

July 18, 2001

Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Atten: Ms Vicki Lasher, Docket Control

Subject: Tariff Revision; \$20 Late Charge



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AZ CORP COMMISSION  
DOCUMENT CONTROL

Dear Sir:

DOCKET NO. T 02524A-01-0641

We have reviewed our tariffs and found that we have been undercharging for several items. One item is late charges. Our current tariff makes no provision for late charges, yet those who do not pay on time cause us to have to prepare a late notice bill, sort those bills and mail them at the new postal rates to customers who have not provided their payment on time. Then on turn off day we have to go through the paid accounts to make sure that they did not pay, check all our drop boxes again to assure that a late night payment was not made and cross check against the turn off list. We have a few customers who understand our system and seem to try to use it to help their cash flow. This, of course, hurts our cash flow. Since we are chartered as a not for profit utility, every man-hour misused and every dollar not received on time hurts.

Currently we have approximately \$82,000 in bad accounts. If the customer saw that he was going to be charged for being late, he would be expeditious in making his payments. Last month out of 1088 water customers, 401 required reminder notices, 45 paid after the end of the month and before their service was disconnected and 24 had to have their service shut off. A late fee would cut this problem in half.

Therefore, we would like to be approved for an additional \$20 late charge for those customers both on and off the reservation who have not paid their bill by the end of the last day of the month. We would establish this charge by adding a notice to our bills for one month prior to the tariff being effective.

If you have any questions or comments, please feel free to contact me below.

Sincerely,



Kendall E. Spooner

Director  
Fort Mojave Tribal Utilities Authority/OMI

CC: Robert H. Lane, Chairman

Enclosure: 10 Copies

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