

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman  
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2012 MAY 11 A 11:35  
CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

MAY 11 2012

DOCKETED BY JM

IN THE MATTER OF THE APPLICATION OF  
MORENCI WATER & ELECTRIC COMPANY  
FOR APPROVAL OF A RATE INCREASE.

DOCKET NO. E-01049A-11-0300

IN THE MATTER OF THE APPLICATION OF  
MORENCI WATER & ELECTRIC COMPANY  
FOR THE ESTABLISHMENT OF JUST AND  
REASONABLE RATES FOR ITS ELECTRIC  
AND WATER DEPARTMENTS.

DOCKET NO. W-01049A-11-0311

NOTICE OF FILING

Morenci Water & Electric Company ("MWE") files the attached affidavit of mailing and affidavit of publication. MWE provided notice to customers through publication on March 28, 2012 in the Copper Era. MWE also provided notice to customers through bill inserts in the March billing cycle.

RESPECTFULLY SUBMITTED this 10<sup>th</sup> day of May, 2012.

By

Michael W. Patten  
Jason D. Gellman  
ROSHKA DEWULF & PATTEN, PLC.  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004

Attorneys for Morenci Water & Electric Company

1 Original and 13 copies of the foregoing  
2 filed this 11<sup>th</sup> day of May, 2012, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington Street  
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered  
8 this 11<sup>th</sup> day of May, 2012 to:

9 Lyn A. Farmer, Esq.  
10 Chief Administrative Law Judge  
11 Hearing Division  
12 Arizona Corporation Commission  
13 1200 West Washington Street  
14 Phoenix, Arizona 85007

15 Janice M. Alward, Esq.  
16 Chief Counsel, Legal Division  
17 Arizona Corporation Commission  
18 1200 West Washington Street  
19 Phoenix, Arizona 85007

20 Steve Olea  
21 Director, Utilities Division  
22 Arizona Corporation Commission  
23 1200 West Washington Street  
24 Phoenix, Arizona 85007

25 Brian Bozzo  
26 Manager of Compliance, Utilities Division  
27 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

By 

AFFIDAVIT OF PROOF OF PROVIDING BILL INSERTS  
(Docket Nos. E-01049A-11-300 and W-01049A-11-0311)

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STATE OF ARIZONA

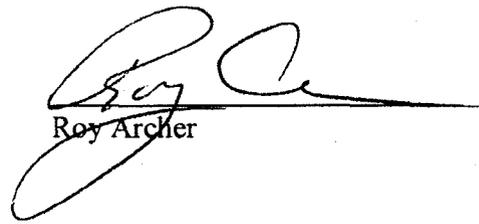
ss.

Maricopa County

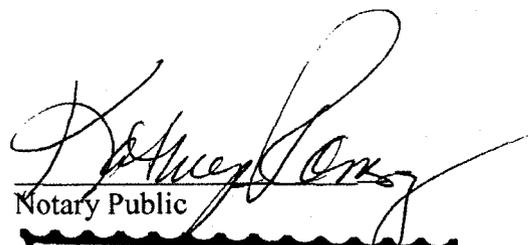
I, Roy Archer, states as follows:

1. I am the President of Morenci Water & Electric Company  
("MWE").

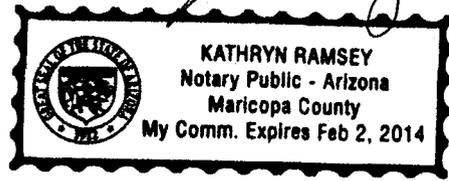
2. I certify that a copy of the attached notice was provided as a bill  
insert in the March 2012 billing cycle regarding Docket Nos. E-01049A-11-0300 and  
W-01049A-11-0311.

  
Roy Archer

SUBSCRIBED AND SWORN to before me by Roy Archer,  
this 10<sup>th</sup> day of April, 2012.

  
Notary Public

My Commission Expires: 2/2/2014

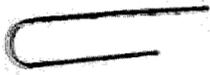


AFFIDAVIT/PROOF OF PUBLICATION

**THE COPPER ERA**

301A E. HWY. 70, SAFFORD, AZ 85546  
Phone: (928) 428-2560/Fax: (928) 428-5396  
E Mail: mwatson@eacourier.com

RECEIVED APR 30 2012



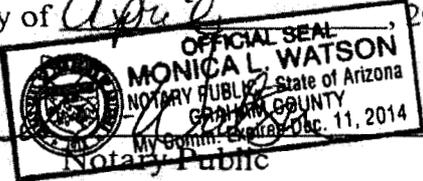
I, Doris A. Glenn, being duly sworn deposes and says; that she is the legal clerk of THE COPPER ERA, a newspaper published in the Town of Clifton, Greenlee County, Arizona; that the legal described as follows:

Moencis Water +  
Electric Company  
Docket # E-01049A-11-0300  
Docket # W-01049A-11-0311

a copy of which is hereunto attached, was first published in said newspaper in its issue dated March 28, 2012 and was published in each March 28 issue(s) of said newspaper for 1 consecutive weeks/issues, the last publication being in the issue dated March 28, 2012

Signed: Doris Glenn

Subscribed and sworn to before me this 25 day of April, 2012

Monica Watson  


My Commission expires: December 11, 2014

# Young Column:

Continued from Page 4

Face it. This heavily armed, mentally and physically wounded soldier simply lost it.

What do we do about it? I'm hoping that the (military court) will acquit him on that basis, the basis of insanity — PTSD.

I have an ulterior motive in hoping that such a defense works for Bales, and it has nothing to do

with him or with the Afghan war-athon. It has to do with something back home: the death penalty.

This comes to mind because of a letter to the editor I read from a World War II veteran straining to explain the actions of someone else who seems to be the essence of the bad seed in the mold of Bruce Willis movies: Army Staff Sgt. Calvin Gibbs, convicted last year of torturing subordinates to participate in a string of "thrill kills" against Afghan civilians.

The World War II veteran whose letter I read mentioned his own lifetime battle with PTSD and ven-

ered how wartime strains might have warped the 26-year-old Gibbs' psyche.

I admit having trouble wrapping my mind around such a plea for Gibbs, his acts being so calculated. But the PTSD defense seems to fit in the Bales case, the rampage being so spontaneous, so deranged.

My real reason to pull for a successful PTSD defense for Bales, though, is to change attitudes back home — wrap the flag around, if you will, the insanity defense.

In the last 30 years, in a blowback to celebrated cases like those of Reagan assailant John Hinckley,

successful application of the insanity defense has become as rare as the Triple Crown in horse racing.

One eight-state study found that the defense was used in only 1 percent of criminal cases, and only 26 percent of that 1 percent succeeded.

Certainly, when it comes to murder, that can't possibly reflect reality. We don't want to believe it, but people do simply go out of their skulls and kill — even if momentarily.

That the insanity defense is effectively null and void is one good reason to abolish the death

penalty.

A society that rejects insanity as a defense for murder has lost its own ability to differentiate a right from a wrong.

The other good reason to abolish the death penalty is the irrational assumption that government can always get guilt and innocence right.

The irony: Distrust of government is one of the tenets of conservatives, but very people so inclined to salute the death penalty.

In two areas — waging war and executing people, these same people would assert that government is inerrant.

At minimum, if more people rise up to state that war is insane, and that it can result in insane soldiers and blame their acts on that, maybe we can acknowledge the same among civilians who kill, a fact that is undeniable.

Here's hoping the trial of Sgt. Bales will demonstrate as much, and that his example will slap right-thinking Americans into seeing criminal insanity in a new, even patriotic, light.

Longtime Texas newspaperman John Young lives in Colorado. E-mail: [youngcolumn@gmail.com](mailto:youngcolumn@gmail.com).

# Rattlesnakes out of hibernation:

Continued from Page 10

not control themselves enough to leave it alone.

A word to the wise: A harassed snake is more likely to give a serious envenomation than one that is innocently surprised.

Bites caused by intentional human interaction are classified as "illegitimate" bites, whereas accidental bites are referred to as "legitimate." Illegitimate bites happen more to men's forearms and hands of men, and drinking alcohol is frequently involved.

Legitimate bites happen more often to the feet or legs of men, women and children. Legitimate bites may happen to people who are working in their yards and gardens, performing outdoor chores or perhaps children happily playing outside.

Outdoor recreation puts us in snakes' habitat, so incidental encounters are more likely when we are fishing, camping, picnicking and hiking. Most people don't know that rattlesnakes are protected in Arizona by game laws. If you kill one in the wild without a hunting license, you could be cited for illegal poaching.

I don't have much use for people who choose to kill a rattlesnake in the wild. I've heard all their excuses before, and, to me, it all boils down to unrestrained primal bloodlust and downright immaturity.

What to do

In case of a bite, first call for emergency medical assistance. You don't have to bring the snake with you for identification because Crofab antivenom will neutralize the venoms from all of our native species. Besides, it is best to get away from the snake instead of risking another bite by trying to kill it.

If the snake can be safely contained under a box or a bucket, then that may enhance scene safety for first responders and for the neighborhood.

Next, stay calm, remove your jewelry, and loosen any constrictive garments. Using a Sharpie pen to mark the time and location

of the bite may help the doctor estimate the degree of envenomation. Marking a line and the time on the leading edge of swelling at 15-minute intervals will also be helpful.

Do not employ any constriction devices or old-fashioned cut-and-suck techniques. First aid for snake bite is remarkably simple: Keep the bitten extremity immobile and call for help. Snakebite victims should not drive themselves to the hospital if at all possible because they might pass out or go into shock while behind the wheel.

Of the 200 or so rattlesnake bites that occur in Arizona each year, typically less than 1 percent are fatal, and those are usually due to a substantial delay in seeking medical attention. You have time to get help, but no time to waste.

An ounce of prevention is worth a pound of cure because, in this case, snake-bite treatments can easily surpass \$50,000. A wise person gives way and doesn't give chase to a rattlesnake.

One of my joys in life is educating people about the beauty and ecology of our native reptiles. I am proud to be licensed in Arizona with the necessary permit to exhibit venomous snakes educationally and

also to safely capture and humanely relocate all nuisance reptiles.

I've always been more interested in helping out the animals and the people than trying to make a buck, so for the past several years, my services have been for free. However, things in my life are changing, and I find that my efforts toward reptile conservation need more cash flow than the occasional donation provides. Let me

add here a great big "Thank You" to all my benefactors and all the very kind people who would rather spare an animal's life than take one.

So, starting this season, I will be requesting a small travel fee for snake relocations and a modest honorarium for speaking engagements. I am hopeful that this will not dissuade anyone from requesting my professional assistance.

"Viva la vibora!"  
Author's note: Please note that my contact information has changed: Terry A. Johnson - Reptile Conservation/Reptilist, (928) 963-5147; e-mail: [reptilist@me.com](mailto:reptilist@me.com), on the Web at [reptilist.com](http://reptilist.com), Flickr and Facebook.

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## PUBLIC NOTICE OF HEARING ON THE APPLICATION OF MORENCI WATER AND ELECTRIC COMPANY FOR A RATE INCREASE

(DOCKET NO. E-01049A-11-0300)  
(DOCKET NO. W-01049A-11-0311)

### SUMMARY

On July 29, and August 9, 2011, Morenci Water and Electric Company ("MWE" or "Company") filed applications with the Arizona Corporation Commission ("Commission") to establish rates for both its Water Department (Docket No. W-01049A-11-0311) and Electric Department (Docket No. E-01049A-11-0300). The dockets have been consolidated.

### WATER DEPARTMENT

MWE operates water systems in Morenci and Clifton and seeks to maintain separate rate structures for each system.

For Morenci, MWE proposes a gross revenue increase of \$193,069, or approximately 33.16%, for a return of negative 10.8% on a fair value rate base of \$3,294,872. MWE proposes phasing-in the increase in three steps over two years. If the Company's proposal for Morenci were to be adopted by the Commission in its entirety, in Step 1, a customer with a 5/8 inch meter, with an average monthly consumption of 6,875 gallons, would see a bill increase of \$2.01, or 9.55%, from \$21.01 to \$23.02. In Step 2, the average 5/8 inch meter customer would see a bill increase of \$2.33, or 10.14%, from \$23.02 to \$25.35. In Step 3, the average 5/8 inch meter customer would see a bill increase of \$2.43, or 9.6%, from \$25.35 to \$27.78. At the end of the third step, the cumulative increase would total \$6.77, or 32.22%, for the average 5/8 inch meter customer.

For Clifton, MWE proposes a gross revenue increase of \$58,304, or approximately 33.39%, for a return of negative 11.10% on a fair value rate base of \$585,414. MWE proposes phasing-in the increase in three steps over two years. If the Company's proposal for Clifton were to be adopted by the Commission in its entirety, in Step 1, a customer with a 5/8 inch meter, with an average monthly consumption of 7,268 gallons, would see a bill increase of \$1.73, or 10.23%, from \$16.96 to \$18.69. In Step 2, the average 5/8 inch meter customer would see a bill increase of \$1.97, or 10.5%, from \$18.69 to \$20.66. In Step 3, the average 5/8 inch meter customer would see a bill increase of \$2.06, or 9.99%, from \$20.66 to \$22.72. At the end of the third step, the cumulative increase would total \$5.76, or 33.86%, for the average 5/8 inch meter customer.

These examples are for illustrative purposes only, and the actual percentage rate increase for individual customers would vary depending upon meter size, service type, and quantity of service provided.

### ELECTRIC DEPARTMENT

MWE is requesting an increase in revenues of \$12,744, or 0.02%, for its Electric Department, for a 5.75% rate of return on a fair value rate base of \$19,992,153. MWE proposes no overall rate increase for residential and small commercial customers, by maintaining the monthly service charge at \$5.50 for residential and small commercial customers, and establishing an adjusted energy charge of \$0.07628 per kWh. The Company is proposing a new large commercial customer class for users of over 60,000 kWh per year, proposing to set the monthly service charge for these customers at \$35.00.

If the Commission adopts the Company's proposal in its entirety, the average residential customers using 604 kWh a month would not experience a change in the current average bill of \$51.57 (excluding taxes and Renewable Energy Charge). Neither does the Company estimate that the average small commercial customer, using 1,262 kWh a month would experience a change in the current bill of \$101.77. Under the Company's proposal, the average large commercial customer using 29,030 kWh per month, would experience a monthly increase of \$29.50, or 1.31%, from \$2,219.91 to \$2,249.41.

These examples are for illustrative purposes only and the actual percentage rate increase for individual customers would vary depending upon the type and quantity of service provided.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the applications and has not yet made any recommendations regarding MWE's proposed rates. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by MWE, Staff, or any interveners; therefore, the final rates approved by the Commission may be higher or lower than the rates requested by the Company.

### HOW YOU CAN VIEW OR OBTAIN A COPY OF THE RATE PROPOSAL

Copies of the application and proposed rates are available from MWE, at 401 Burro Alley, Morenci, Arizona, at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, and at the Commission's Tucson Office at Room 218, 400 West Congress, Tucson, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

### ARIZONA CORPORATION COMMISSION PUBLIC HEARING INFORMATION

The Commission will hold a hearing on this matter beginning on November 28, 2012, at 10:00 a.m., or as soon as practical thereafter at the Commission's Tucson offices, Room 222, 400 West Congress St, Tucson, Arizona 85701. Public comments will be taken at the beginning of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. E-01049A-11-0300 and W-01049A-11-0311 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/publiccomment.pdf>. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

### ABOUT INTERVENTION

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than July 15, 2012, and send a copy of the motion to MWE or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of MWE, a shareholder of MWE, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to MWE or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R4-3-105, except that all motions to intervene must be filed on or before July 15, 2012. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/intervenor.pdf>. The granting of intervention, amount other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

### ADA/EQUAL ACCESS INFORMATION

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shuylin Bernal, e-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice phone number (602) 542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Send news to [walt@aznexus.net](mailto:walt@aznexus.net) or call 928-215-1025