

ANNUAL REPORT

Of

Company Name: Global Water-Palo Verde Utilities Company, Inc.

c/o Global Water Resources, Inc.

Mailing Address: 21410 N. 19th Ave., Ste. 220
Phoenix AZ
85027

Docket No.: SW-20445A

For the Year Ended: 12/31/18

WASTEWATER UTILITY

To

Arizona Corporation Commission

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing

Application Date: 4/15/2019

4-18-19

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Global Water-Palo Verde Utilities Company, Inc.
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	199,390	0	0	199,390	0	199,390
354	Structures and Improvements	24,907,395	4,796,696	1,012,939	28,691,151	8,653,740	20,037,412
355	Power Generation Equipment	1,326,262	4,609	0	1,330,871	322,840	1,008,030
360	Collections Wastewater - Force	3,981,509	1,181,081	0	5,162,589	1,230,803	3,931,786
361	Collections Wastewater - Gravity	49,031,910	871,565	82,407	49,821,068	11,813,918	38,007,150
362	Special Collecting Structures	348,090	0	0	348,090	24,366	323,724
363	Services to Customers	5,440,953	0	0	5,440,953	1,267,578	4,173,375
364	Flow Measuring Devices	58,628	0	0	58,628	30,659	27,969
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	1,921,877	0	0	1,921,877	752,654	1,169,223
371	Pumping Equipment	4,861,445	917,505	461,282	5,317,667	4,033,099	1,284,568
374	Reuse Distribution Reservoirs	618,994	6,408	410	624,992	88,569	536,423
375	Reuse Trans. And Distr. Equipment	14,243,290	8,852	75	14,252,067	3,580,155	10,671,913
380	Treatment and Disposal Equipment	10,675,015	3,377,736	1,829,304	12,223,447	2,818,034	9,405,413
381	Plant Sewers	773,182	0	900	772,282	137,451	634,830
382	Outfall Sewer Lines	353,645	0	0	353,645	193,618	160,027
389	Other Plant and Misc. Equipment	2,547,067	102,396	54,080	2,595,383	1,598,850	996,533
390	Office Furniture and Equipment	32,644	5,931	3,746	34,829	26,122	8,707
390.1	Computer & Software	33,133	1,028	5,478	28,683	22,176	6,507
391	Transportation Equipment	351,573	36,077	23,747	363,903	271,839	92,064
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	210,857	1,641	20,024	192,474	84,805	107,668
394	Laboratory Equipment	16,903	3,648	4,237	16,314	12,465	3,850
395	Power Operated Equipment	146,085	41,724	0	187,809	36,189	151,620
396	Communication Equipment	110,412	863	32,636	78,639	26,850	51,789
397	Miscellaneous Equipment	642,823	0	60,703	582,120	435,392	146,728
398	Other Tangible Plant	1,791,178	1,398	1,652,015	140,561	14,243	126,317
	Totals	\$124,624,261	\$11,359,155	\$5,243,983	\$130,739,433	\$37,476,416	\$93,263,016

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Wastewater)
12/31/18

Depreciation Expense for the Current Year (Wastewater)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
352	Franchises	0	0	0	0	0	0.00%	0
353	Land and Land Rights	199,390	0	0	199,390	199,390	0.00%	0
354	Structures and Improvements	24,907,395	4,796,696	1,012,939	28,691,151	531	3.39%	909,095
355	Power Generation Equipment	1,326,262	4,609	0	1,330,871	0	5.00%	66,428
360	Collections Wastewater - Force	3,981,509	1,181,081	0	5,162,589	0	2.00%	91,441
361	Collections Wastewater - Gravity	49,031,910	871,565	82,407	49,821,068	0	2.00%	988,960
362	Special Collecting Structures	348,090	0	0	348,090	0	2.00%	6,962
363	Services to Customers	5,440,953	0	0	5,440,953	0	2.00%	108,819
364	Flow Measuring Devices	58,628	0	0	58,628	19,163	9.83%	3,880
365	Flow Measuring Installations	0	0	0	0	0	0.00%	0
366	Reuse Services	0	0	0	0	0	0.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0.00%	0
370	Receiving Wells	1,921,877	0	0	1,921,877	0	3.33%	64,063
371	Pumping Equipment	4,861,445	917,505	461,282	5,317,667	3,457,113	10.97%	179,064
374	Reuse Distribution Reservoirs	618,994	6,408	410	624,992	0	2.50%	15,550
375	Reuse Trans. And Distr. Equipment	14,243,290	8,852	75	14,252,067	0	2.60%	370,883
380	Treatment and Disposal Equipment	10,675,015	3,377,736	1,829,304	12,223,447	0	5.54%	634,535
381	Plant Sewers	773,182	0	900	772,282	0	4.89%	37,801
382	Outfall Sewer Lines	353,645	0	0	353,645	0	3.33%	11,788
389	Other Plant and Misc. Equipment	2,547,067	102,396	54,080	2,595,383	0	6.73%	173,045
390	Office Furniture and Equipment	32,644	5,931	3,746	34,829	0	2.01%	677
390.1	Computer & Software	33,133	1,028	5,478	28,683	13,049	324.68%	57,981
391	Transportation Equipment	351,573	36,077	23,747	363,903	201,257	37.45%	58,606
392	Stores Equipment	0	0	0	0	0	0.00%	0
393	Tools, Shop and Garage Equipment	210,857	1,641	20,024	192,474	0	5.27%	10,621
394	Laboratory Equipment	16,903	3,648	4,237	16,314	7,936	8.19%	711
395	Power Operated Equipment	146,085	41,724	0	187,809	0	5.00%	8,347
396	Communication Equipment	110,412	863	32,636	78,639	16,805	12.27%	9,535
397	Miscellaneous Equipment	642,823	0	60,703	582,120	346,495	17.12%	45,537
398	Other Tangible Plant	1,791,178	1,398	1,652,015	140,561	66,474	7.25%	65,183
	Subtotal	\$124,624,261	\$11,359,155	\$5,243,983	\$130,739,433	\$4,328,214		\$3,919,512

Contribution(s) in Aid of Construction (Gross)	\$1,355,398
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,355,398
Times: Proposed Amortization Rate	2.85%
Amortization of CIAC	\$38,645
Less: Amortization of CIAC	\$38,645
DEPRECIATION EXPENSE	\$3,880,867

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Balance Sheet Assets
12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$142,400	\$0
132	Special Deposits		0	0
133	Other Special Deposits		427,182	432,050
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		851,451	793,853
142	Other Accounts Receivable		2,588	56,087
143	Accumulated Provision for Uncollectable Accounts		(64,295)	(28,140)
146	Notes Receivable from Associated Companies		462,493	450,324
151	Plant Material and Supplies		0	0
162	Prepayments		61,629	27,438
173	Accrued Utility Revenue		1,001,593	1,101,790
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$2,885,043	\$2,833,403
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
190	Accumulated Deferred Income Taxes		0	0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$124,624,261	\$130,739,433
103	Property Held for Future Use		0	0
105	Construction Work in Progress		23,704,690	15,703,249
108	Accumulated Depreciation (enter as negative)*		(38,757,867)	(37,476,416)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$109,571,083	\$108,966,265
	Other Fixed Assets			
114	Utility Plant Acquisition Adjustments		\$0	\$0
	Total Other Fixed Assets		\$0	\$0
	Total Assets		\$112,456,126	\$111,799,668

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note these items feed automatically from the adjusted end of year balance from AR4.

Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$176,499	\$205,952
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		679,963	677,784
236	Accrued Taxes		552,638	569,155
237	Accrued Interest		123,539	122,311
241	Miscellaneous Current and Accrued Liabilities		662,886	662,548
253	Other Deferred Credits		0	0
	Total Current Liabilities		\$2,195,526	\$2,237,751
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction		\$27,687,538	\$28,226,243
253	Other Deferred Credits		426,630	426,561
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,196,921	1,355,398
272	Less: Amortization of Contributions		(96,881)	(135,525)
281	Accumulated Deferred Income Tax		1,986,069	3,548,337
	Total Deferred Credits		\$31,200,277	\$33,421,013
	Total Liabilities		\$33,395,803	\$35,658,763
	Capital Accounts			
201	Common Stock Issued		\$10	\$10
211	Other Paid-In Capital		58,215,676	52,372,968
215	Retained Earnings		20,844,638	23,767,926
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$79,060,324	\$76,140,904
	Total Liabilities and Capital		\$112,456,126	\$111,799,668

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 -	Last Year 01/01/2017 -
	Operating Revenue		
521	Flat Rate Revenues	\$16,183,407	\$15,596,974
522	Measured Revenues	874,479	815,976
534	Rents from Wastewater Property	57,730	70,666
536	Other Wastewater Revenues	393,345	354,378
	Total Revenues	\$17,508,961	\$16,837,994
	Operating Expenses		
701	Salaries and Wages	\$2,796,096	\$2,539,912
704	Employee Pensions and Benefits	398,841	304,318
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	9,318	13,130
715	Purchased Power	743,950	660,997
716	Fuel for Power Production	0	5,920
718	Chemicals	234,344	263,849
720	Materials and Supplies	39,968	27,752
720.1	Repairs and Maintenance	99,508	104,230
720.2	Office Supplies and Expense	0	0
721	Office Expense	89,666	97,625
731	Contractual Services -Engineering	0	0
732	Contractual Services - Accounting	398,415	313,143
733	Contractual Services - Legal	133,121	171,712
734	Contractual Services - Management Fees	831,165	792,719
735	Contractual Services - Testing	40,491	39,084
736	Contractual Services - Other	228,304	148,839
740	Rents - Building	61,681	48,276
742	Rents - Equipment	54,344	10,734
750	Transportation Expenses	113,995	88,155
757	Insurance - General Liability	193,363	194,066
758	Insurance - Worker's Compensation	31,107	37,163
759	Insurance - Other	0	203
760	Advertising Expense	6,303	9,571
766	Regulatory Commission Expense - Rate Case	0	53,144
767	Regulatory Commission Expense - Other	(17,215)	42,720
770	Bad Debt Expense	49,037	68,936
775	Miscellaneous Expense	1,203,049	1,163,648
403	Depreciation Expense (From Schedule AR4)	3,880,867	3,635,568
408	Taxes Other Than Income	99,137	98,894
408	Taxes Other Than Income	0	0
408.11	Property Taxes	1,127,748	1,091,571
408.12	Payroll Taxes	167,666	157,188
408.13	Other Taxes and Licenses	9,792	12,495
409	Income Taxes	1,521,172	1,348,643
	Total Operating Expenses	\$14,545,232	\$13,544,204
	Operating Income / (Loss)	\$2,963,728	\$3,293,790
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	(\$16,588)	(\$7,963)
419	Interest and Dividend Income	7,482	1,739
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	(359)	(304)
427	Interest (Expense)	(30,967)	(2,206)
	Total Other Income / (Expense)	(\$40,432)	(\$8,734)
	Net Income / (Loss)	\$2,923,297	\$3,285,056

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Full time equivalent employees

	Direct Company	Outside service	Total
President	0.5	0.0	0.5
Vice-president	1.9	0.0	1.9
Manager	0.9	0.0	0.9
Engineering Staff	2.9	0.5	3.4
System Operator(s)	11.2	0.0	11.2
Customer Service	3.5	0.0	3.5
Accounting	3.2	0.0	3.2
Business Office	0.0	0.0	0.0
Rates Department	0.0	0.5	0.5
Administrative Staff	3.2	0.0	3.2
Other	0.0	0.0	0.0
Total	27.3	1.0	28.3

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Wastewater Utility Plant Description

Name of System:	Palo Verde Utilities Company
Wastewater Inventory Number (if applicable):	NA
Type of Treatment	Other
Design Capacity of Plant (Gallons per day)	12,000,000

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
McDavid	2	70	650	15000
Cobblestone	2	18	1200	8900
Tortosa	2	5	300	10300
Maricopa Groves	2	40	750	24600
Alterra	2	15	690	13200
Rancho El Dorado	1	15	1100	23095
Rancho El Dorado	2	20	1000	23095
Palo Verde WRI	2	34	2350	328000
Smith Enke Lift Station	4	10	900	5880
0	0	0	0	0

FORCE MAINS		
Size	Material	Length (Feet)
4	Unknown	40
14	Unknown	33
30	Unknown	10
4	Ductile Iron	42
6	Ductile Iron	38
8	Ductile Iron	179
10	Ductile Iron	65
12	Ductile Iron	741
16	Ductile Iron	16
18	Ductile Iron	17
24	Ductile Iron	942
30	Ductile Iron	50
6	PVC	1,961
8	PVC	31,637
10	PVC	6,329
12	PVC	1,520
14	PVC	7,991
24	PVC	5,584

MANHOLES	
Type	Quantity
Standard	4,172
Drop	45

CLEANOUTS
Quantity
322
0
0
0

Note: If you are filing for more than one system, please provide separate sheets for each system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
6	Unknown	98	4	PVC	22,442
24	Unknown	15	6	PVC	31
48	Unknown	19	8	0	0
8	ABS	29	12	0	0
6	Ductile Iron	160			
8	Ductile Iron	2,963			
10	Ductile Iron	268			
12	Ductile Iron	1,339			
18	Ductile Iron	196			
24	Ductile Iron	641			
30	Ductile Iron	1,907			
12	HDPE	190			
15	HDPE	225			
18	HDPE	2,468			
24	HDPE	16,308			
27	HDPE	1,678			
30	HDPE	17,291			
36	HDPE	2,382			
42	HDPE	10,553			
48	HDPE	5,852			
4	PVC	815			
6	PVC	2,392			
8	PVC	795,677			
10	PVC	48,023			
12	PVC	74,151			
15	PVC	17,413			
18	PVC	9,072			
21	PVC	547			
24	PVC	41,474			
30	PVC	9,328			
36	PVC	28,774			
42	PVC	228			
48	PVC	4,515			

Wastewater Utility Plant Description (Continued)

For the following five items, list the utility owned assets in each category for each system.

SOLIDS PROCESSING AND HANDLING FACILITIES	2 x Belt Press; 2 x Conveyor System for Bio-solids; 3 x Influent Trash removal Auger; 1 x Washer Compactor; 2 x Grit Classifier; 1 x Conveyor for Grit/Trash
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	4 x Trojan UV Treatment Modules, Chlorination
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	2 x 10 MGD Disc Filter
STRUCTURES (Buildings, Fences, Etc.)	1 x Office/Lab/Storage = 1500 sq ft; 1 x SBR Blower Building = 1400 sq ft; 1 x Headworks Building = 2800 sq ft; 3 x Clarifier Tanks, 2 x IFAS trains, 1 x Blower / Solids Handling = 2400 sq ft; Masonry Walls = 1,878 ft; 2 x connex storage; Masonry Brick Walls at Cobblestone LS, Alterra LS, Groves LS, RED LS, Smith Enke LS, Tortosa LS; Chain Link Fence = 2450 ft; McDavid LS Chain link fence
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	6 x Odor Scrubber; 1 x Chlorine Injection, 1 x Bisulfate injection system; 1 x Polymer Injection System; 2 x 1500 kW generator; 2 x 350 kVA Generator; 2 x 80 kVA Generators; 2 x 60 kVA Generators; 2 x Hach Water Test Kit (DR2000); 2 x Chevy Silverados; 1 x Toyota Tacoma; 1 x Honda Civic; 1 x Ford Explorer; 1 x Ford F-350; 2 x Vactor Trucks; 1 x Kenworth Roll-off Truck; 1 x roll-off flat bed; 5 x 20 CY roll-off dumpster; 3 x 30 CY Roll-off Dumpsters; 3 x Diesel Pumps; 1 x Mobile Air Compressor; 1 x All terrain forklift

Note: If you are filing for more than one system, please provide separate sheets for each system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Wastewater Utility Plant Description	
Name of System:	Palo Verde Utilities Company - SW Area
Wastewater Inventory Number (if applicable):	NA
Type of Treatment	Other
Design Capacity of Plant (Gallons per day)	1 MGD

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0

FORCE MAINS		
Size	Material	Length (Feet)
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

MANHOLES	
Type	Quantity
Standard	35
Drop	0

CLEANOUTS
Quantity
0
0
0
0

Note: If you are filing for more than one system, please provide separate sheets for each system.

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Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Wastewater Utility Plant Description (Continued)

[illegible]

Wastewater Utility Plant Description (Continued)

For the following five items, list the utility owned assets in each category for each system.

SOLIDS PROCESSING AND HANDLING FACILITIES	Influent Trash Removal Auger, Grit Classifier, Conveyor for Grit/Trash
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	1 x Low Pressure High Intensity Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	2 x 1.0 MGD Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	1 x Office/Lab/Storage, 1 x SBR Blower Building, Block Wall Around Odor Control and Filtration, Headworks Building, Belt Press Building
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	None

Note: If you are filing for more than one system, please provide separate sheets for each system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Global Water-Palo Verde Utilities Company, Inc.
Annual Report
Wastewater Flows
12/31/18

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	19,524	85,108,640	3,262,736	\$60,779	576,957
February	19,593	77,665,185	3,099,798	59,476	556,167
March	19,688	88,217,429	3,135,608	57,752	538,109
April	19,761	84,055,698	3,120,059	56,655	520,347
May	19,837	81,254,179	3,292,742	66,186	598,088
June	19,939	79,958,597	3,223,589	72,608	695,276
July	20,013	86,603,836	3,225,717	60,712	565,218
August	20,113	91,138,300	3,219,629	66,368	637,286
September	20,203	87,653,437	3,232,145	66,593	639,512
October	20,272	90,909,650	3,414,395	59,510	544,044
November	20,332	87,350,762	3,421,924	65,203	559,354
December	20,395	88,139,162	3,170,659	55,943	565,125
Totals		1,028,054,875	38,819,001	\$747,785	6,995,483

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal

Reuse

Groundwater Permit Number

0

ADEQ Aquifer Protection Permit ("APP") Number

P105228

ADEQ Reuse Permit Number

R106345

EPA NPDES Permil Number

AZ0025071

APP Effluent Treatment Requirement (Class)?

A+

Permitted Flow Rate

12 MGD

Permitted Organic Capacity

5 MGD

Hydraulic Capacity

5 MGD

Type of Biological Treatment

Activated Sludge

In the space below, list all violations within the past 12 months:

APP Turbidity Exceedance - x8; APP E.Coli Discharge Exceedance x1; Missed Monitoring x1

Note: If you are filing for more than one system, please provide separate sheets for each system.

1 Enter the total purchased power costs for the power meters associated with this system.

2 Enter the total purchased kWh used by the power meters associated with this system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	0	0	0	\$0	0
February	0	0	0	\$0	0
March	0	0	0	\$0	0
April	0	0	0	\$0	0
May	0	0	0	\$0	0
June	0	0	0	\$0	0
July	0	0	0	\$0	0
August	0	0	0	\$0	0
September	0	0	0	\$0	0
October	0	0	0	\$0	0
November	0	0	0	\$0	0
December	0	0	0	\$0	0
	Totals	0	0	\$0	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Groundwater Recharge
Groundwater Permit Number	71-216374.0000
ADEQ Aquifer Protection Permit ("APP") Number	P105668
ADEQ Reuse Permit Number	NA
EPA NPDES Permil Number	NA
APP Effluent Treatment Requirement (Class)?	A+
Permitted Flow Rate	1.0 MGD
Permitted Organic Capacity	1.0 MGD
Hydraulic Capacity	1.0MGD
Type of Biological Treatment	Sequenced Batch Reactor (SBR)

In the space below, list all violations within the past 12 months:

None

Note: If you are filing for more than one system, please provide separate sheets for each system.

1 Enter the total purchased power costs for the power meters associated with this system.

2 Enter the total purchased kWh used by the power meters associated with this system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$1,109,659

If no property taxes paid, explain why.
N/A

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Sworn Statement (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name):

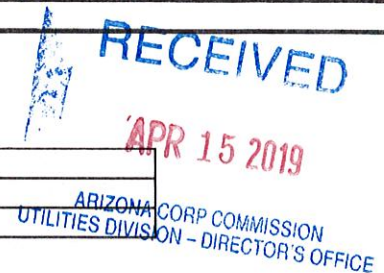
Maricopa

Name (owner or official) title:

Jon Corwin, General Manager

Company name:

Global Water-Palo Verde Utilities Company, Inc.



DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING:

12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

[Signature]
signature of owner/official

520-265-1947
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

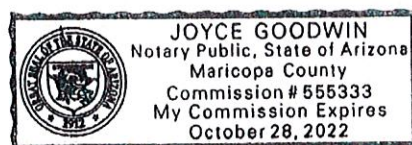
15th

DAY OF

Maricopa
(county name)
April 2019
(month) and (year)

MY COMMISSION EXPIRES

Oct. 28, 2022
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Maricopa

Name (owner or official) title: Jon Corwin, General Manager

Company name: Global Water-Palo Verde Utilities Company, Inc.

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$17,528,115

(The amount in the box above includes

\$78,022 in sales taxes

billed or collected)

Jon Corwin
signature of owner/official

520-265-1947

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS

15th

DAY OF

Maricopa
(county name)
April 2019
(month) and (year)

MY COMMISSION EXPIRES

Oct. 28, 2022
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Arizona, the undersigned of the
(state name)

County of (county name):

Maricopa

Name (owner or official) title:

Jon Corwin, General Manager

Company name:

Global Water-Palo Verde Utilities Company, Inc.

RECEIVED

APR 15 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$15,491,945

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official

520-265-1947

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Maricopa
(county name)

THIS

15th

DAY OF

April 2019
(month) and (year)

MY COMMISSION EXPIRES

Oct. 28, 2022
(date)



[Signature]
(signature of notary public)

Company Name: Global Water-Palo Verde Utilities Company, Inc.
Docket No.: SW-20445A

Name of System: Palo Verde
Wastewater Inventory Number (if applicable): #N/A

2018 Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2- 609.C	Other
January	0	548	0
February	0	417	0
March	0	498	0
April	0	466	0
May	0	325	0
June	0	412	0
July	0	381	0
August	0	284	0
September	0	336	0
October	0	409	0
November	0	214	0
December	0	295	0
Total	0	4,585	0

Other (description):
N/A

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.