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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

- GARY PIERCE - Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

MAY - 4 2011

DOCKETED BY	<i>mn</i>
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IN THE MATTER OF THE APPLICATION OF MORENCI WATER & ELECTRIC COMPANY FOR AN ADJUSTMENT IN ITS PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE RATE.

DOCKET NO. E-01049A-09-0420

DECISION NO. 72291

ORDER

Open Meeting  
 April 27 & 28, 2011  
 Phoenix, Arizona

BY THE COMMISSION:

\* \* \* \* \*

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. In Decision No. 71468 (January 26, 2010), the Commission approved the application of Morenci Water & Electric Company ("Morenci" or "Company") for an adjustment in its purchased power and fuel adjustment clause rate.
2. Decision No. 71468 ordered Morenci to file a rate case by March 31, 2011, using a 2010 test year.
3. On March 9, 2011, Morenci filed a "Motion to Extend Time to File Rate Case" seeking a 90 day extension of time, until June 30, 2011, to file the rate case application. The Company stated that it has two divisions (water and electric) that have not filed a rate case since 1983, which requires the Company to review and analyze a great amount of historical information to make its rate case filing. The Company stated the extension would allow it to prepare cost of service studies for each division in order to ascertain the proper allocation of costs between its divisions, and to provide time for researching methods to "mitigate the increases to non-mining customers." The

1 Company also states that it requires additional time to close out its books for the test year.

2 4. On March 31, 2011, the Commission's Utilities Division ("Staff") filed a  
3 Memorandum which indicates that after reviewing the filing and additional discussions with  
4 Company representatives, Staff recommends that the deadline for filing the rate application be  
5 extended until July 29, 2011, with a December 31, 2010, test year. Staff further recommends that no  
6 further extensions of time be granted.

7 5. The Company has requested a relatively minor extension of time to file its rate case,  
8 which will promote a more thorough and accurate record in the rate case. Under the reported  
9 circumstances, the requested relief is reasonable and should be granted.

10 **CONCLUSIONS OF LAW**

11 1. Morenci is a public service corporation within the meaning of Article XV of the  
12 Arizona Constitution and A.R.S. Title 40, generally.

13 2. The Commission has jurisdiction over Morenci and the subject matter of the request.

14 3. For the reasons set forth above, the requested extension of the deadline to file a rate  
15 application as required by Decision No. 71468, is in the public interest.

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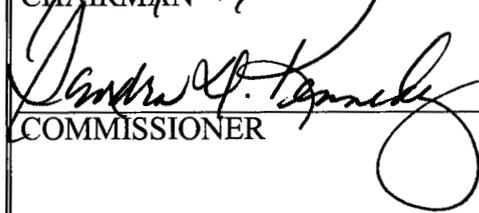
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**ORDER**

IT IS THEREFORE ORDERED that the deadline for Morenci Water & Electric Company to file a rate application as set forth in Decision No. 71468 is extended until July 29, 2011.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

  
 CHAIRMAN
   
 COMMISSIONER  
  
 COMMISSIONER
   
 COMMISSIONER
   
 COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 4<sup>th</sup> day of MAY, 2011.

  
 ERNEST G. JOHNSON  
 EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

1 SERVICE LIST FOR:

MORENCI WATER & ELECTRIC COMPANY

2 DOCKET NO.:

E-01049A-09-0420

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