

# The Morenci Water & Electric Co.

401 Burro Alley  
P.O. Box 68  
Morenci, AZ 85540  
Telephone (928) 865-2229  
Facsimile (928) 865-5261

ORIGINAL



0000166307

September 21, 2015

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

RECEIVED  
2015 OCT -1 P 2:18  
AZ CORP COMMISSION  
DOCKET CONTROL

Re: Purchase Power Fuel Adjuster  
Docket: E-01049A-11-0300, Docket: W-01049A-11-0311  
Reports for August 2015

Dear Staff:

Please find enclosed forms FA-1, FA-1A, FA-1B, FA-1C, FA-2, FA-3 and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$704,004.65
- Tucson Electric Power in the amount of \$117,992.20
- Tucson Electric Power in the amount of \$5,556,185.38
- Freeport McMoRan Copper & Gold Energy Services, LLC in the amount of \$2,804,299.43

Please contact me if you have any questions or concerns.

Sincerely,

Ruel A. Rogers, Jr.  
Superintendent

Arizona Corporation Commission

DOCKETED

OCT 1 2015

DOCKETED BY	
-------------	--

RAR/rm  
Enclosures (13 sets)

cc: B. Bozzo, ACC w/encl.  
File PPFA 2015

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1  
For the Month of August, 2015

Line			
1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>(59,258)</u>
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>3,802,437</u>
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>272,250,139</u>
2C.	Special Contract Sales not subject to PPFA per Decision No. 66931 ( April 2004) and 69200 (December 2006)	KWH	<u>268,447,702</u>
3.	ACTUAL COST OF PURCHASED POWER:	\$	<u>9,453,936</u>
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH	<u>0.034725</u>
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No. 73737 Dated 02/20/13	\$/KWH	<u>0.050000</u>
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No. 73737 dated 02/20/13	\$/KWH	<u>(0.016110)</u>
7.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH	<u>0.03389</u>
8.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH	<u>0.000835</u>
9.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$	<u>3,176</u>
10.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$	<u>0</u>
11.	PREAPPROVED DSM COSTS: From FA-1B	\$	<u>0</u>
12.	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$	<u>(56,082)</u>
13.	PLUS: FROZEN BANK BALANCE See Attached PPFAC - 6	\$	<u>0</u>
14.	TOTAL COMBINED BANK BALANCE		<u>(56,082)</u>

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1A  
ADJUSTMENTS TO BANK BALANCE DETAIL  
For the Month of August, 2015

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

---

ADJUSTMENTS TO BANK BALANCE:

(Transfer amount to FA-1, Line 10.)

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1B  
PREAPPROVED DSM COST DETAIL  
For the Month of August, 2015

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

<u>PROGRAM NAME</u>	<u>APPLICABLE TIME PERIOD</u>	<u>CUMULATIVE COSTS CLAIMED TO DATE</u>	<u>COSTS CLAIMED THIS MONTH</u>
---------------------	-----------------------------------	---	---

NONE

TOTAL DSM COSTS CLAIMED THIS MONTH  
(Transfer amount to FA-1, Line 11.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1C  
For the Month of August, 2015

Supplemental report for Decision No. 61298 dated December 1998

Line

1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$		<u>0</u>
2.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH		<u>0</u>
3.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98	\$/KWH		<u>0.000000</u>
4.	NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$		<u>0</u>
5.	ENDING BANK BALANCE: (Line 1 + Line 5)	\$		<u>0</u>

**THE MORENCI WATER & ELECTRIC COMPANY**  
**PURCHASED POWER AND FUEL ADJUSTOR**  
**GENERAL INFORMATION FA-2**  
**For the Month of August, 2015**

Line

1. COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY
2. MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540
3. CONTACT PERSON: RUEL A. ROGERS, JR.
4. CONTACT TELEPHONE NUMBER: (928) 865-6971

GENERATION

5.	GAS GENERATION	(\$)	_____	
6.	OIL GENERATION	(\$)	_____	
7.	COAL GENERATION	(\$)	_____	
8.	OTHER GENERATION (Identify)	(\$)	_____	
	TOTAL GENERATION COSTS	(\$)	A.	0

PURCHASED POWER

9.	BASE METER CHARGE	(\$)	_____	
10.	DEMAND CHARGE	(\$)	_____	
11.	ENERGY CHARGE	(\$)	_____	
	TOTAL PURCHASED POWER COSTS	(\$)	B.	<u>9,453,936</u>
	(Including Special Contract Per Decision No. 60807)			
12.	TOTAL COST OF GENERATION AND PURCHASED POWER	(\$)		<u>9,453,936</u>
	(Total of Lines 8A and 11B)			

13.	KWH	(KWH)		
	Generated		0	
	Purchased Special Contract (Per Decision No 60807)		<u>268,447,702</u>	
	Purchased		<u>4,013,929</u>	
	TOTAL KWH GENERATED/PURCHASED			<u>272,461,631</u>

14.	COST PER KWH	(\$/KWH)	_____	0.034698
	(Line 12/Line 13)			

15.	UNACCOUNTED FOR KWH'S			
	Line Loss	(KWH)	<u>156,837</u>	
	Own Use	(KWH)	<u>54,655</u>	

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
GENERAL INFORMATION FA-3  
For the Month of August, 2015

Line			
1.	<u>SALES (KWH)</u>		
	Residential	<u>2,053,533</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,748,904</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Special Contract Sales per Decision No. 69331 ( Apr 2004) and 69200 (Dec 2006)	<u>268,447,702</u>	
	TOTAL SALES (KWH)		<u><u>272,250,139</u></u>
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	<u>SALES (\$)</u>		
	Residential	<u>\$169,244.08</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$136,424.72</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>\$8,837,261.46</u>	
	TOTAL SALES (\$)		<u><u>\$9,142,930.26</u></u>
3.	<u>NUMBER OF CUSTOMERS **</u>		
	Residential	<u>2,403</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>324</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>2</u>	
	TOTAL CUSTOMERS		<u><u>2,729</u></u>

\*\*Use 'Avg' number of customers; Beg # + End # divided by 2.

THE MORENCI WATER & ELECTRIC COMPANY

Miscellaneous Power Purchase Data

Excludes Special Contract Sales

For the Month of August, 2015

	<u>K.W.H.</u>	<u>Percent</u>	<u>K.W.</u>
Total Sales	272,250,139	99.92%	
Total Own Usage	54,655	0.02%	
Total System Losses	<u>156,837</u>	0.06%	
Total Purchased Energy	272,461,631		
System Losses-Rolling annual average		<u>-0.02%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed	N/A		
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor	N/A		
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers	N/A		



# Tucson Electric Power

P.O. Box 711  
Tucson, Arizona 85702  
520-745-7170  
fax 520-770-2003

## INVOICE

**Morenci Water & Electric Company**  
Attn: Jeff Kincaid  
P.O. Box 68  
Morenci, AZ 85540

Invoice Date: **September 15, 2015**

**TEP 0311 904**

Description	Charges	Credits	Amount
Energy purchased by: <b>MWE</b> August			
Energy Charge:                   0    MWh @   \$0.00    /MWh	\$ -		<b>\$0.00</b>
<b>Transmission Services</b>			
Transmission                   119,732 MWh @                   MWh	\$689,756.54		\$689,756.54
Ancillary Services:			
Scheduling, System Control, and Dispatch Service       \$0.119 MW-Mon	\$14,248.11		\$14,248.11
*Reactive Supply and Voltage Control                   \$0.000 MW-Mon	\$0.00		\$0.00
Non-Spin capacity               0    MWh @   0.00    /MWh		\$0.00	<b>\$0.00</b>
*Reactive Supply and voltage Control waived as per conversation with Freeport			

**Payments are due the later of the last day of the invoice month or the tenth day after receipt.**

**Amount Due TEP \$ 704,004.65**

Please Wire Transfer Payments to:

**Due Date: September 21, 2015**

Tucson Electric Power Company – Corporate  
**Wells Fargo Bank**  
ABA 121-000-248  
Account Number 495-0029116

Payments not received on or before the Due Date are subject to a late charge.

Approved By \_\_\_\_\_

Checked By \_\_\_\_\_

Questions? Call Larry Maurer at (520) 745-7125  
or e-mail: lmaurer@tep.com



**The Energy People**

P.O. Box 711 M/S DS204  
 Tucson, Arizona 85702  
 Phone: 520-745-3317  
 Fax: 520-917-8789

**INVOICE**

**Morenci Water & Electric**  
 Attn: Ruel Rogers  
 P.O. Box 68  
 Morenci, AZ 85540

Invoice Date: **September 2, 2015**

Description	Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.			
<b>Month of: August 2015</b>			
Control Area Services:			
Administrative 358,678 kW @ 0.0128 / kW	<b>4,591.08</b>		<b>4,591.08</b>
Reactive Supply & Voltage Control 358,678 kW @ 0.1610 / kW	<b>57,747.14</b>		<b>57,747.14</b>
Regulation & Frequency Response 4,122 kW @ 12.0850 / kW	<b>49,814.37</b>		<b>49,814.37</b>
Energy Imbalance - Outside Bandwidth:			
Negative Imbalance 68.07 MWh @ 100.00 / MWh	<b>6,807.00</b>		<b>6,807.00</b>
Positive Imbalance (403.690) MWh @ 32.33270 / MWh		<b>13,052.39</b>	<b>(13,052.39)</b>
Spinning Reserve 1,000 kW @ 12.0850 / kW	<b>12,085.00</b>		<b>12,085.00</b>
Interruptible Load/Non-Spin 0 kW @ 1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:			
Negative Imbalance 2,224 MWh			
Positive Imbalance (2,488) MWh			
Net (264) MWh			
<b>E-mail to:</b> roxanne_boling@fmi.com			
<b>Copy to:</b>  <b>Freeport McMoran Copper &amp; Gold, Inc.</b> Attn: Mike Hughes One North Central Avenue Phoenix, Arizona 85004			

**Payments are due the 15th day after invoice receipt**

**Amount Due TEP** \$ **117,992.20**

Please Wire Transfer Payments to:

**Due Date: September 17, 2015**

Tucson Electric Power Company - Corporate  
**Wells Fargo Bank**  
 ABA 121-000-248  
 Account Number 495-0029116

Payments not received on or before the Due Date are subject to a late charge.

Questions? Call Larry Maurer at (520) 745-7125 or e-mail lmaurer@tep.com



# Tucson Electric Power

P.O. Box 711  
Tucson, Arizona 85702  
520-745-7170  
fax 520-770-2003

## INVOICE

**Morenci Water & Electric Company**  
Attn: Jeff Kincaid  
P.O. Box 68  
Morenci, AZ 85540

Invoice Date: **September 15, 2015**  
**TEP 0311 904**

Description	Charges	Credits	Amount
Energy purchased by: <b>MWE</b> August			
Energy Charge:			
Market Power - Real Time      54,662    MWh @ 32.73    /MWh	<b>1,789,067.88</b>		<b>1,789,067.88</b>
Market Power - Daily          123,165    MWh @ 30.59    /MWh	<b>3,767,117.50</b>		<b>3,767,117.50</b>
Short Term Contract            0            MWh @ 0.00    /MWh	<b>0.00</b>		<b>0.00</b>
Imbalance PAYB from TEP      0            MWh @ 0.00    /MWh	<b>0.00</b>		<b>0.00</b>
3rd Party Energy                0            MWh @ 0.00    /MWh	<b>0.00</b>		<b>0.00</b>
Purchases/Credits              0            MWh @ 0.00    /MWh	<b>0.00</b>		<b>0.00</b>
Additional Transmission costs: (PNM, WALC, TEPC)	<b>0.00</b>		<b>0.00</b>
<b>Amount Due TEP</b>			<b>\$ 5,556,185.38</b>

Payments are due the later of the last day of the invoice month or the tenth day after receipt.

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate  
**Wells Fargo Bank**  
ABA 121-000-248  
Account Number 495-0029116

**Due Date: September 21, 2015**

Payments not received on or before the Due Date are subject to a late charge.

Approved By \_\_\_\_\_

Checked By \_\_\_\_\_

Questions? Call Larry Maurer at (520) 745-7125  
or e-mail: lmaurer@tep.com



**FREEPORT-McMoRAN  
COPPER & GOLD**

Freeport-McMoRan Copper & Gold Energy Services, LLC  
333 North Central Avenue, Phoenix AZ 85004  
(602) 366-8100 Voice  
(602) 366-7314 Facsimile

**INVOICE**

Morenci Water & Electric  
P.O. Box 68  
66 Fairbanks Road  
Morenci, Az. 85540

Invoice Date: September 2, 2015

Energy Purchased by MW&E pursuant to : FMES's FERC Electric Tariff, First Revised Volume No. 1, Second Revised Sheet Nos. 1-3	<b>Service Month</b>	<b>August, 2015</b>
	Demand - MW	125
	Gas Capacity - Dth-Mo	20,745
	Transmission - MWh	61,887
	Energy - MWh	61,124
	Starts - Current Month	47
	Starts - Year-to-Date	310

Description	2015 Rates	MW	Dth-Mo	MWh	Starts	Amount
<b>Demand Charges:</b>						
Capacity Charge	\$ 5 800 /kW-mo	125				\$ 725,000.00
Fixed O&M	\$ 1 880 /kW-mo	125				\$ 235,000.00
<b>Gas Capacity Charges:</b>						
Gas Capacity Charge	\$ 8 220 /Dth-mo		20,745			\$ 170,523.90
<b>Transmission Charges:</b>						
Transmisson	\$ 2 050 /MWh			61,887		\$ 126,868.35
Adjustment: Prior Month (Jul-15)	\$ 2.050 /MWh			-		\$ -
<b>Energy Charges:</b>						
Variable O&M	\$ 3 030 /MWh			61,124		\$ 185,205.72
Energy Charge	\$ 21 275 /MWh			61,124		\$ 1,300,402.37
Renewable Energy MWh	\$ 44.000 /MWh			-		\$ -
<b>Starts:</b>						
Starts Charge (Starts <= 400)	\$ 1,304.236 /Start				47	\$ 61,299.09
Starts Charge (Starts > 400)	\$ 2,608.471 /Start				0	\$ -
<b>Totals</b>				<b>61,124</b>		<b>\$ 2,804,299.43</b>

Due Date: September 16, 2015

Wire Transfer: Bank of America  
Dallas, Texas  
ABA # 026009593  
Account # 3752029501  
Freeport-McMoRan Copper & Gold Energy Services