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ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

**ANNUAL REPORT**

Of

Company Name:   
PO Box 786

Mailing Address: Desert Springs AZ  
86432

Docket No.: W-04049A  
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  
DS Water Company  
A Class  Utility

For the Calendar Year Ended: 12/31/21

Primary Address: 

P.O. Box 786			
City:	Desert Springs	State:	Arizona
		Zip Code:	86432

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:

**On-Site Manager**

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

**Owner**

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

**Regulatory and Management Contact**

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

**Statutory Agent**

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

Ownership:

Counties Served:

<b>Important changes during the year</b>
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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.
	n/a

Yes	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.
	Arsenic levels in water supplied to customers by DS Water Company exceed drinking water standards. We are in the process of installing filtering treatment and working with ADEQ to resolve the outstanding violation.

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	\$1,057	\$0	\$0	\$1,057	\$0	\$1,057
302	Franchises	28,781	0	0	28,781	0	28,781
303	Land and Land Rights	30,000	0	0	30,000	0	30,000
304	Structures and Improvements	85,932	0	0	85,932	35,847	50,085
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	18,849	0	0	18,849	12,336	6,513
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	18,309	0	0	18,309	18,309	0
320	Water Treatment Equipment	0	27,593	0	27,593	2,529	25,064
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	37,572	0	0	37,572	19,555	18,017
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	143,465	0	0	143,465	47,147	96,318
333	Services	21,830	0	0	21,830	14,614	7,216
334	Meters and Meter Installations	12,147	4,233	0	16,380	11,841	4,539
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	845	0	0	845	648	197
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	3,692	1,324	0	5,016	3,714	1,302
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	7,500	3,300	0	10,800	7,885	2,915
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	1,124	0	0	1,124	505	619
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	21,437	0	21,437	1,429	20,008
346	Communication Equipment	13,453	0	0	13,453	12,998	455
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	<b>Totals</b>	<b>\$424,556</b>	<b>\$57,886</b>	<b>\$0</b>	<b>\$482,442</b>	<b>\$189,356</b>	<b>\$293,087</b>

DS Water Company  
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	\$1,057	\$0	\$0	\$1,057	\$1,057	\$0	0.00%	\$0
302	Franchises	28,781	0	0	28,781	28,781	0	0.00%	0
303	Land and Land Rights	30,000	0	0	30,000	30,000	0	0.00%	0
304	Structures and Improvements	85,932	0	0	85,932	0	85,932	3.33%	2,864
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	18,849	0	0	18,849	0	18,849	3.33%	628
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	18,309	0	0	18,309	18,309	0	0.00%	0
320	Water Treatment Equipment	0	27,593	0	27,593	0	27,593	18.33%	2,529
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	37,572	0	0	37,572	0	37,572	2.22%	835
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	143,465	0	0	143,465	0	143,465	2.00%	2,869
333	Services	21,830	0	0	21,830	0	21,830	3.33%	728
334	Meters and Meter Installations	12,147	4,233	0	16,380	0	16,380	3.78%	539
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	845	0	0	845	0	845	6.68%	56
339	Other Plant and Misc. Equipment	0	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	3,692	1,324	0	5,016	3,692	1,324	3.33%	22
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	7,500	3,300	0	10,800	7,500	3,300	23.35%	385
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	1,124	0	0	1,124	0	1,124	5.00%	56
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	21,437	0	21,437	0	21,437	13.33%	1,429
346	Communication Equipment	13,453	0	0	13,453	8,184	5,269	4.00%	211
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
	<b>Subtotal</b>	\$424,556	\$57,886	\$0	\$482,442	\$97,523	\$384,919		\$13,153

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 3.42%  
**Amortization of CIAC** \$0

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

DS Water Company  
Annual Report  
Balance Sheet Assets  
12/31/21

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$114,478	\$134,777
134	Working Funds		0	0
135	Temporary Cash Investments		2,523	2,548
141	Customer Accounts Receivable		14,513	16,414
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		1,795	1,795
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$133,309</b>	<b>\$155,534</b>
<b>Account No.</b>	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$424,556	\$482,442
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	1,371
108	Accumulated Depreciation <b>(enter as negative)*</b>		(176,204)	(189,356)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$248,352</b>	<b>\$294,458</b>
	<b>Total Assets</b>		<b>\$381,661</b>	<b>\$449,992</b>

\*Note these items feed automatically from AR3 UPIS Page 4

DS Water Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2021)	Balance at End of Year (2021)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$64,156	\$936
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		3,600	6,100
236	Accrued Taxes		823	900
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		2,799	6,218
	<b>Total Current Liabilities</b>		<b>\$71,378</b>	<b>\$14,154</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		1,300	9,858
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
	<b>Total Deferred Credits</b>		<b>\$1,300</b>	<b>\$9,858</b>
	<b>Total Liabilities</b>		<b>\$72,678</b>	<b>\$24,012</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$3,000	\$3,000
211	Other Paid-In Capital		980,212	968,212
215	Retained Earnings		(674,229)	(545,232)
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$308,983</b>	<b>\$425,980</b>
	<b>Total Liabilities and Capital</b>		<b>\$381,661</b>	<b>\$449,992</b>

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

DS Water Company  
Annual Report  
Water Comparative Income Statement  
12/31/21

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2021 - 12/31/2021	Last Year 01/01/2020 - 12/31/2020
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$242,235	\$133,395
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	1,611	828
474	Other Water Revenue	13,500	5,800
	<b>Total Revenues</b>	<b>\$257,346</b>	<b>\$140,023</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	3,209	2,427
618	Chemicals	0	0
620	Materials and Supplies	6,234	3,466
620.1	Repairs and Maintenance	2,427	1,024
620.2	Office Supplies and Expense	2,416	887
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,640	2,525
633	Contractual Services - Legal	0	40,022
634	Contractual Services - Management Fees	26,058	18,001
635	Contractual Services - Water Testing	2,597	2,052
636	Contractual Services - Other	18,173	7,825
640	Rents	0	0
641	Rental of Building/Real Property	29,970	10,573
642	Rental of Equipment	4,354	0
650	Transportation Expenses	5,753	663
657	Insurance - General Liability	3,156	4,057
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	138	2,810
675	Miscellaneous Expense	4,321	6,298
403	Depreciation Expense (From Schedule AR4)	13,153	8,903
408	Taxes Other Than Income	0	0
408.11	Property Taxes	4,399	3,393
409	Income Taxes	50	50
427.1	Customer Security Deposit Interest	0	0
	<b>Total Operating Expenses</b>	<b>\$128,046</b>	<b>\$114,976</b>
	<b>Operating Income / (Loss)</b>	<b>\$129,300</b>	<b>\$25,047</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$59	\$103
421	Non-Utility Income	0	71,907
426	Miscellaneous Non-Utility (Expense)	(139)	0
427	Interest (Expense)	(222)	(1,926)
	<b>Total Other Income / (Expense)</b>	<b>(\$302)</b>	<b>\$70,084</b>
	<b>Net Income / (Loss)</b>	<b>\$128,998</b>	<b>\$95,131</b>



**Full time equivalent employees**

	Direct Company	Allocated	Outside service	Total
President	0.0	0.0	0.1	0.1
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.2	0.0	0.2
Engineering Staff	0.0	0.0	0.0	0.0
System Operator(s)	0.0	0.1	0.0	0.1
Meter reader	0.0	0.1	0.0	0.1
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.1	0.0	0.1
Business Office	0.0	0.1	0.0	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
<b>Total</b>	0.0	0.6	0.1	0.7

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	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:	\$6,100
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Meter Deposits Refunded During the Test Year:	\$700
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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:		DS WATER COMPANY										
ADEQ Public Water System Number:		AZ0408072										
ADWR PCC Number:		91-000340.0000										
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Water level 2011	Water level 2021	Meter Size (inches)	How measured:	Active	Yes
55+512262	20	190	51	8	submersible	1985	n/a	n/a	6	Metered		Yes
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Name of system water delivered to:	n/a
ADWR PCC Number:	#N/A
Source of water delivered to another system	n/a
Name of system water received from:	n/a
ADWR PCC Number:	#N/A
Source of water received	n/a
Well registry 55# (55-XXXXXX):	n/a

Month	Water withdrawn (gallons) <sup>1</sup>	Water sold (gallons) <sup>2</sup>	Water delivered (sold) to other systems (gallons) <sup>3</sup>	Water received (purchased) from other systems (gallons) <sup>4</sup>	Estimated authorized use (gallons) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	594,862.00	557,520.00	0.00	0.00	0.00	\$168	1,768
February	526,427.00	529,585.00	0.00	0.00	0.00	181	1,962
March	835,766.00	691,528.00	0.00	0.00	0.00	234	2,861
April	1,668,524.00	1,540,547.00	0.00	0.00	0.00	336	4,591
May	1,989,490.00	1,710,039.00	0.00	0.00	0.00	358	4,956
June	2,046,460.00	1,682,749.00	0.00	0.00	0.00	394	5,570
July	1,711,970.00	1,682,950.00	0.00	0.00	0.00	362	5,033
August	1,467,120.00	1,280,268.00	0.00	0.00	0.00	305	4,067
September	1,336,450.00	1,091,941.00	0.00	0.00	0.00	282	3,669
October	1,054,490.00	987,049.00	0.00	0.00	0.00	249	3,120
November	1,071,460.00	736,129.00	0.00	0.00	0.00	128	2,668
December	833,900.00	596,448.00	0.00	0.00	0.00	211	2,478
<b>Totals</b>	<b>15,136,919.00</b>	<b>13,086,753.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$3,209</b>	<b>42,743</b>

If applicable, in the space below please provide a description for all un-metered water use along with amounts:  
 n/a

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:	DS WATER COMPANY		
ADEQ Public Water System Number:	AZ0408072		
ADWR PCC Number:	91-000340.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC	6,104
4.00	PVC C900	19,118
6.00	PVC C900	2,985
8.00	PVC C900	3,200
6.00	HDPE	700
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

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	112	0%	45%
1	1	0%	0%
1.5	1	0%	0%
2	2	0%	0%
Compound 6	1	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%

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	98%	n/a	
HDPE	2%	n/a	
NA	0%	n/a	
NA	0%	n/a	
NA	0%	n/a	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5 HP (5DB2)	n/a	3
0	n/a	0
0	n/a	0
0	n/a	0

FIRE HYDRANTS	
Type	Quantity
Standard *	none
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
37,000	metal	2	1985
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
119 Gallons	n/a	4 installed	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a

\* 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.

<b>Water Utility Plant Description (Continued)</b>
--

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

<b>TREATMENT EQUIPMENT:</b>	None
<b>STRUCTURES:</b>	Well House/Pressurization House
<b>OTHER:</b>	6" line under Virgin River. 700 ft. of 6" HDPE Pipe / 390' Pipe (12" Welded Steel Sleeve) underneath I-15 @ Farm Road

**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 

213
-----

  
 Method used: 

(a)
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Customer and Other Information	
Name of the System:	DS WATER COMPANY
ADEQ Public Water System Number:	AZ0408072
ADWR PCC Number:	91-000340.0000

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	72	1	9	0	0
February	71	1	8	0	0
March	74	1	8	0	0
April	72	1	8	0	0
May	72	1	8	0	0
June	69	1	9	0	0
July	69	1	9	0	0
August	72	1	10	0	0
September	74	1	9	0	0
October	74	1	9	0	0
November	76	1	8	0	0
December	75	1	8	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.  
 Arsenic treatment installation completed Q1 of 2022 and preparing for AOC submission. System can deliver 86,400 gallons of drinking water per day. Arsenic treatment capacity will be the primary limiting factor on water generation and is scaleable based on system demand. Requests on file for expansion of physical and legal limits of the distribution system.

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

DS Water Company  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/21

Utility Shutoffs / Disconnects	
Name of the System:	DS WATER COMPANY
ADEQ Public Water System Number:	AZ0408072
ADWR PCC Number:	91-000340.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	1	0
February	0	0	0
March	0	0	0
April	0	1	0
May	0	2	0
June	0	1	0
July	0	0	0
August	0	1	0
September	0	3	0
October	0	3	0
November	0	0	0
December	0	0	0
<b>Total</b>	<b>0</b>	<b>12</b>	<b>0</b>

**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.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2021 was

\$4,399

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): Mohave  
Name (owner or official) title: David West  
Company name: DS Water Company

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

FOR THE YEAR ENDING: 12/31/21

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.

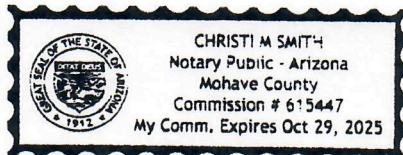
[Signature]  
signature of owner/official

928-347-5467  
telephone no.

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

THIS 22nd DAY OF MOHAVE  
March 2022  
(month) and (year)

MY COMMISSION EXPIRES 10/29/2025  
(date)



Christi M. Smith  
(signature of notary public)

Verification and Sworn Statement

Verification:

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

County of (county name): Mohave

Name (owner or official) title: David West

Company name: DS Water Company

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

FOR THE YEAR ENDING: 12/31/21

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 (\$)

\$271,701

(The amount in the box above includes

\$14,355 in sales taxes  
billed or collected)

[Signature]  
signature of owner/official

928-347-5467

telephone no.

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

MOHAVE

THIS

22nd

DAY OF

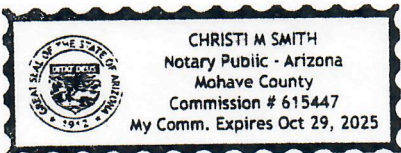
(county name)

March 2022

(month) and (year)

MY COMMISSION EXPIRES

10/29/2025  
(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): Mohave  
Name (owner or official) title: David West  
Company name: DS Water Company

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

FOR THE YEAR ENDING: 12/31/21

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.

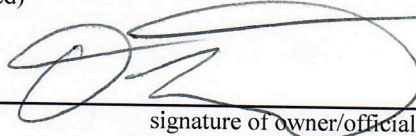
**Sworn Statement:** IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR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

Arizona Intrastate Gross Operating Revenues Only (\$)

\$124,229

(The amount in the box above includes

\$8,646 in sales taxes  
billed or collected)

  
signature of owner/official

928-347-5467  
telephone no.

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

MOHAVE  
(county name)

THIS

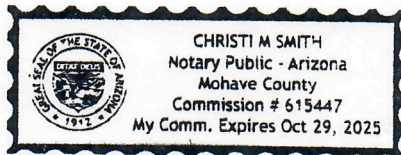
22nd

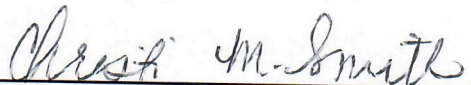
DAY OF

March 2022  
(month) and (year)

MY COMMISSION EXPIRES

10/29/2025  
(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): Mohave  
Name (owner or official) title: David West  
Company name: DS Water Company

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 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]  
signature of owner/official  
928-347-5467  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY MOHAVE  
(county name)

THIS 22nd DAY OF March 2022  
(month) and (year)

MY COMMISSION EXPIRES 10/29/2025  
(date)

[Signature]  
(signature of notary public)

