000	1,044,571		1,044,571	4.935%	53,665
21	H0045	FFB		5/24/2005	5/24/2040	2,726,000	2,270,917		2,270,917	4.817%	113,976
22	H0050	FFB		11/4/2005	11/4/2040	4,069,000	3,423,421		3,423,421	4.797%	171,131
23	H0055	FFB		5/26/2006	5/26/2041	826,000	707,240		707,240	5.192%	38,161
24	F0060	FFB		5/3/2011	5/3/2046	3,032,000	2,941,553		2,941,553	4.114%	125,904
25	H0065	FFB		12/31/2013	12/31/2020	7,938,668	7,769,184		7,769,184	2.319%	192,455
26	2711573	CoBank		5/31/2013	9/30/2020	5,139,592			-	2.620%	117,579
27	2711601	CoBank		5/31/2013	9/30/2025	3,812,363			-	3.460%	125,121
28											
29											
30											
31											
32											
33											
34											
35											
Total							43,385,370	-	43,385,370		2,127,282
34	Less Advance Payments Unapproved (Account 227)						(7,002,664)		(7,002,664)	5.00%	(360,697)
36	Total						36,382,706	-	36,382,706		1,766,585

Electric Operation and Maintenance Expenses

1. Enter in the space provided the operation and maintenance expenses for the year.

2. If the Increases and decreases are not derived from previously reported figures explain in the footnotes.

Line No	Account		Amount for Current Year	Increase or Decrease from Preceding Year
	(a)		(b)	(c)
1	Power Production Expenses			
2	Steam Power Generation			
3	Operation		-	-
4	500	Operation Supervision and Engineering	-	-
5	501	Fuel	-	-
6	502	Steam Expenses	-	-
7	503	Steam from Other Sources	-	-
8	504	Steam Transferred - Credit	-	-
9	505	Electric Expenses	-	-
10	506	Miscellaneous Steam Power Expenses	-	-
11	507	Rents	-	-
12		Total Operation	-	-
13	Maintenance			
14	510	Maintenance Supervision and Engineering	-	-
15	511	Maintenance of Structures	-	-
16	512	Maintenance of Boiler Plant	-	-
17	513	Maintenance of Electric Plant	-	-
18	514	Maintenance of Miscellaneous Steam Plant	-	-
19		Total Maintenance	-	-
20		Total Power Production Expenses-Steam Power	-	-
21	Nuclear Power Generation			
22	Operation			
23	517	Operation Supervision and Engineering	-	-
24	518	Fuel	-	-
25	519	Coolants and Water	-	-
26	520	Steam Expenses	-	-
27	521	Steam from Other Sources	-	-
28	522	Steam Transferred - Credit	-	-
29	523	Electric Expenses	-	-
30	524	Miscellaneous Nuclear Power Expenses	-	-
31	525	Rents	-	-
32		Total Operation	-	-
33	Maintenance			
34	528	Maintenance Supervision and Engineering	-	-
35	529	Maintenance of Structures	-	-
36	530	Maintenance of Reactor Plant Equipment	-	-
37	531	Maintenance of Electric Plant	-	-
38	532	Maintenance of Miscellaneous Nuclear Power	-	-
39		Total Maintenance	-	-
40		Total Power Production Expenses-Nuclear Power	-	-
41	Hydraulic Power Generation			
42	Operation			
43	535	Operation Supervision and Engineering	-	-
44	536	Water for power	-	-
45	537	Hydraulic Expenses	-	-
46	538	Electric Expenses	-	-
47	539	Miscellaneous Hydraulic Power Generation Expenses	-	-
48	540	Rents	-	-
49		Total Operation	-	-
50	Maintenance			
51	541	Maintenance Supervision and Engineering	-	-
52	542	Maintenance of Structures	-	-

Electric Operation and Maintenance Expenses (continued)				
Line No	Account		Amount for Current Year	Increase or Decrease from Preceding Year
	(a)		(b)	(c)
1	Hydraulic Power Generation			
2	543	Main of Reservoirs, Dams and Waterways	-	-
3	544	Maintenance of Electric Plant	-	-
4	545	Maintenance of Miscellaneous Hydraulic Plant	-	-
5		Total Maintenance	-	-
6		Total Power Production Expenses - Hydraulic Power	-	-
7	Other Power Generation			
8	Operation		-	-
9	546	Operation Supervision and Engineering	-	-
10	547	Fuel	-	-
11	548	Generation Expenses	-	-
12	549	Miscellaneous Other Power Generation Expenses	-	-
13	550	Rents	-	-
14		Total Operation	-	-
15	Maintenance			
16	551	Maintenance Supervision and Engineering	-	-
17	552	Maintenance of Structures	-	-
18	553	Maintenance of Generating and Electric Plant	-	-
19	554	Maintenance Misc Other Power Generation Plant	-	-
20		Total Maintenance	-	-
21		Total Power Production Expenses - Other Power	-	-
22	Other Power Expenses			
23	555	Purchased Power	13,414,061	(311,074)
24	556	System Control and Load Dispatching	-	-
25	557	Other Expenses	-	-
26		Total Other Power Expenses	13,414,061	(311,074)
27		Total Power Production Expenses	13,414,061	(311,074)
28	Transmission Expenses			
29	Operation			
30	560	Operation Supervision and Engineering	-	-
31	561	Load Dispatching	-	-
32	562	Station Expenses	12	(1)
33	563	Overhead Line Expenses	25,236	7,578
34	564	Underground Line Expenses	-	-
35	565	Transmission of Electricity by Others	-	-
36	566	Miscellaneous Transmission Expenses	-	-
37	567	Rents	-	-
38		Total Operation	25,248	7,577
39	Maintenance			
40	568	Maintenance of Supervision and Engineering	-	(895)
41	569	Maintenance of Structures	-	-
42	570	Maintenance of Station Equipment	223	54
43	571	Maintenance of Overhead Lines	805	(13,842)
44	572	Maintenance of Underground Lines	-	-
45	573	Maintenance of Miscellaneous Transmission Plant	-	-
46		Total Maintenance	1,028	(14,683)
47		Total Transmission Expense	26,276	(7,106)
48	Distribution Expenses			
49	Operation			
50	580	Operation Supervision and Engineering	87,146	53,496
51	581	Load Dispatching	-	-
52	582	Station Expenses	31,750	15,434
53	583	Overhead Line Expenses	519,240	(19,563)
54	584	Underground Line Expenses	30,362	(7,211)
55	585	Street Lighting and Signal System Expenses	-	-

Electric Operation and Maintenance Expenses (continued)				
Line No	Account		Amount for Current Year	Increase or Decrease from Preceding Year
	(a)		(b)	(c)
1	Distribution Expensed (continued)			
2	586	Meter Expenses	326,167	7,294
3	587	Customer Installations Expenses	35,769	(2,362)
4	588	Miscellaneous Distribution Expenses	164,284	164,284
5	589	Rents	-	-
6		Total Operation	1,194,718	211,372
7	Maintenance			
8	590	Maintenance of Supervision and Engineering	-	-
9	591	Maintenance of Structures	96	(96)
10	592	Maintenance of Station Equipment	17,188	15,947
11	593	Maintenance of Overhead Lines	748,144	(290,353)
12	594	Maintenance of Underground Lines	55,089	(18,022)
13	595	Maintenance of Line Transformers	94,607	(4,347)
14	596	Maintenance of Street Lighting and Signal Systems	100,755	35,814
15	597	Maintenance of Meters	37,113	2,957
16	598	Maintenance of Miscellaneous Distribution Plant	-	-
17		Total Maintenance	1,052,992	(258,100)
18		Total Distribution Expenses	2,247,710	(46,728)
19	Customer Accounts Expenses			
20	Operation			
21	901	Supervision	-	-
22	902	Meter Reading Expenses	143,162	39,081
23	903	Customer Records and Collection Expenses	947,215	35,565
24	904	Uncollectible Accounts	-	-
25	905	Miscellaneous Customer Accounts Expenses	29,528	29,528
26		Total Customer Accounts Expenses	1,119,905	104,174
27	Sales Expenses			
28	Operation			
29	911	Supervision	-	-
30	912	Demonstrating and Selling Expense	-	-
31	913	Advertising Expense	12,447	(647)
32	914	Revenues from Merchandising, Job and Contract Work	-	-
33	915	Cost and Expense of Merchandising, Job and Contract Work	1,582	(2,420)
34	916	Miscellaneous Sales Expenses	(29)	(3,067)
35		Total Sales Expense	14,000	101,107
36	Administrative and General Expenses			
37	Operation			
38	920	Administrative and General Salaries	556,802	(106,894)
39	921	Office Supplies and Expenses	96,617	385
40	922	Administrative Expenses Transferred - Credit	24,685	24,689
41	923	Outside Services Employed	349,982	13,131
42	924	Property Insurance	-	-
43	925	Injuries and Damages	-	-
44	926	Employee Pensions and Benefits	-	-
45	927	Franchise Requirements	-	-
46	928	Regulatory Commission Expenses	22,990	18,645
47	929	Duplicate Charges - Credit	-	-
48	930	Miscellaneous General Expenses	263,970	(57,599)
49	931	Rents	-	-
50		Total Operation	1,315,046	(107,643)
51	Operation			
52	932	Maintenance of General Plant	80,176	(11,315)
53		Total Administrative and General Expenses	80,176	(11,315)
54		Total Operation and Maintenance Expenses	1,395,222	(118,958)

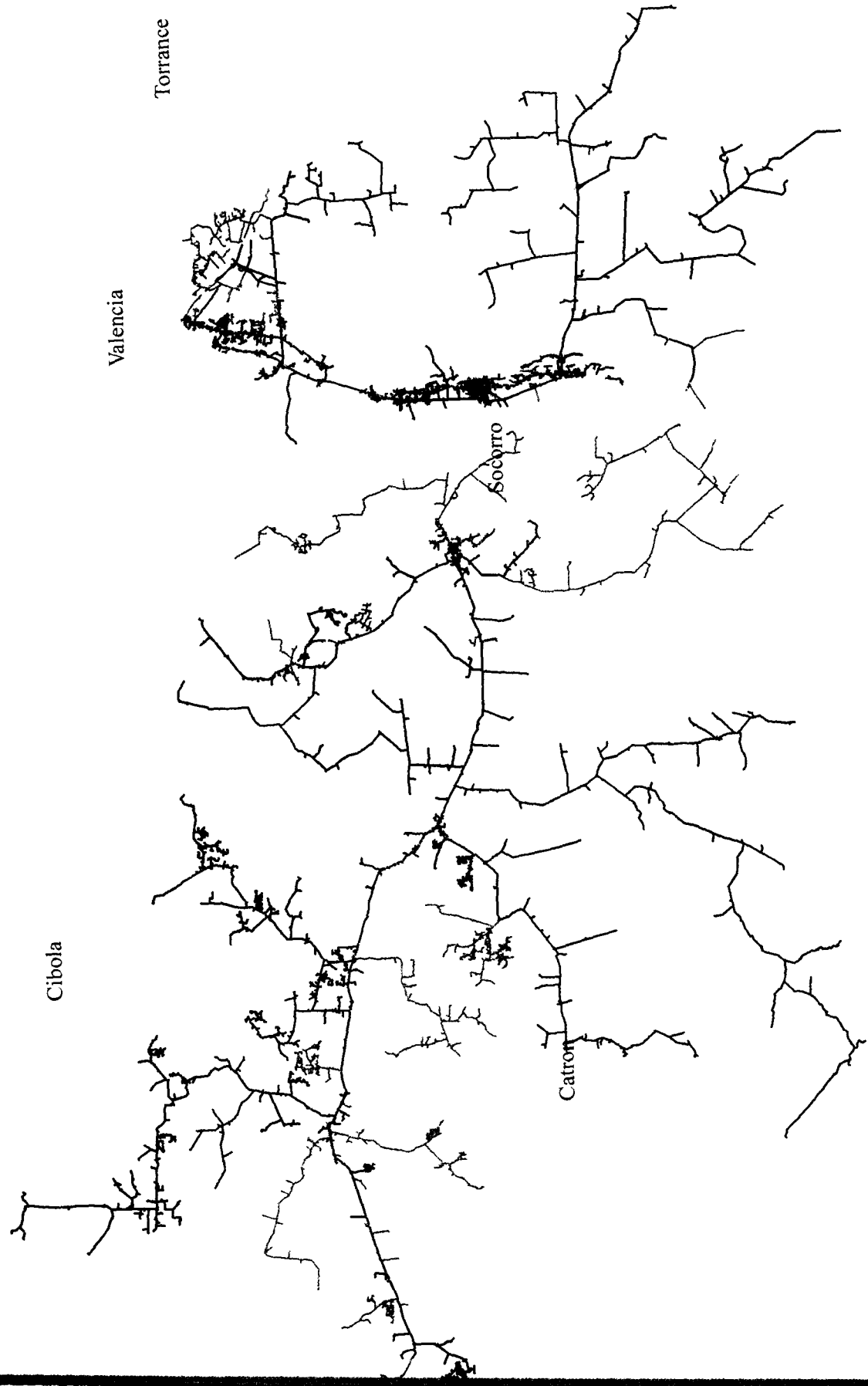
Electric Operation and Maintenance Expenses (continued)				
Summary of Electric Operation and Maintenance Expenses				
Line No	Functional Classification	Operation	Maintenance	Total
	(a)	(b)	(c)	(d)
1	Power Production Expenses			
2	Electric Generation:			
3	Steam Power	-	-	-
4	Nuclear Power	-	-	-
5	Hydraulic Power	-	-	-
6	Other Power	-	-	-
7	Other Power Supply Expenses	13,414,061	-	13,414,061
8	Total Power Production Expenses	13,414,061	-	13,414,061
9	Transmission Expenses	25,248	1,028	26,276
10	Distribution Expenses	1,194,718	1,052,992	2,247,710
11	Customer Accounts Expenses	1,119,905	-	1,119,905
12	Sales Expenses	14,000		14,000
13	Administrative and General Expenses	1,315,046	80,176	1,395,222
14	Total Electric Operation and Maintenance Expenses	17,082,978	1,134,196	18,217,174
Number of Electric Department Employees				
15	Number of electric Department Employees, Payroll Period ending			10/30/2014
16	Total Regular Full-time Employees			38
17	Total Part-Time Employees			0
18	Total Employees			38
<p>The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>If the respondent's payrolls for the reported period include any special construction forces include such employees as part-time and temporary employees and show the number of such special construction employees so included.</p> <p>The number of employees assignable to the electric department from joint job functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>				

Distribution of System Load in Service Area

1. Information is desired regarding the distribution of the system load within the territory served by the system. This information should be furnished on the basis used by respondent in maintaining load distribution data, such as primary substations, operation divisions, communities, metropolitan areas, or other areas.

2. A sketch map showing the location and the approximate boundary of each of these areas, together with identification symbols, should be furnished.

[illegible]



- Legend**
- PrimaryConductor**
- <all other values>
- Placement, PhaseCode**
- OH, ABC, DOUBLECT
 - UG, A
 - UG, B
 - UG, C
 - UG, AB
 - UG, AC
 - UG, ABC
 - US, Unknown
 - OH, Unknown
 - OH, A
 - OH, B
 - OH, C
 - OH, AB
 - OH, AC
 - OH, BC
 - OH, ABC
- SecondaryConductor**
- <all other values>
- Placement**
- OH
 - UG
- County_AZ_NM
- State_AZ_NM

A

Construction Overheads - Electric

- 1 Report below the information called for concerning construction overheads for the year.
- 2 List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management of supervision fees capitalized should be shown as separate items.
- 3 On the lower section of this schedule furnish the requested explanatory information concerning construction overheads.
- 4 A respondent should not report "none" to this schedule if no overhead apportionments are made, but rather should explain on the lower section of this schedule that only such engineering, supervisor, and admin costs, etc, which are directly chargeable construction are charge to construction, if this is the case. Engineering, supervision, administrative and interest costs, etc, which are first assigned to a blanket work order and then prorated to construction jobs shall be considered overheads for the purposes of formulating a response to this schedule.

Line No	Name of Overhead	Total Overheads Cleared to Construction	Cost of Construction to which Overheads were charged (exclusive of overhead charges)	Percent overheads to construction cost
	(a)	(b)	(c)	(d)
1	Labor	105,246	231,618	45.44%
2	Labor Benefits	142,840	231,618	61.67%
3	Indirect Labor/Overhead	82,244	231,618	35.51%
4	Transportation	142,485	231,618	61.52%
5	Material Overhead	68,804	231,618	29.71%
6				
7				
8				
9				
10				
11				
12				
13				
14	Totals			

General Description of Construction Overhead Procedure

- 1 For each construction overhead for electric plant explain:
 - (a) nature of engineering, supervisory, or administrative work, etc, the overhead charges are intended to cover.
 - (b) The general procedure for determining the amount capitalized.
 - (c) The method of distribution to construction jobs.
 - (d) Percentages applied to different types of construction.
 - (e) Basis of differentiation in percentages for different types of construction.
 - (f) Amounts capitalized for each overhead for the year for which this report is submitted.
- 2 In addition to other information concerning engineering and superintendence or other such overheads, explain whether the amounts treated as overheads include all engineering and superintendence costs or only such portions as are not directly chargeable to specific jobs.
- 3 For interest during construction state the interest rate used. The basic charges to which applied, in addition to the amounts capitalized for the year for which this report is submitted.

The cooperative follows the Rural Utilities Services procedures for work orders. All direct material and labor are coded to the work order. The overheads associated with labor and material are allocated based on the cost of the material for material overhead and by labor dollars for any overhead that is related to material. Transportation and its associated overhead are allocated based on miles driven and applied to each work order.

Electric Distribution Meters and Line transformers

- 1 Report below the information called for concerning distribution watt-hour meters and line transformers.
- 2 Watt-hour demand distribution meters should be included below but external demand meters should not be included
- 3 Show in a footnote the number of distribution watt-hour meters or line transformers held by respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lesser, date and period of lease and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner or other party is an associated company.

Line No	Item (a)	Number of Watt-hour Meters (b)	Line Transformers	
			Number (c)	Total Capacity KVA (d)
1	Number at beginning of year	14,358	9,579	
2	Additions during year:			
3	Purchases	387	53	
4	Associated with utility plant acquired	-	-	
5	Total Additions	387	53	
6	Reductions during year:			
7	Retirements	(1,321)	(785)	
8	Associated with utility plant sold	-	-	
9	Total Reductions	(1,321)	(785)	
10	Number at year end	13,424	8,847	
11	In stock	631	478	24,276
12	Locked meters on customers' premises	-		
13	Inactive transformers on system		-	
14	In customers' use	12,780	8,361	132,985
15	In company's use	13	8	
16	Total end of year (as above)	13,424	8,847	

VERIFICATION

The foregoing report must be verified by the oath of the office having control of the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

(To be made by the officer having control of the accounting of the respondent.)

State of New Mexico

SS:

County of Socorro

Joseph M. Herrera makes oath and says that he is CEO General Manager
(Insert here the name of the affiant.) (Insert here the official title of the affiant.)
 of The Socorro Electric Cooperative One.
(Insert here the exact legal title of name of the respondent.)

that it is his duty to have supervision over the books of account of the respondent and that to the best of his knowledge and belief such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the New Mexico Public Regulation Commission, effective during said period, that has examined the said report, and to the best of his knowledge and belief the information contained in the said report is, insofar as it relates to matters of account, in accordance with the said books of account; that he believes that all other statements of fact contained in the said report are true, and that the said report is correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth

therein during the period from and including January 1, 202014,
 to and including December 31, 2014,

Joseph M. Herrera
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, is and for the State and

County above named, this 14th April day of April, 2015

My commission expires 11/21/17

Eileen C. Latare

(Signature of officer authorized to administer oaths)

New Mexico Jurisdictional Information
Year Ending December 31, 2014

Electric Company Name Socorro Electric Cooperative

Address PO Box H

Phone Number 1-575-835-0560

Person Completing Form Joseph Herrera

Customer Class

		Residential	Other	Total
Number of Customers		11,130	1,650	12,780
KWH Sales (Thousands)		68,258	106,871	175,129
KWH Gross Revenues (to the dollar)		10,665,684	13,083,204	23,748,888
Avg Annual KWH per Customer	1	6,132.79	64,770.30	13,703.36
Avg. Annual Bill per Customer	2	958.28	7,929.21	1,858.29
Avg Monthly KWH Bill per Customer	3	511.07	5,397.53	1,141.95
Avg Gross Revenue per KWH Sold	4	0.156	0.122	0.136

Directions for the completion of 1, 2, 3, 4

- 1 Divide KWH sales by number of customers.
- 2 Divide gross revenues by number of customers.
- 3 Divide 2 by 12 months.
- 4 Divide gross revenues by KWH sales.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION NM0020

PERIOD ENDED December, 2014

BORROWER NAME The Socorro Electric Cooperative, Inc.

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Joseph Herrera

3/23/2015

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	24,194,739	23,792,996	25,614,768	2,102,649
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	13,725,135	13,414,061	14,787,166	1,236,210
4. Transmission Expense	33,384	26,276	37,549	2,811
5. Regional Market Expense	0	0	0	0
6. Distribution Expense - Operation	945,215	1,158,949	1,276,607	113,864
7. Distribution Expense - Maintenance	1,349,223	1,088,761	1,197,703	63,448
8. Customer Accounts Expense	1,015,731	1,090,378	1,146,948	100,095
9. Customer Service and Informational Expense	15,202	29,527	20,567	1,002
10. Sales Expense	17,097	14,029	19,811	(2,957)
11. Administrative and General Expense	1,514,179	1,395,222	1,589,101	162,222
12. Total Operation & Maintenance Expense (2 thru 11)	18,615,166	18,217,203	20,075,452	1,676,695
13. Depreciation and Amortization Expense	2,286,746	2,284,394	2,374,462	191,302
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	147,502	144,179	161,611	12,629
16. Interest on Long-Term Debt	2,135,452	2,266,831	2,374,753	186,225
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	16,397	10,799	3,021	1,438
19. Other Deductions	93,729	97,851	97,852	8,393
20. Total Cost of Electric Service (12 thru 19)	23,294,992	23,021,257	25,087,151	2,076,682
21. Patronage Capital & Operating Margins (1 minus 20)	899,747	771,739	527,617	25,967
22. Non Operating Margins - Interest	179,522	394,250	388,550	32,617
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	630	952	0	952
25. Non Operating Margins - Other	7,672	12,091	18,000	(4,097)
26. Generation and Transmission Capital Credits	916,888	785,860	690,000	785,860
27. Other Capital Credits and Patronage Dividends	157,515	148,352	96,241	148,352
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	2,161,974	2,113,244	1,720,408	989,651

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION NM0020		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December, 2014		
INSTRUCTIONS - See help in the online application.					
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	139	151	5. Miles Transmission	42.00	42.00
2. Services Retired	43	48	6. Miles Distribution – Overhead	2,799.00	3,090.00
3. Total Services in Place	14,941	15,044	7. Miles Distribution - Underground	73.00	152.00
4. Idle Services (Exclude Seasonals)	1,329	1,329	8. Total Miles Energized (5 + 6 + 7)	2,914.00	3,284.00
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	78,870,257		30. Memberships	0	
2. Construction Work in Progress	213,449		31. Patronage Capital	20,803,126	
3. Total Utility Plant (1 + 2)	79,083,706		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	26,911,843		33. Operating Margins - Current Year	771,740	
5. Net Utility Plant (3 - 4)	52,171,863		34. Non-Operating Margins	1,341,504	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	10,523	
7. Investments in Subsidiary Companies	0		36. Total Margins & Equities (30 thru 35)	22,926,893	
8. Invest. in Assoc. Org. - Patronage Capital	8,042,846		37. Long-Term Debt - RUS (Net)	19,505,122	
9. Invest. in Assoc. Org. - Other - General Funds	507,506		38. Long-Term Debt - FFB - RUS Guaranteed	22,859,247	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	6,605,015	
12. Other Investments	0		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	223,181		42. Payments – Unapplied	7,002,664	
14. Total Other Property & Investments (6 thru 13)	8,773,533		43. Total Long-Term Debt (37 thru 41 - 42)	41,966,720	
15. Cash - General Funds	832,623		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	174,860		45. Accumulated Operating Provisions and Asset Retirement Obligations	422,037	
17. Special Deposits	430		46. Total Other Noncurrent Liabilities (44 + 45)	422,037	
18. Temporary Investments	0		47. Notes Payable	506,722	
19. Notes Receivable (Net)	214,014		48. Accounts Payable	1,388,383	
20. Accounts Receivable - Sales of Energy (Net)	1,414,580		49. Consumers Deposits	112,827	
21. Accounts Receivable - Other (Net)	163,477		50. Current Maturities Long-Term Debt	1,961,000	
22. Renewable Energy Credits	0		51. Current Maturities Long-Term Debt - Economic Development	0	
23. Materials and Supplies - Electric & Other	589,767		52. Current Maturities Capital Leases	40,011	
24. Prepayments	120,934		53. Other Current and Accrued Liabilities	917,752	
25. Other Current and Accrued Assets	5,696		54. Total Current & Accrued Liabilities (47 thru 53)	4,926,695	
26. Total Current and Accrued Assets (15 thru 25)	3,516,381		55. Regulatory Liabilities	0	
27. Regulatory Assets	3,601,679		56. Other Deferred Credits	334,384	
28. Other Deferred Debits	2,513,273		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	70,576,729	
29. Total Assets and Other Debits (5+14+26 thru 28)	70,576,729				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2014
PART D. NOTES TO FINANCIAL STATEMENTS	
<p>1) The unbilled KWH for December 2014 which were billed in January 2015 totaled 9,550,826.33.</p> <p>2) During 2013 the Cooperative entered into a capital lease with Farm Credit Leasing. This lease was for the purchase of 5 vehicles. The Noncurrent Liability associated with the purchase totaled 0. The Current Liability due in 2015 totaled 40,011.</p> <p>3) Deferred Debits consist of:</p> <p>Unamortized Premium on Long-Term Debt Refinance 1,488,602</p> <p>Prepaid NRECA R&S Plan 569,180</p> <p>Long Range Plan 6,795</p> <p>Mobile Workforce 84,383</p> <p>GIS System 328,568</p> <p>Net Over/Under Power Cost Adjustment 35,745</p> <p>4) Deferred Credits consist of:</p> <p>Unclaimed Capital Credits 333,685</p> <p>Debt Cost Adjustment 699</p> <p>5) The Cooperative participates in a Deferred compensation investment with Homestead funds which is accounted for in special funds and is carried at fair market value. The Cooperative also provides for post-retirement benefits for medical and life insurance. The Net Liability is shown in Accumulated Operating Provisions and is adjusted to the NRECA actuarial study as of 12/31/14</p>	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION NM0020
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December, 2014
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION NM0020				
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			PERIOD ENDED December, 2014				
INSTRUCTIONS - See help in the online application.							
PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	69,278,483	1,196,376	353,364		70,121,495		
2. General Plant	4,646,432	48,771	161,322		4,533,881		
3. Headquarters Plant	1,004,571				1,004,571		
4. Intangibles	5,020				5,020		
5. Transmission Plant	3,184,214	21,075			3,205,289		
6. Regional Transmission and Market Operation Plant	0				0		
7. All Other Utility Plant	0				0		
8. Total Utility Plant in Service (1 thru 7)	78,118,720	1,266,222	514,686		78,870,256		
9. Construction Work in Progress	775,517	(562,068)			213,449		
10. Total Utility Plant (8 + 9)	78,894,237	704,154	514,686		79,083,705		
PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	482,696	240,784		209,150			514,330
2. Other	221,734	26,357		172,654			75,437
PART G. SERVICE INTERRUPTIONS							
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE					TOTAL (e)	
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)			
1. Present Year	.329	1.102	0.000	6.311	7.742		
2. Five-Year Average	18.710	29.860	0.000	107.340	155.910		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	38	4. Payroll - Expensed		1,404,719			
2. Employee - Hours Worked - Regular Time	83,372	5. Payroll - Capitalized		617,290			
3. Employee - Hours Worked - Overtime	3,097	6. Payroll - Other		131,145			
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION			THIS YEAR (a)	CUMULATIVE (b)		
1. Capital Credits - Distributions	a. General Retirements			1,832,917	6,061,679		
	b. Special Retirements			96,179	2,956,549		
	c. Total Retirements (a + b)			1,929,096	9,018,228		
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power			0			
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System			42,844			
	c. Total Cash Received (a + b)			42,844			
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	342,009	2. Amount Written Off During Year	\$	138,881		
ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM							
1. Anticipated Loan Delinquency %				4. Anticipated Loan Default %			
2. Actual Loan Delinquency %				5. Actual Loan Default %			
3. Total Loan Delinquency Dollars YTD	\$				6. Total Loan Default Dollars YTD	\$	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					BORROWER DESIGNATION NM0020				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December, 2014				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Tri-State G & T Assn, Inc (CO0047)	30151			193,347,213	13,403,079	6.93		
2	*Residential Renewable Supplier	700200	Net Metering	Solar - photovoltaic	61,686	9,345	15.15		
3	*Commercial Renewable Supplier	700100	Net Metering	Solar - photovoltaic	10,808	1,637	15.15		
	Total				193,419,707	13,414,061	6.94		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020
INSTRUCTIONS - See help in the online application		PERIOD ENDED December, 2014
PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		
2		
3		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2014	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
1	Mail Finance	Postage	4,242
2	Ricoh USA, Inc.	Copier	6,694
	TOTAL		10,936

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION NM0020	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2014	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/26/2014	2. Total Number of Members 9,377	3. Number of Members Present at Meeting 146	4. Was Quorum Present? N
5. Number of Members Voting by Proxy or Mail 0	6. Total Number of Board Members 5	7. Total Amount of Fees and Expenses for Board Members \$ 42,211	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION NM0020		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2014		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	19,505,122	874,571	439,144	1,313,715
2	National Rural Utilities Cooperative Finance Corporation				
3	CoBank, ACB	6,605,015	223,096	913,149	1,136,245
4	Federal Financing Bank	22,859,247	1,010,011	564,244	1,574,255
5	RUS - Economic Development Loans				
6	Payments Unapplied	7,002,664			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
10	Farm Credit Leasing	0	890	16,195	17,085
	TOTAL	41,966,720	2,108,568	1,932,732	4,041,300

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December, 2014		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	11,130	11,179	
	b. kWh Sold			68,257,685
	c. Revenue			10,581,122
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served	41	43	
	b. kWh Sold			374,703
	c. Revenue			8,913
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,593	1,578	
	b. kWh Sold			71,271,791
	c. Revenue			9,137,023
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	10	10	
	b. kWh Sold			34,427,797
	c. Revenue			3,743,872
6. Public Street & Highway Lighting	a. No. Consumers Served	6	6	
	b. kWh Sold			796,832
	c. Revenue			129,502
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		12,780	12,816	
11. Total kWh Sold (lines 1b thru 9b)				175,128,808
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				23,600,432
13. Transmission Revenue				0
14. Other Electric Revenue				192,564
15. kWh - Own Use				226,527
16. Total kWh Purchased				193,419,707
17. Total kWh Generated				0
18. Cost of Purchases and Generation				13,440,337
19. Interchange - kWh - Net				0
20. Peak - Sum All kW Input (Metered) Non-coincident <input type="checkbox"/> Coincident <input checked="" type="checkbox"/>				33,468

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION NM0020			
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December, 2014			
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	47	2,246	36	1,118	20,244	128
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less						
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale - RUS Borrowers						
9. Sales for Resale - Other						
10. Total	47	2,246	36	1,118	20,244	128

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE			BORROWER DESIGNATION NM0020		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS			PERIOD ENDED December, 2014		
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)					
No	DESCRIPTION (a)	INCLUDED (S) (b)	EXCLUDED (S) (c)	INCOME OR LOSS (S) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	CFC-Patronage Capital		184,581		
	Tri-State Patronage Capital		7,348,669	785,860	
	Federated Insurance Patronage Capital	229,029		54,133	
	Western United Patronage Capital	75,704		34	
	NRTC Patronage Capital	63			
	CFC - CTC's		504,406	22,601	
	CFC Membership		1,000		
	SEDC Membership	100			
	Cobank Membership		1,000		
	NRTC Membership	1,000			
	SEDC Patronage Capital	109,559		13,326	
	Basin Electric Membership	100			
	CoBank Patronage Allocation		95,141	80,859	
	Totals	415,555	8,134,797	956,813	
5	Special Funds				
	Foundation Cash	222,656			
	Homestead	525			
	Totals	223,181			
6	Cash - General				
	General Fund - FSB	288,072	250,000		
	Payroll - FSB	74,779			
	Capital Credits - Wells Fargo	74,609	75,140		
	Magdalena - Wells Fargo	66,423			
	Petty Cash	1,100			
	CA Refunds	2,500			
	Totals	507,483	325,140		
7	Special Deposits				
	Water and Gas Deposits	430			
	Totals	430			
9	Accounts and Notes Receivable - NET				
	Notes Receivable - Section XII	1,931			
	Notes Receivable - Section V	2,038			
	TEP Note Receivable	132,074			
	Other Accounts Receivable	62,566			
	Line Extension Contracts	178,882			
	Totals	377,491			
11	TOTAL INVESTMENTS (1 thru 10)	1,524,140	8,459,937	956,813	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2014			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION NM0020			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December, 2014			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					1.93 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				