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**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

ANNUAL REPORT

Of

Company Name:

PO Box 85160

Mailing Address:

Tucson AZ
85754

Docket No.: WS-01689A

For the Year Ended:

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@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:

Application Date:

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Clear Springs Utility Company, Inc.
A Class Utility

For the Calendar Year Ended:

Primary Address:
City: State: Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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

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

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

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

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

Ownership:

Counties Served:

Important changes during the year	
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No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$1,625	\$0	\$0	\$1,625	\$0	\$1,625
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	210	4,800	0	5,010	0	5,010
304	Structures and Improvements	33,650	2,948	0	36,598	29,456	7,142
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	316,668	6,896	0	323,564	191,832	131,732
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	323,933	42,425	0	366,358	282,112	84,246
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	6,990	573	0	7,563	6,462	1,101
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	16,011	0	0	16,011	16,011	0
330.1	Storage Tanks	449,795	0	0	449,795	150,537	299,258
330.2	Pressure Tanks	10,042	0	0	10,042	1,880	8,162
331	Transmission and Distribution Mains	461,128	31,211	0	492,339	354,800	137,539
333	Services	146,600	12,711	0	159,311	125,768	33,543
334	Meters and Meter Installations	145,342	336	0	145,678	106,503	39,175
335	Hydrants	165,471	0	0	165,471	22,093	143,378
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	1,045	0	0	1,045	78	967
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	1,937	0	0	1,937	1,065	872
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,080,447	\$101,900	\$0	\$2,182,347	\$1,288,597	\$893,750

Clear Springs Utility Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/21

Depreciation Expense for the Current Year (Water)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$1,625	\$0	\$0	\$1,625	\$0	\$1,625	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	210	4,800	0	5,010	0	5,010	0.00%	0
304	Structures and Improvements	33,650	2,948	0	36,598	28,565	8,033	3.33%	218
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	316,668	6,896	0	323,564	179,255	144,309	3.33%	4,691
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	323,933	42,425	0	366,358	219,007	147,351	12.50%	15,767
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	6,990	573	0	7,563	4,574	2,989	20.00%	319
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	16,011	0	0	16,011	16,011	0	2.22%	0
330.1	Storage Tanks	449,795	0	0	449,795	0	449,795	2.22%	9,985
330.2	Pressure Tanks	10,042	0	0	10,042	0	10,042	5.00%	502
331	Transmission and Distribution Mains	461,128	31,211	0	492,339	349,434	142,905	2.00%	2,546
333	Services	146,600	12,711	0	159,311	0	159,311	3.33%	5,093
334	Meters and Meter Installations	145,342	336	0	145,678	66,606	79,072	8.33%	5,315
335	Hydrants	165,471	0	0	165,471	9,850	155,621	2.00%	3,112
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	1,045	0	0	1,045	0	1,045	5.00%	52
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	1,937	0	0	1,937	0	1,937	10.00%	194
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0	0.00%	0
	Subtotal	\$2,080,447	\$101,900	\$0	\$2,182,347	\$873,302	\$1,309,045		\$47,796

Contribution(s) in Aid of Construction (Gross)	\$381,716
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	226,579
Amortizable Contribution(s)	\$155,137
Times: Proposed Amortization Rate	3.03%
Amortization of CIAC	\$4,701

Less: Amortization of CIAC \$4,701

DEPRECIATION EXPENSE **\$43,096**

Clear Springs Utility Company, Inc.
Annual Report
Balance Sheet Assets
12/31/21

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current and Accrued Assets			
131	Cash		\$59,133	\$22,793
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		19,002	19,102
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		14,019	32,690
	Total Current and Accrued Assets		\$92,154	\$74,585
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,080,447	\$2,182,347
103	Property Held for Future Use		0	0
105	Construction Work in Progress		6,101	0
108	Accumulated Depreciation (enter as negative)*		(1,240,801)	(1,288,597)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$845,747	\$893,750
	Total Assets		\$937,901	\$968,335

*Note these items feed automatically from AR3 UPIS Page 4

Clear Springs Utility Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	Current Liabilities			
231	Accounts Payable		\$38,055	\$47,288
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		11,774	12,396
236	Accrued Taxes		15,125	14,794
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		337	436
	Total Current Liabilities		\$65,291	\$74,915
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$737,717	\$710,818
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		9,642	17,169
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		381,716	381,716
272	Less: Amortization of Contributions		(259,434)	(264,125)
281	Accumulated Deferred Income Tax		(7,522)	(6,458)
	Total Deferred Credits		\$124,402	\$128,302
	Total Liabilities		\$927,410	\$914,035
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		1,840,632	1,840,632
215	Retained Earnings		(1,830,141)	(1,786,332)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$10,491	\$54,300
	Total Liabilities and Capital		\$937,901	\$968,335

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

Clear Springs Utility Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/21

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	Operating Revenue		
461	Metered Water Revenue	\$282,583	\$288,978
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	75,681	73,783
471	Miscellaneous Service Revenues	7,819	6,769
474	Other Water Revenue	0	0
	Total Revenues	\$366,083	\$369,530
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	28,337	26,150
618	Chemicals	1,031	865
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	17,172	12,411
620.2	Office Supplies and Expense	901	1,569
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	393	3,472
633	Contractual Services - Legal	3,854	1,512
634	Contractual Services - Management Fees	135,335	132,466
635	Contractual Services - Water Testing	4,001	3,765
636	Contractual Services - Other	439	90
640	Rents	0	0
641	Rental of Building/Real Property	0	75
642	Rental of Equipment	0	0
650	Transportation Expenses	4,392	5,256
657	Insurance - General Liability	1,381	1,818
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	1,908	1,006
675	Miscellaneous Expense	1,538	1,482
403	Depreciation Expense (From Schedule AR4)	43,096	38,140
408	Taxes Other Than Income	0	0
408.11	Property Taxes	20,059	17,465
409	Income Taxes	23,662	15,089
427.1	Customer Security Deposit Interest	540	651
	Total Operating Expenses	\$288,039	\$263,282
	Operating Income / (Loss)	\$78,044	\$106,248
	Other Income / (Expense)		
419	Interest and Dividend Income	\$4,281	\$4,388
421	Non-Utility Income	965	553
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(38,575)	(40,112)
	Total Other Income / (Expense)	(\$33,329)	(\$35,171)
	Net Income / (Loss)	\$44,716	\$71,077

Clear Springs Utility Company, Inc.
 Annual Report
 Full time equivalent employees
 12/31/21

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager			unable to	0.0
Engineering Staff			determine	0.0
System Operator(s)			without	0.0
Meter reader			significant	0.0
Customer Service			analysis	0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Clear Springs Utility Company, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/21

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	11/20/2015	8/17/2016	7/20/2018	
Source of Loan	WIFA	Annece Capital	CoBank	
ACC Decision No.	74037	75590	76717	
Reason for Loan	System Improve	System Improve	System improve	
Dollar Amt. Issued	\$154,794	\$70,400	\$618,581	
Amount Outstanding	\$110,109	\$31,550	\$569,159	
Date of Maturity	11/1/2035	8/17/2036	12/20/2038	
Interest Rate	4.46%	4.46%	5.86%	
Current Year Interest	\$5,048	\$1,501	\$32,026	
Current Year Principal	\$5,584	\$3,827	\$17,489	

Meter Deposit Balance at Test Year End:	\$7,822
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Meter Deposits Refunded During the Test Year:	\$540
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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.

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	Two Chlorinators
STRUCTURES:	26 x 38 foot office building at 1313 Treasure Road (wellsite 16); steel frame with corrugated steel siding and roof; 4 x 8 foot treatment building at wellsite 5; wood frame with wood siding.
OTHER:	N/A

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	126
Method used:	(a)

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	Chlorinator
-----------------------------	-------------

STRUCTURES:	N/A
--------------------	-----

OTHER:	N/A
---------------	-----

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	155
Method used:	(a)

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	N/A
-----------------------------	-----

STRUCTURES:	N/A
--------------------	-----

OTHER:	N/A
---------------	-----

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	147
Method used:	(a)

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	N/A
-----------------------------	-----

STRUCTURES:	N/A
--------------------	-----

OTHER:	N/A
---------------	-----

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	146
Method used:	(a)

Water Utility Plant Description (Continued)
--

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

TREATMENT EQUIPMENT:	N/A
STRUCTURES:	N/A
OTHER:	N/A

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	162
Method used:	(a)

Customer and Other Information	
Name of the System:	CLEAR SPRINGS
ADEQ Public Water System Number:	AZ0402008
ADWR PCC Number:	91-000029.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	482	1	43	0	0
February	484	1	43	0	0
March	489	0	43	0	0
April	483	1	43	0	0
May	485	1	43	0	0
June	487	1	43	0	0
July	490	1	43	0	0
August	484	2	43	0	0
September	485	2	43	0	0
October	485	2	43	0	0
November	489	2	43	0	0
December	481	1	42	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12.

Customer and Other Information	
Name of the System:	CLEAR SPRINGS UTILITY
ADEQ Public Water System Number:	AZ0402049
ADWR PCC Number:	91-000061.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	17	0	0	0	0
February	17	0	0	0	0
March	17	0	0	0	0
April	17	0	0	0	0
May	17	0	0	0	0
June	17	0	0	0	0
July	16	0	0	0	0
August	16	0	0	0	0
September	17	0	0	0	0
October	17	0	0	0	0
November	17	0	0	0	0
December	18	0	0	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12b.

Customer and Other Information	
Name of the System:	Well #3
ADEQ Public Water System Number:	02-048
ADWR PCC Number:	0

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	6	0	0	0	0
February	6	0	0	0	0
March	6	0	0	0	0
April	6	0	0	0	0
May	6	0	0	0	0
June	9	0	0	0	0
July	6	0	0	0	0
August	9	0	0	0	0
September	6	0	0	0	0
October	6	0	0	0	0
November	6	0	0	0	0
December	6	0	0	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12c.

Customer and Other Information	
Name of the System:	Well #7
ADEQ Public Water System Number:	02-050
ADWR PCC Number:	0

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	7	0	0	0	0
February	7	0	0	0	0
March	7	0	0	0	0
April	7	0	0	0	0
May	7	0	0	0	0
June	7	0	0	0	0
July	7	0	0	0	0
August	7	0	0	0	0
September	7	0	0	0	0
October	7	0	0	0	0
November	7	0	0	0	0
December	7	0	0	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12d.

Customer and Other Information	
Name of the System:	Well #9
ADEQ Public Water System Number:	02-051
ADWR PCC Number:	0

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	10	0	0	0	0
February	9	0	0	0	0
March	9	0	0	0	0
April	9	0	0	0	0
May	9	0	0	0	0
June	9	0	0	0	0
July	9	0	0	0	0
August	9	0	0	0	0
September	9	0	0	0	0
October	9	0	0	0	0
November	9	0	0	0	0
December	8	0	0	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

* an ERC is based on the calculation on the bottom of AR9 page 12e.

Clear Springs Utility Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	CLEAR SPRINGS
ADEQ Public Water System Number:	AZ0402008
ADWR PCC Number:	91-000029.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	1	0
February	0	4	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	1	0
October	0	0	0
November	0	2	0
December	0	1	0
Total	0	9	0

Other (description):

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.

Clear Springs Utility Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	CLEAR SPRINGS UTILITY
ADEQ Public Water System Number:	AZ0402049
ADWR PCC Number:	91-000061.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

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.

Clear Springs Utility Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	Well #3
ADEQ Public Water System Number:	02-048
ADWR PCC Number:	0

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

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.

Clear Springs Utility Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	Well #7
ADEQ Public Water System Number:	02-050
ADWR PCC Number:	0

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

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.

Clear Springs Utility Company, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	Well #9
ADEQ Public Water System Number:	02-051
ADWR PCC Number:	0

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

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.

Clear Springs Utility Company, Inc.
Annual Report
Property Taxes
12/31/21

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2021 was	
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	\$18,762
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If no property taxes paid, explain why.

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.

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: Bryan Thomas, CFO
Company name: Clear Springs Utility Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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.

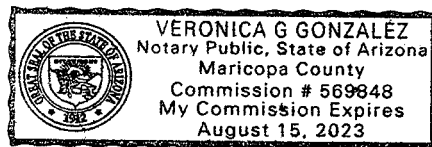
BTS
signature of owner/official

623-935-1100
telephone no.

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

THIS 12th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES August 15, 2023
(date)



Veronica G Gonzalez
(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: Bryan Thomas, CFO
Company name: Clear Springs Utility Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$388,662

(The amount in the box above includes

\$22,579 in sales taxes
billed or collected)

B.T.
signature of owner/official

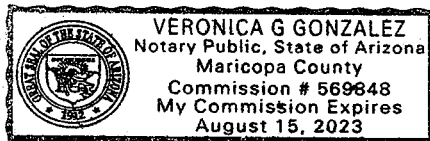
623-935-1100
telephone no.

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

Maricopa
(county name)

THIS 12th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES August 15, 2023
(date)



Veronica G Gonzalez
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Bryan Thomas, CFO
Company name: Clear Springs Utility Company, Inc.

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$352,784
(The amount in the box above includes
\$20,495 in sales taxes
billed or collected)

BTS
signature of owner/official

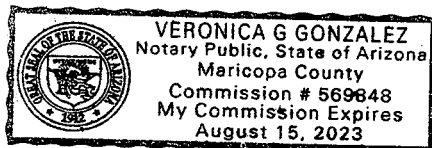
623-935-1100
telephone no.

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

Maricopa
(county name)

THIS 12th DAY OF April 2022
(month) and (year)

MY COMMISSION EXPIRES August 15, 2023
(date)



Veronica G. Gonzalez
(signature of notary public)

Full Gross-up Method for Income Tax Statement of Certification

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Bryan Thomas, CFO
Company name: Clear Springs Utility Company, Inc.

FOR THE YEAR ENDING: 12/31/21

Sworn Statement:

IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY HAS INCURRED OR IS EXPECTED TO INCUR A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

BTE

signature of owner/official

623-935-1100

telephone no.

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

Maricopa

(county name)

THIS

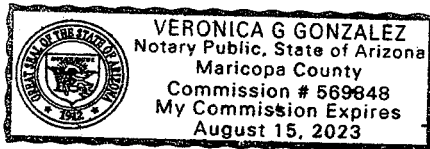
12th

DAY OF

April 2022
(month) and (year)

MY COMMISSION EXPIRES

August 15, 2023
(date)



Veronica G Gonzalez
(signature of notary public)