

ANNUAL REPORT

Of

Company Name: Coldwater Canyon Water Company
PO Box 637

Mailing Address: Black Canyon City AZ
85324

Docket No.: W-01559A
For the Year Ended: 12/31/22

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: 8/8/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Coldwater Canyon Water Company
A Class Utility

For the Calendar Year Ended: 12/31/22

Primary Address:

PO BOX 85160		
City: TUCSON	State: ARIZONA	Zip Code: 85754

Telephone Number:

520-623-5172

Date of Original Organization of Utility:

4/17/1958

Person to whom correspondence should be addressed concerning this report:

Name:

DORINDA CHACON

Telephone No. :

520-623-5172

Address:

PO BOX 85160		
City: TUCSON	State: ARIZONA	Zip Code: 85754

Email:

INFO@SOUTHWESTERNUTILITY.COM

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Name:

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Telephone No. :

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Address:

City: <table border="1"><tr><td> </td></tr></table>		State: <table border="1"><tr><td> </td></tr></table>		Zip Code: <table border="1"><tr><td> </td></tr></table>	

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Telephone No. :

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Email:

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Ownership:

"C" Corporation

Counties Served:

Yavapai

Important changes during the year

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.
	NA

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.
	NA

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	\$456	\$0	\$456	\$0	\$0	\$0
302	Franchises	94	0	94	0	0	0
303	Land and Land Rights	49,450	0	0	49,450	0	49,450
304	Structures and Improvements	11,453	0	0	11,453	11,453	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	33,143	1,250	0	34,393	20,110	14,283
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	2,380	0	0	2,380	1,823	557
311	Pumping Equipment	154,564	3,621	0	158,185	140,704	17,481
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	127,318	0	0	127,318	82,690	44,628
320.2	Solution Chemical Feeders	3,009	0	0	3,009	3,009	0
320.3	Point-of-Use Treatment Devices	0	44,202	0	44,202	4,420	39,782
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	46,101	0	0	46,101	43,667	2,434
330.2	Pressure Tanks	16,965	0	0	16,965	8,877	8,088
331	Transmission and Distribution Mains	35,064	10,534	0	45,598	19,957	25,641
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	58,533	2,821	0	61,354	57,759	3,595
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	7,429	0	0	7,429	4,354	3,075
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	27,970	0	0	27,970	27,970	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	50,080	0	0	50,080	50,080	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	1,999	0	0	1,999	1,088	911
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	1,907	0	0	1,907	1,664	243
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$627,915	\$62,428	\$550	\$689,793	\$479,625	\$210,168

Coldwater Canyon Water Company
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/22

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	\$456	\$0	\$456	\$0	\$0	\$0	0.00%	\$0
302	Franchises	94	0	94	0	0	0	0.00%	0
303	Land and Land Rights	49,450	0	0	49,450	49,450	0	0.00%	0
304	Structures and Improvements	11,453	0	0	11,453	11,453	0	3.33%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	2.22%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	2.50%	0
307	Wells and Springs	33,143	1,250	0	34,393	0	34,393	3.33%	1,124
308	Infiltration Galleries	0	0	0	0	0	0	6.67%	0
309	Supply Mains	0	0	0	0	0	0	2.00%	0
310	Power Generation Equipment	2,380	0	0	2,380	0	2,380	5.00%	119
311	Pumping Equipment	154,564	3,621	0	158,185	129,997	28,188	12.50%	3,297
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	127,318	0	0	127,318	35,411	91,907	3.33%	3,061
320.2	Solution Chemical Feeders	3,009	0	0	3,009	3,009	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	44,202	0	44,202	0	44,202	20.00%	4,420
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	46,101	0	0	46,101	41,872	4,229	2.22%	94
330.2	Pressure Tanks	16,965	0	0	16,965	0	16,965	5.00%	848
331	Transmission and Distribution Mains	35,064	10,534	0	45,598	0	45,598	2.00%	807
333	Services	0	0	0	0	0	0	3.33%	0
334	Meters and Meter Installations	58,533	2,821	0	61,354	55,377	5,977	8.33%	380
335	Hydrants	0	0	0	0	0	0	2.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	7,429	0	0	7,429	0	7,429	6.67%	496
340	Office Furniture and Equipment	0	0	0	0	0	0	6.67%	0
340.1	Computer & Software	0	0	0	0	0	0	20.00%	0
341	Transportation Equipment	27,970	0	0	27,970	27,970	0	20.00%	0
342	Stores Equipment	0	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	50,080	0	0	50,080	50,080	0	5.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	10.00%	0
345	Power Operated Equipment	1,999	0	0	1,999	0	1,999	5.00%	100
346	Communication Equipment	0	0	0	0	0	0	10.00%	0
347	Miscellaneous Equipment	1,907	0	0	1,907	1,399	508	10.00%	51
348	Other Tangible Plant	0	0	0	0	0	0	10.00%	0
	Subtotal	\$627,915	\$62,428	\$550	\$689,793	\$406,018	\$283,775		\$14,797

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

\$307,634
 0
 285,510
 \$22,124
 10.00%
 \$2,212

Less: Amortization of CIAC \$2,212
DEPRECIATION EXPENSE \$12,584

Coldwater Canyon Water Company
Annual Report
Balance Sheet Assets
12/31/22

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$29,678	\$46,194
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		8,402	9,131
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		0	0
	Total Current and Accrued Assets		\$38,080	\$55,325
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$627,915	\$689,793
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(464,827)	(479,625)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$163,088	\$210,168
	Total Assets		\$201,168	\$265,493

*Note these items feed automatically from AR3 UPIS Page 4

Coldwater Canyon Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	\$13,083
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		17,583	0
235	Customer Deposits		4,355	4,355
236	Accrued Taxes		2,945	3,333
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		960	0
	Total Current Liabilities		\$25,843	\$20,771
	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	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		285,510	307,634
272	Less: Amortization of Contributions		(285,510)	(287,722)
281	Accumulated Deferred Income Tax		13,816	10,275
	Total Deferred Credits		\$13,816	\$30,187
	Total Liabilities		\$39,659	\$50,958
	Capital Accounts			
201	Common Stock Issued		\$11,650	\$11,650
211	Other Paid-In Capital		9,424	84,424
215	Retained Earnings		140,435	118,461
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$161,509	\$214,535
	Total Liabilities and Capital		\$201,168	\$265,493

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

Coldwater Canyon Water Company
Annual Report
Water Comparative Income Statement
12/31/22

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
461	Metered Water Revenue	\$109,253	\$104,427
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	0	0
	Total Revenues	\$109,253	\$104,427
	Operating Expenses		
601	Salaries and Wages	\$39,648	\$45,578
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	17,371	13,279
618	Chemicals	1,416	1,410
620	Materials and Supplies	423	0
620.1	Repairs and Maintenance	7,787	14,884
620.2	Office Supplies and Expense	3,826	189
630	Contractual Services	0	5,850
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	5,022	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	10,473	0
635	Contractual Services - Water Testing	4,306	6,369
636	Contractual Services - Other	11,492	0
640	Rents	0	2,400
641	Rental of Building/Real Property	2,800	0
642	Rental of Equipment	0	0
650	Transportation Expenses	6,443	2,524
657	Insurance - General Liability	2,048	1,777
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	943	3,565
403	Depreciation Expense (From Schedule AR4)	12,584	11,655
408	Taxes Other Than Income	3,334	7,482
408.11	Property Taxes	4,801	5,264
409	Income Taxes	(3,491)	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$131,226	\$122,226
	Operating Income / (Loss)	(\$21,973)	(\$17,799)
	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)	(1)	0
	Total Other Income / (Expense)	(\$1)	\$0
	Net Income / (Loss)	(\$21,974)	(\$17,799)

Coldwater Canyon Water Company
Annual Report
Full time equivalent employees
12/31/22

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.0	0.5	0.0	0.5
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.1	0.0	0.1
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.0	0.0	0.0
Meter reader	0.0	0.1	0.0	0.1
Customer Service	0.0	0.1	0.0	0.1
Accounting	0.0	0.1	0.0	0.1
Business Office	0.0	0.0	0.0	0.0
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.1	0.0	0.1
Other	0.0	0.0	0.0	0.0
Total	0.0	1.0	0.0	1.0

Coldwater Canyon Water Company
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/22

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	NA	NA	NA	NA
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	NA	NA	NA	NA
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

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.

Well and Water Usage

Name of the System: COLDWATER CANYON WC											
ADEQ Public Water System Number: AZ0413020										ADWR PCC Number: 91-000614.0000	
Well registry 55# (55-XXXXXX)	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2012	Water level 2022	Meter Size (inches)	How measured:	Active
55-586436	5	25	105	8	submersible	2001	0	10	6	Metered	Yes
55-592515	5	65	100	10	submersible	1963	40	40	6	Metered	Yes
55-612701	7.5	25	175	12	submersible	1945	25	25	8	Metered	Yes
55-590903	3.5	65	120	12	submersible	1970	60	60	8	Metered	Yes
55-594310	2	25	65	8	submersible	1965	40	40	6	Metered	Yes
55-800301	2	25	100	8	submersible	2001	60	60	6	Metered	Yes

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

Name of system water received from: _____
 ADWR PCC Number: _____ na
 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	2,645,049.00	2,404,590.00	0.00	0.00	0.00	\$721	902
February	2,586,438.40	2,309,320.00	0.00	0.00	0.00	653	817
March	2,655,097.00	2,308,780.00	0.00	0.00	0.00	806	1,008
April	3,409,208.80	2,889,160.00	0.00	0.00	0.00	801	1,002
May	3,677,965.60	3,170,660.00	0.00	0.00	0.00	941	1,177
June	4,573,609.20	3,875,940.00	0.00	0.00	0.00	1,141	1,427
July	4,639,646.00	4,217,860.00	0.00	0.00	0.00	1,254	1,568
August	3,756,728.40	3,384,440.00	0.00	0.00	0.00	1,204	1,548
September	3,298,730.40	3,054,380.00	0.00	0.00	0.00	1,124	1,405
October	3,066,813.10	2,813,590.00	0.00	0.00	0.00	909	1,136
November	2,740,105.00	2,382,700.00	0.00	0.00	0.00	3,426	4,283
December	2,644,797.00	2,382,700.00	0.00	0.00	0.00	4,391	5,489
Totals	39,694,187.90	35,194,120.00	0.00	0.00	0.00	\$17,371	21,762

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 none

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:	COLDWATER CANYON WC	
ADEQ Public Water System Number:	AZ0413020	
ADWR PCC Number:	91-000614.0000	

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	Plastic	5,300
3.00	Plastic	1,250
4.00	Plastic	5,000
5.00	Plastic	3,533
1.50	Galvanized	2,533
2.00	Galvanized	2,410
3.00	Galvanized	2,141
4.00	Galvanized	2,855

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	363	0%	35%
1	28	5%	45%
1.5	4	8%	35%
2	2	80%	50%

SERVICE LINES		
Material	Percent of system	Year installed
Galvanized steel	80%	1975
PVC	20%	2000

BOOSTER PUMPS		
Horsepower	GPM	Quantity
1.5	80	2
2	90	1

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
30,000	STEEL	1	NA
10,000	STEEL	4	NA
12,000	STEEL	2	NA

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
4,000	STEEL	1	NA
3,000	STEEL	1	NA
6,000	STEEL	2	NA

* 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:	CHLORINATOR, ARSENIC TREATMENT PLANT
-----------------------------	--------------------------------------

STRUCTURES:	WELL STRUCTURES, STORAGE, STEEL BUILDING
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OTHER:	NA
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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

243

 Method used:

(a)

Customer and Other Information	
Name of the System:	COLDWATER CANYON WC
ADEQ Public Water System Number:	AZ0413020
ADWR PCC Number:	91-000614.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	396	0	0	0	0
February	396	0	0	0	0
March	396	0	0	0	0
April	396	0	0	0	0
May	396	0	0	0	0
June	396	0	0	0	0
July	396	0	0	0	0
August	396	0	0	0	0
September	396	0	0	0	0
October	396	0	0	0	0
November	396	0	0	0	0
December	396	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.

none

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

Coldwater Canyon Water Company
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	COLDWATER CANYON WC
ADEQ Public Water System Number:	AZ0413020
ADWR PCC Number:	91-000614.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	5	0
February	0	17	0
March	0	18	0
April	0	11	0
May	0	10	0
June	0	0	0
July	0	4	0
August	0	1	0
September	0	4	0
October	0	1	0
November	0	5	0
December	0	8	0
Total	0	84	0

Other (description):

na

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 2022 was	\$4,434
--	---------

If no property taxes paid, explain why. NA

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): Cochise
Name (owner or official) title: Dustin DeSpain, Accountant
Company name: Coldwater Canyon Water Company

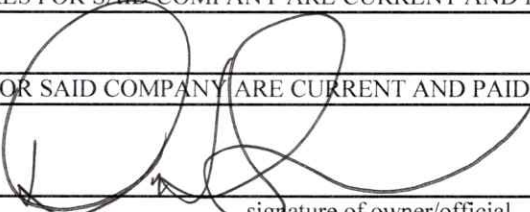
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/22

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 of owner/official

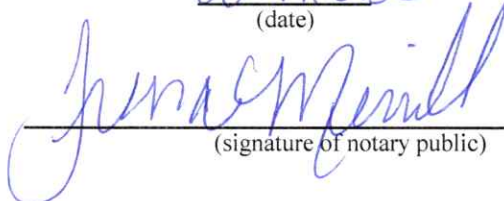
520-265-5350
telephone no.

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

THIS 8 DAY OF Aug 2023
(month) and (year)

MY COMMISSION EXPIRES Oct 17, 2023
(date)




(signature of notary public)

Verification and Sworn Statement

Verification:

State of ARIZONA I, the undersigned of the
(state name)
County of (county name): Cochise
Name (owner or official) title: Dustin DeSpain, Accountant
Company name: Coldwater Canyon Water Company

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

FOR THE YEAR ENDING: 12/31/22

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 (\$)
\$116,331
(The amount in the box above includes
\$7,078 in sales taxes
billed or collected)

[Signature]
Signature of owner/official
520-265-5350
telephone no.

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

THIS 8 DAY OF Aug 2023
(month) and (year)

MY COMMISSION EXPIRES



Oct 17 2023
(date)
[Signature]
(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): Cochise
Name (owner or official) title: Dustin DeSpain, Accountant
Company name: Coldwater Canyon Water Company

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

FOR THE YEAR ENDING: 12/31/22

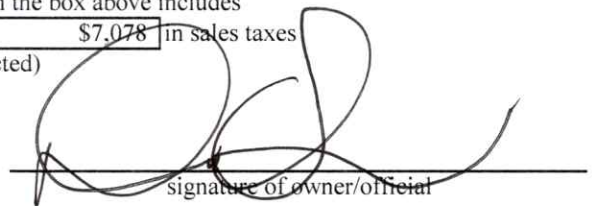
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND 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 (\$)

\$116,331
(The amount in the box above includes
\$7,078 in sales taxes
billed or collected)


signature of owner/official

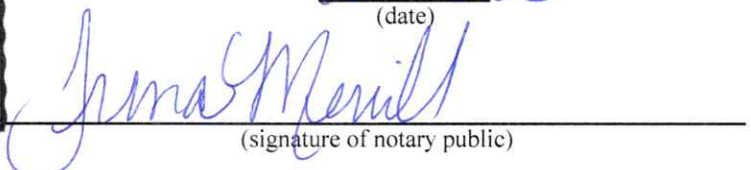
520-265-5350
telephone no.

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

THIS 8 DAY OF Aug 2023
(month) and (year)

MY COMMISSION EXPIRES Oct 17 2023
(date)




(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): Cochise
Name (owner or official) title: Dorinda Chacon, Manager
Company name: Coldwater Canyon Water Company

FOR THE YEAR ENDING: 12/31/22

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 NOT INCURRED NOR 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.


signature of owner/official

520-265-5350
telephone no.

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

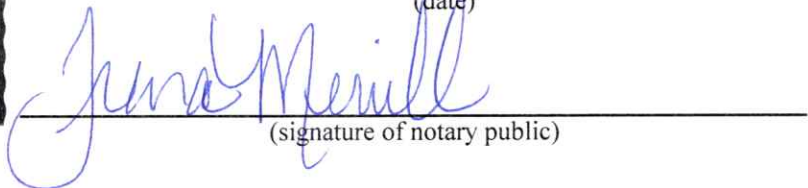
(county name)

THIS 8 DAY OF Aug 2023
(month) and (year)

MY COMMISSION EXPIRES Oct 17 2023

(date)




(signature of notary public)