

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Statement of Charges
Morenci Town-Site – Water Service

In Decision No. 73737 (February 20, 2013) the Commission approved the following rates effective starting March 1, 2013 for all customers located within the Morenci Town-Site.

APPLICABILITY

Applicable to all MWE water customers served by the Morenci System.

RATE

The following rates are effective for all services for Morenci system customers starting on March 1, 2013 through February 28, 2014.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 1/4 inch	\$9.25	\$1.05	3,000	\$1.65	8,000	\$2.18	None
3/4-inch	\$9.25	\$1.05	3,000	\$1.65	8,000	\$2.18	None
1-inch	\$10.50	\$1.05	3,000	\$1.65	8,000	\$2.18	None
1 1/2-inch	\$20.00	\$1.05	3,000	\$1.65	37,000	\$2.18	None
2-inch	\$25.00	\$1.05	3,000	\$1.65	65,000	\$2.18	None
3-inch	\$35.00	\$1.05	3,000	\$1.65	108,000	\$2.18	None
4-inch	\$50.00	\$1.05	3,000	\$1.65	142,000	\$2.18	None
6-inch	\$75.00	\$1.05	3,000	\$1.65	245,000	\$2.18	None
Industrial Water Sales (per 1,000 gallons) - \$0.5500							

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W1.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Statement of Charges
Morenci Town-Site – Water Service
(continued)

The following rates are effective for all services for Morenci system customers starting on March 1, 2014 through February 28, 2015.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 3/4 inch	\$10.25	\$1.16	3,000	\$1.83	8,000	\$2.41	None
3/4-inch	\$10.25	\$1.16	3,000	\$1.83	8,000	\$2.41	None
1-inch	\$11.60	\$1.16	3,000	\$1.83	8,000	\$2.41	None
1 1/2-inch	\$22.15	\$1.16	3,000	\$1.83	37,000	\$2.41	None
2-inch	\$27.70	\$1.16	3,000	\$1.83	65,000	\$2.41	None
3-inch	\$38.75	\$1.16	3,000	\$1.83	108,000	\$2.41	None
4-inch	\$55.35	\$1.16	3,000	\$1.83	142,000	\$2.41	None
6-inch	\$83.00	\$1.16	3,000	\$1.83	245,000	\$2.41	None
Industrial Water Sales (per 1,000 gallons) - \$0.6050							

The following rates are effective for all services for Morenci system customers starting on March 1, 2015.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 3/4 inch	\$11.20	\$1.27	3,000	\$2.00	8,000	\$2.64	None
3/4-inch	\$11.20	\$1.27	3,000	\$2.00	8,000	\$2.64	None
1-inch	\$12.70	\$1.27	3,000	\$2.00	8,000	\$2.64	None
1 1/2-inch	\$24.20	\$1.27	3,000	\$2.00	37,000	\$2.64	None
2-inch	\$30.25	\$1.27	3,000	\$2.00	65,000	\$2.64	None
3-inch	\$42.35	\$1.27	3,000	\$2.00	108,000	\$2.64	None
4-inch	\$60.50	\$1.27	3,000	\$2.00	142,000	\$2.64	None
6-inch	\$90.75	\$1.27	3,000	\$2.00	245,000	\$2.64	None
Industrial Water Sales (per 1,000 gallons) - \$0.6655							

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized by the Commission in Decision No. 73737, MWE will collect from its customers all applicable sales, transaction, privilege, regulatory and other taxes and assessments as may now or in the future apply.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W1.0

ISSUED BY:
 Roy Archer, President
 Morenci Water & Electric Company
 401 Burro Alley, Post Office Box 68
 Morenci, Arizona 85540

APPROVED FOR FILING
 DECISION #: 73737

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

**Statement of Charges
Morenci Town-Site – Water Service
(continued)**

RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-4-401 through R14-4-411 will be controlling of Company procedures, unless subsequent Commission decisions provide otherwise.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W1.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Statement of Charges
Clifton System – Water Service

In Decision No. 73737 (February 20, 2013) the Commission approved the following rates for all customers located within the Clifton system.

APPLICABILITY

Applicable to all MWE water customers served by the Clifton System.

RATE

The following rates are effective for all services for Clifton system customers starting on March 1, 2013 through February 28, 2014.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 3/4 inch	\$9.50	\$0.85	3,000	\$1.36	8,000	\$1.94	None
3/4-inch	\$9.50	\$0.85	3,000	\$1.36	8,000	\$1.94	None
1-inch	\$10.50	\$0.85	3,000	\$1.36	8,000	\$1.94	None
1 1/2-inch	\$26.35	\$0.85	3,000	\$1.36	37,000	\$1.94	None
2-inch	\$42.75	\$0.85	3,000	\$1.36	65,000	\$1.94	None
3-inch	\$67.75	\$0.85	3,000	\$1.36	108,000	\$1.94	None
4-inch	\$87.75	\$0.85	3,000	\$1.36	142,000	\$1.94	None
6-inch	\$147.75	\$0.85	3,000	\$1.36	245,000	\$1.94	None

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W2.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Statement of Charges
Clifton System – Water Service

The following rates are effective for all services for Clifton system customers starting on March 1, 2014 through February 28, 2015.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 3/4 inch	\$9.75	\$0.85	3,000	\$1.69	8,000	\$2.27	None
3/4-inch	\$9.75	\$0.85	3,000	\$1.69	8,000	\$2.27	None
1-inch	\$10.75	\$0.85	3,000	\$1.69	8,000	\$2.27	None
1 1/2-inch	\$26.50	\$0.85	3,000	\$1.69	37,000	\$2.27	None
2-inch	\$43.00	\$0.85	3,000	\$1.69	65,000	\$2.27	None
3-inch	\$68.00	\$0.85	3,000	\$1.69	108,000	\$2.27	None
4-inch	\$88.00	\$0.85	3,000	\$1.69	142,000	\$2.27	None
6-inch	\$148.00	\$0.85	3,000	\$1.69	245,000	\$2.27	None

The following rates are effective for all services for Clifton system customers starting on March 1, 2015.

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)
5/8-inch x 3/4 inch	\$10.00	\$0.85	3,000	\$2.03	8,000	\$2.61	None
3/4-inch	\$10.00	\$0.85	3,000	\$2.03	8,000	\$2.61	None
1-inch	\$11.00	\$0.85	3,000	\$2.03	8,000	\$2.61	None
1 1/2-inch	\$26.75	\$0.85	3,000	\$2.03	37,000	\$2.61	None
2-inch	\$43.25	\$0.85	3,000	\$2.03	65,000	\$2.61	None
3-inch	\$68.25	\$0.85	3,000	\$2.03	108,000	\$2.61	None
4-inch	\$88.25	\$0.85	3,000	\$2.03	142,000	\$2.61	None
6-inch	\$148.25	\$0.85	3,000	\$2.03	245,000	\$2.61	None

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized by the Commission in Decision No. 73737, MWE will collect from its customers all applicable sales, transaction, privilege, regulatory and other taxes and assessments as may now or in the future apply.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W2.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Sheet No. **W-2.0**

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE")

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

**Statement of Charges
Clifton System – Water Service**

RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-4-401 through R14-4-411 will be controlling of Company procedures, unless subsequent Commission decisions provide otherwise.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W2.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Sheet No. **W-3.0**

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE") – Water Department

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

**Statement of Charges
Miscellaneous Charges – Water Service
(continued)**

I.	Late payment charge, per month	1.5 %
J.	Deferred payment finance charge, per month (R14-2-409.G.)	1.5 %
K.	Service Line Tariff and Meter Advance Policy (R14-2-405)	See Tariff Sheet No. W4.0
L.	Line Extension Tariff (R14-2-406)	See Tariff Sheet No. W5.0
M.	Interest on Customer Deposits	2.00%

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet No. W3.0.

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 13737

ORIGINAL

Sheet No. **W4.0**

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE") - Water Department

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee and Graham Counties, Arizona**

Refundable Service Line and Meter Installation Charges

Meter Size	Service Line	Meter	Total
5/8-inch	\$370.00	\$130.00	\$500.00
¾ inch	\$370.00	\$205.00	\$575.00
1-inch	\$420.00	\$240.00	\$660.00
1 ½-inch	\$450.00	\$450.00	\$900.00
2-inch	\$580.00	\$945.00	\$1,525.00
3-inch	\$745.00	\$1,420.00	\$2,165.00
4-inch	\$1,090.00	\$2,270.00	\$3,360.00
6-inch	\$1,610.00	\$4,425.00	\$6,035.00
Over 6-inch	Cost	Cost	Cost

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet No. W4.0.

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: **73737**

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE") – Water Department

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Line Extension Tariff

1. AVAILABILITY

The maximum footage allowance, without charge to the customer will be as follows:

Residential: 100 feet.

Non-residential: 0 feet.

2. ECONOMIC FEASIBILITY STUDY

For those main extensions that exceed the maximum footage specified in paragraph 1, the Company must consider the following factors in determining the advance required by the customer.

a. Estimated Cost of Construction:

- Materials and Supplies.
- Direct Labor.
- Transportation and Construction Equipment.
- Payroll Taxes and Insurance.
- Engineering and Supervision.
- Interest during construction.

b. Estimate of operating revenue.

c. Estimate of operating expenses.

- Depreciation.
- Property taxes.
- Insurance.
- Purchase power cost.
- Customer accounting and collection.
- Other operation and maintenance.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W5.0 through W6.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 13737

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE") – Water Department

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Statement of Charges
Miscellaneous Charges – Water Service

In Decision No. 73737 (February 20, 2013) the Commission approved the following miscellaneous charges effective March 1, 2013 for both the Morenci and Clifton systems.

MISCELLANEOUS CHARGES

- | | | |
|----|---|---|
| A. | Establishment of Service
(New Customer Charge, in addition to F., L. & M. below) | |
| | Regular Hours | \$40.00 |
| | After Hours | \$50.00 |
| B. | Re-Establishment of Service (R14-2-403.D.)
(same customer, same location within 12 months) | Monthly Minimum times
the number of months
disconnected (minimum 3
months) |
| C. | Re-connection of Service
(after Disconnection due to Delinquency) | |
| | Regular Hours | \$30.00 |
| | After Hours | \$50.00 |
| D. | Charge for Moving Meter at customer request
(R14-2-405.B.) | Cost ¹ |
| E. | Customer-requested Meter Test (if meter accurate)
(R14-2-408.F.) | Cost ² |
| F. | Minimum Deposit Request (R14-2-403.B.) | |
| | 1. Residential Customer | (Two times estimated
average monthly bill) |
| | 2. Non-residential Customer | (Two and one-half times
estimated maximum
monthly bill) |
| G. | Customer Requested Meter Re-Read (if correct) (R14-2-408.C.) | \$25.00 |
| H. | Charge for NSF Check (R14-2-409.F.) | \$25.00 |

¹ Including parts, charges, labor and overhead.

² Including parts, charges, labor and overhead.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet No. W3.0.

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Sheet No. W5.0

THE MORENCI WATER AND ELECTRIC COMPANY ("MWE") – Water Department

**Applies to: The Morenci Water & Electric Company Certificated Service Area
Greenlee County, Arizona**

Line Extension Tariff (continued)

3. ANNUAL SURVEY.

The customer may request an annual survey to determine if additional customers have been connected to and are using service from the extension. In no case will the amount of the refund exceed the amount originally advanced.

4. INTEREST

All advances in aid of construction will be non-interest bearing.

5. REFUND

If after five (5) years from the utility's receipt of the advance, the advance has not been totally refunded, the advance will be considered a contribution in aid of construction and will no longer be refundable.

6. OWNERSHIP OF FACILITIES.

All facilities installed under line extension agreements are the sole property of the Company.

Effective: March 1, 2013

Replaces All Previously-Issued Tariff Sheet Nos. W5.0 through W6.0

ISSUED BY:
Roy Archer, President
Morenci Water & Electric Company
401 Burro Alley, Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Morenci Water and Electric Company

Decision No.: 73737

(928) 865-2229

Effective Date: March 1, 2013

Customer High Water Use Inquiry Resolution Tariff – BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall handle high water use inquiries as calls are received.
2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to conduct a leak detection inspection and provide the customer with water conservation measures. The leak detection inspection may consist of a meter read check for flow verification. If the on-site inspection is requested by the customer, the Commission approved meter re-read tariff fee shall apply.
4. The Company shall follow up in some way on every customer inquiry or complaint and keep a record of inquiries and follow-up activities.

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Morenci Water and Electric Company

Decision No.: 73737

(928) 865-2229

Effective Date: March 1, 2013

Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
2. The Company shall identify customers with high consumption and investigate each instance to determine the possible cause.
3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
5. In the notification, the customer will be reminded of at least the following water-saving precautions:
 - a. Check for leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Check landscape watering system valves periodically for leaks and keep sprinkler heads in good shape.
 - c. Adjust sprinklers so only the vegetation is watered and not the house, sidewalk, or street, etc.
 - d. Continue water conservation efforts with any pools such as installing covers on pools and spas and checking for leaks around pumps.
6. In the notification, the customer will also be reminded of at least the following ordinary life events that can cause a spike in water usage:
 - a. More people in the home than usual taking baths and showers.
 - b. Doing more loads of laundry than usual.
 - c. Doing a landscape project or starting a new lawn.
 - d. Washing vehicles more often than usual.

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Morenci Water and Electric Company

Decision No.: 73737

(928) 865-2229

Effective Date: March 1, 2013

7. The Company shall provide water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
8. The Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing the high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit the Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
9. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded and made available to the Commission upon request.

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Morenci Water and Electric Company

Decision No.: 73737

(928) 865-2229

Effective Date: March 1, 2013

WATER SYSTEM TAMPERING TARIFF – BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
2. Compliance with the provisions of this tariff will be a condition of service.
3. The Company shall provide to all its customers, upon request, a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

APPROVED FOR FILING
DECISION #: 73737

RES TARIFF: RENEWABLE ENERGY STANDARD SURCHARGE SCHEDULE

Applies to: The Morenci Water and Electric Company Service Area
Greenlee and Graham County, Arizona

MWE's Renewable Energy Standard Surcharge ("RESS") – established in Decision No. 70303 (April 24, 2008) – applies to all retail electric service. All provisions of the customer's current applicable rate schedule will apply in addition to this surcharge. MWE will evaluate – from time to time – its program funding requirements. If necessary, the RESS may be increased if it becomes apparent that more funding is needed for MWE to meet the RES in future years. The Commission must approve any increases to the RESS. Any change to the RESS amounts will be applied in billing cycle beginning in the month following Commission approval and will not be prorated. The RESS rate and caps here were approved in Decision No. 73632 (January 31, 2013).

Surcharge:

A RESS of \$0.004988 per kWh, but capped as follows:

Residential Customers:	\$1.05 per month per service
Non-residential Customers:	\$39.00 per month per service
Non-residential Customers with demand of 3 MW per month for three consecutive months:	\$500.00 per month per service

The RESS will be shown as a separate item on customer bills. The RESS is established pursuant to A.A.C. R14-2-1801 through R14-2-1816, which was approved by the Commission in Decision No. 69127 (November 14, 2006).

Effective: January 31, 2013

ISSUED BY:
Roy Archer
Morenci Water and Electric Company
401 Burro Alley
Post Office Box 68
Morenci, Arizona 85540

APPROVED FOR FILING

DECISION #: 73632

Company Name: The Morenci Water and Electric Company Page 1 of 2

CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect The Morenci Water and Electric Company ("Company") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C.") R14-2-405.B.6 and A.A.C. R18-4-215.

REQUIREMENTS:

In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-215 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-215.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-215.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is not applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply with this notice. If the customer can show good cause as to why he cannot install the backflow-prevention assembly within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

****FOR OFFICIAL USE ONLY****

Effective Date: March 1, 2013

APPROVED FOR FILING
DECISION #: 73737

ORIGINAL

Company Name: The Morenci Water and Electric Company Page 2 of 2

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. The Company may require the customer to pay to have the backflowprevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
 - a. assembly identification number and description;
 - b. location
 - c. date(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certificate number.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
8. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-4103.1.a. is not applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

****FOR OFFICIAL USE ONLY****

Effective Date: March 1, 2013

APPROVED FOR FILING
DECISION #: 73737

“Curtailment Tariff”

CLIFTON System

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 1 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

CURTAILMENT PLAN FOR: The Morenci Water and Electric Company
(Template 102109)

ADEQ Public Water System No: 06002

The Morenci Water and Electric Company ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, the Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

APPROVED FOR FILING
DECISION #: 73737

Revised October 21, 2009

ORIGINAL

TARIFF SCHEDULE

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 2 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, the Company shall post at least 4 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

APPROVED FOR FILING
DECISION #: 73737

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 3 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least 4 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering ~~Stage 4~~.

APPROVED FOR FILING
DECISION #: 73737

Revised October 21, 2009

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 4 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

APPROVED FOR FILING
DECISION #: 73737

"Curtailment Tariff"

MORENCI System

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 1 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

CURTAILMENT PLAN FOR: The Morenci Water and Electric Company
(Template 102109)

ADEQ Public Water System No: 06003

The Morenci Water and Electric Company ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, the Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

APPROVED FOR FILING
DECISION #: 73737

Revised October 21, 2009

ORIGINAL

TARIFF SCHEDULE

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 2 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, the Company shall post at least 5 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

APPROVED FOR FILING
DECISION #: 73737

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company

Tariff Sheet No.: 3 of 4

Docket No.: E-01049A-11-0300 et. al.

Decision No.: 73737

Phone No.: 928-865-2229

Effective: March 1, 2013

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least 5 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

APPROVED FOR FILING
DECISION #: 73737

Revised October 21, 2009

TARIFF SCHEDULE

ORIGINAL

Utility: The Morenci Water and Electric Company Tariff Sheet No.: 4 of 4
Docket No.: E-01049A-11-0300 et. al. Decision No.: 73737
Phone No.: 928-865-2229 Effective: March 1, 2013

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

APPROVED FOR FILING
DECISION #: 73737