The Morenci Water and Electric Co. P.O. Box 68 Morenci, AZ 85540 October 13, 2021

Docket No. E-00000A-19-0128

In Re: Compliance with Decision No. 77849, Quarterly Reporting on Residential Customer Service Terminations and Accounts in Arrears, Q3 2021

The Morenci Water and Electric Co. (MWE) hereby provides its quarterly report on residential customer service terminations and accounts in arrears for the period July - September 2021. As required by Decision No. 77849, the data are reported for the MWE service territory by applicable zip code. See the following tables for the requested information for Morenci, zip code 85540, and Clifton, zip code 85533.

The data indicate that no customers in any month in the quarter in either zip code were disconnected due to non-payment, and a small number of customers avoided disconnection due to the moratorium policies in effect. A roughly comparable number of customers in both areas were in arrears. In Morenci, the total amount in arrears ranged from a high of \$4,117 in August to a low of \$2,450 in July. In Clifton, the highest arrearage of \$6,105 was incurred in September and the lowest amount was \$2,271 in July. The average arrearage across the two areas varied by month, but overall ranged from just under \$130 to just under \$200.

Clifton had two residential customers enrolled in a deferred payment arrangement (DPA) in September but no other months, and Morenci had no customers in a DPA in any month. Both customers in a DPA remained in compliance with the DPA.

Few customers were in arrears by more than \$300. In Morenci, at the most there were two customers in such a position. In Clifton, at the most there were seven customers in this position.

MWE does not have a low income discount tariff and therefore does not have information related specifically to low income customers.

Morenci, Zip Code 85540

| | July | August | September |
|---|----------|----------|-----------|
| Number of Residential Customers: | | | 7. |
| Disconnected in the month | 0 | 0 | 0 |
| Not disconnected due to moratorium | 10 | 24 | 14 |
| Customer Arrearages | | | |
| Residential customers in arrears | 19 | 27 | 18 |
| Total dollar amount of arrearages | \$ 2,451 | \$ 4,177 | \$ 2,828 |
| Average dollar amount of arrearages | \$ 129 | \$ 155 | \$ 157 |
| Deferred Payment Arrangements (DPA) | | | |
| Residential customers enrolled in a DPA | 0 | 0 | 0 |
| Residential customers in compliance with a DPA | 0 | 0 | 0 |
| Residential Customers With Arrearages > \$300 | | | , |
| Low income customers, by duration ¹ | | | |
| Up to 30 days overdue | 0 | 0 | 0 |
| 30 to 60 days overdue | 0 | 0 | 0 |
| 60 to 90 days overdue | 0 | 0 | 0 |
| More than 90 days overdue | 0 | 0 | 0 |
| Total low income customers | 0 | 0 | 0 |
| Other residential customers | | | |
| Up to 30 days overdue | 2 | 1 | 1 |
| 30 to 60 days overdue | 0 | 0 | 1 |
| 60 to 90 days overdue | 0 | 0 | 0 |
| More than 90 days overdue | 0 | 0 | 0 |
| Total other residential customers | 2 | 1 | 2 |
| % of Low Income Customers in Arrears Who Have Received Customer Assistance | 0% | 0% | 0% |

¹ MWE does not have a low income discount tariff and therefore does not have information specific to low income customers.

Clifton, Zip Code 85533

| | July | August | September |
|--|---------------------------------------|----------|-----------|
| Number of Residential Customers: | | | |
| Disconnected in the month | 0 | 0 | 0 |
| Not disconnected due to moratorium | 12 | 20 | 21 |
| Customer Arrearages | e e e e e e e e e e e e e e e e e e e | | |
| Residential customers in arrears | 15 | 33 | 31 |
| Total dollar amount of arrearages | \$ 2,271 | \$ 5,580 | \$ 6,105 |
| Average dollar amount of arrearages | \$ 151 | \$ 169 | \$ 197 |
| Deferred Payment Arrangements (DPA) | | | |
| Residential customers enrolled in a DPA | 0 | 0 | 2 |
| Residential customers in compliance with a DPA | 0 | 0 | 2 |
| Residential Customers With Arrearages > \$300 | | | |
| Low income customers, by duration ¹ | | | * |
| Up to 30 days overdue | 0 | 0 | 0 |
| 30 to 60 days overdue | 0 | 0 | 0 |
| 60 to 90 days overdue | 0 | 0 | 0 |
| More than 90 days overdue | 0 | 0 | 0 |
| Total low income customers | 0 | 0 | 0 |
| Other residential customers | | | i i |
| Up to 30 days overdue | 1 | 5 | 2 |
| 30 to 60 days overdue | 1 | 1 | 2 |
| 60 to 90 days overdue | 0 | 1 | 1 |
| More than 90 days overdue | 0 | 0 | 1 |
| Total other residential customers | 2 | 7 | 6 |
| % of Low Income Customers in Arrears Who Have Received Customer Assistance | 7% | 3% | 3% |

¹ MWE does not have a low income discount tariff and therefore does not have information specific to low income customers.