

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE FILING OF)
PROPOSED NEW RATES BY KIT CARSON)
ELECTRIC COOPERATIVE, INC.)
)
KIT CARSON ELECTRIC COOPERATIVE,)
INC.,)
)
Applicant.)
_____)

Case No. 15-00375-UT

FILED
IN THE
OFFICE OF THE
CLERK OF THE
NEW MEXICO
PUBLIC REGULATION
COMMISSION
SANTA FE, NEW MEXICO

**KIT CARSON ELECTRIC COOPERATIVE, INC.'S
COMPLIANCE FILING PER THE COMMISSION'S FINAL ORDER**

Kit Carson Electric Cooperative, Inc. ("Kit Carson" or "KCEC"), by and through its attorneys, Cuddy & McCarthy, LLP, files this Compliance Filing pursuant to the requirement in the New Mexico Public Regulation Commission's (the "Commission" or "NMPRC") Final Order issued in the above-captioned docket on December 7, 2016 ("Final Order"). In support of its Compliance Filing, Kit Carson states as follows:

1. In the NMPRC's Final Order issued in Kit Carson's rate case, the Commission required KCEC to make as a compliance filing "an annual statement, filed in the docket each January 1, that ties audited interest expenses by loan for all of its activities to interest expense on RUS Form 7 for electric loans only and provides clear, easy to understand, separated, detailed information to tie interest expense for each loan by loan purpose (electric, broadband, propane)." *See*, Final Order at ordering ¶ C.

2. Attached to this pleading is Kit Carson's interest expense schedule statement in compliance with the requirement in the NMPRC's Final Order. The attached schedule provides detailed information related to the interest expense for KCEC's electric loans, and also identifies the loans and interest expense for the broadband business and KCEC's propane

subsidiary. Pursuant to the requirement in the Final Order, the interest expense statement is designed to tie back into RUS Form 7 – Part N, long term debt and interest expense.

3. The attached Compliance Filing provides audited interest expense information for calendar year 2014, the most current audited financial information available to Kit Carson as of January 1, 2017. The financial audit for calendar year 2015 was not completed until after the Commission issued its rate case final order in December 2016. The final audit for 2015 will be presented at KCEC's next monthly Board meeting, which will be January 31, 2017. Once the completed financial audit is presented and accepted by Kit Carson's Board, KCEC will submit a supplemental loan interest statement that reflects the audited interest expense for calendar year 2015. Kit Carson anticipates this will occur in February 2017, after the January KCEC Board meeting.

4. Additionally, while the Final Order states the loan interest statement must be made every January 1, this date is a holiday for the NMPRC. This year, because the New Year's Holiday falls on a Sunday, the NMPRC offices were closed on the following Monday, January 2, 2017. So KCEC has made the filing on the first business day after the holiday, which is Tuesday, January 3, 2017.

WHEREFORE, Kit Carson submits its Compliance Filing in compliance with the requirement in the Final Order issued by the Commission in this case.

Respectfully submitted,

CUDDY & McCARTHY, LLP

By: Charles V. Garcia *By John J. Mead*
CHARLES V. GARCÍA
LAURA E. SANCHEZ-RIVÉT
7770 Jefferson Street NE, Suite 102
Albuquerque, New Mexico 87109
(505) 888-1335
(888) 977-3816
cgarcia@cuddymccarthy.com
lsanchez-rivet@cuddymccarthy.com

ATTORNEYS FOR KIT CARSON ELECTRIC
COOPERATIVE, INC.

Kit Carson Electric Cooperative, Inc.
Compliance Filing per Final Order
Case No. 15-00375-UT

Kit Carson Electric Cooperative

LTD Payments

Year 2014 Audited	12/31/2014	2014	2014	2014
Interest Expense	Loan Balance	Interest Exp	Principal Pmt	Total Pmts
RUS Electric Loan	36,168,350.67	1,484,366.31	741,613.07	2,225,979.38
RUS Advance Pmt	(2,345.29)		-	-
RUS Electric Dispatch Center Loan	1,877,712.41	80,035.36	39,448.64	119,484.00
Total	38,043,717.79	1,564,401.67	781,061.71	2,345,463.38

LTD RUS - FFB Line 38	2,776,104.95	80,218.46	-	80,218.46
Total RUS Loans - Electric Only	40,819,822.74	1,644,620.13	781,061.71	2,425,681.84

CoBank - CREBS*	2,666,666.67	13,397.23	333,333.33	346,730.56
CoBank - Merger Loan	5,417,682.49	242,150.96	161,585.51	403,736.47
CoBank Electric Loan	23,886,615.81	1,253,027.52	1,720,306.88	2,973,334.40
Total Form 7 Line 50 BS	31,970,964.97	1,508,575.71	2,215,225.72	3,723,801.43

Grand Total Loans - Electric Only	72,790,787.71	3,153,195.84	2,996,287.43	6,149,483.27
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Leases

FCL - Electric	152,527.63	8,547.76	72,450.19	80,997.95
Altec-Lease	180,441.20	-	62,913.80	62,913.80

Leases - Electric	332,968.83	8,547.76	135,363.99	143,911.75
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Total Electric Only Debt	73,123,756.54	3,161,743.60	3,131,651.42	6,293,395.02
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Broadband Loans

RUS - Broadband Loan	11,641,074.67	298,899.74	484,238.69	783,138.43
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KC Energy Loans & Leases

CoBank - Propane	-	6,563.68	367,084.77	373,648.45
FCL - KC Energy	34,759.27	3,422.32	59,909.85	63,332.17
Total	34,759.27	9,986.00	426,994.62	436,980.62

RUS Form 7 Part N	84,799,590.48	3,470,629.34	4,042,884.73	7,513,514.07
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*CREBS is Clean Renewable Energy Bond Solar for Kit Carson Owned Solar Facilities

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Kit Carson Electric Cooperative, Inc.'s Compliance Filing Per The Commission's Final Order, filed January 3, 2017, was delivered as specified below to each of the following:

Via e-mail:

Link Summers	linksummers@hotmail.com
Carl Rosenberg	Carl@laplaza.org
Fabi Romero	Fabrom@taosnet.com
A. Eugene Sanchez	genesanchez@centurylink.net
William E. (Bill) Whaley	bwhaley@newmex.com
Jerome Lucero	jflucero9-12@q.com
Peggy Nelson	pnelson@taosnet.com
Rose Des Georges	rdesgeorges@gmail.com
Arsenio Cordova	arseniocordova@hotmail.com
Luis Reyes	lreyes@kitcarson.com
Charles V. Garcia	cgarcia@cuddymccarthy.com
Laura E. Sanchez-Rivet	lsanchez-rivet@cuddymccarthy.com
John Reynolds	John.reynolds@state.nm.us
Brad Borman	Bradford.borman@state.nm.us

Hand-Delivery:

Brad Borman
NMPRC-Legal Division
1120 Paseo de Peralta
Santa Fe, NM 87504

John Reynolds, NMPRC
Utility Division Staff
1120 Paseo de Peralta
Santa Fe, NM 87504

Dated this 3rd day of January, 2017.

By: 

Laura E. Sanchez-Rivet