

IMPORTANT RATE INCREASE NOTICE - PLEASE READ

Graham County Utilities, Inc. – Gas Division ("GCU" or "Cooperative") has notified the Arizona Corporation Commission ("Commission") that it intends to file an application on or about August 29, 2017, to increase its rates and charges pursuant to A.R.S. § 40-250 and A.A.C. R14-2-103. GCU is requesting an overall rate increase of \$224,038 or 11.08% over actual test year total base revenue. GCU's test year for this rate filing is December 31, 2016. GCU states that the rate increase is necessary to recover operating costs and to cover required debt service. The last general rate increase for GCU was effective August 1, 2013.

A residential customer with monthly natural gas consumption of 69 therms (average usage) in the winter will see an increase in his/her bill of \$2.65 per month (from \$42.43 to \$45.08), or 6.25%. A residential customer with monthly natural gas consumption of 63 therms (median usage) in the winter will see an increase in his/her bill of \$2.65 per month (from \$40.16 to \$42.81), or 6.6%. The proposed percentage increases by rate class over existing base rates are:

	System Charge	Therm Charge	Average Increase	Median Increase
Residential*	\$2.65	0.00	6.25%	6.6%
Commercial	\$8.35	0.00	3.08%	9.62%
Irrigation**	\$2.40	0.00	3.51%	8.3%

* Residential data is based on highest usage months during the winter

**Irrigation data is based on highest usage months during the summer

Public Comment and Intervention

A person desiring to object to the Application or to request intervention in the rate case must file the objection or the intervention request not later than the date specified below. Within 14 days after the deadline for objections and intervention requests, the Commission's Utilities Division Staff must determine the eligibility and sufficiency of the Application.

Written public comments regarding GCU's Application may be submitted by mailing a letter referencing Docket No. G-02527A-17-0263 to the Commission's Consumer Services Section at 1200 W. Washington, Phoenix, Arizona 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to: <http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm.pdf>.

Requests to intervene may be filed in Docket No. G-02527A-17-0263 by any person entitled by law to intervene or who is directly and substantially affected by the proceeding. If you require assistance, either to provide public comment or to seek intervention, you may contact the Commission's Consumer Services Section during normal business hours at 602-542-4251 or 1-800-222-7000 (Phoenix office); or 520-628-6550 or 1-800-535-0148 (Tucson office); or you may contact GCU during normal business hours at 928-485-2451. All motions to intervene and all objections to the Application must be filed on or before December 21, 2017.

How You Can View or Obtain a Copy of the Application and Other Filed Documents

A copy of the Application is available for public inspection during regular business hours at GCU's offices located at 9 West Center Street, Pima, Arizona 85543. A copy of the Application is also available at GCU's website (www.gce.coop). After November 21, 2017, a copy of the Application will also be available for public inspection during regular business hours at the Commission's Docket Control Center at 1200 W. Washington Street, Phoenix, Arizona, 85007, in the Commission's Tucson Office at 400 W. Congress, Tucson, Arizona, 85701 and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

GCU Contact Information

Graham County Utilities, Inc.
9 West Center Street
PO Drawer B
Pima, Arizona 85543
Phone: 928-485-2451

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, e-mail SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as soon as possible to allow time to arrange the accommodation.