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Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1

Briefly describe the organization's mission

TO BE THE PREFERRED ELECTRIC UTILITY PROVIDER IN THE SERVICE AREA, OFFERING APPROPRIATE, VALUE-BASED SERVICES DESIRED BY THE MEMBERSHIP

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

SALES OF ELECTRIC ENERGY TO OUR MEMBERS - 50,461 ACTIVE SERVICES WERE PROVIDED ELECTRIC POWER AT YEAR END AT COST ON A COOPERATIVE BASIS THROUGH THE ALLOCATION OF PATRONAGE CAPITAL

4b

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d

Other program services (Describe in Schedule O )














(Expenses \$ including grants of \$ ) (Revenue \$ )

4e

Total program service expenses

Part IV

Checklist of Required Schedules

|   | Yes | No  |
|---|-----|-----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .   | 1   | No  |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . .   | 2   | No  |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .  | 3   | No  |
| 4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .   | 4   |     |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .   | 5   | No  |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I  . . . . .  | 6   | No  |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II  . . . .  | 7   | No  |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III  . . . . .   | 8   | No  |
| 9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV  . . . . . | 9   | Yes |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V  . . . . .   | 10  | No  |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable   |     |     |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI  . . . . .   | 11a | Yes |
| b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII  . . . . .   | 11b | No  |
| c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII  . . . . .   | 11c | Yes |
| d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX  . . . . .  | 11d | No  |
| e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X  . . . . .   | 11e | Yes |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X  . . . . .  | 11f | Yes |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII  . . . . .  | 12a | No  |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional  . . . . .   | 12b | Yes |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .  | 13  | No  |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? . . . . .   | 14a | No  |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .   | 14b | No  |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .   | 15  | No  |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .   | 16  | No  |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .  | 17  | No  |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .   | 18  | No  |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .   | 19  | No  |
| 20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .   | 20a | No  |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?  | 20b |     |

Part IV

Checklist of Required Schedules (continued)

|     |  |     |     |    |
|-----|--|-----|-----|----|
| 21  | Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .  | 21  | Yes |    |
| 22  | Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .  | 22  |     | No |
| 23  | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .  | 23  | Yes |    |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> . . . . .                            | 24a |     | No |
| b   | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .  | 24b |     |    |
| c   | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .   | 24c |     |    |
| d   | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .  | 24d |     |    |
| 25a | <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .  | 25a |     |    |
| b   | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .                                       | 25b |     |    |
| 26  | Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i> . . . . .                                    | 26  |     | No |
| 27  | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . . | 27  |     | No |
| 28  | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)   |     |     |    |
| a   | A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .   | 28a |     | No |
| b   | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .  | 28b | Yes |    |
| c   | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .  | 28c |     | No |
| 29  | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . .  | 29  |     | No |
| 30  | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .  | 30  |     | No |
| 31  | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .  | 31  |     | No |
| 32  | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .  | 32  |     | No |
| 33  | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .  | 33  |     | No |
| 34  | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .  | 34  | Yes |    |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)?  | 35a | Yes |    |
| b   | If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .   | 35b | Yes |    |
| 36  | <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .   | 36  |     |    |
| 37  | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .   | 37  |     | No |
| 38  | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .  | 38  | Yes |    |

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

☐

|   |  |             |    |
|---|--|-------------|----|
|   |  | Yes         | No |
| 1a  | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.    | 82          |    |
| 1b  | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. | 0           |    |
| 1c  |  |             |    |
| 2a  |  | 178         |    |
| 2b  |  | Yes         |    |
| 3a  |  | Yes         |    |
| 3b  |  | Yes         |    |
| 4a  |  |             | No |
| b   |  |             |    |
| 5a  |  |             | No |
| 5b  |  |             | No |
| 5c  |  |             |    |
| 6a  |  |             | No |
| 6b  |  |             |    |
| 7 Organizations that may receive deductible contributions under section 170(c). |  |             |    |
| 7a  |  |             |    |
| 7b  |  |             |    |
| 7c  |  |             |    |
| 7d  |  |             |    |
| 7e  |  |             |    |
| 7f  |  |             |    |
| 7g  |  |             |    |
| 7h  |  |             |    |
| 8   |  |             |    |
| 9 Sponsoring organizations maintaining donor advised funds.                     |  |             |    |
| 9a  |  |             |    |
| 9b  |  |             |    |
| 10 Section 501(c)(7) organizations. Enter                                       |  |             |    |
| 10a   |  |             |    |
| 10b   |  |             |    |
| 11 Section 501(c)(12) organizations. Enter                                      |  |             |    |
| 11a   |  | 130,282,128 |    |
| 11b   |  | 2,561,947   |    |
| 12a   |  |             |    |
| 12b   |  |             |    |
| 13a   |  |             |    |
| 13b   |  |             |    |
| 13c   |  |             |    |
| 14a   |  |             | No |
| 14b   |  |             |    |

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

|  |   |     |     |
|--|---|-----|-----|
|  |   | Yes | No  |
| 1a   | Enter the number of voting members of the governing body at the end of the tax year . . . . .   | 12  |     |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O |   |     |     |
| 1b   | Enter the number of voting members included in line 1a, above, who are independent . . . . .  | 12  |     |
| 2  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .   | 2   | No  |
| 3  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . . | 3   | No  |
| 4  | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .  | 4   | No  |
| 5  | Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .  | 5   | No  |
| 6  | Did the organization have members or stockholders? . . . . .  | 6   | Yes |
| 7a   | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .  | 7a  | Yes |
| 7b   | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .   | 7b  | Yes |
| 8  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following  |     |     |
| 8a   | The governing body? . . . . .   | 8a  | Yes |
| 8b   | Each committee with authority to act on behalf of the governing body? . . . . .   | 8b  | Yes |
| 9  | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .        | 9   | No  |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

|  |  |     |     |
|--|--|-----|-----|
|  |  | Yes | No  |
| 10a  | Did the organization have local chapters, branches, or affiliates? . . . . .   | 10a | No  |
| 10b  | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .   | 10b |     |
| 11a  | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .  | 11a | Yes |
| 11b  | Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . . . .   |     |     |
| 12a  | Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .  | 12a | Yes |
| 12b  | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .  | 12b | Yes |
| 12c  | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .   | 12c | Yes |
| 13   | Did the organization have a written whistleblower policy? . . . . .  | 13  | Yes |
| 14   | Did the organization have a written document retention and destruction policy? . . . . .   | 14  | No  |
| 15   | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?   |     |     |
| 15a  | The organization's CEO, Executive Director, or top management official . . . . .   | 15a | Yes |
| 15b  | Other officers or key employees of the organization . . . . .  | 15b | Yes |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions) |  |     |     |
| 16a  | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .  | 16a | No  |
| 16b  | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . . | 16b |     |

Section C. Disclosure

|    |  |
|----|--|
| 17 | List the States with which a copy of this Form 990 is required to be filed▶  |
| 18 | Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.<br><input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O) |
| 19 | Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year   |
| 20 | State the name, physical address, and telephone number of the person who possesses the books and records of the organization<br>▶RONNIE RUCKER 4727 SOUTH LOOP 289 LUBBOCK, TX 79424 (806) 775-7732  |

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

| (A)<br>Name and Title                          | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W- 2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W- 2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
|  |  | Individual trustee or director  | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former |   |  |   |
| (1) TOMMY JOINES<br>PRESIDENT                  | 15 60  | X   |                       | X       |              |                              |        | 27,110  | 0  | 0   |
| (2) RD MCCALLISTER<br>VICE PRESIDENT           | 12 40  | X   |                       | X       |              |                              |        | 29,981  | 0  | 0   |
| (3) BOBBY RICHEY<br>SECRETARY AND TREASURER    | 9 00   | X   |                       | X       |              |                              |        | 25,271  | 0  | 0   |
| (4) DANNY STANTON<br>ASST SECRETARY/TREASURER  | 10 40  | X   |                       | X       |              |                              |        | 26,498  | 0  | 0   |
| (5) PAUL ZUBER<br>DIRECTOR                     | 9 30   | X   |                       |         |              |                              |        | 23,912  | 0  | 0   |
| (6) BENNY NIXON<br>DIRECTOR                    | 11 00  | X   |                       |         |              |                              |        | 23,877  | 0  | 0   |
| (7) GLENN JONES<br>DIRECTOR                    | 12 80  | X   |                       |         |              |                              |        | 29,688  | 0  | 0   |
| (8) MARVIN SCHOEPF<br>DIRECTOR                 | 10 60  | X   |                       |         |              |                              |        | 28,056  | 0  | 0   |
| (9) KEN HARRIS<br>DIRECTOR                     | 9 40   | X   |                       |         |              |                              |        | 17,184  | 0  | 0   |
| (10) ROBERT FORBIS<br>DIRECTOR                 | 8 60   | X   |                       |         |              |                              |        | 24,588  | 0  | 0   |
| (11) BILL BEDNARZ JR<br>DIRECTOR               | 8 90   | X   |                       |         |              |                              |        | 26,345  | 0  | 0   |
| (12) LARRY BROWNING<br>DIRECTOR                | 8 80   | X   |                       |         |              |                              |        | 23,197  | 0  | 0   |
| (13) DALE ANCELL<br>GENERAL MANAGER            | 49 00  |   |                       | X       |              |                              |        | 198,446   | 0  | 39,541  |
| (14) RONNIE RUCKER<br>DIRECTOR OF FINANCE      | 42 00  |   |                       | X       |              |                              |        | 156,359   | 0  | 25,867  |
| (15) SHANE ADAMS<br>MANAGER OF ACCOUNTING      | 43 20  |   |                       |         |              | X                            |        | 130,179   | 0  | 43,204  |
| (16) RANDAL BAILEY<br>ASSISTANT MANAGER        | 42 30  |   |                       |         |              | X                            |        | 160,199   | 0  | 120,597   |
| (17) ALLAN BROWN<br>DIRECTOR OF RISK MANAGEMEN | 40 00  |   |                       |         |              | X                            |        | 121,732   | 0  | 45,676  |



## Part VII

|           |  |           |   |         |
|-----------|--|-----------|---|---------|
| <b>1b</b> | <b>Sub-Total . . . . .</b>   |           |   |         |
| <b>c</b>  | <b>Total from continuation sheets to Part VII, Section A . . . . .</b> |           |   |         |
| <b>d</b>  | <b>Total (add lines 1b and 1c) . . . . .</b>                           | 1,322,253 | 0 | 333,369 |

**2** Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 14

|          |   | Yes      | No  |
|----------|---|----------|-----|
| <b>3</b> | Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .  | <b>3</b> | No  |
| <b>4</b> | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> . . . . . | <b>4</b> | Yes |
| <b>5</b> | Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .                       | <b>5</b> | No  |

## **Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A)<br>Name and business address                                      | (B)<br>Description of services | (C)<br>Compensation |
|---|--------------------------------|---------------------|
| BIRD ELECTRIC 8787 IH 20 EASTLAND TX 76448                            | CONTRACT LINE CONSTRUCTION     | 2,127,651           |
| SIEGEL CONSTRUCTION INC PO BOX 1026 SHALLOWATER TX 79363              | CONTRACT LINE CONSTRUCTION     | 987,358             |
| ALL TEXAS BUILDERS INC PO BOX 53486 LUBBOCK TX 79453                  | BUILDING & REPAIR              | 804,563             |
| SOUTHEASTERN DATA 100 ASHFORD CENTER NORTH SUITE 500 ATLANTA GA 30338 | MAINFRAME SOFTWARE SYSTEM      | 620,276             |
| ASPLUNDH PO BOX 532729 ATLANTA GA 30353                               | METER READING & TREE TRIMMING  | 495,284             |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 11

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

|   |   |   | (A)<br>Total revenue  | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from<br>tax under<br>sections<br>512-514 |
|---|---|---|---|--|---|---|
| Contributions, Gifts, Grants<br>and Other Similar Amounts | 1a  | Federated campaigns . . . . . 1a  |   |  |   |   |
|   | b   | Membership dues . . . . . 1b  |   |  |   |   |
|   | c   | Fundraising events . . . . . 1c   |   |  |   |   |
|   | d   | Related organizations . . . . . 1d  |   |  |   |   |
|   | e   | Government grants (contributions) 1e  |   |  |   |   |
|   | f   | All other contributions, gifts, grants, and<br>similar amounts not included above 1f  |   |  |   |   |
|   | g   | Noncash contributions included in lines<br>1a-1f \$   |   |  |   |   |
|   | h   | Total. Add lines 1a-1f . . . . .  |   |  |   |   |
| Program Service Revenue                                   | 2a  | ELECTRIC SALES  | 221000  | 126,308,599  | 126,308,599                             |   |
|   | b   | PATRONAGE DIVIDENDS   | 221000  | 11,345,138   | 11,345,138                              |   |
|   | c   |   |   |  |   |   |
|   | d   |   |   |  |   |   |
|   | e   |   |   |  |   |   |
|   | f   | All other program service revenue   |   |  |   |   |
|   | g   | Total. Add lines 2a-2f . . . . .  |   | 137,653,737  |   |   |
|   | Other Revenue                             | 3   | Investment income (including dividends, interest,<br>and other similar amounts) . . . . . | 261,186  |   |   |
| 4   |   | Income from investment of tax-exempt bond proceeds . . . . .  |   |  |   |   |
| 5   |   | Royalties . . . . .   |   |  |   |   |
| 6a  |   | Gross rents   | (i) Real 135,170  | (ii) Personal 164,548                              |   |   |
| b   |   | Less rental expenses  | 55,960  | 119,257  |   |   |
| c   |   | Rental income or (loss)   | 79,210  | 45,291   |   |   |
| d   |   | Net rental income or (loss) . . . . .   | 124,501   | 86,240   | 36,761                                  | 1,500   |
| 7a  |   | Gross amount from sales of assets other than inventory  | (i) Securities  | (ii) Other   |   |   |
| b   |   | Less cost or other basis and sales expenses   |   |  |   |   |
| c   |   | Gain or (loss)  |   |  |   |   |
| d   |   | Net gain or (loss) . . . . .  |   |  |   |   |
| 8a  |   | Gross income from fundraising events (not including<br>\$ _____ of contributions reported on line 1c)<br>See Part IV, line 18 . . . . . | a   |  |   |   |
| b   |   | Less direct expenses . . . . .  | b   |  |   |   |
| c   |   | Net income or (loss) from fundraising events . . . . .  |   |  |   |   |
| 9a  |   | Gross income from gaming activities<br>See Part IV, line 19 . . . . .   | a   |  |   |   |
| b   |   | Less direct expenses . . . . .  | b   |  |   |   |
| c   |   | Net income or (loss) from gaming activities . . . . .   |   |  |   |   |
| 10a   |   | Gross sales of inventory, less returns and allowances . . . . .   | a   | 570,651  |   |   |
| b   |   | Less cost of goods sold . . . . .   | b   | 413,058  |   |   |
| c   |   | Net income or (loss) from sales of inventory . . . . .  |   | 157,593  | 152,592                                 | 5,001   |
|   | Miscellaneous Revenue                     | Business Code   |   |  |   |   |
| 11a   |   |   |   |  |   |   |
| b   |   |   |   |  |   |   |
| c   |   |   |   |  |   |   |
| d   | All other revenue . . . . .               |   |   |  |   |   |
| e   | Total. Add lines 11a-11d . . . . .        |   |   |  |   |   |
| 12  | Total revenue. See Instructions . . . . . |   | 138,197,017   | 137,892,569  | 41,762                                  | 262,686   |

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

☒

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. |   | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|--|---|-----------------------|---------------------------------|--|-----------------------------|
| 1  | Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.  | 99,174                |                                 |  |                             |
| 2  | Grants and other assistance to individuals in the United States. See Part IV, line 22.  |                       |                                 |  |                             |
| 3  | Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.   |                       |                                 |  |                             |
| 4  | Benefits paid to or for members.  | 14,348,708            |                                 |  |                             |
| 5  | Compensation of current officers, directors, trustees, and key employees.   | 725,920               |                                 |  |                             |
| 6  | Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).  |                       |                                 |  |                             |
| 7  | Other salaries and wages.   | 5,200,835             |                                 |  |                             |
| 8  | Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).   | 1,062,434             |                                 |  |                             |
| 9  | Other employee benefits.  | 2,027,547             |                                 |  |                             |
| 10   | Payroll taxes.  | 445,798               |                                 |  |                             |
| 11   | Fees for services (non-employees):  |                       |                                 |  |                             |
| a  | Management.   |                       |                                 |  |                             |
| b  | Legal.  |                       |                                 |  |                             |
| c  | Accounting.   |                       |                                 |  |                             |
| d  | Lobbying.   |                       |                                 |  |                             |
| e  | Professional fundraising services. See Part IV, line 17.  |                       |                                 |  |                             |
| f  | Investment management fees.   |                       |                                 |  |                             |
| g  | Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).   |                       |                                 |  |                             |
| 12   | Advertising and promotion.  |                       |                                 |  |                             |
| 13   | Office expenses.  |                       |                                 |  |                             |
| 14   | Information technology.   |                       |                                 |  |                             |
| 15   | Royalties.  |                       |                                 |  |                             |
| 16   | Occupancy.  |                       |                                 |  |                             |
| 17   | Travel.   |                       |                                 |  |                             |
| 18   | Payments of travel or entertainment expenses for any federal, state, or local public officials.   |                       |                                 |  |                             |
| 19   | Conferences, conventions, and meetings.   |                       |                                 |  |                             |
| 20   | Interest.   | 5,096,001             |                                 |  |                             |
| 21   | Payments to affiliates.   |                       |                                 |  |                             |
| 22   | Depreciation, depletion, and amortization.  | 6,699,183             |                                 |  |                             |
| 23   | Insurance.  |                       |                                 |  |                             |
| 24   | Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O).                                       |                       |                                 |  |                             |
| a  | PURCHASED POWER   | 96,349,045            |                                 |  |                             |
| b  | DISTRIBUTION EXPENSE  | 3,146,121             |                                 |  |                             |
| c  | ADMIN & GEN EXPENSE   | 849,117               |                                 |  |                             |
| d  | U B I T   | 8,365                 |                                 |  |                             |
| e  | All other expenses  | 2,002,196             |                                 |  |                             |
| 25   | Total functional expenses. Add lines 1 through 24e.   | 138,060,444           |                                 |  |                             |
| 26   | Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). |                       |                                 |  |                             |

Part X

Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

|                             |   |  |     | (A)               |             | (B)             |
|-----------------------------|---|--|-----|-------------------|-------------|-----------------|
|                             |   |  |     | Beginning of year |             | End of year     |
| Assets                      | 1   | Cash—non-interest-bearing  |     |                   | 1           |                 |
|                             | 2   | Savings and temporary cash investments   |     | 9,556,231         | 2           | 6,520,072       |
|                             | 3   | Pledges and grants receivable, net   |     |                   | 3           |                 |
|                             | 4   | Accounts receivable, net   |     | 6,500,235         | 4           | 7,917,209       |
|                             | 5   | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L   |     |                   | 5           |                 |
|                             | 6   | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L |     |                   | 6           |                 |
|                             | 7   | Notes and loans receivable, net  |     |                   | 7           |                 |
|                             | 8   | Inventories for sale or use  |     | 30,901            | 8           | 32,682          |
|                             | 9   | Prepaid expenses and deferred charges  |     | 214,903           | 9           | 315,259         |
|                             | 10a   | Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D  | 10a | 268,177,918       |             |                 |
|                             | b   | Less accumulated depreciation  | 10b | 77,853,661        | 176,321,810 | 10c 190,324,257 |
|                             | 11  | Investments—publicly traded securities   |     |                   | 11          |                 |
|                             | 12  | Investments—other securities See Part IV, line 11  |     | 170               | 12          |                 |
|                             | 13  | Investments—program-related See Part IV, line 11   |     | 79,757,559        | 13          | 88,921,933      |
|                             | 14  | Intangible assets  |     |                   | 14          |                 |
|                             | 15  | Other assets See Part IV, line 11  |     | 5,067,464         | 15          | 6,023,449       |
|                             | 16  | Total assets. Add lines 1 through 15 (must equal line 34)  |     | 277,449,273       | 16          | 300,054,861     |
| Liabilities                 | 17  | Accounts payable and accrued expenses  |     | 8,079,017         | 17          | 10,207,716      |
|                             | 18  | Grants payable   |     |                   | 18          |                 |
|                             | 19  | Deferred revenue   |     |                   | 19          |                 |
|                             | 20  | Tax-exempt bond liabilities  |     |                   | 20          |                 |
|                             | 21  | Escrow or custodial account liability Complete Part IV of Schedule D   |     | 142,813           | 21          | 165,802         |
|                             | 22  | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L  |     |                   | 22          |                 |
|                             | 23  | Secured mortgages and notes payable to unrelated third parties   |     | 137,649,417       | 23          | 143,776,765     |
|                             | 24  | Unsecured notes and loans payable to unrelated third parties   |     |                   | 24          |                 |
|                             | 25  | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D   |     | 22,103,508        | 25          | 21,805,706      |
|                             | 26  | Total liabilities. Add lines 17 through 25   |     | 167,974,755       | 26          | 175,955,989     |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here and complete lines 27 through 29, and lines 33 and 34. |  |     |                   |             |                 |
|                             | 27  | Unrestricted net assets  |     |                   | 27          |                 |
|                             | 28  | Temporarily restricted net assets  |     |                   | 28          |                 |
|                             | 29  | Permanently restricted net assets  |     |                   | 29          |                 |
|                             | Organizations that do not follow SFAS 117 (ASC 958), check here and complete lines 30 through 34.               |  |     |                   |             |                 |
|                             | 30  | Capital stock or trust principal, or current funds   |     | 0                 | 30          | 0               |
|                             | 31  | Paid-in or capital surplus, or land, building or equipment fund  |     | 0                 | 31          | 0               |
|                             | 32  | Retained earnings, endowment, accumulated income, or other funds   |     | 109,474,518       | 32          | 124,098,872     |
|                             | 33  | Total net assets or fund balances  |     | 109,474,518       | 33          | 124,098,872     |
|                             | 34  | Total liabilities and net assets/fund balances   |     | 277,449,273       | 34          | 300,054,861     |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . .

|    |   |    |             |
|----|---|----|-------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12) . . . . .   | 1  | 138,197,017 |
| 2  | Total expenses (must equal Part IX, column (A), line 25) . . . . .  | 2  | 138,060,444 |
| 3  | Revenue less expenses Subtract line 2 from line 1 . . . . .   | 3  | 136,573     |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .           | 4  | 109,474,518 |
| 5  | Net unrealized gains (losses) on investments . . . . .  | 5  |             |
| 6  | Donated services and use of facilities . . . . .  | 6  |             |
| 7  | Investment expenses . . . . .   | 7  |             |
| 8  | Prior period adjustments . . . . .  | 8  |             |
| 9  | Other changes in net assets or fund balances (explain in Schedule O) . . . . .                                | 9  | 14,487,781  |
| 10 | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 124,098,872 |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . .

|    |  | Yes | No |
|----|--|-----|----|
| 1  | Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O  |     |    |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis |     | No |
| 2b | Were the organization's financial statements audited by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                | Yes |    |
| 2c | If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O  | Yes |    |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?   |     | No |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits   |     |    |

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b**

▶ **Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047  
**2013**  
**Open to Public Inspection**

|  |   |
|--|---|
| <b>Name of the organization</b><br>SOUTH PLAINS ELECTRIC COOPERATIVE INC | <b>Employer identification number</b><br><br>75-0569260 |
|--|---|

**Part I**

**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

|          |  |                                     |
|----------|--|-------------------------------------|
|          | <b>(a)</b> Donor advised funds   | <b>(b)</b> Funds and other accounts |
| <b>1</b> | Total number at end of year  |                                     |
| <b>2</b> | Aggregate contributions to (during year)   |                                     |
| <b>3</b> | Aggregate grants from (during year)  |                                     |
| <b>4</b> | Aggregate value at end of year   |                                     |
| <b>5</b> | Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> <b>Yes</b><input type="checkbox"/> <b>No</b></div>  |                                     |
| <b>6</b> | Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> <b>Yes</b><input type="checkbox"/> <b>No</b></div> |                                     |

**Part II**

**Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

**1**

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)☐ Preservation of an historically important land area

☐ Protection of natural habitat☐ Preservation of a certified historic structure

☐ Preservation of open space

**2**

Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

|          |  |
|----------|--|
|          | <b>Held at the End of the Year</b>   |
| <b>a</b> | Total number of conservation easements   |
| <b>b</b> | Total acreage restricted by conservation easements   |
| <b>c</b> | Number of conservation easements on a certified historic structure included in (a)   |
| <b>d</b> | Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register |

**3**

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

**4**

Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

**5**

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ **Yes**☐ **No**

**6**

Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

**7**

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

**8**

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ **Yes**☐ **No**

**9**

In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III**

**Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

**1a**

If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

**b**

If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

**(i)** Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

**(ii)** Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

**2**

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

**a**

Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

**b**

Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

- 3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☒ No
- b

If "Yes," explain the arrangement in Part XIII and complete the following table
- c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance
- |    |        |
|----|--------|
|    | Amount |
| 1c |        |
| 1d |        |
| 1e |        |
| 1f |        |
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☒ Yes

☐ No
- b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☒

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

|  | (a)Current year | (b)Prior year | b (c)Two years back | (d)Three years back | (e)Four years back |
|--|-----------------|---------------|---------------------|---------------------|--------------------|
| 1a Beginning of year balance . . . . .                     |                 |               |                     |                     |                    |
| b Contributions . . . . .                                  |                 |               |                     |                     |                    |
| c Net investment earnings, gains, and losses               |                 |               |                     |                     |                    |
| d Grants or scholarships . . . . .                         |                 |               |                     |                     |                    |
| e Other expenditures for facilities and programs . . . . . |                 |               |                     |                     |                    |
| f Administrative expenses . . . . .                        |                 |               |                     |                     |                    |
| g End of year balance . . . . .                            |                 |               |                     |                     |                    |

- 2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a

Board designated or quasi-endowment
- b

Permanent endowment
- c

Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i) unrelated organizations . . . . .

3a(i)

(ii) related organizations . . . . .

3a(ii)
- b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b
- 4

Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property  | (a) Cost or other basis (investment) | (b)Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|--------------------------------|------------------------------|----------------|
| 1a Land . . . . .  |                                      | 716,823                        |                              | 716,823        |
| b Buildings . . . . .  |                                      | 6,677,944                      | 3,639,318                    | 3,038,626      |
| c Leasehold improvements . . . . .   |                                      |                                |                              |                |
| d Equipment . . . . .  |                                      | 241,785,279                    | 74,214,343                   | 167,570,936    |
| e Other . . . . .  |                                      | 18,997,872                     |                              | 18,997,872     |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) |                                      |                                |                              | 190,324,257    |





Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

|   |  |    |    |  |
|---|--|----|----|--|
| 1 | Total revenue, gains, and other support per audited financial statements . . . . .       |    | 1  |  |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12                       |    |    |  |
| a | Net unrealized gains on investments . . . . .  | 2a |    |  |
| b | Donated services and use of facilities . . . . .   | 2b |    |  |
| c | Recoveries of prior year grants . . . . .  | 2c |    |  |
| d | Other (Describe in Part XIII ) . . . . .   | 2d |    |  |
| e | Add lines 2a through 2d . . . . .  |    | 2e |  |
| 3 | Subtract line 2e from line 1 . . . . .   |    | 3  |  |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1                      |    |    |  |
| a | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .               | 4a |    |  |
| b | Other (Describe in Part XIII ) . . . . .   | 4b |    |  |
| c | Add lines 4a and 4b . . . . .  |    | 4c |  |
| 5 | Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12 ) . . . . . |    | 5  |  |

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

|   |   |    |    |  |
|---|---|----|----|--|
| 1 | Total expenses and losses per audited financial statements . . . . .                      |    | 1  |  |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25                          |    |    |  |
| a | Donated services and use of facilities . . . . .  | 2a |    |  |
| b | Prior year adjustments . . . . .  | 2b |    |  |
| c | Other losses . . . . .  | 2c |    |  |
| d | Other (Describe in Part XIII ) . . . . .  | 2d |    |  |
| e | Add lines 2a through 2d . . . . .   |    | 2e |  |
| 3 | Subtract line 2e from line 1 . . . . .  |    | 3  |  |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1:                        |    |    |  |
| a | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .                | 4a |    |  |
| b | Other (Describe in Part XIII ) . . . . .  | 4b |    |  |
| c | Add lines 4a and 4b . . . . .   |    | 4c |  |
| 5 | Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18 ) . . . . . |    | 5  |  |

Part XIII

Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

| Return Reference | Explanation   |
|------------------|---|
| Part IV, Line 2b | PURSUANT TO SECTION 74 3013 OF THE TEXAS PROPERTY CODE, THE COOPERATIVE HAS ESTABLISHED A RURAL SCHOLARSHIP FUND WITH RETIREMENTS OF PATRONAGE CAPITAL, WHICH HAVE REMAINED UNCLAIMED FOR A PERIOD OF THREE YEARS. THE AMOUNTS DEPOSITED INTO THE RURAL SCHOLARSHIP FUND ARE APPROVED BY THE STATE OF TEXAS AND CAN ONLY BE USED FOR SCHOLARSHIPS TO ENABLE STUDENTS FROM RURAL AREAS TO ATTEND COLLEGE, TECHNICAL SCHOOL OR OTHER POST SECONDARY EDUCATION INSTITUTION. ANY AMOUNTS SO DEPOSITED INTO THE RURAL SCHOLARSHIP FUND ARE STILL PAYABLE TO THE PERSON TO WHOM THE ORIGINAL PAYMENT WAS MADE BUT UNCLAIMED. ALSO PURSUANT TO SECTION 74 3013 OF THE TEXAS PROPERTY CODE, THE COOPERATIVE HAS ESTABLISHED AN ECONOMIC DEVELOPMENT FUND WITH RETIREMENTS OF PATRONAGE CAPITAL, WHICH HAVE REMAINED UNCLAIMED FOR A PERIOD OF THREE YEARS. THE AMOUNTS DEPOSITED INTO THE ECONOMIC DEVELOPMENT FUND ARE APPROVED BY THE STATE OF TEXAS AND CAN ONLY BE USED FOR THE STIMULATION AND IMPROVEMENT OF BUSINESS AND COMMERCIAL ACTIVITY FOR ECONOMIC DEVELOPMENT IN RURAL COMMUNITIES. ANY AMOUNTS SO DEPOSITED INTO THE ECONOMIC DEVELOPMENT FUND ARE STILL PAYABLE TO THE PERSON TO WHOM THE ORIGINAL PAYMENT WAS MADE BUT UNCLAIMED. |
| Part X, Line 2   | THE COOPERATIVE HAS ADOPTED THE "UNCERTAIN TAX POSITIONS" PROVISIONS OF ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA. THE PRIMARY TAX POSITION OF THE COOPERATIVE IS ITS FILING STATUS AS A TAX EXEMPT ENTITY. THE COOPERATIVE DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT ITS TAX POSITION WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE, AND THAT ALL TAX BENEFITS ARE LIKELY TO BE REALIZED UPON SETTLEMENT WITH TAXING AUTHORITIES.  |
| SCHEDULE D       | Part IX. THE AMOUNT OF OTHER ASSETS ON FORM 990, PAGE 11, PART X, LINE 15 DOES NOT EQUAL OR EXCEED 5 PERCENT OF THE TOTAL ASSETS ON FORM 990, PAGE 11, PART X, LINE 16, COLUMN B. CONSEQUENTLY IN ACCORDANCE WITH IRS INSTRUCTIONS SCHEDULE D, PART IX HAS BEEN LEFT BLANK.   |
|                  |   |
|                  |   |
|                  |   |

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 75-0569260

Name: SOUTH PLAINS ELECTRIC COOPERATIVE INC

Form 990, Schedule D, Part VIII - Investments Program Related

| (a) Description of investment type                                 | (b) Book value | (c) Method of valuation<br>Cost or end-of-year market value |
|--|----------------|---|
| (1) CAPITAL TERM CERTIFICATES - CFC                                | 3,610,193      | C   |
| (2) PATRONAGE CAPITAL - CFC  | 2,888,945      | C   |
| (3) PATRONAGE CAPITAL - TEC  | 1,087,419      | C   |
| (4) PATRONAGE CAPITAL - GOLDEN SPREAD<br>ELECTRIC COOPERATIVE, INC | 58,287,381     | C   |
| (5) PATRONAGE CAPITAL - BRAZOS ELECTRIC<br>COOPERATIVE             | 18,003,263     | C   |
| (6) OTHER INVESTMENTS IN ASSOCIATED<br>ORGANIZATIONS               | 423,529        | C   |
| (7) NRECA DEFERRED COMPENSATION FUNDS                              | 189,221        | C   |
| (8) INVESTMENT IN AFFILIATED COMPANY                               | 2,431,982      | C   |
| (9) MEMBER CAPITAL TERM CERTIFICATES -<br>CFC                      | 2,000,000      | C   |

Form 990, Schedule D, Part X, - Other Liabilities

| 1 (a) Description of Liability  | (b) Book Value |
|---|----------------|
| POWER COST OVERCOLLECTED  | 7,520,852      |
| CONSUMER DEPOSITS   | 808,571        |
| DEFERRED CREDITS  | 1,431,195      |
| ACCUMULATED PROVISION FOR DEFERRED<br>COMPENSATION                          | 189,221        |
| ACCUMULATED PROVISION FOR<br>POSTRETIREMENT BENEFITS OTHER THAN<br>PENSIONS | 8,678,913      |
| ACCRUED TAXES   | 184,329        |
| ACCRUED EMPLOYEE COMPENSATED<br>ABSCENCES                                   | 2,529,135      |
| ACCRUED INTEREST  | 463,490        |

Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
SOUTH PLAINS ELECTRIC COOPERATIVE INC

Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990

▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public  
Inspection

Employer identification number  
75-0569260

Part I

General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

☐ Yes

☒ No

2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

| (a) Name and address of organization or government | (b) EIN | (c) IRC Code section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|--|---------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |
|  |         |                                    |                          |                                   |   |  |                                    |

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . .

3

Enter total number of other organizations listed in the line 1 table . . . . .

**Part III**

**Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

| (a)Type of grant or assistance | (b)Number of recipients | (c)Amount of cash grant | (d)Amount of non-cash assistance | (e)Method of valuation (book, FMV, appraisal, other) | (f)Description of non-cash assistance |
|--------------------------------|-------------------------|-------------------------|----------------------------------|--|---------------------------------------|
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |
|                                |                         |                         |                                  |  |                                       |

**Part IV**

**Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

| Return Reference    | Explanation  |
|---------------------|--|
| SCHEDULE I, PART II | ALL GRANTS, SPONSORSHIPS AND DONATIONS ARE MADE TO NON-PROFIT AND CIVIC ORGANIZATIONS THAT ARE LOCATED IN THE COOPERATIVE'S SERVICE AREA ALL DONATIONS ARE INTENDED TO IMPROVE THE COMMUNITIES IN WHICH OUR MEMBERS RESIDE |

Schedule J  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.  
▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
SOUTH PLAINS ELECTRIC COOPERATIVE INC

Employer identification number  
75-0569260

Part I

Questions Regarding Compensation

|   | Yes | No |
|---|-----|----|
| <div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div> |     |    |
| <div><div>b</div><div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain</div></div>  | 1b  |    |
| <div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</div></div>  | 2   |    |
| <div><div>3</div><div>Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III</div><div><div><div><input type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>   |     |    |
| <div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization</div></div>  |     |    |
| <div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div>   | 4a  | No |
| <div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>   | 4b  | No |
| <div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>  | 4c  | No |
| <div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>   |     |    |
| <div><div>5</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of</div></div>   |     |    |
| <div><div>a</div><div>The organization?</div></div>   | 5a  |    |
| <div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>   | 5b  |    |
| <div><div>6</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of</div></div>   |     |    |
| <div><div>a</div><div>The organization?</div></div>   | 6a  |    |
| <div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>   | 6b  |    |
| <div><div>7</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</div></div>  | 7   |    |
| <div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div>   | 8   |    |
| <div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>  | 9   |    |

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title                              |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|   |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| (1)DALE ANCELL<br>GENERAL MANAGER               | (i)  | 175,674  | 4,201                               | 18,571                              | 16,200   | 23,341                  | 237,987                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
| (2)RONNIE RUCKER<br>DIRECTOR OF FINANCE         | (i)  | 134,985  | 3,585                               | 17,789                              | 12,333   | 13,534                  | 182,226                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
| (3)SHANE ADAMS<br>MANAGER OF ACCOUNTING         | (i)  | 113,088  | 828                                 | 16,263                              | 10,741   | 32,463                  | 173,383                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
| (4)RANDAL BAILEY<br>ASSISTANT MANAGER           | (i)  | 149,379  | 1,785                               | 9,035                               | 95,979   | 24,618                  | 280,796                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
| (5)ALLAN BROWN<br>DIRECTOR OF RISK MANAGEMEN    | (i)  | 116,812  | 1,785                               | 3,135                               | 11,244   | 34,432                  | 167,408                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
| (6)TAHNEE TRUITT<br>DIRECTOR OF HUMAN RESOURCES | (i)  | 110,832  | 3,141                               | 9,338                               | 10,652   | 25,686                  | 159,649                         | 0   |
|   | (ii) | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

| Return Reference            | Explanation  |
|-----------------------------|--|
| FORM 990, PART II, COLUMN C | INCLUDED IN THIS AMOUNT IS THE INCREASE IN ACTUARIAL VALUE OF BENEFITS PAYABLE UNDER A DEFINED BENEFIT RETIREMENT PLAN. THE CONTRIBUTION RATE FOR PARTICIPANTS IN THE NRECA R&S DEFINED BENEFIT PENSION PLAN ARE THE SAME FOR ALL INDIVIDUALS IN THIS MULTI-EMPLOYER PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES WITH AGE. IN OTHER WORDS, THE OLDER A PLAN PARTICIPANT IS, THE GREATER THE INCREASE IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE, ALL OTHER THINGS BEING EQUAL. BECAUSE THIS RELATES TO A MULTI-EMPLOYER PLAN, CASH CONTRIBUTION TO THE PLAN IN LIEU OF THE ACTUARIAL INCREASE ARE EXPENSED IN THE FINANCIAL STATEMENTS. DALE ANCELL COOPERATIVE CONTRIBUTION TO 401K PLAN \$ 16,200. TOTAL COOPERATIVE CASH CONTRIBUTION AND COLUMN C \$ 16,200. RONNIE RUCKER COOPERATIVE CONTRIBUTION TO 401K PLAN \$ 12,333. TOTAL COOPERATIVE CASH CONTRIBUTION AND COLUMN C \$ 12,333. SHANE ADAMS COOPERATIVE CONTRIBUTION TO 401K PLAN \$ 10,741. TOTAL COOPERATIVE CASH CONTRIBUTION AND COLUMN C \$ 10,741. RANDAL BAILEY ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 95,979. TOTAL COLUMN C 95,979. LESS ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (95,979). ADD CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 49,761. TOTAL COOPERATIVE CASH CONTRIBUTION \$ 49,761. ALLAN BROWN COOPERATIVE CONTRIBUTION TO 401K PLAN \$ 11,244. TOTAL COOPERATIVE CASH CONTRIBUTION AND COLUMN C \$ 11,244. TAHNEE TRUITT COOPERATIVE CONTRIBUTION TO 401K PLAN \$ 10,652. TOTAL COOPERATIVE CASH CONTRIBUTION AND COLUMN C \$ 10,652. |



Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons  
▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.  
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
**2013**  
**Open to Public Inspection**

Name of the organization  
SOUTH PLAINS ELECTRIC COOPERATIVE INC

Employer identification number  
75-0569260

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).  
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

| 1 | (a) Name of disqualified person | (b) Relationship between disqualified person and organization | (c) Description of transaction | (d) Corrected? |    |
|---|---------------------------------|---|--------------------------------|----------------|----|
|   |                                 |   |                                | Yes            | No |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |
|   |                                 |   |                                |                |    |

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$

Part II Loans to and/or From Interested Persons.  
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

| (a) Name of interested person | (b) Relationship with organization | (c) Purpose of loan | (d) Loan to or from the organization? |      | (e) Original principal amount | (f) Balance due | (g) In default? |    | (h) Approved by board or committee? | (i) Written agreement? |    |
|-------------------------------|------------------------------------|---------------------|---------------------------------------|------|-------------------------------|-----------------|-----------------|----|-------------------------------------|------------------------|----|
|                               |                                    |                     | To                                    | From |                               |                 | Yes             | No |                                     | Yes                    | No |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
|                               |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |
| Total ▶ \$                    |                                    |                     |                                       |      |                               |                 |                 |    |                                     |                        |    |

Part III Grants or Assistance Benefitting Interested Persons.  
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of assistance | (d) Type of assistance | (e) Purpose of assistance |
|-------------------------------|---|--------------------------|------------------------|---------------------------|
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |
|                               |   |                          |                        |                           |

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? |    |
|-------------------------------|---|---------------------------|--------------------------------|---|----|
|                               |   |                           |                                | Yes                                     | No |
| (1) ZACHARY ANCELL            | GENERAL MANAGER'S SON   | 10,457                    | PART-TIME EMPLOYEE             |   | No |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

| Return Reference | Explanation |
|------------------|-------------|
|------------------|-------------|

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.****▶ Attach to Form 990 or 990-EZ.****▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047

**2013****Open to Public  
Inspection**Name of the organization  
SOUTH PLAINS ELECTRIC COOPERATIVE INC**Employer identification number**

75-0569260

**Return  
Reference****Explanation**Form 990,  
Part I, Line  
19

REVENUE LESS EXPENSES REPORTED ON PAGE 1, PART I, LINE 19 DIFFERS FROM THE TOTAL NET MARGINS REPORTED ON THE COOPERATIVE'S AUDITED FINANCIAL STATEMENTS DUE TO BOOK TO TAX ADJUSTMENTS REQUIRED TO CONFORM TO THE FORM 990 INSTRUCTIONS. THE FIRST ADJUSTMENT IS FOR THE EQUITY METHOD INCOME RECORDED ON THE COOPERATIVE'S BOOKS AND INCLUDED IN TOTAL NET MARGINS. U.S. GAAP REQUIRES THE COOPERATIVE TO RECORD ON ITS BOOKS THE EQUITY METHOD INCOME FROM ITS WHOLLY OWNED SUBSIDIARY. EQUITY METHOD INCOME IS NOT INCOME FOR IRS FORM 990 PURPOSES AND AS SUCH HAS BEEN REPORTED AS AN OTHER CHANGE IN NET ASSETS. THE SECOND ADJUSTMENT IS FOR THE PATRONAGE DIVIDENDS ALLOCATED OR TO BE ALLOCATED BY THE COOPERATIVE TO MEMBERS. WHEREAS THE FORM 990 REQUIRES SUCH AMOUNTS TO BE REPORTED AS AN EXPENSE, PATRONAGE DIVIDENDS ALLOCATED OR TO BE ALLOCATED ARE AN INCREASE IN CAPITAL AND EQUITY, SPECIFICALLY PATRONAGE CAPITAL, ON U.S. GAAP BASIS FINANCIAL STATEMENTS. BECAUSE THE COOPERATIVE ALLOCATES ITS TOTAL NET MARGINS TO ITS MEMBERS THROUGH PARTONAGE CAPITAL, THE NET EFFECT OF THESE BOOK TO TAX ADJUSTMENTS IS TO SHOW REVENUE LESS EXPENSES ON THE FORM 990 EQUAL TO THE EQUITY METHOD INCOME FROM ITS WHOLLY OWNED SUBSIDIARY.

| Return Reference                        | Explanation  |
|---|--|
| Form 990, Part VI, Section A,<br>line 6 | THE COOPERATIVE WAS FORMED BY THE MEMBERS TO PROVIDE ELECTRIC SERVICE AT COST ON A COOPERATIVE BASIS |

| Return Reference                         | Explanation   |
|--|---|
| Form 990, Part VI, Section A,<br>line 7a | THE MEMBERS OF THE COOPERATIVE VOTE ON THE BOARD OF DIRECTORS ELECTIONS ARE DONE ON A ONE MEMBER ONE VOTE BASIS |

| Return Reference                      | Explanation   |
|---------------------------------------|---|
| Form 990, Part VI, Section A, line 7b | THE FOLLOWING ACTS REQUIRE APPROVAL OF THE MEMBERS OF THE COOPERATIVE 1 THE DISPOSAL OF A SUBSTANTIAL PORTION OF THE COOPERATIVE'S ASSETS, 2 THE DISSOLUTION/LIQUIDATION OF THE COOPERATIVE, AND 3 THE MERGER OR CONSOLIDATION OF THE COOPERATIVE WITH ANOTHER ORGANIZATION |

| Return Reference                      | Explanation  |
|---------------------------------------|--|
| Form 990, Part VI, Section B, line 11 | MANAGEMENT PRESENTED A COPY OF THE FORM 990 TO THE BOARD FOR DISCUSSION, REVIEW AND APPROVAL PRIOR TO FILING |

| Return Reference                          | Explanation   |
|---|---|
| Form 990, Part VI,<br>Section B, line 12c | A LIST OF POTENTIAL CONFILOTS OF INTEREST IS ANNUALLY DISTRIBUTED TO ALL OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS EACH OFFICER AND DIRECTOR IS REQUIRED TO REVIEW THE LIST AND DISCLOSE ANY CONFLICTS |



| Return<br>Reference                   | Explanation   |
|---------------------------------------|---|
| Form 990, Part VI, Section B, line 15 | THE BOARD OF DIRECTORS USE A COMPENSATION SURVEY WHEN DETERMINING THE COMPENSATION OF THE COOPERATIVE'S GENERAL MANAGER THE SURVEY INCLUDES SALARIES FROM SIMILAR COOPERATIVES THROUGHOUT TEXAS AND THE NATION THE BOARD AND THE GENERAL MANAGER USE A COMPENSATION SURVEY WHEN DETERMINING THE COMPENSATION OF THE ORGANIZATION'S OTHER EMPLOYEES MEETING THE DEFINITION OF OFFICER AND KEY EMPLOYEES, IF ANY THE SURVEY INCLUDES SALARIES FROM SIMILAR COOPERATIVES THROUGHOUT TEXAS AND THE NATION |

| Return<br>Reference                      | Explanation   |
|--|---|
| Form 990, Part VI,<br>Section C, line 19 | THE COOPERATIVE WILL PROVIDE A COMPLETE COPY OF ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST<br>POLICY , AND AUDITED FINANCIAL STATEMENTS TO ANY MEMBER WHO REQUESTS A COPY OF ANY SUCH DOCUMENT<br>ANNUALLY THE COOPERATIVE PROVIDES A COPY OF THE AUDITED BALANCE SHEET AND INCOME STATEMENT TO THE<br>MEMBERS OF THE COOPERATIVE WITH THE ANNUAL REPORT |

| Return<br>Reference           | Explanation   |
|-------------------------------|---|
| Form 990, Part VI,<br>Line 14 | THE COOPERATIVE DOES NOT HAVE A WRITTEN DOCUMENT RETENTION AND DESTRUCTION POLICY IN PLACE, BUT<br>FOLLOWS THE RUS RECOMMENDATIONS REGARDING DOCUMENT RETENTION AND DESTRUCTION |

| Return<br>Reference                | Explanation  |
|------------------------------------|--|
| Form 990,<br>Part VII,<br>Column F | <p>IN ORDER TO PROVIDE RETIREMENT BENEFITS TO ITS EMPLOYEES, THE COOPERATIVE HAS ESTABLISHED A DEFINED CONTRIBUTION PLAN UNDER SECTION 401(K) OF THE INTERNAL REVENUE CODE, THIS PLAN COVERS SUBSTANTIALLY ALL EMPLOYEES OF THE LUBBOCK DIVISION AS PART OF THE PLAN DOCUMENT, THE COOPERATIVE PROVIDES A MATCHING CONTRIBUTION UP TO 9% OF A PARTICIPATING EMPLOYEE'S SALARY. ADDITIONALLY, THE COOPERATIVE PARTICIPATES IN A MULTI-EMPLOYER DEFINED BENEFIT PLAN, THIS PLAN COVERS SUBSTANTIALLY ALL EMPLOYEES OF THE DICKENS AND GATE CITY DIVISIONS. CONTRIBUTIONS TO THIS PLAN ARE BASED ON THE FULL FUNDING LIMITATION OF SUCH PLAN. EMPLOYER CONTRIBUTIONS FOR BOTH PLANS ARE AVAILABLE TO PARTICIPATING EMPLOYEES, INCLUDING EMPLOYEE OFFICERS AND HIGHLY COMPENSATED EMPLOYEES, MEETING THE ELIGIBILITY REQUIREMENTS OF SUCH PLANS. THE COOPERATIVE ALSO PROVIDES HEALTH AND LIFE INSURANCE TO ALL EMPLOYEES, INCLUDING EMPLOYEE OFFICERS AND HIGHLY COMPENSATED EMPLOYEES, THROUGH A QUALIFIED PLAN. THE AMOUNTS REPORTED ON PART VII, COLUMN (F) FOR THE EMPLOYEE OFFICERS AND HIGHLY COMPENSATED EMPLOYEES ARE COMPRISED OF THE ACTUARIAL INCREASE IN THE DEFINED BENEFIT PLAN FOR THE EMPLOYEE OFFICER OR HIGHLY COMPENSATED EMPLOYEE, THE TOTAL AMOUNT CONTRIBUTED TO THE 401(K) PENSION PLAN AND THE INSURANCE PREMIUMS PAID FOR THE BENEFIT OF THE OFFICER OR HIGHLY COMPENSATED EMPLOYEE.</p> |

| Return<br>Reference             | Explanation   |
|---------------------------------|---|
| Form 990, Part<br>VIII, Line 2B | PATRONAGE DIVIDENDS RESULT FROM THE PURCHASE OF WHOLESALE POWER FROM A GENERATION & TRANSMISSION COOPERATIVE. PATRONAGE DIVIDENDS ALSO RESULT FROM THE PAYMENT OF INTEREST FROM COOPERATIVE BANKS AND THE PURCHASE OF SUPPLIES AND SERVICES FROM OTHER COOPERATIVE ORGANIZATIONS. THE EXPENSES ASSOCIATED WITH PURCHASES FROM AND PAYMENTS TO SUCH COOPERATIVE ORGANIZATIONS ARE A DIRECT COMPONENT OF COST OF THE ELECTRIC SERVICE PROVIDED BY THE COOPERATIVE TO ITS MEMBERS. |

| Return<br>Reference  | Explanation  |
|----------------------|--|
| Form 990,<br>Part IX | THE ACCOUNTING RECORDS OF THE COOPERATIVE ARE MAINTAINED IN ACCORDANCE WITH THE UNIFORM SY STEM OF ACCOUNTS AS PRESCRIBED BY THE FEDERAL ENERGY REGULATORY COMMISSION FOR CLASS A AND B ELECTRIC UTILITIES MODIFIED FOR ELECTRIC BORROWERS OF THE RURAL UTILITIES SERVICE(RUS) THE UNIFORM SY STEM OF ACCOUNTING DOES NOT RECORD EXPENSES IN THE GENERAL EXPENSE CATEGORIES PROVIDED ON PART IX LINES 1 - 23 THE COOPERATIVE WILL BREAK OUT SALARIES AND WAGES, EMPLOYEE BENEFITS AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SY STEM, BUT OTHER EXPENSES THAT ARE DESCRIBED IN LINES 1 - 23 WILL BE REPORTED ON LINE 24 UNDER THE EXPENSE CATEGORIES REQUIRED BY THE UNIFORM SY STEM OF ACCOUNTS |

| Return<br>Reference                | Explanation  |
|------------------------------------|--|
| Form 990,<br>Part IX, Lines<br>5-7 | SALARIES AND WAGES ARE ALLOCATED TO ASSET, LIABILITY, AND EXPENSE ACCOUNTS BASED ON THE ACCOUNTING SYSTEM DESCRIBED ABOVE. IN AN EFFORT TO EXPLAIN WHY THE AMOUNTS REPORTED ON LINES 5-7 DO NOT AGREE TO THE TOTAL WAGES ACCRUED AND/OR PAID THE FOLLOWING RECONCILIATION IS PROVIDED TOTAL PER LINES 5-7 \$ 5,926,755 LESS DIRECTORS FEES REPORTED ON 1099-MISC (305,707) LESS EMPLOYEE OFFICER BENEFITS REPORTED ON LINE 5 (65,408) PLUS SALARIES AND WAGES ALLOCATED TO ASSET ACCOUNTS 3,923,169 PLUS SALARIES AND WAGES ALLOCATED TO NONOPERATING MARGINS 1,332 TOTAL WAGES ACCRUED AND/OR PAID \$ 9,480,141 |

| Return<br>Reference        | Explanation  |
|----------------------------|--|
| Form 990, Part IX, Line 24 | THE FOLLOWING IS A BREAKDOWN OF THE EXPENSES REPORTED AS ADMINISTRATIVE AND GENERAL EXPENSE ON FORM 990, PART IX, LINE 24 OUTSIDE SERVICES \$ 218,775 DUES TO ASSOCIATED ORGANIZATIONS 69,213 ANNUAL MEETING EXPENSES 117,895 MAINTENANCE OF GENERAL PLANT 443,234 TOTAL ADMINISTRATIVE AND GENERAL EXPENSE PER 990 \$ 849,117 |



| Return<br>Reference            | Explanation   |
|--------------------------------|---|
| Form 990, Part<br>IX, Line 24E | THE FOLLOWING IS A BREAKDOWN OF THE EXPENSES REPORTED AS OTHER EXPENSES ON FORM 990, PART IX, LINE 24E MISCELLANEOUS OTHER DEDUCTIONS \$ 3,646 TAXES 11,396 SALES EXPENSE 221,340 CUSTOMER ACCOUNTS EXPENSE 1,765,814 TOTAL OTHER EXPENSES PER FORM 990, LINE 24E \$2,002,196 |

| Return<br>Reference             | Explanation  |
|---------------------------------|--|
| FORM 990,<br>PART IX,<br>LINE 4 | <p>THE FORM 990 INSTRUCTIONS SPECIFICALLY STATE THAT THE AMOUNT OF PATRONAGE DIVIDENDS PAID TO THE MEMBERS (HEREINAFTER REFERRED TO AS PATRONS) SHOULD BE REPORTED ON PART IX, LINE 4 AS "BENEFITS PAID TO MEMBERS" THE PHRASE "PATRONAGE DIVIDENDS PAID" REFERS TO THE PROCESS, SUBSEQUENT TO YEAR-END, BY WHICH THE COOPERATIVE ALLOCATES PATRONAGE CAPITAL TO AND, THEREFORE, OPERATES AT COST WITH ITS PATRONS THE COOPERATIVE'S TAX EXEMPT PURPOSE IS TO PROVIDE ELECTRICITY TO ITS PATRONS AND TO DO SO ON A COOPERATIVE BASIS TAX LAW DEFINES "OPERATING ON A COOPERATIVE BASIS" AS SUBORDINATION OF CAPITAL, DEMOCRATIC CONTROL, AND OPERATION AT COST THE COOPERATIVE OPERATES AT COST THROUGH THE ALLOCATION OF TRUE PATRONAGE DIVIDENDS (ALSO REFERRED TO AS ALLOCATIONS OF PATRONAGE CAPITAL) TO ITS PATRONS PATRONAGE DIVIDENDS ARE CONSIDERED PAID IF THE ALLOCATION IS MADE (1) PURSUANT TO A PRE-EXISTING OBLIGATION, (2) FROM THE MARGINS PRODUCED FROM THE TRANSACTIONS DONE WITH OR FOR PATRONS, AND (3) IN A FAIR AND EQUITABLE BASIS ON THE BASIS OF PATRONAGE (I.E. PURCHASES) ADDITIONALLY, THE ALLOCATION OF PATRONAGE DIVIDENDS SHOULD BE MADE WITHIN A REASONABLE TIME PERIOD AFTER THE CLOSE OF THE COOPERATIVE'S YEAR-END OF DECEMBER 31 EACH ONE OF THESE REQUIREMENTS FOR A TRUE PATRONAGE DIVIDEND IS PROVIDED FOR IN THE NON-PROFIT OPERATION ARTICLE OF THE COOPERATIVE'S BYLAWS AND IS SUMMARIZED AS FOLLOWS (A) IN ORDER TO INDUCE PATRONAGE AND TO ASSURE THAT THE COOPERATIVE WILL OPERATE ON A NONPROFIT BASIS, THE COOPERATIVE IS OBLIGATED TO ACCOUNT ON A PATRONAGE BASIS TO ALL ITS PATRONS FOR ALL AMOUNTS RECEIVED AND RECEIVABLE FROM THE FURNISHING OF ELECTRIC POWER AND ENERGY IN EXCESS OF OPERATING COSTS AND EXPENSES PROPERLY CHARGEABLE AGAINST SUCH SERVICES (I.E. MARGINS FROM THE PROVISION OF ELECTRIC POWER AND ENERGY) (B) THE MARGINS FROM THE PROVISION OF ELECTRIC POWER AND ENERGY ARE RECEIVED WITH THE UNDERSTANDING THAT THEY ARE FURNISHED BY THE PATRONS AS CAPITAL (C) THE COOPERATIVE IS OBLIGATED TO PAY BY CREDITS TO A CAPITAL ACCOUNT FOR EACH PATRON FOR ALL SUCH MARGINS AND (D) ALL SUCH AMOUNTS CREDITED TO THE CAPITAL ACCOUNT OF ANY PATRONS SHALL HAVE THE SAME STATUS AS THOUGH THEY HAD BEEN PAID TO THE PATRON IN CASH IN PURSUANCE OF A LEGAL OBLIGATION TO DO SO AND THE PATRON HAD THEN FURNISHED TO THE COOPERATIVE CORRESPONDING AMOUNTS OF CAPITAL THE AMOUNT REPORTED ON PART IX, LINE 4 REPRESENTS THE AMOUNT OF PATRONAGE CAPITAL THAT IS EITHER ALLOCATED OR TO BE ALLOCATED TO THE PATRONS RESULTING FROM THEIR PURCHASE OF ELECTRICITY FROM THE COOPERATIVE FOR THE 2013 CALENDAR YEAR AS NOTED ABOVE, SUCH AMOUNTS ARE ALLOCATED SUBSEQUENT TO YEAR-END IN A FAIR AND EQUITABLE MANNER ON THE BASIS OF PATRONAGE (I.E. PURCHASES) THE AMOUNTS ALLOCATED ARE REPRESENTATIVE OF THE MARGINS FROM THE PROVISION OF ELECTRIC POWER AND ENERGY TO THE PATRONS AND ARE DONE PURSUANT TO THE OBLIGATION THAT EXISTED IN THE BYLAWS PRIOR TO THE COOPERATIVE PROVIDING ELECTRICITY TO ITS PATRONS THEREFORE, THESE AMOUNTS MEET THE DEFINITION OF THE TERM "PATRONAGE DIVIDENDS PAID" PLEASE NOTE, HOWEVER, THAT BECAUSE PATRONAGE DIVIDENDS IS THE PROCESS BY WHICH THE COOPERATIVE OPERATES AT COST WITH ITS PATRONS AND THEREBY A KEY COMPONENT TO ACCOMPLISHING ITS EXEMPT PURPOSE, THE COOPERATIVE HAS REPORTED THE AMOUNT OF ITS 2013 MARGIN THAT HAS BEEN OR IS TO BE ALLOCATED TO THE PATRONS SUBSEQUENT TO YEAR-END SUCH AMOUNTS ARE AN EXPENSE FOR FORM 990 REPORTING AND IS NOT AN EXPENSE FOR FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS A RESULT, THE DIFFERENCE BETWEEN THE COOPERATIVE'S GAAP BASIS FINANCIAL STATEMENTS AND THE REVENUE LESS EXPENSES REPORTED ON PART I, LINE 19 IS THE AMOUNT OF PATRONAGE DIVIDENDS REPORTED AS BENEFITS PAID TO MEMBERS</p> |

| Return<br>Reference          | Explanation   |
|------------------------------|---|
| Form 990, Part XI,<br>line 9 | EQUITY METHOD INCOME FROM SUBSIDIARY -136,573 OTHER COMPREHENSIVE INCOME PROVISION FOR PENSIONS AND BENEFITS 277,000 PATRONAGE CAPITAL ASSIGNABLE 14,348,708 PATRONAGE CAPITAL RETIRED -1,354 |

| Return Reference               | Explanation   |
|--------------------------------|---|
| Form 990, Part XII,<br>Line 2C | THE BOARD OF DIRECTORS HAVE ASSIGNED MEMBERS TO AN AUDIT COMMITTEE TO OVERSEE THE ANNUAL AUDIT<br>AND HELP SELECT THE CPA FIRM WHO WILL PERFORM THE AUDIT |

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.  
▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
SOUTH PLAINS ELECTRIC COOPERATIVE INC

Employer identification number  
75-0569260

| Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33. |                         |  |                     |                           |                                  |
|--|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (a)<br>Name, address, and EIN (if applicable) of disregarded entity  | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling entity |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |
|  |                         |  |                     |                           |                                  |

| Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year. |                         |  |                            |   |                                  |  |    |
|---|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| (a)<br>Name, address, and EIN of related organization   | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity | (g)<br>Section 512(b)(13) controlled entity? |    |
|   |                         |  |                            |   |                                  | Yes  | No |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |

Part III

Identification of Related Organizations Taxable as a Partnership

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

| (a)<br>Name, address, and EIN of<br>related organization | (b)<br>Primary activity | (c)<br>Legal<br>domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct<br>controlling<br>entity | (e)<br>Predominant<br>income(related,<br>unrelated,<br>excluded from<br>tax under<br>sections 512-<br>514) | (f)<br>Share of<br>total income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Dispropportionate<br>allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of<br>Schedule K-1<br>(Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|--|-------------------------|--|--|--|---------------------------------|--|--|----|--|---|----|--------------------------------|
|  |                         |  |  |  |                                 |  | Yes                                      | No |  | Yes                                       | No |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |
|  |                         |  |  |  |                                 |  |  |    |  |   |    |                                |

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

| (a)<br>Name, address, and EIN of<br>related organization                                   | (b)<br>Primary activity               | (c)<br>Legal<br>domicile<br>(state or foreign<br>country) | (d)<br>Direct controlling<br>entity         | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of end-of-<br>year<br>assets | (h)<br>Percentage<br>ownership | (i)<br>Section 512<br>(b)(13)<br>controlled<br>entity? |    |
|--|---------------------------------------|---|---|--|---------------------------------|---|--------------------------------|--|----|
|  |                                       |   |   |  |                                 |   |                                | Yes  | No |
| (1) SOUTH PLAINS<br>DEVELOPMENT CORP<br><br>PO BOX 1830<br>LUBBOCK, TX 79408<br>75-2329983 | REAL ESTATE RENTAL AND<br>DEVELOPMENT | TX  | SOUTH PLAINS<br>ELECTRIC<br>COOPERATIVE INC | C  | 119,406                         | 2,494,510                                 | 100 000 %                      | Yes  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |
|  |                                       |   |   |  |                                 |   |                                |  |    |

Part V

Transactions With Related Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

No

1m

No

1n

No

1o

Yes

1p

No

1q

No

1r

No

1s

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

| (a)<br>Name of related organization      | (b)<br>Transaction<br>type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|--|----------------------------------|------------------------|--|
| (1) SOUTH PLAINS DEVELOPMENT CORPORATION | 0                                | 18,000                 | CASH   |
|  |                                  |                        |  |
|  |                                  |                        |  |
|  |                                  |                        |  |
|  |                                  |                        |  |
|  |                                  |                        |  |

Schedule R (Form 990) 2013

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]



Part VII

Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

| Return Reference | Explanation |
|------------------|-------------|
|------------------|-------------|