

ANNUAL REPORT

Of

Company Name:

A. Petersen Water Company PO Box 245

Mailing Address: Taylor AZ
85939

Docket No.: W-02678A
For the Year Ended:

12/31/25

RECEIVED BY EMAIL
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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:

Original Filing

Application Date:

4/15/2026

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
A. Petersen Water Company
A Class ☐ Utility

For the Calendar Year Ended: 12/31/25

Primary Address:

PO Box 85160		
City: Tucson	State: Arizona	Zip Code: 85745

Telephone Number:

520-624-1460

Date of Original Organization of Utility:

10/22/1990

Person to whom correspondence should be addressed concerning this report:

Name:

Dorinda Chacon

Telephone No. :

520-624-1460

Address:

PO Box 85160		
City: Tucson	State: Arizona	Zip Code: 85754

Email:

INFO@SOUTHWESTERNUTILITY.COM

Owner
Name:

Gary Wene

Telephone No. :

520-345-2122

Address:

PO Box 85160		
City: Tucson	State: Arizona	Zip Code: 85754

Email:

gwene@southwesternutility.com

NA
Name:

n/a

Telephone No. :

n/a

Address:

n/a		
City: n/a	State: Arizona	Zip Code: 85754

Email:

n/a

NA
Name:

n/a

Telephone No. :

n/a

Address:

n/a		
City: n/a	State: Arizona	Zip Code: 85754

Email:

n/a

NA
Name:

n/a

Telephone No. :

n/a

Address:

n/a		
City: n/a	State: Arizona	Zip Code: 85746

Email:

n/a

Ownership:

"C" Corporation

Counties Served:

Navajo

Important changes during the year
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N/A	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.
	n/a

N/A	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.
	n/a

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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	3,576	0	0	3,576	0	3,576
304	Structures and Improvements	0	0	0	0	0	0
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	0	420	0	420	0	420
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	16,390	0	0	16,390	7,589	8,801
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	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	28,166	0	0	28,166	3,250	24,916
333	Services	2,409	11,661	0	14,070	3,142	10,928
334	Meters and Meter Installations	52,759	3,810	0	56,569	26,331	30,238
335	Hydrants	0	0	0	0	0	0
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	255	0	0	255	26	229
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	547	0	0	547	0	547
	Totals	\$104,101	\$15,890	\$0	\$119,991	\$40,338	\$79,654

A. Petersen Water Company
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/25

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	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	3,576	0	0	3,576	0	3,576	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0	0.00%	0
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	0	420	0	420	0	420	3.33%	7
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	16,390	0	0	16,390	7,589	8,801	12.50%	1,100
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	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	0	0	0	0	0	0	2.22%	0
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	28,166	0	0	28,166	3,250	24,916	2.00%	498
333	Services	2,409	11,661	0	14,070	3,142	10,928	3.33%	170
334	Meters and Meter Installations	52,759	3,810	0	56,569	26,331	30,238	8.33%	2,360
335	Hydrants	0	0	0	0	0	0	0.00%	0
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	255	0	0	255	26	229	5.00%	11
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	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	547	0	0	547	0	547	0.00%	0
	Subtotal	\$104,101	\$15,890	\$0	\$119,991	\$40,338	\$79,654		\$4,147

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	5.21%
Amortization of CIAC	\$0

Less: Amortization of CIAC **\$0**

DEPRECIATION EXPENSE **\$4,147**

A. Petersen Water Company
Annual Report
Balance Sheet Assets
12/31/25

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current and Accrued Assets			
131	Cash		\$7,942	\$5,817
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		6,288	7,688
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		103	(737)
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$14,333	\$12,769
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$104,101	\$119,991
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(34,167)	(40,338)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$69,934	\$79,654
	Total Assets		\$84,267	\$92,422

*Note these items feed automatically from AR3 UPIS Page 4

A. Petersen Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2025)	Balance at End of Year (2025)
Account No.	Current Liabilities			
231	Accounts Payable		\$16,640	\$32,060
232	Notes Payable (Current Portion)		1,500	1,500
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		3,459	5,605
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$21,599	\$39,165
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	(1,880)
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$0	(\$1,880)
	Total Liabilities		\$21,599	\$37,285
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		62,669	55,138
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$62,669	\$55,138
	Total Liabilities and Capital		\$84,268	\$92,422

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

A. Petersen Water Company
Annual Report
Water Comparative Income Statement
12/31/25

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2025 - 12/31/2025	Last Year 01/01/2024 - 12/31/2024
	Operating Revenue		
461	Metered Water Revenue	\$46,802	\$46,953
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	1,872	0
471	Miscellaneous Service Revenues	772	245
474	Other Water Revenue	0	100
	Total Revenues	\$49,446	\$47,298
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	3,989	3,607
618	Chemicals	0	0
620	Materials and Supplies	342	0
620.1	Repairs and Maintenance	865	1,145
620.2	Office Supplies and Expense	2,495	3,248
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	4,805	5,243
633	Contractual Services - Legal	65	0
634	Contractual Services - Management Fees	28,949	28,094
635	Contractual Services - Water Testing	705	694
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	480	440
650	Transportation Expenses	2,078	2,005
657	Insurance - General Liability	351	207
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	2,129	2,150
670	Bad Debt Expense	627	0
675	Miscellaneous Expense	1,109	684
403	Depreciation Expense (From Schedule AR4)	4,147	4,800
408	Taxes Other Than Income	914	0
408.11	Property Taxes	914	896
409	Income Taxes	(10)	(6)
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$54,952	\$53,206
	Operating Income / (Loss)	(\$5,507)	(\$5,907)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$5,507)	(\$5,907)

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.1	0.0	0.0	0.1
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.2	0.2
Engineering Staff	0.0	0.0	0.1	0.1
System Operator(s)	0.0	0.0	0.2	0.2
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.1	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.2	0.2
Other	0.0	0.0	0.0	0.0
Total	0.1	0.0	0.9	1.0

A. Petersen Water Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/25

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	n/a	n/a	n/a	n/a
Source of Loan	n/a	n/a	n/a	n/a
ACC Decision No.	n/a	n/a	n/a	n/a
Reason for Loan	n/a	n/a	n/a	n/a
Dollar Amt. Issued	n/a	n/a	n/a	n/a
Amount Outstanding	n/a	n/a	n/a	n/a
Date of Maturity	n/a	n/a	n/a	n/a
Interest Rate	n/a	n/a	n/a	n/a
Current Year Interest	n/a	n/a	n/a	n/a
Current Year Principal	n/a	n/a	n/a	n/a

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.

[illegible]

Name of system water delivered to:	NA		
ADWR PCC Number:	0		
Source of water delivered to another system	NA		

Name of system water received from:	NA	
ADWR PCC Number:		0
Source of water received	NA	
Well registry 55# (55-XXXXXX):	NA	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	544,628.00	225,790.00	0.00	0.00	125,000.00	\$383	2,319
February	388,118.00	219,660.00	0.00	0.00	45,000.00	414	2,741
March	235,552.00	153,250.00	0.00	0.00	0.00	379	2,380
April	303,603.00	212,160.00	0.00	0.00	0.00	367	2,220
May	284,897.00	200,240.00	0.00	0.00	0.00	282	1,540
June	387,035.00	240,640.00	0.00	0.00	60,000.00	341	2,006
July	979,588.00	674,200.00	0.00	0.00	0.00	280	1,877
August	439,503.00	293,620.00	0.00	0.00	0.00	273	1,757
September	469,906.00	286,000.00	0.00	0.00	75,000.00	367	1,757
October	302,671.00	130,650.00	0.00	0.00	90,000.00	296	1,638
November	472,629.00	230,490.00	0.00	0.00	95,000.00	293	1,605
December	512,808.00	179,330.00	0.00	0.00	150,000.00	315	1,700
Totals	5,320,938.00	3,046,030.00	0.00	0.00	640,000.00	\$3,989	23,540

If applicable, in the space below please provide a description for all un-metered water use along with amounts: Estimated use is from leaks and the cooresponding flushing after repairs have been made.

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description			
Name of the System:		A PETERSEN WATER CO	
ADEQ Public Water System Number:		AZ0409032	
ADWR PCC Number:		91-000386.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
3.00	ABS	650
4.00	ABS	4,350
4.00	AC/PVC	1,500
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

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	95%	0	
HDPE	5%	0	
NA	0%	0	
NA	0%	0	
NA	0%	0	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	85	1
0	0	0
0	0	0
0	0	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Galanized Steel	1	0
1,000	Fiberglass	1	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	87	7%	0%
0.75	2	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%
NA	0	0%	0%

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
3,000	Metal	1	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)
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For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	None
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STRUCTURES:	None
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OTHER:	30x30 Chain Link Fence
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Customer and Other Information		
Name of the System:	A PETERSEN WATER CO	
ADEQ Public Water System Number:	AZ0409032	
ADWR PCC Number:	91-000386.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	55	0	0	0	0
February	56	0	0	0	0
March	56	0	0	0	0
April	55	0	0	0	0
May	56	0	0	0	0
June	55	0	0	0	0
July	55	0	0	0	0
August	56	0	0	0	0
September	56	0	0	0	0
October	56	0	0	0	0
November	52	0	0	0	0
December	70	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?

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

None

A. Petersen Water Company
Annual Report
Utility Shutoffs / Disconnects
12/31/25

Utility Shutoffs / Disconnects	
Name of the System:	A PETERSEN WATER CO
ADEQ Public Water System Number:	AZ0409032
ADWR PCC Number:	91-000386.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2- 410.C	Other
January	0	2	0
February	0	1	0
March	0	2	0
April	0	1	0
May	0	7	0
June	0	3	0
July	0	7	0
August	0	4	0
September	0	4	0
October	0	2	0
November	0	3	0
December	0	0	0
Total	0	36	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.

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2025 was
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\$914

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 Certification (Taxes)

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

County of (county name): Navajo
Name (owner or official) title: Dorinda Chacon
Company name: A. Petersen Water Company

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

FOR THE YEAR ENDING: 12/31/25

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.

Certification: I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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

Dorinda Chacon

signature of owner/official

520-624-1460

telephone no.



Lacey Merritt
Pima County
July 1st 2028