

SOCORRO ELECTRIC COOPERATIVE

April 24, 2009

New Mexico Public Regulation Commission
Records Management Bureau
Marian Hall
224 E. Palace Ave.
Santa Fe, NM 87501

RE: Annual Report to the Commission

To Whom It May Concern:

Enclosed please find the 2008 Annual Report to the Commission for the Socorro Electric Cooperative, Inc., in addition is the Form 7 for December 2008.

Should you have any questions or need further assistance, please contact me at (575) 835-0560.

Sincerely,



Kathy Torres
Office Manager

Encl.

RURAL ELECTRIC COOPERATIVES

Annual Report

Of

Socorro Electric Cooperative, Inc.

(Exact legal name of Respondent)

TO THE

NEW MEXICO

PUBLIC REGULATION COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2008

2008

NOTE #	TO WHOM ISSUED	DATE OF ISSUE	DATE OF MATURITY	PRINCIPAL AMOUNT	AMT OUTSTANDING PRINCIPAL
=	=	=	=	=	=
1B-220		7-19-74	7-19-09	\$157,000.00	\$4,984.41
1B-222		7-19-74	7-19-09	\$157,000.00	\$4,984.94
1B-230		4-7-75	4-07-10	\$205,000.00	\$16,619.46
1B-232		4-07-75	4-07-10	\$205,000.00	\$16,207.85
1B-240		11-29-77	11-29-12	\$491,500.00	\$114,060.93
1B-242		11-29-77	11-29-12	\$491,500.00	\$109,441.64
1B-250		3-18-80	3-18-15	\$851,500.00	\$311,987.76
1B-252		3-18-80	3-18-15	\$820,000.00	\$278,724.33
1B-253		3-18-80	3-18-15	\$31,500.00	\$10,869.25
1B-260		1-25-84	1-25-19	\$499,500.00	\$247,413.09
1B-262		1-25-84	1-25-19	\$499,500.00	\$247,413.09
1B-270		10-14-86		\$494,500.00	\$283,301.22
1B-272		03-31-87		\$491,371.44	\$280,953.88
1B-273				\$3,128.56	\$1,837.75
1B-280				\$658,500.00	\$415,686.85
1B-282				\$417,371.44	\$262,972.33
1B-283				\$241,128.56	\$156,094.97
14290				\$751,000.00	\$397,318.17
14291		10/05/92		\$200,000.00	\$73,807.36
1B-300		09/30/95		\$796,500.00	\$627,567.66
1B-310		06-30-91		\$485,500.00	\$347,108.06
1B-312		07/06/92		\$485,500.00	\$347,108.06
14292		02/07/94		\$65,090.79	\$42,914.87
1B305				\$736,000.00	\$579,900.42
1B306				\$60,500.00	\$47,575.20
1B320		3/31/1998		\$444,000.00	\$382,393.39
1B321				\$587,000.00	\$505,551.68
1B325		3/31/1998		\$791,000.00	\$678,928.51
1B326		6/30/1998		\$240,000.00	\$205,995.95
1B330		7/10/2000		\$4,634,000.00	\$4,159,414.71
1B340		2/12/2008		\$4,264,000.00	\$4,254,384.68
1B341		8/22/2008		\$1,926,000.00	\$1,921,701.80
H0010-H0030		04/01/99		\$5,193,000.00	\$4,583,267.95
H0035		04/01/02		\$1,652,000.00	\$1,544,079.90
H0040		11/19/2003		\$1,285,000.00	\$1,181,711.53
H0045		5/24/2005		\$2,726,000.00	\$2,574,595.07
H0050		11/4/2005		\$4,069,000.00	\$3,882,644.68
H0055		5/26/2006		\$826,000.00	\$826,000.00
TOTAL REA NOTES				\$38,932,090.79	\$31,101,523.40

CFC

9002				\$79,000.00	\$2,964.83
9004				\$102,000.00	\$10,301.08
9006		9-30-85	9-30-12	\$246,000.00	\$60,145.87
9009		12-31-80	12-31-14	\$768,000.00	\$305,932.68
9010		6-31-85		\$428,500.00	\$230,911.86
9011				\$437,113.00	\$287,203.78
9012				\$581,443.00	\$385,728.85
9013				\$428,866.00	\$308,489.55
9014				\$683,000.00	\$546,512.67
9015-001		04/06/98		\$543,130.00	\$464,762.95
9015-002		05/22/98		\$339,870.00	\$291,119.80

TOTAL				\$4,636,922.00	\$2,894,073.92
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Long Term debt (Accounts 221-228)

Line No.	Note Ident.	To Whom Issued	PRC Decision No.	Date of Issued	Date of Maturity	Principal Amount	Amount Outstanding		Per Balance Sheet	Interest for Year	
							Principal	Deferred Interest		Rate	Amount
1.						\$	\$	\$	\$	%	\$
2.											
3.											
4.											
5.											
6.											
7.											
8.											
9.											
10.											
11.											
12.											
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16.											
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19.											
20.											
21.											
22.											
23.											
24.											
25.											
26.											
27.											
28.											
29.											
30.											
31.											
32.											
33.	Total										
34.	Less Advance Payments Unapproved (Account 227)										
35.	Total										

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 footnotes.

Line No.	Account (a)	Amount for Current Year (b)	Increase or Decrease From Preceding Year (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 (a)	Amount for Current Year (b)	Increase or Decrease From Preceding Year (c)
1.	HYDRAULIC POWER GENERATION		
2.	543 Maintenance 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 Miscellaneous Other Power Generation Plant		
20.	Total Maintenance		
21.	Total Power Production Expenses-Other Power		
22.	OTHER POWER SUPPLY EXPENSES		
23.	555 Purchased Power	12,493,969	1,334,502
24.	556 System Control and Load Dispatching		
25.	557 Other Expenses		
26.	Total Maintenance		
27.	Total Power Production Expenses	12,493,969	1,334,502
28.	TRANSMISSION EXPENSES		
29.	OPERATION		
30.	560 Operation Supervision and Engineering		
31.	561 Load Dispatching		
32.	562 Station Expenses		
33.	563 Overhead Line Expenses	1,197	55
34.	564 Underground Line Expenses		
35.	565 Transmission of Electricity by Others		
36.	566 Miscellaneous Transmission Expenses		
37.	567 Rents		
38.	Total Operation	1,197	55
39.	MAINTENANCE		
40.	568 Maintenance Supervision and Engineering		
41.	569 Maintenance of Structures		
42.	570 Maintenance of Station Equipment		
43.	571 Maintenance of Overhead Lines		
44.	572 Maintenance of Underground Lines		
45.	573 Maintenance of Miscellaneous Transmission Plant		
46.	Total Maintenance		
47.	Total Transmission Expenses	1,197	55
48.	DISTRIBUTION EXPENSES		
49.	OPERATION		
50.	580 Operation Supervision and Engineering	2,400	0
51.	581 Load Dispatching		
52.	582 Station Expenses	7,732	494
53.	583 Overhead Line Expenses	(58,484)	282,248
54.	584 Underground Line Expenses	22,734	3,511
55.	585 Street Lighting and Signal System Expenses	(2,872)	(5,273)

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (continued)			
Line No.	Account (a)	Amount for Current Year (b)	Increase or Decrease From Preceding Year (c)
1.	DISTRIBUTION EXPENSES (continued)		
2.	586 Meter Expenses	\$ 283,231	37,665
3.	587 Customer Installations Expenses	37,219	5,385
4.	588 Miscellaneous Distribution Expenses		
5.	589 Rents		
6.	Total Operation	291,960	324,030
7.	MAINTENANCE		
8.	590 Maintenance Supervision and Engineering		
9.	591 Maintenance of Structures		
10.	592 Maintenance of Station Equipment	8,079	6,742
11.	593 Maintenance of Overhead Lines	771,308	195,487
12.	594 Maintenance of Underground Lines	37,209	(13,078)
13.	595 Maintenance of Line Transformers	23,800	6,509
14.	596 Maintenance of Street Lighting and Signal Systems	47,076	3,802
15.	597 Maintenance of Meters	81,817	10,951
16.	598 Maintenance of Miscellaneous Distribution Plant		
17.	Total Maintenance	969,289	210,413
18.	Total Distribution Expenses	1,261,249	534,443
19.	CUSTOMER ACCOUNTS EXPENSES		
20.	OPERATION		
21.	901 Supervision	4,871	4,752
22.	902 Meter Reading Expenses	161,377	(39,904)
23.	903 Customer Records and Collection Expenses	624,713	42,893
24.	904 Uncollectible Accounts	241,547	(40,623)
25.	908 905 Miscellaneous Customer Accounts Expenses	88,543	(498)
26.	Total Customer Accounts Expenses	1,121,051	(33,380)
27.	SALES EXPENSES		
28.	OPERATION		
29.	911 Supervision		
30.	912 Demonstrating and Selling Expenses	0	0
31.	913 Advertising Expenses	40,016	(8,774)
32.	914 Revenues From Merchandising, Jobbing and Contract Work		
33.	915 Cost and Expenses of Merchandising, Jobbing and Contract Work		
34.	916 Miscellaneous Sales Expenses	12,876	1,845
35.	Total Sales Expenses	52,892	(6,929)
36.	ADMINISTRATIVE AND GENERAL EXPENSES		
37.	OPERATION		
38.	920 Administrative and General Salaries	698,396	100,773
39.	921 Office Supplies and Expenses	82,741	2,320
40.	922 Administrative Expenses Transferred-Credit		
41.	923 Outside Services Employed	91,963	42,434
42.	924 Property Insurance		
43.	925 Injuries and Damages	0	(132)
44.	926 Employee Pensions and Benefits	(51,359)	(42,435)
45.	927 Franchise Requirements		
46.	928 Regulatory Commission Expenses	0	(903)
47.	929 Duplicate Charges-Credit	(5,174)	(599)
48.	930 Miscellaneous General Expenses	659,617	(65,113)
49.	931 Rents		
50.	Total Operation	1,476,184	36,345
51.	MAINTENANCE		
52.	935 932 Maintenance of General Plant	192,119	96,087
53.	Total Administrative and General Expenses	1,668,303	132,432
54.	Total Electric Operation and Maintenance Expenses	4,104,692	626,621

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (continued)

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Line No.	Functional Classification (a)	Operation (b)	Maintenance (c)	Total (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	12,493,969		12,493,969
8.	Total Power Production Expenses	12,493,969		12,493,969
9.	Transmission Expenses	1,197		1,197
10.	Distribution Expenses	291,960	969,289	1,261,249
11.	Customer Accounts Expenses	1,121,051		1,121,051
12.	Sales Expenses	52,892		52,892
13.	Administrative and General Expenses	1,476,184	192,119	1,668,303
14.	Total Electric Operation and Maintenance Expenses	2,943,284	1,161,408	4,104,692

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

15.	Number of electric Department Employees, Payroll Period Ending	12/31/08
16.	Total Regular Full-Time Employees	36
17.	Total Part-Time and Temporary Employees	4
18.	Total Employees	40

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.

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.

The number of employees assignable to the electric department from joint 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.

- [illegible]

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 administrative cost, etc., which are directly chargeable construction are charged 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 (a)	Total Overheads Cleared to Construction (b)	Cost of Construction to which Overheads were charged (exclusive of overhead charges) (c)	Percent overheads to construction cost (d)
1.	Indirect Labor	107,414.08		%
2.	Insurance	27,779.91		
3.	Transportation	375,097.32		
4.	Miscellaneous	578,627.71		
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.	Totals	1,088,919.02	241,427.51	4.51

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead for electric plant explain:
 - (a) a. Nature of the 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 over heads, 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.

[illegible]

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

Leopoldo Pineda Jr.

(Insert here the name of the affiant.)

makes oath and says that he is General Manager

(Insert here the official title of the affiant.)

of Socorro Electric Cooperative, Inc.

(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, 2008,

to and including December 31, 2008,

Leopoldo Pineda Jr.
(Signature of affiant)

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

County above named, this 24th day of April, 2009

My commission expires September 9, 2012

Robert H. Bora
(Signature of officer authorized to administer oaths)

Form 1

New Mexico Jurisdictional Information
Year Ending December 31, 2008

Electric Company Name Socorro Electric Cooperative, IncAddress PO Box H Socorro, NM 87801Phone Number (575) 835-0560Person Completing Form Kathy Torres

Customer Class	Residential	Other	Total
Number of Customers	11,597	1,566	13,163
KWH Sales (Thousands)	69,522,182	112,406,571	181,928,753
Gross Revenues	\$ 9,187,831	\$ 11,389,680	20,577,511
Avg. Annual KWH Per Customer (1)	5,995	71,779	
Avg. Annual Bill per Customer (2)	\$ 792	\$ 7,273	
Avg. Monthly Bill per Customer (3)	\$ 66	\$ 606	
Avg. Gross Revenue per KWH sold (4)	.132	.101	

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 16 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

BORROWER DESIGNATION NM0020

FINANCIAL AND STATISTICAL REPORT

PERIOD ENDED
December, 2008

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

BORROWER NAME

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et. seq.) and may be confidential.

THE SOCORRO ELECTRIC COOP INC

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.

Leopoldo Pineda

4/1/2009

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	19,558,750	20,725,789	21,907,600	1,774,857
2. Power Production Expense	0			
3. Cost of Purchased Power	11,159,467	12,493,969	12,500,000	1,132,121
4. Transmission Expense	1,142	1,197		93
5. Distribution Expense - Operation	(32,071)	291,960	717,675	89,292
6. Distribution Expense - Maintenance	758,875	969,289	1,022,650	79,837
7. Customer Accounts Expense	1,065,390	1,032,507	1,124,800	85,452
8. Customer Service and Informational Expense	89,041	88,542	96,000	6,576
9. Sales Expense	59,821	52,892	87,000	3,758
10. Administrative and General Expense	1,535,874	1,668,302	1,611,950	166,671
11. Total Operation & Maintenance Expense (2 thru 10)	14,637,540	16,598,658	17,159,975	1,563,800
12. Depreciation and Amortization Expense	1,523,692	1,420,817	1,567,250	133,808
13. Tax Expense - Property & Gross Receipts				
14. Tax Expense - Other	136,291	212,110	110,000	12,033
15. Interest on Long-Term Debt	1,645,391	1,735,371	1,700,000	161,565
16. Interest Charged to Construction - Credit				
17. Interest Expense - Other	10,068	33,465	40,750	202
18. Other Deductions	102,195	97,430	109,250	7,008
19. Total Cost of Electric Service (11 thru 18)	18,055,177	20,102,851	20,687,225	1,878,416
20. Patronage Capital & Operating Margins (1 minus 19)	1,503,573	622,938	1,220,375	(103,559)
21. Non Operating Margins - Interest	256,995	132,975	260,200	6,368
22. Allowance for Funds Used During Construction				
23. Income (Loss) from Equity Investments	(167,911)	52,801	175,000	639
24. Non Operating Margins - Other				
25. Generation and Transmission Capital Credits				
26. Other Capital Credits and Patronage Dividends	47,583	36,747	50,000	
27. Extraordinary Items				
28. Patronage Capital or Margins (20 thru 27)	1,640,240	845,461	1,705,575	(96,552)

USDA - RUS			BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT			NM0020		
INSTRUCTIONS - See RUS Bulletin 1717B-2			PERIOD ENDED		
			December, 2008		
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	330	340	5. Miles Transmission	32.00	32.00
2. Services Retired	36	26	6. Miles Distribution - Overhead	3,142.00	3,222.00
3. Total Services in Place	13,938	14,280	7. Miles Distribution - Underground	113.00	121.00
4. Idle Services (Exclude Seasonals)	922	1,117	8. Total Miles Energized (5 + 6 + 7)	3,287.00	3,375.00
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	56,188,169		29. Memberships	0	
2. Construction Work in Progress	5,721,851		30. Patronage Capital	14,432,268	
3. Total Utility Plant (1 + 2)	61,910,020		31. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort	19,895,776		32. Operating Margins - Current Year	753,459	
5. Net Utility Plant (3 - 4)	42,014,244		33. Non-Operating Margins	92,003	
6. Non-Utility Property (Net)	3,740		34. Other Margins and Equities	(440,044)	
7. Investments in Subsidiary Companies	103		35. Total Margins & Equities (29 thru 34)	14,837,685	
8. Invest. in Assoc. Org. - Patronage Capital	215,626		36. Long-Term Debt - RUS (Net)	16,845,170	
9. Invest. in Assoc. Org. - Other - General Funds	516,734		37. Long-Term Debt - FFB - RUS Guaranteed	14,293,734	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0		38. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		39. Long-Term Debt Other (Net)	2,731,576	
12. Other Investments	185,179		40. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	595,398		41. Payments - Unapplied	0	
14. Total Other Property & Investments (6 thru 13)	1,521,780		42. Total Long-Term Debt (36 thru 40 - 41)	33,870,480	
15. Cash - General Funds	514,547		43. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	500		44. Accumulated Operating Provisions and Asset Retirement Obligations	738,926	
17. Special Deposits	430		45. Total Other Noncurrent Liabilities (43 + 44)	738,926	
18. Temporary Investments	2,683,000		46. Notes Payable	1,679,918	
19. Notes Receivable (Net)	33,028		47. Accounts Payable	1,267,071	
20. Accounts Receivable - Sales of Energy (Net)	1,620,782		48. Consumers Deposits	74,908	
21. Accounts Receivable - Other (Net)	268,164		49. Current Maturities Long-Term Debt	912,500	
22. Materials and Supplies - Electric & Other	1,193,613		50. Current Maturities Long-Term Debt - Economic Development	0	
23. Prepayments	(20,714)		51. Current Maturities Capital Leases	0	
24. Other Current and Accrued Assets	16,730		52. Other Current and Accrued Liabilities	516,652	
25. Total Current and Accrued Assets (15 thru 24)	6,310,080		53. Total Current & Accrued Liabilities (46 thru 52)	4,451,049	
26. Regulatory Assets	4,123,331		54. Regulatory Liabilities	0	
27. Other Deferred Debits	(5,118)		55. Other Deferred Credits	66,177	
28. Total Assets and Other Debits (5+14+25 thru 27)	53,964,317		56. Total Liabilities and Other Credits (35+ 42 - 45 + 53 thru 55)	53,964,317	

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PART D. NOTES TO FINANCIAL STATEMENTS

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PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	46,527,135	3,673,072	261,088	0	49,939,119		
2. General Plant	4,673,417	444,985	61,246	0	5,057,156		
3. Headquarters Plant	991,589	4,290	0	0	995,879		
4. Intangibles	5,020	0	0	0	5,020		
5. Transmission Plant	190,995	0	0	0	190,995		
6. All Other Utility Plant	0	0	0	0	0		
7. Total Utility Plant in Service (1 thru 6)	52,388,156	4,122,347	322,334	0	56,188,169		
8. Construction Work in Progress	3,432,418	2,289,433			5,721,851		
9. TOTAL UTILITY PLANT (7 + 8)	55,820,574	6,411,780	322,334	0	61,910,020		
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	710,212	1,711,181		1,336,851	208	17,826	1,102,160
2. Other	81,605	71,577			62,808	1,080	91,454
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	30.600	97.200	.600	80.400	208.800		
2. Five-Year Average	32.400	102.000	42.600	60.600	237.600		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	36	4. Payroll - Expensed	545,436				
2. Employee - Hours Worked - Regular Time	77,153	5. Payroll - Capitalized	453,772				
3. Employee - Hours Worked - Overtime	8,499	6. Payroll - Other	866,200				
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)				
1. Capital Credits - Distributions	a. General Retirements	0	2,919,464				
	b. Special Retirements	33,412	2,706,504				
	c. Total Retirements (a + b)	33,412	5,625,968				
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	27,638					
	c. Total Cash Received (a + b)	27,638					
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. AMOUNT DUE OVER 60 DAYS	\$ 1,122,096	2. AMOUNT WRITTEN OFF DURING YEAR	\$ 81,085				

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Part K. kWh PURCHASED AND TOTAL COST

No	ITEM (a)	RUS USE ONLY SUPPLIER CODE (b)	kWh PURCHASED (c)	TOTAL COST (d)	AVERAGE COST (Cents/kWh) (e)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT (f)	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES (g)
1	Tri-State G & T Assn, Inc (CO0047)	30151	199,518,869	12,493,969	6.26		
	Total		199,518,869	12,493,969	3.26		

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PART L. LONG-TERM LEASES

No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	Total		

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PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/26/2008	2. Total Number of Members 9,550	3. Number of Members Present at Meeting 254	4. Was Quorum Present? N
5. Number of Members Voting by Proxy or Mail 0	6. Total Number of Board Members 11	7. Total Amount of Fees and Expenses for Board Members \$ 341,982	8. Does Manager Have Written Contract? Y

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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)	16,845,170	754,975	513,171	1,268,146
2	National Rural Utilities Cooperative Finance Corporation	2,731,576	192,315	149,191	341,506
3	Bank for Cooperatives				
4	Federal Financing Bank	14,293,734	196,810	63,808	260,618
5	RUS - Economic Development Loans				
6	Payments Unapplied				
	Total	33,870,480	1,144,100	726,170	1,870,270

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PART O. POWER REQUIREMENTS DATA BASE - 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	11,597	11,581	
	b. kWh Sold			69,522,182
	c. Revenue			9,187,831
2. Residential Sales - Seasonal	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
3. Irrigation Sales	a. No. Consumers Served	42	41	
	b. kWh Sold			505,056
	c. Revenue			53,409
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,507	1,498	
	b. kWh Sold			66,897,271
	c. Revenue			7,171,411
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	11	11	
	b. kWh Sold			44,213,612
	c. Revenue			4,050,006
6. Public Street & Highway Lighting	a. No. Consumers Served	6	6	
	b. kWh Sold			790,632
	c. Revenue			114,854
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)		13,163	13,137	
11. TOTAL kWh Sold (lines 1b thru 9b)				181,928,753
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				20,577,511
13. Other Electric Revenue				148,276
14. kWh - Own Use				195,758
15. TOTAL kWh Purchased				199,518,869
16. TOTAL kWh Generated				0
17. Cost of Purchases and Generation				12,495,166
18. Interchange - kWh - Net				0
19. Peak - Sum All kW Input (Metered) Non-coincident _____ Coincident _____				31,823

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PART I. INVESTMENTS

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
1	Non-Utility Property (NET)				
	Socorro Satellite Systems	8,740			
	Totals	8,740			
2	Investments in Associated Organizations				
	Arkansas Electric	793			
	CFC Patronage Capital		118,498		
	Federated Rural Electric Insurance Exchange		96,335		
	CFC-CTC's		514,634		
	Investments In Associated Organizations	103			
	CFC 7 Sdc Membership		1,100		
	NRTC Membership		1,000		
	Totals	896	731,567		
4	Other Investments				
	Weatherization Loans	158,129			X
	Patronage Capital		27,050		
	Totals	158,129	27,050		
5	Special Funds				
	Socorro Electric Foundation	62,675	100,000		
	Insurance Fund	143,034	100,000		
	Insurance Fund (Mainstay)	89,689	100,000		
	Totals	295,398	300,000		
6	Cash - General				
	General Fund - First State Bank	373,029	100,000		
	General Fund - Wells Fargo	32,050			
	Capital Credits	2,075			
	Socorro Electric - Petty Cash	990			
	Payroll	6,402			
	Totals	414,546	100,000		
7	Special Deposits				
	City of Socorro Gas & Water	380			
	Quemado Waterworks	50			
	Totals	430			
8	Temporary Investments				
	Temporary Investments		2,683,000		
	Totals		2,683,000		
9	Accounts and Notes Receivable - NET				
	Appliance Financing	33,028			
	Other Accounts Receivable	268,164			
	Totals	301,192			
11	TOTAL INVESTMENTS (1 thru 10)	1,179,331	3,841,617		

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PART II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	Total				
	TOTAL (Included Loan Guarantees Only)				

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Part III. RATIO

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT

[Total Of Included Investments (Part I, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form 7, Part C, Line 3)]

1.9 %

PART IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans		0	0	
	Total		0	0	