

ORIGINAL		THIS AMENDMENT:
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	



6009

GLEASON PROPOSED SUBSTITUTE AMENDMENT #1

DATE PREPARED: June 19, 2006

COMPANY: Morenci Water & Electric Company

DOCKET NO.: E-01049A-06-0219

OPEN MEETING DATES: June 27 and 28, 2006 AGENDA ITEM: U-3

Page 6, between lines 3 and 4, INSERT a new Finding of Fact No. 17 to read:

“17. We will approve the proposed adjustor rate as recommended by Staff. However, in future proceedings, we will consider an alternative adjustor mechanism that is based on the 24-month rolling average of Morenci’s fuel and purchased power costs and that does not impose any triggering thresholds or bandwidths.”

Page 7, between lines 3 and 4, INSERT:

“IT IS FURTHER ORDERED that Staff shall develop an alternative adjustor mechanism that is based on the 24-month rolling average of Morenci’s fuel and purchased power costs and that does not impose any triggering thresholds or bandwidths. Staff shall file its proposal for this alternative adjustor in the docket for Morenci’s next application for a change in its PPFAC rate or next permanent rate case application, whichever comes first.”

Make all conforming changes.

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