

Via E-mail & USPS

March 15, 2012

Mr. Bryan Young
Power Marketing Resources
Western Area Power Administration
Desert Southwest Region
P. O. Box 6457
Phoenix, AZ 85005-6457

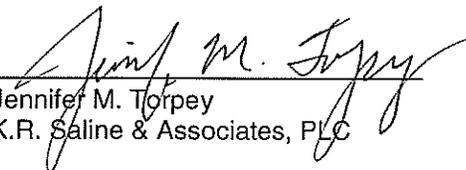
Re: City of Safford Integrated Resource Plan

Dear Mr. Young,

As you know, Western Area Power Administration's ("Western") Integrated Resource Planning Approval Criteria require Western's customers to submit updated Integrated Resource (or Small Customer) Plans to the appropriate Regional Manager every five years after Western's approval of the initial Plan. Enclosed on behalf of the City of Safford ("the City"), pursuant to 10 C.F.R. § 905.13(b), is the third five-year update to the City's Integrated Resource Plan. This update was approved by the City's Council members at a public meeting held on March 12, 2012.

If you have any questions regarding this Integrated Resource Plan, please do not hesitate to contact me.

Sincerely,


Jennifer M. Torpey
K.R. Saline & Associates, PLC

Enclosure

cc: Eric Buckley (w/encl.)
Audrey Colletti (electronic only.)
Joe Mulholland (w/encl.)

INTEGRATED RESOURCE PLAN

THIRD FIVE-YEAR UPDATE

**CITY OF SAFFORD
STATE OF ARIZONA**

March 12, 2012

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Profile Data

The City of Safford (“City” or “Safford”) is located in southeastern Arizona on the south bank of the Gila River in Graham County. The City was established in 1874 and as a result of its proximity to the Gila River immediately became a major supplier of agricultural products in Arizona. Since 1874 Safford has grown and has become the anchor to the economic development in Graham County. Although the City’s economy is still highly dependent upon agricultural products, recent copper mining, tourism, government facilities and small industrial growth throughout Graham County are providing additional sources for economic growth as well as substantial pressures on Safford utilities. Historically the City’s population has grown at an average annual rate of less than 1% per year; however, current population estimates indicate that the growth rate is increasing.

The City currently serves water, wastewater, gas and electricity and is governed by a mayor, six council members and a city manager. In OY2011, Safford served electricity to approximately 4,000 customers with 51% of total energy sales going to the commercial class, 48% to residential customers, and 1% to other customers. To facilitate these sales, Safford owns and operates one 69/12.47 kV substation which is used to distribute electric service to its customers. A map of the City’s electric service territory is attached as **Appendix A**.

Safford’s current utility staff consists of 10 employees. The City’s current council members and relevant contact persons are detailed below.

- **City Council Members**

Chris Gibbs—Mayor
 Jacque Attaway
 Mary Bingham
 Jason H. Kouts
 Kenneth Malloque
 Gene Seale
 Danny Smith

- **Contact Persons**

Eric Buckley—Utilities Director
 City of Safford
 405 W. Discovery Park Blvd.
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 Fax: (480) 610-8796

Safford receives federal preference power and energy to serve its customers from its entitlements to Hoover power and Colorado River Storage Project power (“CRSP” or “SLCA/IP” power). This power is transported by the Southwest Transmission Cooperative, Inc. (“Southwest”) and Graham County Electric Cooperative (“GCEC”) from delivery points on the federal transmission systems to Safford’s Eighth Avenue Substation. Safford receives these Hoover and CRSP power and energy resources from the Arizona Power Authority (“the Authority”) and Western Area Power Administration (“Western”), respectively. In addition, Safford has a scheduling and resource management arrangement with Arizona Electric Power Cooperative, Inc. (“AEPCO”) and transmission contracts with Southwest and GCEC. Safford is also a participant in the Hoover Power Resource Exchange Program and a party to an Integrated Resource Scheduling Agreement with other similarly situated utilities to integrate and exchange Hoover and SLCA/IP power resources, respectively. The power and energy from the Authority and Western are transmitted over Western’s Parker-Davis system to Southwest’s transmission system, which in turn delivers the power and energy over the GCEC sub-transmission system to the City-owned substation. The City does own and operate a very small portion of 69kV sub-transmission from a tap at the GCEC substation to Safford’s substation. The power and energy are distributed to City customers over facilities owned and operated by the City.

The policies for service, rates and taxes for power provided by Safford to its customers are determined and set by Safford’s City Council.

The current projection of Safford’s loads for the upcoming two-year period does not indicate that additional contractual resources will be necessary in order to meet loads. The resource scheduling and utilization of the City’s resources have been and will continue to be managed through the Authority’s Hoover Power Resource Exchange Program and through the City’s participation in the Integrated Resource Scheduling Agreement for Hoover and SLCA/IP resources, respectively. These resource management programs have provided the necessary flexibility for the City to re-pattern its resources monthly to meet its changing loads and exchange the resources with other preference entities who can temporarily utilize the power during the same periods. With the continuation of these programs, and the availability of supplemental purchases through Safford’s CRSP contract, there is not any short-term need for additional contractual resources for the City. Therefore, Safford will use its current entitlements of Hoover and SLCA/IP resources with purchases of supplemental power to meet its projected loads through the two-year planning period. For the five-year planning period, a need for additional resources was identified. For this timeframe, the City anticipates using its Hoover resource entitlement, its SLCA/IP entitlement, the Integrated Resource Scheduling program, Resource Exchange Procedures, and Southwest Public Power Resources Group (“SPPR Group”) resources to meet its projected loads.

Safford Goals and Objectives

- Provide Reliable Electric Power at Lowest Practicable Cost, Consistent With Sound Business Principles
- Continue to Participate with other Utilities in Graham County to Provide Reliable Electric Service and Promote County Wide Economic Growth
- Enhance Customer Financial Stability by Providing Services which Provide Long-Term Stability in Electric Power Rates
- Promote Energy Efficiency and the Effective Management of Power Resources

Competitive Situation

- **Contract Information**

Arizona Power Authority (Hoover Power Contract)
 Western Area Power Administration (SLCA/IP Contract)
 Arizona Electric Power Cooperative (Scheduling and resource management agreement)
 Southwest Transmission Cooperative (Transmission Agreement)
 Graham County Electric Cooperative (Transmission Agreement and Territorial Settlement Agreement)
 Integrated Resource Scheduling Agreement
 Southwest Public Power Resources Group/Sempra Generation (Power Purchase Agreement)

- **Regulations Applicable to Safford**

Energy Planning and Management Program (EPACT '00)

- **Regulations Applicable to Safford Customers**

Low Income Rate Support
 Emergency Medical Rate

- **Competition With Safford Service**

There is competition for new customers within Graham County from GCEC and the Town of Thatcher. Therefore, to the extent that Safford's electric rates become significantly higher than other areas, the competition for electric load may significantly impact the electric load of the City.

Load and Resource Information

- **Historical and Five-Year Load Forecast:**

Oct-Sep	Winter Demand CP @ Sub (kW)	Summer Demand CP @Sub (kW)	Peak Annual Growth	Energy @Substation (kWh)	Energy @Meters (kWh)	Load Factor
2002	10,649	15,361		64,438,052	63,174,560	48%
2003	9,649	16,014	4%	64,671,659	63,401,080	46%
2004	13,735	16,653	4%	65,013,713	63,713,440	45%
2005	11,919	16,674	0%	67,347,152	66,000,210	46%
2006	11,898	17,984	8%	69,104,649	67,722,554	44%
2007	13,207	19,245	7%	74,389,787	72,901,990	44%
2008	14,502	18,877	-2%	74,152,438	72,669,389	45%
2009	13,212	20,143	7%	73,829,378	72,352,788	42%
2010	10,908	19,163	-5%	71,959,308	70,520,121	43%
2011	15,092	20,583	7%	74,307,785	72,550,039	41%
<i>Current Forecast</i>						
2012	14,513	21,003	2%	75,824,270	74,030,652	41%
2013	14,809	21,432	2%	77,371,704	75,541,482	41%
2014	15,111	21,869	2%	78,950,719	77,083,145	41%
2015	15,420	22,315	2%	80,561,958	78,656,270	41%
2016	15,734	22,771	2%	82,206,080	80,261,500	41%

See **Appendix B** for a summary of the historical monthly load information (by operating year) as well as a graphical illustration of how the City schedules its resources to cover its loads in a typical year.

- **Customer Profile Information**

The City's customers are currently divided amongst the customer classes as follows:

- Commercial—14.6%
 - Large Demand—1.8%
 - Other Commercial—12.8%
- Residential—85%
- Other—0.3%

See **Appendix B** for a graphical illustration.

Detailed below is a summary of the historical energy sales by customer class for each of the past twelve years.

ENERGY SALES BY CUSTOMER CLASS (KWH)

OPERATING YEAR	RESIDENTIAL	COMMERCIAL	AGRICULTURAL	PUBLIC USE/ STREET LIGHTING	TOTAL	% CHANGE
2000	25,433,814	28,880,657	374,877	423,796	55,113,144	
2001	26,015,883	30,510,573	327,117	423,796	57,277,369	3.93%
2002	25,833,866	31,256,855	403,401	423,796	57,917,918	1.12%
2003	26,066,710	30,814,362	299,037	423,796	57,603,905	-0.54%
2004	27,770,774	32,236,267	350,519	423,796	60,781,356	5.52%
2005	26,729,961	31,602,320	283,844	423,796	59,039,921	-2.87%
2006	29,577,704	33,495,184	402,629	423,796	63,899,313	8.23%
2007	31,852,820	36,478,381	277,435	423,796	69,032,432	8.03%
2008	31,519,057	36,027,263	271,076	423,796	68,241,192	-1.15%
2009	31,788,882	34,857,380	486,747	423,796	67,556,805	-1.00%
2010	31,404,590	34,196,448	283,057	423,796	66,307,891	-1.85%
2011	32,085,658	34,529,456	429,169	423,796	67,468,079	1.75%

The below chart outlines the historical energy sales by customer class in terms of percentages of total sales.

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
COMMERCIAL	53.0%	53.5%	52.4%	52.8%	52.8%	51.6%	51.6%	51.2%
LARGE DEMAND	32.0%	32.5%	32.8%	35.2%	35.2%	34.5%	34.5%	34.4%
SMALL DEMAND	5.4%	5.2%	6.8%	2.7%	0.0%	0.0%	0.0%	0.0%
NON DEMAND	15.7%	15.7%	12.8%	15.0%	17.6%	17.1%	17.0%	16.7%
RESIDENTIAL	45.7%	45.3%	46.3%	46.1%	46.2%	47.1%	47.4%	47.6%
AGRICULTURAL	0.6%	0.5%	0.6%	0.4%	0.4%	0.7%	0.4%	0.6%
PUBLIC USE/ STREET LIGHTING	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%

- **Supply Side Resources**

Safford anticipates that current federal resources and associated supplemental purchases and continuation of the Integrated Resource Scheduling procedures and the Authority Hoover Resource Exchange Program will be sufficient for the City to meet its monthly power and energy requirements through the short-term planning period. Supplemental power will continue to be purchased to cover any short-term power deviations. For the long-term planning period, the City has determined to secure an additional long-term resource to diversify its portfolio of suppliers and provide additional options for firming through the Resource Exchange Program.

As described in the City's prior Plan, Safford spent several years participating with the SPPR Group in evaluating future resource opportunities. The SPPR Group is an association of forty not-for-profit electric utilities, including cooperatives, municipalities, tribal power authorities, and irrigation and electric

districts providing service in Arizona, California, and Nevada. Taking advantage of the Group's size to broaden the scope of possible supplies, multiple options for resources were considered, including both construction of a generating unit and purchase of a portion of an existing generating unit. Ultimately, however, both of these options became infeasible due to economic and regulatory circumstances. The Group then issued a Request for Proposals ("RFP"), in response to which a variety of proposals could be submitted, including unit contingent proposals, turnkey proposals, 25-year purchase power agreements, slice of utility system offers in which the sale would be treated with the same firmness as native load, and the sale of existing generating units. The RFP was later modified to reflect the changing requirements of the participants, and required bids to be for unit contingent power or firm power from dedicated units, including slice of system sales. Bids were also required to be for fully dispatchable service. Ultimately, due to economic and other considerations, it was determined that the most practicable option was a long-term power purchase agreement. Beginning January 1, 2015, the City will begin operating, as a member of the SPPR Group, under its new Power Purchase Agreement with Sempra Generation.

Detailed below are the City's current contractual commitments:

Arizona Power Authority (Hoover Power) at AEPCO's Apache Substation

- Hoover B Capacity & Energy
 - 2,000 kW (Maximum with Hoover Firming Capacity)
 - 2,255,000 kWh (Contract Entitlement)
- Expires September 30, 2017

Salt Lake City Area/Integrated Project Capacity at Apache Substation

- Winter Season CROD: 521 kW
- Summer Season CROD: 1,141 kW
- Energy entitlements by fiscal year:

<i>Fiscal Year</i>	<i>Winter Season Energy (kWh)</i>	<i>Summer Season Energy (kWh)</i>
FY 2012 - FY 2024	955,479	2,076,818

- Contract Term: Expires September 30, 2024

Supplemental Resources

- From time to time Safford purchases exchange power or layoff power to meet its loads. To the extent exchange SLCA/IP power or layoff Hoover power are not available, Safford purchases supplemental resources as needed to satisfy its load requirements.

Power Purchase Agreement (Sempra Generation—through SPPR Group)

- Firm Capacity and Energy
 - 15,000 kW
 - Energy as needed

- Effective January 1, 2015; expires December 31, 2039.

The City recently constructed a 58 kW solar installation at a City water booster pump site, which helps meet the electrical requirements of the facility.

- **Demand Side Resources**

Safford has several ongoing Demand Side Management (“DSM”) activities, including the distribution of conservation information and offering demand rates to its customers. The City also engages in regular distribution system monitoring and efficiency improvements to City-owned facilities whose increased efficiency is reflected in lowered electric requirements.

Identification and Comparison of Resource Options

The identification of options for additional resources within this Integrated Resource Plan (“IRP”) is coordinated through an examination of the costs and benefits for each resource. The examination of additional resources often indicates that the additional cost to the City may be prohibitive compared to the benefit provided by the resource. Nevertheless, Safford will continue to look for additional opportunities for energy savings from evolving technological advances in energy efficiency.

Designation of Options

If additional resources are needed, the least cost option is identified from a cost benefit analysis. This information is considered by Safford’s City Council in public meetings and combined with other information to select an Action Plan for the City which conforms to the regulations and guidelines of the Energy Planning and Management Program. The selection of the City’s Action Plan also includes consideration for reliability of service, economics, rate impacts and price elasticity, environmental effects, regulatory impacts and risks, legal considerations and risks, competitive impacts, social acceptance and public considerations and any other factors which may be identified from time-to-time which may be pertinent in selecting or implementing an Action Plan.

Action Plan

- **Resource Action Plan**

The time period covered by Safford’s Action Plan is the five-year period from 2012 through 2016.

Safford has determined that to provide reliable electric power at the lowest practicable cost, consistent with sound business principles, the City will continue using its long-term entitlements of Hoover and SLCA/IP power to supply some of its projected long-term power requirements. The current federal resources and supplemental purchases, and continuation of the Integrated Resource Scheduling procedures and the Authority Hoover Resource Exchange Program, will be sufficient for the City to meet its monthly power and energy requirements through the short-term planning period. Additional purchases of supplemental power will continue to be made to cover any short-term power deviations.

For the long-term planning period, the City has identified a need for additional resources, with the objective of increasing its options for firming resources purchased through the Resource Exchange Program and Integrated Resource Scheduling Procedures and to serve as a supplement to existing long-term contracts. Therefore, Safford has entered into a long-term power purchase agreement as a member of a group of public power entities. Together with the City's existing contractual arrangements, this is anticipated to be sufficient to meet all of the City's requirements over the five-year planning period. No further new resources will be required.

Since no new resources are needed, there are no milestones to evaluate accomplishment of the Plan activities. Nevertheless, Safford will monitor any adjustments to the Plan for the long-term resource needs and will annually review its electric loads and resources for any significant changes. Safford continuously reevaluates the possible need for new resources, the availability of less costly resources and the potential for additional DSM activities. The City's Resource Action Plan enhances customer financial stability by providing services that will enhance property values and provide long-term stability in electric power rates.

In the event the loads of the City are projected to materially increase above those levels represented in the Load and Resource information, other than normal deviations due to weather impacts, the City will review its forecast and evaluate the need for modifying its IRP and notify Western accordingly. In any event, Safford will evaluate its load forecast and resource information in detail every five years and refresh its IRP, in accordance with Western's regulations.

- **Conservation Action Plan**

The ability of Safford to stabilize its rates and power supply costs relies upon economically feasible conservation of every resource. The City has decided to continue certain conservation activities to promote and maintain energy efficiency and customer awareness for conserving electric resources.

Period: Calendar Year 2012 through 2016

Activity: Distribution System Monitoring and City-Wide Efficiency Improvements
 Commercial User Load Monitoring and Municipal and Commercial Lighting Efficiency
 Public Information and Education

- **Validation and Evaluation**

Distribution System Monitoring and City-Wide Efficiency Improvements

Safford's activities on its distribution system include the use of monitoring equipment and ongoing distribution system analysis to examine ways to improve efficiencies and develop a system expansion plan to serve current and future loads. Safford recently completed a major capital reconstruction of its substation including higher efficiency equipment as a result of this activity, and upgrades continue. Currently, Safford is realizing a 99% or greater level of efficiency at its substation. Other system improvements are undertaken when feasible.

Some of the other efficiency activities pursued by Safford are:

- Installation of new, more efficient motors at the City's pump stations, which resulted in a 30% reduction of energy usage.
- Construction of additional water storage tanks to reduce pumping needs.
- Recent construction of a more energy efficient sewer treatment plant.
- Promotion of high efficiency natural gas appliances.

Commercial User Load Monitoring and Municipal and Commercial Lighting Efficiency

Safford has continued to work with new and old commercial customers to discuss load management and how their loads contribute to the City's power requirements. In the past few years Safford has contacted commercial customers to advise and assist them in improving energy efficiencies. The City offers several rates to encourage efficient use of power for its commercial customers. The City is also implementing an electronic metering program that will report time of use information; this program will be phased in over the next five years.

Safford continues to sponsor lighting efficiency by the following activities:

- Infra-red surveys of Safford's electrical system and City-owned facilities
- Low pressure sodium City street and security lights
- Utilizing grant funds to install LED and induction street lights

Over the past few years Safford has performed energy efficient lighting surveys of all the City-owned facilities. Safford continues to benefit from the City's conversion to low pressure sodium street and security lights and radio controlled

airport runway lights. The estimated annual energy savings from these projects is 485,000 kWh.

Public Information and Education

Safford continues to provide updated conservation literature and "Energy Tips" to its customers. Energy conservation and load management tips are periodically submitted to the local newspapers and radio station. Upon request, individual customers are contacted to provide additional assistance. Safford also offers its customers, both residential and business, the opportunity to identify areas where energy efficiency could be improved. Other outreach activities, such as conducting presentations at the local schools and co-sponsoring a display at the local county fair on the importance of conservation, are conducted when feasible.

Environmental Effects

The City is required, to the extent practicable, to minimize adverse environmental effects of new resource acquisitions and document these efforts in the IRP. As noted above, the City has secured an additional long-term resource which will become effective January 1, 2015. In procuring this resource, the City worked collaboratively with a group of other similarly situated entities, known collectively as the SPPR Group. Options for meeting anticipated future needs were carefully considered, including the consideration of renewable resources. The SPPR Group also utilized an Independent Market Monitor bidding process overseen by the Arizona Corporation Commission to ensure the request for proposals process resulted in the best alternative, and provided an unbiased evaluation platform. However, no appropriate renewable resource was identified. The resource ultimately selected is output from a natural gas supplied plant. Selection of a gas fired generation source will help the City avoid future purchases from coal-fired generation, or market purchases from a blended fuel mix which may include nuclear or coal. In addition, the acquisition of this resource will allow the City the flexibility to incorporate additional renewable resources which require firming, such as wind or hydro generation. Ultimately, the City intends to utilize hydro resources and its firming capabilities through the Hoover Resource Exchange Program and Integrated Resource Scheduling procedures to meet much of its electric loads. To the extent the City utilizes the Integrated Resource Scheduling Procedures and the Resource Exchange Program and their firming capabilities to exchange and better utilize the hydro resources of Safford and other similarly situated utilities, such efforts should be environmentally beneficial since such increased utilization would offset thermal generation purchases. In addition, to the extent the City sponsors conservation activities and information activities with its customers, the conservation of energy is the fundamental achievement, which is environmentally beneficial and economically sound.

Public Participation

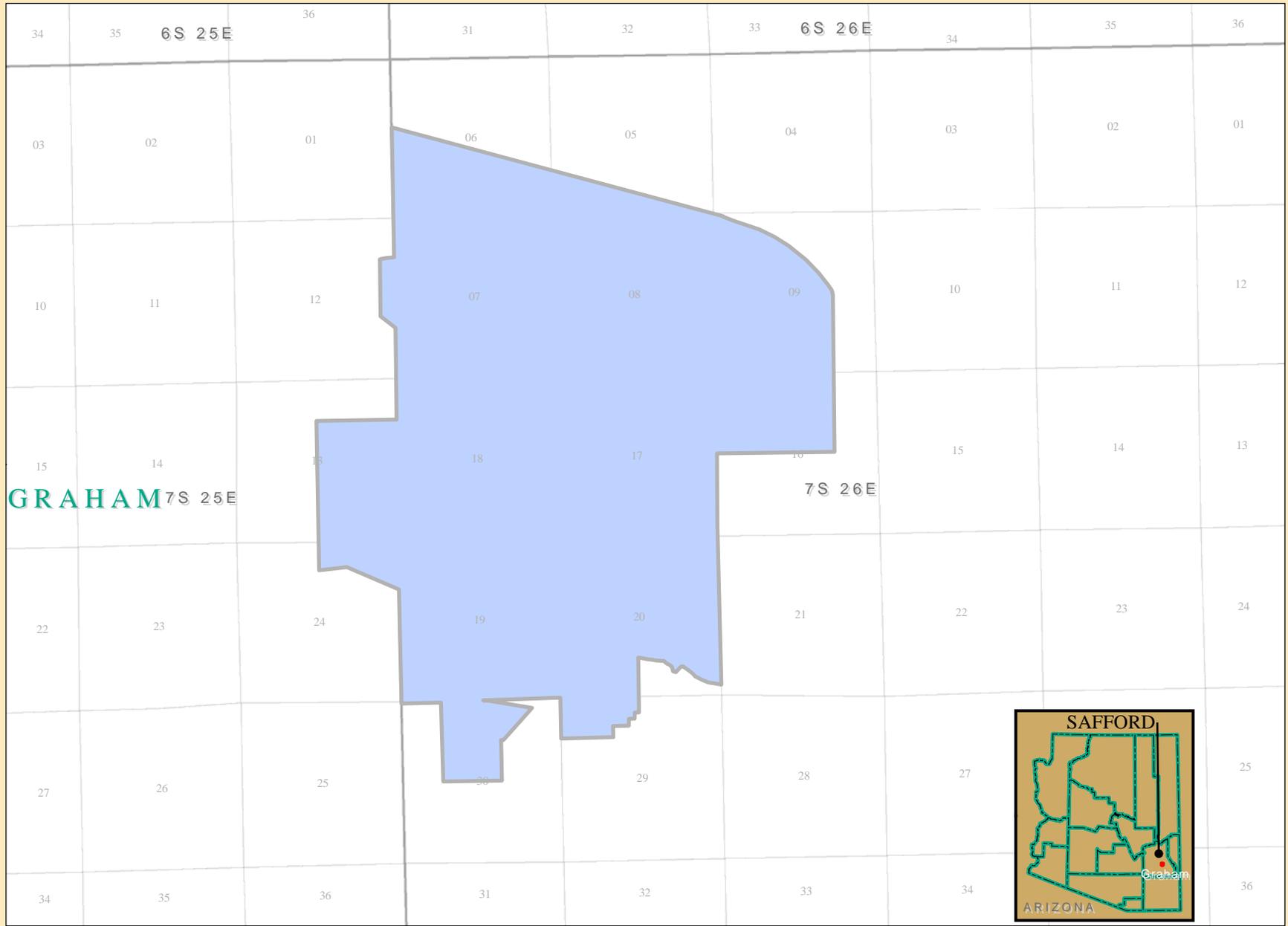
Safford has held one public meeting to discuss the development of its IRP.

Prior to the meeting, the City published notice in advance of the meeting, giving the time and place of the meeting and specifying that the City would be considering a draft IRP at the meeting. The notice was published in accordance with statutory open meeting law requirements. The notice stated that the draft IRP would be available to the public in advance of the meeting and that public comment on the draft IRP would be accepted at the meeting. A copy of the notice is attached as **Appendix C**.

At the meeting, the draft IRP was presented to the City Council. After discussion and the opportunity for public comment, the Council authorized the preparation of a final IRP, with such revisions as the Council deemed appropriate. There were no public comments. This document is the final IRP. No changes were made following the meeting.

1 in = 1 miles

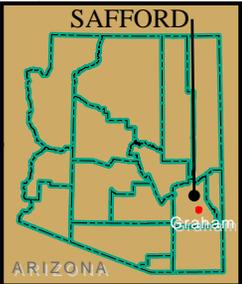
APPENDIX A -- Map of City Electric Service Territory



Sources: Township Range Section: AZ State land - Alifs
Electric Service Territory: Provided by City of Safford
GIS Dept. - 6/14/2011

Not verified by KRSA

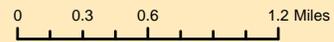
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City of Safford

Legend

-  Townships
-  County Boundary
-  Sections
-  Electric Service Territory



DISCLAIMER:
K.R. Saline & Associates, PLC
Does not warrant the accuracy
or location of the facilities shown



CITY OF SAFFORD

Demand @ Meters (kW)

Year	October	November	December	January	February	March	April	May	June	July	August	September	Max
2002	10,440	7,600	8,340	7,960	7,880	7,340	8,700	14,380	15,060	14,280	14,800	14,580	15,060
2003	9,460	6,900	7,540	7,200	7,640	7,200	7,960	13,020	14,880	15,700	14,680	14,940	15,700
2004	13,460	6,900	7,700	7,820	7,700	8,240	8,780	11,100	14,860	16,320	16,260	14,040	16,320
2005	11,680	7,940	8,000	7,640	7,380	6,800	8,300	13,920	16,340	13,560	16,300	13,760	16,340
2006	11,660	8,420	8,600	8,420	7,340	7,110	8,876	15,350	14,716	17,624	16,862	13,246	17,624
2007	12,942	8,882	9,534	9,014	8,430	8,100	11,234	14,338	16,564	17,360	18,860	15,090	18,860
2008	14,212	8,252	9,502	9,478	9,332	7,994	10,362	16,702	16,990	17,738	18,500	15,220	18,500
2009	12,948	8,616	9,168	8,884	9,056	7,412	10,830	15,824	15,926	17,922	19,740	17,214	19,740
2010	10,690	8,326	8,774	8,682	8,416	7,330	8,718	12,808	16,008	18,780	18,078	14,136	18,780
2011	14,790	8,752	9,034	8,614	10,760	8,508	10,506	14,078	20,120	16,214	19,300	18,408	20,120

Demand @ Substation (kW)

Year	October	November	December	January	February	March	April	May	June	July	August	September	Max
2002	10,649	7,752	8,507	8,119	8,038	7,486	8,874	14,667	15,361	14,565	15,096	14,872	15,361
2003	9,649	7,038	7,691	7,344	7,793	7,344	8,119	13,281	15,178	16,014	14,974	15,245	16,014
2004	13,735	7,041	7,858	7,980	7,857	8,408	8,959	7,980	15,163	16,653	16,592	14,326	16,653
2005	11,919	8,102	8,164	7,796	7,531	6,938	8,470	14,204	16,674	13,837	16,633	14,041	16,674
2006	11,898	8,592	8,775	8,592	7,490	7,255	9,057	15,663	15,016	17,984	17,206	13,516	17,984
2007	13,207	9,064	9,729	9,198	8,603	8,265	11,463	14,631	16,902	17,714	19,245	15,398	19,245
2008	14,502	8,420	9,696	9,671	9,522	8,157	10,573	17,042	17,336	18,100	18,877	15,531	18,877
2009	13,212	8,792	9,355	9,065	9,240	7,564	11,051	16,147	16,251	18,288	20,143	17,565	20,143
2010	10,908	8,496	8,953	8,859	8,588	7,479	8,896	13,069	16,335	19,163	18,447	14,424	19,163
2011	15,092	8,931	9,218	8,812	11,008	8,704	10,748	14,402	20,583	16,587	19,744	18,832	20,583

Energy @ Meters (kWh)

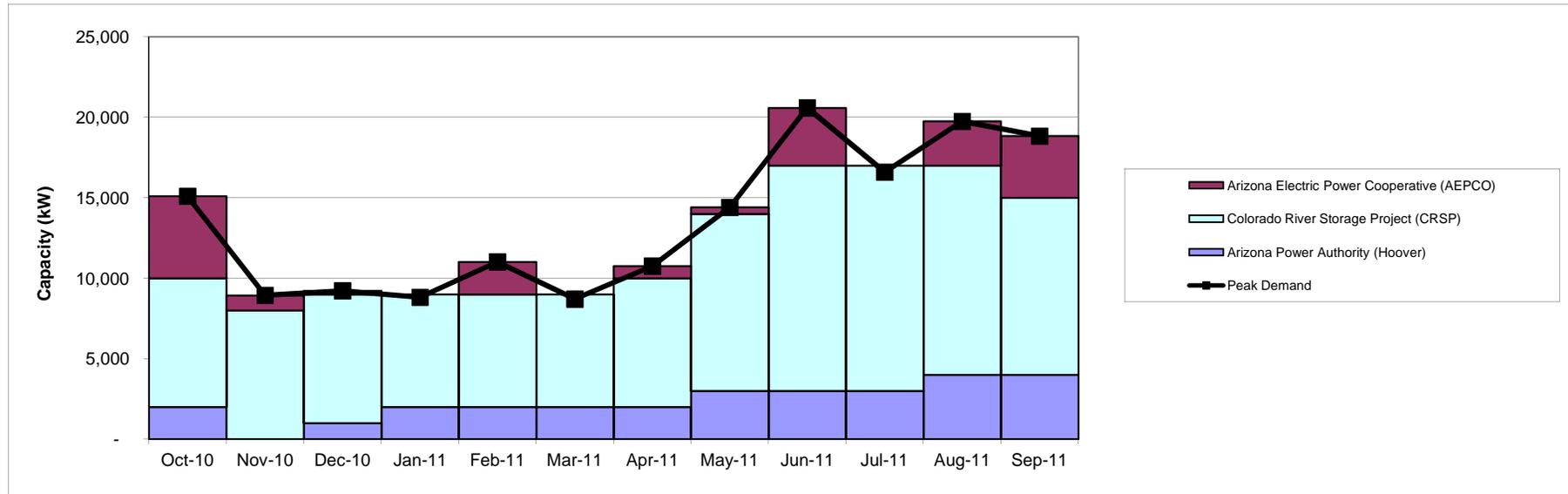
Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
2002	4,568,050	4,024,340	4,587,840	4,480,010	3,861,920	4,130,580	4,581,000	5,529,170	7,069,770	7,222,080	7,024,410	6,095,390	63,174,560
2003	4,475,490	4,035,170	4,576,200	4,310,200	3,882,740	4,136,600	4,130,890	5,524,400	6,563,350	7,810,090	7,693,370	6,262,580	63,401,080
2004	5,181,180	4,101,680	4,672,390	4,494,400	4,229,050	4,446,520	4,269,400	5,691,290	6,656,480	7,268,440	6,867,910	5,834,700	63,713,440
2005	4,682,150	4,250,370	4,820,970	4,558,450	4,029,680	4,279,590	4,325,900	5,836,540	6,996,440	8,128,110	7,579,280	6,512,730	66,000,210
2006	5,022,690	4,290,790	4,922,410	4,733,480	4,025,830	4,141,649	4,591,385	6,425,912	7,795,629	8,307,751	7,529,605	5,935,423	67,722,554
2007	4,989,083	4,465,333	5,256,002	5,413,694	4,457,643	4,795,538	4,788,163	6,441,861	7,753,286	8,633,103	8,690,274	7,218,010	72,901,990
2008	5,500,698	4,668,414	5,487,119	5,387,111	4,718,434	4,786,980	4,834,452	5,816,026	7,860,701	8,218,234	8,461,826	6,929,394	72,669,389
2009	5,374,750	4,662,404	5,389,219	5,140,817	4,423,108	4,584,268	4,755,374	6,472,613	6,971,381	9,086,197	8,638,852	6,853,805	72,352,788
2010	5,159,237	4,535,383	5,305,357	5,121,679	4,395,612	4,618,928	4,609,771	5,603,908	7,528,045	8,368,607	8,263,554	7,010,040	70,520,121
2011	5,293,041	4,572,729	5,084,268	5,237,590	4,675,163	4,671,526	4,983,761	5,667,878	7,828,784	8,695,873	8,943,826	6,895,600	72,550,039

Energy @ Substation (kWh)

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
2002	4,659,411	4,104,827	4,679,597	4,569,610	3,939,159	4,213,192	4,672,620	5,639,753	7,211,165	7,366,521	7,164,899	6,217,298	64,438,052
2003	4,565,000	4,115,874	4,667,724	4,396,404	3,960,395	4,219,332	4,213,508	5,634,888	6,694,617	7,966,292	7,847,238	6,390,387	64,671,659
2004	5,286,918	4,185,388	4,767,745	4,586,123	4,315,357	4,537,265	4,356,530	5,807,439	6,792,326	7,416,775	7,008,072	5,953,775	65,013,713
2005	4,777,704	4,337,113	4,919,357	4,651,479	4,111,918	4,366,928	4,414,184	5,955,653	7,139,225	8,293,990	7,733,959	6,645,642	67,347,152
2006	5,125,194	4,378,357	5,022,867	4,830,081	4,107,990	4,226,173	4,685,087	6,557,054	7,954,724	8,477,297	7,683,271	6,056,554	69,104,649
2007	5,090,901	4,556,462	5,363,267	5,524,178	4,548,616	4,893,407	4,885,880	6,573,328	7,911,516	8,809,289	8,867,627	7,365,316	74,389,787
2008	5,612,957	4,763,688	5,599,101	5,497,052	4,814,729	4,884,673	4,933,114	5,934,720	8,021,123	8,385,953	8,634,517	7,070,811	74,152,438
2009	5,484,439	4,757,555	5,499,203	5,245,732	4,513,376	4,677,825	4,852,423	6,604,707	7,113,654	9,271,630	8,815,155	6,993,679	73,829,378
2010	5,264,527	4,627,942	5,413,630	5,226,203	4,485,318	4,713,192	4,703,848	5,718,274	7,681,679	8,539,394	8,432,198	7,153,103	71,959,308
2011	5,401,063	4,666,050	5,188,029	5,484,848	4,782,785	4,779,065	5,098,487	5,798,353	8,009,003	8,896,052	9,149,713	7,054,337	74,307,785

CITY OF SAFFORD

SCHEDULED RESOURCES TO COVER TYPICAL PEAK DEMAND

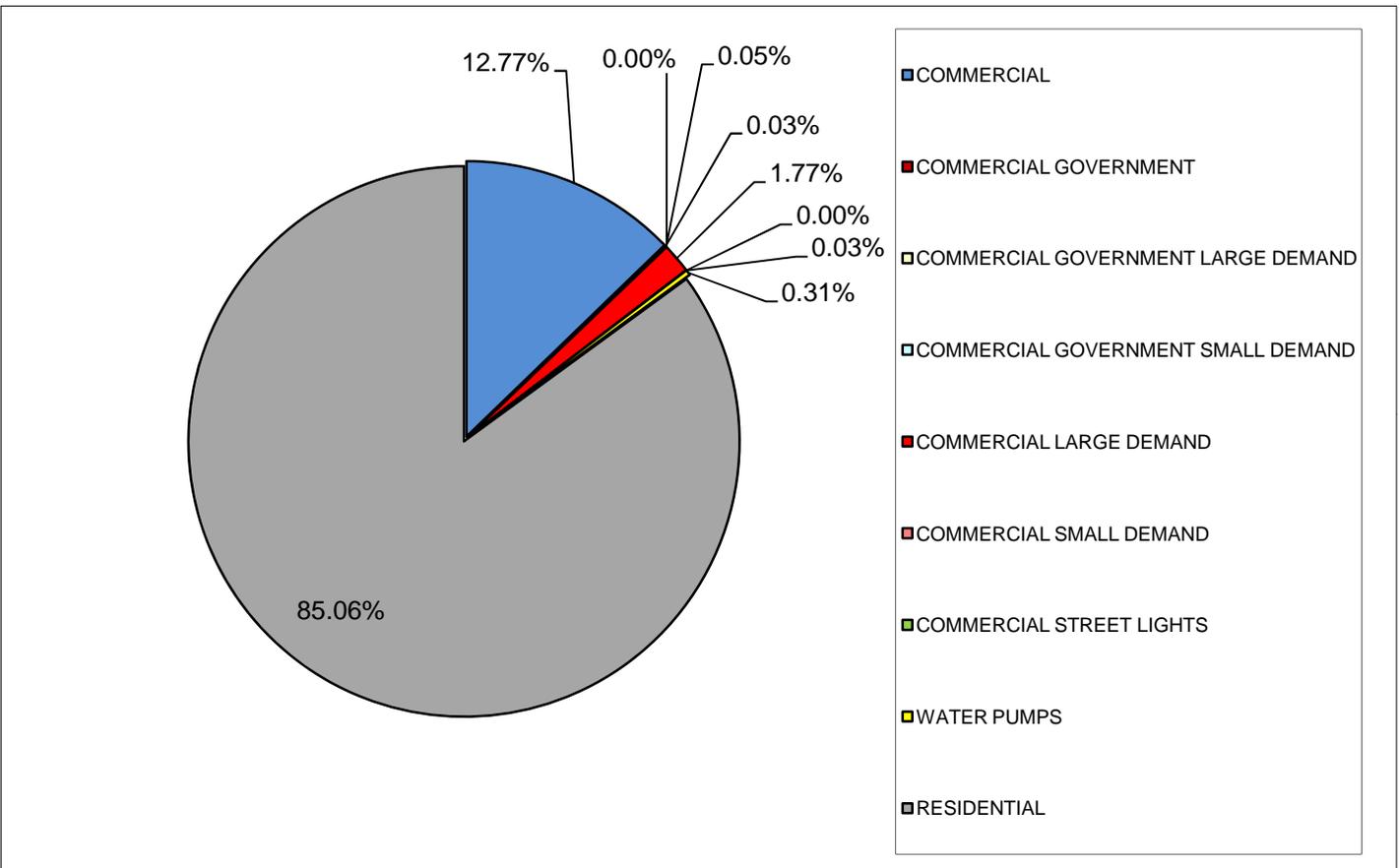


Resources

	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11
Arizona Power Authority (Hoover)	2,000	-	1,000	2,000	2,000	2,000	2,000	3,000	3,000	3,000	4,000	4,000
Colorado River Storage Project (CRSP)	8,000	8,000	8,000	7,000	7,000	7,000	8,000	11,000	14,000	14,000	13,000	11,000
Arizona Electric Power Cooperative (AEPCO)	5,092	931	218	-	2,008	-	748	402	3,583	-	2,744	3,832
Peak Demand	15,092	8,931	9,218	8,812	11,008	8,704	10,748	14,402	20,583	16,587	19,744	18,832

CITY OF SAFFORD

Customer Type	# of Customers
COMMERCIAL	499
COMMERCIAL GOVERNMENT	1
COMMERCIAL GOVERNMENT LARGE DEMAND	2
COMMERCIAL GOVERNMENT SMALL DEMAND	0
COMMERCIAL LARGE DEMAND	69
COMMERCIAL SMALL DEMAND	0
COMMERCIAL STREET LIGHTS	1
WATER PUMPS	12
RESIDENTIAL	3325
Total	3909



AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA)
)
:SS.
COUNTY OF GRAHAM)

STEPHANIE JONES being first
duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the
EASTERN ARIZONA COURIER newspaper printed and published bi-weekly in the
County of Graham, State of Arizona, and of general circulation in the city of Safford,
County of Graham, State of Arizona and elsewhere, and the hereto attached

NOTICE OF MEETING
Monday, March 12, 2012
6:00 p.m.
Library - Phelps Dodge Room
808 7th Avenue,
Safford, Arizona
In accordance with Resolution Number 421 of the City of Safford, and Section 38-431.02, Arizona Revised Statutes, notice is hereby given that the City of Safford ("the City") will hold a meeting at 6:00 pm on the 12th day of March, 2012, in the Phelps Dodge Meeting Room located at 808 S. 7th Avenue, Safford, Arizona. Council Agendas are available in the City Clerk's Office.
During this meeting the Council will review and approve the City's updated Integrated Resource Plan. This Integrated Resource Plan, which is required by the Western Area Power Administration, details the City's power resource plan for the next five years. The final Integrated Resource Plan will be available to the public at the Clerk's Office prior to the meeting. Written comments regarding the Integrated Resource Plan will be accepted anytime prior to or at the meeting. Public comments will also be accepted at this time. Please contact Eric Buckley, at 928-432-4201 for more information.
Req.: City of Safford
Published: February 26, March 4, 2012, in the Eastern Arizona Courier, Safford, Arizona 85546.

CITY OF SAFFORD
IRP METTING NOTICE

was printed and published correctly in the regular and entire issue of said
EASTERN ARIZONA COURIER for 2 issues, that the first was
made on the 26th day of FEBRUARY 20 12
and the last publication thereof was made on the 4th day of

MARCH 20 12

publication was made on each of the following dates, to wit:
02/26/12
03/04/12

that said

Request of SAFFORD, CITY OF

EASTERN ARIZONA COURIER

By *Stephanie Jones*

Subscribed sworn to before me this 4th day of MARCH
20 12



Monica L. Watson
Notary Public in and for the County of Graham, State of Arizona
My Commission Expires: *Dec 11, 2014*