

ANNUAL REPORT

Of

Company Name: Morenci Water & Electric Co. - Electric

PO Box 68

Mailing Address:

0

Morenci AZ

85540

Docket No.: E-01049A

For the Year Ended: 12/31/19

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ELECTRIC

To

Arizona Corporation Commission

Due on April 15th

Email: eluna-reza@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission

Compliance Section - Utilities Division

1200 West Washington Street

Phoenix, Arizona 85007

Application Type: Original Filing

Application Date: 4/14/2020

ARIZONA CORPORATION COMMISSION
 ELECTRIC UTILITY ANNUAL REPORT
 COMPANY INFORMATION

For the Calendar Year Ended: 12/31/19

Company/Business Name:	Morenci Water & Electric Co. - Electric			
Mailing Address:	PO Box 68			
City:	Morenci	State:	Arizona	Zip Code: 85540
Telephone Number:	928-865-7383	Fax Number:	928-865-5261	
Email:	htaylor@fmi.com			

Management Contact				
Name:	Roy Archer			
Title:	President			
Telephone No. :	928-865-7383			
Address:	PO Box 68			
City:	Morenci	State:	Arizona	Zip Code: 85540
Email:	rarcher@fmi.com			

Statutory Agent				
Name:	Johnny Key			
Title:	Director Energy & Power Solutions			
Telephone No. :	602-366-7176			
Address:	333 N Central Ave			
City:	Phoenix	State:	Arizona	Zip Code: 85004
Email:	jkey@fmi.com			

Attorney				
Name:	Michael Patten			
Title:	Attorney			
Telephone No. :	602-920-4131			
Address:	One Arizona Center 400 East Van Buren Street Suite 1900			
City:	Phoenix	State:	Arizona	Zip Code: 85004
Email:	mpatten@swlaw.com			

Regulatory Contact				
Name:	Roy Archer			
Title:	President			
Telephone No. :	928-865-7383			
Address:	PO Box 68			
City:	Morenci	State:	Arizona	Zip Code: 85540
Email:	rarcher@fmi.com			

Ownership:

Counties Served:

Important changes during the year	
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	NA

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	NA

Morenci Water & Electric Co. - Electric
 ELECTRIC UTILITY ANNUAL REPORT
 AUTHORIZED SERVICES AND STATISTICAL INFORMATION
 12/31/19

SERVICES AUTHORIZED TO PROVIDE

Yes	Electric
No	Investor Owned Electric
No	Rural Electric Cooperative
Yes	Utility Distributed Company
No	Electric Service Provider
N/A	Transmission Service Provider
N/A	Meter Service Provider
N/A	Meter Reading Service Provider
N/A	Billing and Collection
N/A	Ancillary Services
N/A	Generation Provider
N/A	Aggregator/Broker

N/A Other (Specify)

STATISTICAL INFORMATION

Retail Information

	Number of Arizona Customers	Number of kWh Sold in Arizona
Residential	2,199	18,572,161
Commercial	405	18,721,223
Industrial	2	2,606,639,518
Public Street and Highway Lighting	0	0
Irrigation	0	0
Total Retail	2,606	2,643,932,902

Wholesale Information

	Number of Customers	Number of kWh Sold
Resale	0	0
Short-term Sales (duration of less than one-year)	0	0
Total Wholesale	0	0

Total Sold	2,643,932,902	KW
Maximum Peak Load	355,054	KW
Distribution System Losses	0	KW
Distribution Losses	0.00%	
Transmission Losses	0.00%	
System Average Interruption Duration Index (SAIDI)	2.23	
Distribution System Losses	0	
Customer Average Interruption Duration Index (CAIDI)	1.11	
System Average Interruption Frequency Index (SAIFI)	2.00	

VERIFICATION AND SWORN STATEMENT (INTRASTATE REVENUE ONLY)

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Greenlee
Name (owner or official) title: Roy Archer - President
Company name: Morenci Water & Electric Co. - Electric

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/19

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$111,400,371

(The amount in the box above includes

\$6,056,347 in sales taxes

billed or collected)

**RECEIVED
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5/01/2020, 07:55 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

[Handwritten Signature]

signature of owner/official

520-387-2010

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Pin

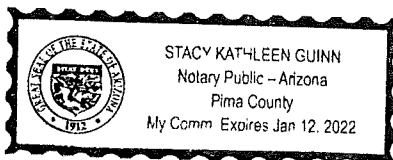
(county name)

THIS 29th DAY OF April 2020
(month) and (year)

MY COMMISSION EXPIRES

1 - 12. 2022

(date)



[Handwritten Signature]

(signature of notary public)

VERIFICATION AND SWORN STATEMENT (RESIDENTIAL REVENUE)

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Greenlee
Name (owner or official) title: Roy Archer - President
Company name: Morenci Water & Electric Co. - Electric

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/19

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

**RECEIVED
BY EMAIL**

5/01/2020, 07:55 AM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

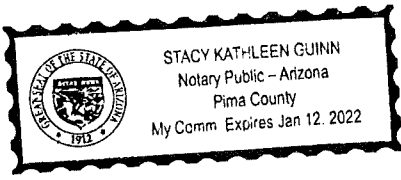
\$1,797,383
(The amount in the box above includes
\$97,716 in sales taxes
billed or collected)

Roy Archer
signature of owner/official
520-387-2010
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Pima
(county name)

THIS 5th DAY OF May 2020
(month) and (year)

MY COMMISSION EXPIRES 1-12-2022
(date)



Stacy Kathleen Guinn
(signature of notary public)

UTILITY PLANT IN SERVICE (ELECTRIC)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
Intangible Plant							
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises and consents	\$0	\$0	\$0	0	\$0	0
303	Miscellaneous intangible plant	\$0	\$0	\$0	0	\$0	0
Steam Production							
310	Land and land rights	\$0	\$0	\$0	0	\$0	0
311	Structures and improvements	\$0	\$0	\$0	0	\$0	0
312	Boiler plant equipment	\$0	\$0	\$0	0	\$0	0
313	Engines and engine-driven generators	\$0	\$0	\$0	0	\$0	0
314	Turbogenerator units	\$0	\$0	\$0	0	\$0	0
315	Accessory electric equipment	\$0	\$0	\$0	0	\$0	0
316	Miscellaneous power plant equipment	\$0	\$0	\$0	0	\$0	0
317	Asset retirement costs	\$0	\$0	\$0	0	\$0	0
Nuclear Production							
320	Land and land rights	\$0	\$0	\$0	0	\$0	0
321	Structures and improvements	\$0	\$0	\$0	0	\$0	0
322	Reactor plant equipment	\$0	\$0	\$0	0	\$0	0
323	Turbogenerator units	\$0	\$0	\$0	0	\$0	0
324	Accessory electric equipment	\$0	\$0	\$0	0	\$0	0
325	Miscellaneous power plant equipment	\$0	\$0	\$0	0	\$0	0
326	Asset retirement costs	\$0	\$0	\$0	0	\$0	0
Hydraulic Production							
330	Land and land rights	\$0	\$0	\$0	0	\$0	0
331	Structures and improvements	\$0	\$0	\$0	0	\$0	0
332	Reservoirs, dams and waterways	\$0	\$0	\$0	0	\$0	0
333	Water wheels, turbines and generators	\$0	\$0	\$0	0	\$0	0
334	Accessory electric equipment	\$0	\$0	\$0	0	\$0	0
335	Miscellaneous power plant equipment	\$0	\$0	\$0	0	\$0	0
336	Roads, railroads and bridges	5,567	0	0	5,567	2,366	3,201
337	Asset retirement costs	0	0	0	0	0	0
Other Production							
340	Land and land rights	0	0	0	0	0	0
341	Structures and improvements	0	0	0	0	0	0
342	Fuel holders, producers, and accessories	0	0	0	0	0	0
343	Prime movers	0	0	0	0	0	0
344	Generators	120,996	0	62,660	58,336	8,140	50,196
345	Accessory electric equipment	0	0	0	0	0	0
346	Miscellaneous power plant equipment	0	0	0	0	0	0
347	Asset retirement costs	0	0	0	0	0	0
348	Energy Storage Equipment-Production	0	0	0	0	0	0
Transmission Plant							
350	Land and land rights	0	0	0	0	0	0
352	Structures and improvements	2,200,057	0	0	2,200,057	790,074	1,409,983
353	Station equipment	4,921,018	0	0	4,921,018	1,960,209	2,960,809
354	Towers and fixtures	133,955	0	0	133,955	57,055	76,900
355	Poles and fixtures	1,823,693	0	0	1,823,693	964,252	859,441
356	Overhead conductors and devices	2,613,387	741	0	2,614,128	1,026,775	1,587,353
357	Underground conduit	45,337	0	0	45,337	19,268	26,069
358	Underground conductors and devices	55,754	0	0	55,754	36,350	19,404
359	Road and trails	776,927	0	0	776,927	264,761	512,167
359.1	Asset retirement costs for transmission plant	0	0	0	0	0	0
Distribution Plant							
360	Land and land rights	0	0	0	0	0	0
361	Structures and improvements	71,432	0	0	71,432	71,432	0
362	Station equipment	798,877	0	0	798,877	301,228	497,649
363	Storage battery equipment	0	0	0	0	0	0
364	Poles, towers and fixtures	1,272,394	11,404	0	1,283,798	557,674	726,123
365	Overhead conductors and devices	707,790	0	0	707,790	210,848	496,942
366	Underground conduit	640,330	580,203	0	1,220,533	66,105	1,154,428
367	Underground conductors and devices	2,101,199	61,722	0	2,162,921	688,703	1,474,218
368	Line transformers	7,885,391	111,854	0	7,997,245	2,719,790	5,277,455
369	Services	320,110	3,271	0	323,381	147,861	175,520
370	Meters	275,671	1,986	0	277,657	104,887	172,770
371	Installations on customers' premises	194,000	0	0	194,000	149,740	44,260
372	Leased property on customers' premises	0	0	0	0	0	0
373	Street lighting and signal systems	0	0	0	0	0	0
374	Asset retirement costs for distribution plant	0	0	0	0	0	0
Regional Transmission and Market Operation Plant							
380	Land and land rights	0	0	0	0	0	0
381	Structures and improvements	0	0	0	0	0	0
382	Computer hardware	0	0	0	0	0	0
383	Computer software	0	0	0	0	0	0
384	Communications equipment	0	0	0	0	0	0
385	Miscellaneous regional transmission and market operation plant	0	0	0	0	0	0
386	Asset retirement costs for regional transmission and market operation plant	0	0	0	0	0	0
General Plant							
389	Land and land rights	0	0	0	0	0	0
390	Structures and improvements	90,803	0	0	90,803	46,036	44,768
391	Office furniture and equipment	42,554	0	0	42,554	31,735	10,819
392	Transportation equipment	923,731	543,013	168,045	1,298,699	739,583	559,116
393	Stores equipment	0	0	0	0	0	0
394	Tools, shop and garage equipment	319,502	0	0	319,502	104,769	214,733
395	Laboratory equipment	6,685	0	0	6,685	2,774	3,912
396	Power operated equipment	109,489	143,774	0	253,263	108,107	145,156
397	Communications equipment	36,958	0	0	36,958	23,726	13,231
398	Miscellaneous equipment	6,103	0	0	6,103	3,764	2,340
399	Other tangible property	0	0	0	0	0	0
399.1	Asset retirement costs for general plant	0	0	0	0	0	0
	Totals	\$28,499,711	\$1,457,968	\$230,705	\$29,726,974	\$11,208,012	\$18,518,962

DEPRECIATION EXPENSE FOR THE CURRENT YEAR (ELECTRIC)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense	
Intangible Plant									
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0	
302	Franchises and consents	0	0	0	0	\$0	0.00%	0	
303	Miscellaneous intangible plant	0	0	0	0	\$0	0.00%	0	
Steam Production									
310	Land and land rights	0	0	0	0	\$0	0.00%	0	
311	Structures and improvements	0	0	0	0	\$0	0.00%	0	
312	Boiler plant equipment	0	0	0	0	\$0	0.00%	0	
313	Engines and engine-driven generators	0	0	0	0	\$0	0.00%	0	
314	Turbogenerator units	0	0	0	0	\$0	0.00%	0	
315	Accessory electric equipment	0	0	0	0	\$0	0.00%	0	
316	Miscellaneous power plant equipment	0	0	0	0	\$0	0.00%	0	
317	Asset retirement costs	0	0	0	0	\$0	0.00%	0	
Nuclear Production									
320	Land and land rights	0	0	0	0	\$0	0.00%	0	
321	Structures and improvements	0	0	0	0	\$0	0.00%	0	
322	Reactor plant equipment	0	0	0	0	\$0	0.00%	0	
323	Turbogenerator units	0	0	0	0	\$0	0.00%	0	
324	Accessory electric equipment	0	0	0	0	\$0	0.00%	0	
325	Miscellaneous power plant equipment	0	0	0	0	\$0	0.00%	0	
326	Asset retirement costs	0	0	0	0	\$0	0.00%	0	
Hydraulic Production									
330	Land and land rights	0	0	0	0	\$0	0.00%	0	
331	Structures and improvements	0	0	0	0	\$0	0.00%	0	
332	Reservoirs, dams and waterways	0	0	0	0	\$0	0.00%	0	
333	Water wheels, turbines and generators	0	0	0	0	\$0	0.00%	0	
334	Accessory electric equipment	0	0	0	0	\$0	0.00%	0	
335	Miscellaneous power plant equipment	0	0	0	0	\$0	0.00%	0	
336	Roads, railroads and bridges	5,567	0	0	5,567	2,078	7.98%	278	
337	Asset retirement costs	0	0	0	0	\$0	0.00%	0	
Other Production									
340	Land and land rights	0	0	0	0	\$0	0.00%	0	
341	Structures and improvements	0	0	0	0	\$0	0.00%	0	
342	Fuel holders, producers, and accessories	0	0	0	0	\$0	0.00%	0	
343	Prime movers	0	0	0	0	\$0	0.00%	0	
344	Generators	120,996	0	62,660	58,336	4,049	7.54%	6,452	
345	Accessory electric equipment	0	0	0	0	\$0	0.00%	0	
346	Miscellaneous power plant equipment	0	0	0	0	\$0	0.00%	0	
347	Asset retirement costs	0	0	0	0	\$0	0.00%	0	
348	Energy Storage Equipment-Production	0	0	0	0	\$0	0.00%	0	
Transmission Plant									
350	Land and land rights	0	0	0	0	\$0	0.00%	0	
352	Structures and improvements	2,200,057	0	0	2,200,057	738,362	3.54%	51,712	
353	Station equipment	4,921,018	0	0	4,921,018	1,829,329	4.23%	130,879	
354	Towers and fixtures	133,955	0	0	133,955	53,334	4.62%	3,721	
355	Poles and fixtures	1,823,693	0	0	1,823,693	901,366	6.82%	62,886	
356	Overhead conductors and devices	2,613,387	741	0	2,614,128	959,683	4.06%	67,082	
357	Underground conduit	45,337	0	0	45,337	17,002	8.00%	2,267	
358	Underground conductors and devices	55,754	0	0	55,754	34,462	8.87%	1,888	
359	Road and trails	776,927	0	0	776,927	245,087	3.70%	19,674	
359.1	Asset retirement costs for transmission plant	0	0	0	0	\$0	0.00%	0	
Distribution Plant									
360	Land and land rights	0	0	0	0	\$0	0.00%	0	
361	Structures and improvements	71,432	0	0	71,432	71,432	0.00%	0	
362	Station equipment	798,877	0	0	798,877	282,926	3.55%	18,303	
363	Storage battery equipment	0	0	0	0	\$0	0.00%	0	
364	Poles, towers and fixtures	1,272,394	11,404	0	1,283,798	521,908	4.73%	35,735	
365	Overhead conductors and devices	707,790	0	0	707,790	188,432	4.32%	22,415	
366	Underground conduit	640,330	580,203	0	1,220,533	32,969	2.34%	20,976	
367	Underground conductors and devices	2,101,199	61,722	0	2,162,921	616,769	4.66%	70,562	
368	Line transformers	7,885,391	111,854	0	7,997,245	2,455,499	4.79%	262,790	
369	Services	320,110	3,271	0	323,381	138,948	4.88%	8,913	
370	Meters	275,671	1,986	0	277,657	95,773	5.04%	9,114	
371	Installations on customers' premises	194,000	0	0	194,000	145,082	9.52%	4,659	
372	Leased property on customers' premises	0	0	0	0	\$0	0.00%	0	
373	Street lighting and signal systems	0	0	0	0	\$0	0.00%	0	
374	Asset retirement costs for distribution plant	0	0	0	0	\$0	0.00%	0	
Regional Transmission and Market Operation Plant									
380	Land and land rights	0	0	0	0	\$0	0.00%	0	
381	Structures and improvements	0	0	0	0	\$0	0.00%	0	
382	Computer hardware	0	0	0	0	\$0	0.00%	0	
383	Computer software	0	0	0	0	\$0	0.00%	0	
384	Communications equipment	0	0	0	0	\$0	0.00%	0	
385	Miscellaneous regional transmission and market operation plant	0	0	0	0	\$0	0.00%	0	
386	Asset retirement costs for regional transmission and market operation plant	0	0	0	0	\$0	0.00%	0	
General Plant									
389	Land and land rights	0	0	0	0	\$0	0.00%	0	
390	Structures and improvements	90,803	0	0	90,803	43,012	6.33%	3,023	
391	Office furniture and equipment	42,554	0	0	42,554	31,107	5.48%	628	
392	Transportation equipment	923,731	543,013	168,045	1,298,699	626,915	166.71%	807,394	
393	Stores equipment	0	0	0	0	\$0	0.00%	0	
394	Tools, shop and garage equipment	319,502	0	0	319,502	93,591	4.95%	11,179	
395	Laboratory equipment	6,685	0	0	6,685	2,488	6.81%	286	
396	Power operated equipment	109,489	143,774	0	253,263	100,845	9.02%	7,262	
397	Communications equipment	36,958	0	0	36,958	20,031	21.83%	3,696	
398	Miscellaneous equipment	6,103	0	0	6,103	3,153	20.69%	610	
399	Other tangible property	0	0	0	0	\$0	0.00%	0	
399.1	Asset retirement costs for general plant	0	0	0	0	\$0	0.00%	0	
Depreciation expense		\$28,499,711	\$1,457,968	\$230,705	\$29,726,974	\$10,255,630		\$1,634,386	

Morenci Water & Electric Co. - Electric
ELECTRIC UTILITY ANNUAL REPORT
BALANCE SHEET ASSETS
12/31/19

BALANCE SHEET ASSETS			
Assets and Other Debits		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Utility Plant			
Plant in service		\$28,499,711	\$29,726,974
Accumulated depreciation and amortization		(10,423,685)	(11,208,012)
Construction work in progress		1,525,536	2,010,122
Palo Verde sale leaseback (net of accumulated amortization)		0	0
Nuclear fuel (net of accumulate amortization)		0	0
Total Utility Plant		\$19,601,562	\$20,529,084
Other Property and Investments			
Non-utility property (net)		0	0
Investments in associated companies/organizations		0	0
Investments in subsidiary companies/organizations		0	0
Nuclear decommissioning trust		0	0
Other investments		0	0
Total Other Property and Investments		\$0	\$0
Current and Accrued Assets			
Cash and cash equivalents		\$290,541	\$178,172
Customer and other receivables		327,240	273,973
Accounts receivable		41,743	164,517
Allowance for doubtful accounts		122,827	13,085
Materials and supplies (at average cost)		435,698	525,848
Notes receivable (related party due within one year)		0	0
Fossil fuel (at average cost)		0	0
Regulatory assets		0	0
Deferred debits		0	0
Other current assets		0	0
Total Fixed Assets		\$1,218,049	\$1,155,594
Total Assets and Other Debits		\$20,819,611	\$21,684,679

Morenci Water & Electric Co. - Electric
ELECTRIC UTILITY ANNUAL REPORT
BALANCE SHEET LIABILITIES AND OWNERS EQUITY
12/31/19

BALANCE SHEET LIABILITIES AND OWNERS EQUITY			
Liabilities and Other Credits		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Current Liabilities			
Accounts payable		\$630,018	\$193,593
Customer/Member deposits		8,523	9,201
Current maturities of Long-Term Debt		0	0
Accrued expenses		0	0
Accrued taxes		473,441	965,967
Accrued interest		0	0
Notes payable to associated companies		1,543,406	1,276,450
Short-term borrowing		0	0
Common dividends payable		0	0
Other regulatory liabilities		0	0
Liabilities for asset retirement		0	0
Other current liabilities		6,433	12,229
Total Current Liabilities		\$2,661,821	\$2,457,439
Long Term Debt			
Long-Term Debt		\$0	\$0
Deferred Credits			
Deferred income tax		\$0	\$0
Regulatory liabilities		0	0
Accumulated deferred investment tax credits		0	0
Liabilities for asset retirements		0	0
Liabilities for pension benefits		0	0
Customer advances		0	0
Coal mine reclamation		0	0
Deferred revenues		0	0
Construction advances		2,174,203	3,543,393
Deferred investment tax credit		(480,384)	(599,688)
Unrecognized tax benefits		0	0
Other deferred credits		0	0
Total Deferred Credits		\$1,693,819	\$2,943,705
Total Liabilities		\$4,355,640	\$5,401,145
Capital Accounts			
Common stock		\$706,908	\$706,908
Additional paid-in capital		6,555,778	6,555,778
Retained earnings		0	0
Memberships		0	0
Patronage capital		0	0
Accumulated other comprehensive		9,201,285	9,020,849
Total Capital		\$16,463,971	\$16,283,534
Total Liabilities and Capital		\$20,819,611	\$21,684,679

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Morenci Water & Electric Co. - Electric
ELECTRIC UTILITY ANNUAL REPORT
ELECTRIC COMPARATIVE INCOME STATEMENT
12/31/19

ELECTRIC COMPARATIVE INCOME STATEMENT			
Account No.	Calendar Year	Last Year 01/01/2018 - 12/31/2018	Current Year 01/01/2019 - 12/31/2019
	Operating Revenue		
440	Residential sales	\$3,113,562	\$3,954,445
442	Commercial and industrial sales	108,157,611	101,389,578
444	Public street and highway lighting	0	0
445	Other sales to public authorities	0	0
446	Sales to railroads and railways	0	0
447	Sales for resale	0	0
448	Interdepartmental sales	0	0
449	Othe sales	0	0
449.1	Provision for rate refunds	0	0
	Total Revenues	\$111,271,173	\$105,344,023
	Operating Expenses		
	Steam Power Generation		
500	Operation supervision and engineering	\$0	\$0
501	Fuel	0	0
502	Steam expenses	0	0
503	Steam from other sources	0	0
504	Steam transferred-Credit	0	0
505	Electric expenses	0	0
506	Miscellaneous steam power expense	0	0
507	Rents	0	0
508	Operation supplies and expenses	0	0
509	Allowances	0	0
510	Maintenance supervision and engineering	0	0
511	Maintenance of structures	0	0
512	Maintenance of boiler plant	0	0
513	Maintenance of electric plant	0	0
514	Maintenance of miscellaneous steam plant	0	0
515	Maintenance of steam production plant	0	0
	Nuclear Power Generation		
517	Operation supervision and engineering	0	0
518	Nuclear fuel expense	0	0
519	Coolants and water	0	0
520	Steam expenses	0	0
521	Steam from other sources	0	0
522	Steam transferred-Credit	0	0
523	Electric expenses	0	0
524	Miscellaneous nuclear power expense	0	0
525	Rents	0	0
528	Maintenance supervision and engineering	0	0
529	Maintenance of structures	0	0
530	Maintenance of reactor plant equipment	0	0
531	Maintenance of electric plant	0	0
532	Maintenance of miscellaneous nuclear plant	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	47,925	18,713
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	4,458	4,575
636	Contractual Services - Other	806,298	657,994
640	Rents	0	0
641	Rental of Building/Real Property	4,015	4,099
642	Rental of Equipment	2,943	5,685
650	Transportation Expenses	34,834	20,342
657	Insurance - General Liability	9,367	7,518
657.1	Insurance - Health and Life	147,137	151,279
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	2,743	(27,532)
675	Miscellaneous Expense	(34,406)	539,289
403	Depreciation Expense	1,004,130	1,634,386
408	Taxes Other Than Income	0	0
408.11	Property Taxes	194,697	196,520
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$2,224,141	\$3,212,868
	Operating Income / (Loss)	\$109,047,032	\$102,131,155
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$109,047,032	\$102,131,155

Total number of employees	20	20
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Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Morenci Water & Electric Co. - Electric
 ELECTRIC UTILITIY ANNUAL REPORT
 UTILITY SHUTOFFS / DISCONNECTS
 12/31/19

UTILITY SHUTOFFS / DISCONNECTS			
Month	Termination without Notice R14-2-211.B	Termination with Notice R14-2- 211.C	Other
January	0	2	0
February	0	5	0
March	0	2	0
April	0	2	0
May	0	3	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	10	0
December	0	4	0
Total	0	28	0

Other (description):

N/A

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.