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4/13/2024, 6:24 PM ARIZONA CORPORATION COMMISSION **UTILITIES DIVISION**

ANNUAL REPORT

Of

Company Name:

Hydro-Resources, Inc.

PO Box 3246

Mailing Address:

549 Camper Village Lane

Grand Canyon

AZ

86023

Docket No.:

W-20770A

For the Year Ended:

12/31/23

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: 4/25/2024

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT

Hydro-Resources, Inc.
A Class DUtility

| For the Calendar Year E | nded: <u>12/31/23</u> | | | |
|-----------------------------|-------------------------|-------------|--------------------|-------------------|
| Primary Address: | PO Box 3246 | | | |
| 2 | Grand Canyon | 1 | State: Arizona | Zip Code: 86023 |
| , . | | | | |
| Telephone Number: | 928-522-4405 | | | |
| Date of Original Organiz | zation of Utility: | 4/7/1 | 994 | |
| | ondence should be addre | ssed concer | rning this report: | |
| Telephone No.: | | | 4 | |
| | PO Box 3246 | | <u></u> | |
| | Grand Canyon | | State: Arizona | Zip Code: 86023 |
| | john@jwrueter.com | | | ' |
| | <u> </u> | | ***** | |
| | | | | |
| Name: | | | | |
| Telephone No.: | | | | |
| Address: | | | Ctata | Zin Codo |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| | | | | |
| Name: | | | | |
| Telephone No.: | | | _ | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| | | | | |
| Name | 1 | | | |
| Name: | | | | |
| Telephone No. : Address: | | | | |
| City: | | T | State: | Zip Code: |
| Email: | | | State | |
| 2 | | | | |
| | | | | |
| Name: | | | | |
| Telephone No.: | | | | |
| Address: | | | | |
| City: | | | State: | Zip Code: |
| Email: | | | | |
| Ownership: | "S" Corporation | | ¬ | |
| Ownership. | 5 Corporation | | _ | |
| Counties Served: | Coconino | | | |
| | | | _ | Page 2 |

ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Hydro-Resources, Inc.

| | 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. |
| | |
| | |
| | |
| 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 | Description | Beginning Year | Current Year | Current Year | Adjusted Original | Accumulated | OCLD (OC less |
| No. | | Original Cost | Additions | Retirements | Cost | Depreciation | AD) |
| 301 | Organization | \$258,392 | | | \$258,392 | \$258,392 | \$0 |
| 302 | Franchises | 0 | | | 0 | 0 | C |
| 303 | Land and Land Rights | 137,407 | | | 137,407 | 137,407 | 0 |
| 304 | Structures and Improvements | 22,696 | | | 22,696 | 6,048 | 16,648 |
| 305 | Collecting & Improving Reservoirs | 0 | | | 0 | 0 | 0 |
| 306 | Lake, River, Canal Intakes | 0 | | | 0 | 0 | 0 |
| 307 | Wells and Springs | 883,247 | | | 883,247 | 649,409 | 233,838 |
| 308 | Infiltration Galleries | 0 | | | 0 | 0 | 0 |
| 309 | Supply Mains | 0 | | | 0 | 0 | 0 |
| 310 | Power Generation Equipment | 0 | | | 0 | 0 | 0 |
| 311 | Pumping Equipment | 146,830 | | | 146,830 | 117,260 | 29,570 |
| 320 | Water Treatment Equipment | 0 | | | 0 | 0 | 0 |
| 320.1 | Water Treatment Plants | 0 | | | 0 | 0 | 0 |
| 320.2 | Solution Chemical Feeders | 0 | | 14- p 1 2- 1- | 0 | 0 | 0 |
| 320.3 | Point-of-Use Treatment Devices | 0 | | | 0 | 0 | 0 |
| 330 | Distribution Reservoirs and Standpipes | 0 | 0 | 0 | 0 | 0 | 0 |
| 330.1 | Storage Tanks | 64,341 | 583,176 | 0 | 647,517 | 58,966 | 588,551 |
| 330.2 | Pressure Tanks | 0 | 0 | 0 | 0 | 0 | 0 |
| 331 | Transmission and Distribution Mains | 455,266 | 0 | 0 | 455,266 | 41,683 | 413,583 |
| 333 | Services | 0 | 0 | 0 | 0 | 0 | (|
| 334 | Meters and Meter Installations | 52,814 | 4,301 | 0 | 57,115 | 25,025 | 32,090 |
| 335 | Hydrants | 0 | 0 | 0 | | 0 | C |
| 336 | Backflow Prevention Devices | 0 | 0 | 0 | | 0 | (|
| 339 | Other Plant and Misc. Equipment | 62,923 | 0 | 0 | , | 45,882 | 17,041 |
| 340 | Office Furniture and Equipment | 3,021 | 0 | 0 | 3,021 | 3,021 | (|
| 340.1 | Computer & Software | 0 | 0 | 0 | | 0 | (|
| 341 | Transportation Equipment | 63,409 | 0 | 0 | 63,409 | 63,409 | (|
| 342 | Stores Equipment | 0 | 0 | 0 | | 0 | (|
| 343 | Tools, Shop and Garage Equipment | 45,612 | 7,346 | 0 | | 15,293 | 37,66 |
| 344 | Laboratory Equipment | 0 | 0 | 0 | | 0 | |
| 345 | Power Operated Equipment | 58,037 | 0 | 0 | | 39,772 | 18,26 |
| 346 | Communication Equipment | 2,074 | 0 | 0 | -, | 1,656 | 41 |
| 347 | Miscellaneous Equipment | 9,362 | 0 | 0 | 9,362 | 6,880 | 2,48 |
| 348 | Other Tangible Plant | 0 | 0 | 0 | 0 | 0 | |
| | Totals | \$2,265,431 | \$594,823 | S0 | \$2,860,254 | \$1,470,103 | \$1,390,15 |

Hydro-Resources, Inc. Annual Report Depreciation Expense for the Current Year (Water) 12/31/23

| | | Dep | reciation Expense | e 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 | \$258,392 | \$0 | \$0 | \$258,392 | \$258,392 | \$0 | 0.00% | \$0 |
| 302 | Franchises | 0 | 0 | 0 | 0 | 0 | 0 | 0,00% | 0 |
| 303 | Land and Land Rights | 137,407 | 0 | 0 | 137,407 | 137,407 | 0 | 0.00% | 0 |
| 304 | Structures and Improvements | 22,696 | 0 | 0 | 22,696 | 0 | 22,696 | 3.33% | 756 |
| 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 | 883,247 | 0 | 0 | 883,247 | 0 | 883,247 | 3.33% | 29,412 |
| 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 | 146,830 | 0 | 0 | 146,830 | 0 | 146,830 | 12.50% | 18,354 |
| 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 | 64,341 | 583,176 | 0 | 647,517 | 0 | 647,517 | 2.22% | 7,902 |
| 330,2 | Pressure Tanks | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 331 | Transmission and Distribution Mains | 455,266 | 0 | 0 | 455,266 | 0 | 455,266 | 2.00% | 9,105 |
| 333 | Services | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 334 | Meters and Meter Installations | 52,814 | 4,301 | 0 | 57,115 | 0 | 57,115 | 8.33% | 4,579 |
| 335 | Hydrants | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 336 | Backflow Prevention Devices | 0 | 0 | () | 0 | 0 | 0 | 0,00% | 0 |
| 339 | Other Plant and Misc. Equipment | 62,923 | 0 | () | 62,923 | 0 | 62,923 | 6,67% | 4,197 |
| 340 | Office Furniture and Equipment | 3,021 | 0 | 0 | 3,021 | 3,021 | 0 | 6.67% | 0 |
| 340.1 | Computer & Software | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 341 | Transportation Equipment | 63,409 | 0 | 0 | 63,409 | 63,409 | 0 | 20.00% | 6,305 |
| 342 | Stores Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 343 | Tools, Shop and Garage Equipment | 45,612 | 7,346 | 0 | 52,958 | 0 | 52,958 | 5.00% | 2,464 |
| 344 | Laboratory Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| 345 | Power Operated Equipment | 58,037 | 0 | 0 | 58,037 | 0 | 58,037 | 5.00% | 2,902 |
| 346 | Communication Equipment | 2,074 | 0 | 0 | 2,074 | 0 | 2,074 | 10.00% | 207 |
| 347 | Miscellaneous Equipment | 9,362 | 0 | 0 | 9,362 | 0 | 9,362 | 10.00% | 936 |
| 348 | Other Tangible Plant | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 |
| | Subtotal | \$2,265,431 | \$594,823 | \$0 | \$2,860,254 | \$462,229 | \$2,398,025 | | \$87,119 |

 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
 3.63%

 Amortization of CIAC
 \$0

Less: Amortization of CIAC \$0

DEPRECIATION EXPENSE \$87,119

Hydro-Resources, Inc. Annual Report Balance Sheet Assets 12/31/23

| | Balance Sheet Assets | | |
|-------------|---|---|----------------------------------|
| | Assets | Balance at Beginning of Year (2023) | Balance at End of Year (2023) |
| Account No. | Current and Accrued Assets | | |
| 131 | Cash | \$60,097 | \$61,757 |
| 134 | Working Funds | 0 | 0 |
| 135 | Temporary Cash Investments | 82,180 | 7,415 |
| 141 | Customer Accounts Receivable | 41,811 | 59,966 |
| 146 | Notes Receivable from Associated Companies | 0 | 0 |
| 151 | Plant Material and Supplies | 0 | 0 |
| 162 | Prepayments | 12,560 | 11,664 |
| 174 | Miscellaneous Current and Accrued Assets | 0 | 0 |
| | Total Current and Accrued Assets | \$196,648 | \$140,802 |
| Account No. | Fixed Assets | | |
| 101 | Utility Plant in Service* | \$2,265,431 | \$2,860,254 |
| 103 | Property Held for Future Use | 0 | 0 |
| 105 | Construction Work in Progress | 0 | 0 |
| 108 | Accumulated Depreciation (enter as negative)* | (1,383,177) | (1,470,103) |
| 121 | Non-Utility Property | 0 | 0 |
| 122 | Accumulated Depreciation - Non Utility | 0 | 0 |
| | Total Fixed Assets | \$882,254 | \$1,390,151 |
| | Total Assets | \$1,078,902 | \$1,530,953 |

*Note these items feed automatically from AR3 UPIS Page 4

Hydro-Resources, Inc. Annual Report Balance Sheet Liabilities and Owners Equity

| | Balance Sheet Liabilities and Ow | vners Equity | |
|-------------|---|-------------------------------------|----------------------------------|
| | Liabilities | Balance at Beginning of Year (2023) | Balance at End of Year (2023) |
| Account No. | Current Liabilities | | |
| 231 | Accounts Payable | \$28,043 | \$8,819 |
| 232 | Notes Payable (Current Portion) | 0 | 0 |
| 234 | Notes Payable to Associated Companies | 0 | 0 |
| 235 | Customer Deposits | 0 | 0 |
| 236 | Accrued Taxes | 0 | 0 |
| 237 | Accrued Interest | 0 | 0 |
| 242 | Miscellaneous Current and Accrued Liabilities | 14,353 | 19,270 |
| | Total Current Liabilities | \$42,396 | \$28,089 |
| | 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 | 0 | 0 |
| 272 | Less: Amortization of Contributions | 0 | 0 |
| 281 | Accumulated Deferred Income Tax | 0 | 0 |
| | Total Deferred Credits | \$0 | \$0 |
| | Total Liabilites | \$42,396 | \$28,089 |
| | Capital Accounts | | |
| 201 | Common Stock Issued | \$50,000 | \$50,000 |
| 211 | Other Paid-In Capital | 30,081 | 30,081 |
| 215 | Retained Earnings | 956,425 | 1,422,783 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | 0 | 0 |
| | Total Capital | \$1,036,506 | \$1,502,864 |
| | Total Liabilities and Capital | \$1,078,902 | \$1,530,953 |

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

| | | 63 (\$2 | L V |
|-------------|--|-------------------------|-------------------------|
| Account No. | Calendar Year | Current Year | Last Year |
| | | 01/01/2023 - 12/31/2023 | 01/01/2022 - 12/31/2022 |
| | Operating Revenue | \$557,868 | \$551,100 |
| 461 | Metered Water Revenue | .,537,606 | .5551,100 |
| 460 | Unmetered Water Revenue | 0 | |
| 462 | Fire Protection Revenue | 0 | |
| 469 | Guaranteed Revenues (Surcharges) | () | |
| 471 | Miscellaneous Service Revenues | 0 | |
| 474 | Other Water Revenue | \$557,868 | \$551,10 |
| | Total Revenues | \$557,808 | \$331,10 |
| | | | |
| | Operating Expenses | \$182,434 | \$105,71 |
| 601 | Salaries and Wages | | 3,28 |
| 604 | Employee Pensions and Benefits | 0 | |
| 610 | Purchased Water | 7,511 | 62.24 |
| 615 | Purchased Power | 102,828 | 63,34 |
| 618 | Chemicals | 1,720 | 1,62 |
| 620 | Materials and Supplies | 0 | 20.70 |
| 620.1 | Repairs and Maintenance | 34,991 | 39,75 |
| 620.2 | Office Supplies and Expense | 6,902 | 5,24 |
| 630 | Contractual Services | 0 | |
| 631 | Contractual Services - Engineering | 0 | |
| 632 | Contractual Services - Accounting | 30,771 | 27,90 |
| 633 | Contractual Services - Legal | 12,440 | 11,9 |
| 634 | Contractual Services - Management Fees | 0 | 1,50 |
| 635 | Contractual Services - Water Testing | 3,267 | 5,03 |
| 636 | Contractual Services - Other | 3,116 | 6,53 |
| 640 | Rents | 0 | |
| 641 | Rental of Building/Real Property | 57,000 | 57,63 |
| 642 | Rental of Equipment | 0 | 7,35 |
| 650 | Transportation Expenses | 13,924 | 13,45 |
| 657 | Insurance - General Liability | 47,140 | 36,99 |
| 657.1 | Insurance - Health and Life | 24,702 | 11,70 |
| 665 | Regulatory Commission Expense - Rate | 0 | |
| 670 | Bad Debt Expense | 0 | |
| 675 | Miscellaneous Expense | 4,789 | 2,2 |
| 403 | Depreciation Expense (From Schedule AR4) | 87,119 | 86,1 |
| 408 | Taxes Other Than Income | 13,998 | 8,3 |
| 408.11 | Property Taxes | 27,836 | 27,7 |
| 409 | Income Taxes | 0 | |
| 427.1 | Customer Security Deposit Interest | 0 | |
| 727.1 | Total Operating Expenses | \$662,488 | \$523,6 |
| | Total Operating Expenses | | |
| | Operating Income / (Loss) | (\$104,620) | \$27,4 |
| | Other Income / (Expense) | | |
| 419 | Interest and Dividend Income | \$235 | \$ |
| 421 | Non-Utility Income | 42,375 | 44,70 |
| 426 | Miscellaneous Non-Utility (Expense) | 0 | |
| 427 | Interest (Expense) | 0 | (6' |
| | Total Other Income / (Expense) | \$42,610 | \$44,0 |
| | Net Income / (Loss) | (\$62,010) | \$71,5 |

Hydro-Resources, Inc. Annual Report Full time equivalent employees 12/31/23

Full time equivalent employees

| | Direct Company | Allocated | Outside service | Total |
|----------------------|----------------|-----------|-----------------|-------|
| President | 1.0 | 0.0 | 0.0 | 1.0 |
| Vice-president | 0.0 | 0.0 | 0.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 0.0 |
| Engineering Staff | 0.0 | 0.0 | 0.0 | 0.0 |
| System Operator(s) | 1.0 | 0.0 | 0.0 | 1.0 |
| 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 | 1.0 | 1.0 |
| Business Office | 0.0 | 0.0 | 0.0 | 0.0 |
| Rates Department | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Staff | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | 1.0 | 0.0 | 0.0 | 1.0 |
| Total | 3.0 | 0.0 | 1.0 | 4.0 |

Hydro-Resources, Inc. Annual Report Supplemental Financial Data (Long-Term Debt) 12/31/23

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

| Meter Deposit Balance at Test Year End: | NA | | |
|--|------|----|--|
| Meter Deposits Refunded During the Test Ye | ear: | NA | |

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

| | | | | Well and Wate | r Usage | | | | | | | _ |
|------------------------|-----------------|----|--------------|-----------------|-------------|---------|-------------|-------------|------------|--------------|-------------|-----|
| Name of the System: | | | | | | | 1 | | | | | _ |
| ADEQ Public Water Syst | tem Number: | | | i | | | | | | | | |
| ADWR PCC Number: | | | | | | | | | | | | |
| Well registry 55# (55- | | | Casing Depth | Casing Diameter | Pump Motor | Year | Water level | Water level | Meter Size | How | T | |
| XXXXXX): | Pump Horsepower | | (feet) | (inches) | Type ** | Drilled | 2013 | 2023 | (inches) | measured: | Active | |
| 55-542928 | 100 | 75 | 2,300 | 8 | Submersible | 1994 | 2419 | 2419 | 2 | Metered | | Yes |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
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| Name of system water delivered to: | ADOT GRAND CA | ANYON AIRPORT | |
|---|---------------|----------------|---|
| ADWR PCC Number: | | 91-000088.0000 | |
| Source of water delivered to another system | Ground Water | | • |

| Name of system water received from: | HYDRO RESOU | RCES-TÜSAYAN | |
|-------------------------------------|--------------|----------------|--|
| ADWR PCC Number: | | 91-000109.0000 | |
| Source of water received | Ground Water | | |
| Well registry 55# (55-XXXXXX): | 542928 |] | |

HYDRO RESOURCES-TUSAYAN

| Totals | 39,783,160.00 | 26,452,094.00 | 6,262,539.00 | 523,410.00 | 26,876,194.00 | \$100,051 | 911,761 |
|-----------|-----------------|---------------|--------------------|------------------|----------------|----------------------|-----------|
| December | 2,983,680.00 | 1,500,957.00 | 149,134.00 | 0.00 | 1,536,957.00 | 8,442 | 74,675 |
| November | 3,257,280.00 | 2,036,113.00 | 381,295.00 | 0.00 | 2,100,613,00 | 8,620 | 76,795 |
| October | 3,156,000,00 | 2,625,331.00 | 770,795.00 | 0.00 | 2,691,131.00 | 9,192 | 82,092 |
| September | 3,369,600.00 | 2,480,638.00 | 647,235.00 | 0.00 | 2,508,438.00 | 8,641 | 77,048 |
| August | 3,000,000.00 | 2,538,400.00 | 517,510.00 | 0.00 | 2,570,800,00 | 8,837 | 79,072 |
| July | 3,421,300.00 | 2,752,545.00 | 658,931.00 | 0.00 | 2,788,745.00 | 8,269 | 73.256 |
| June | 3,413,900.00 | 2,644,048.00 | 715,561.00 | 0.00 | 2,671,348.00 | 8,457 | 76,659 |
| Мау | 3,248,600.00 | 2,414,856.00 | 608,198.00 | 0.00 | 2,444,656.00 | 8,928 | 81,187 |
| April | 3,535,900.00 | 2,561,315.00 | 732,715.00 | 0.00 | 2,582,315.00 | 7,960 | 71,315 |
| March | 3,605,300.00 | 1,962,387.00 | 538,985.00 | 523,410.00 | 1,984,887.00 | 8,179 | 73,109 |
| February | 3,274,300.00 | 1,399,843.00 | 304,790.00 | 0.00 | 1,424,443.00 | 7,803 | 79,657 |
| January | 3,517,300.00 | 1,535,661.00 | 237,390.00 | 0.00 | 1,571,861.00 | \$6,723 | 66,896 |
| Month | (gallons)1 | (gallons)2 | systems (gallons)3 | (gallons)4 | (gallons)5 | Expense ⁶ | (kWh) |
| | Water withdrawn | Water sold | (sold) to other | other systems | authorized use | Power | Power |
| | | | Water delivered | (purchased) from | Estimated | Purchased | Purchased |
| | | | 1 | Water received | | | |

| If applicable, in the space below please provide a description for all un-metered water use along with amounts: | |
|---|--|
| 7,591,937 two major waterline breaks, and meter inaccuracies. | |
| | |
| | |
| | |
| | |

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 use. Authorized use 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.

Hydro-Resources, Inc. Annual Report Water Utility Plant Description 12/31/23

| Water Utility Plant Description | | | | |
|----------------------------------|---|--|--|--|
| Name of the System: | 0 | | | |
| ADEQ Public Water System Number: | | | | |
| ADWR PCC Number: | | | | |

| | MAINS | |
|----------------|--------------|---------------|
| Sizes (inches) | Material | Length (feet) |
| 2.00 | PVC 40 | 605 |
| 4.00 | PVC C900 | 1,391 |
| 6.00 | PVC 40 | 186 |
| 8.00 | Duetile Iron | 186 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

| SERVI | CE LINES | |
|----------|-------------------|-------------------|
| Material | Percent of system | Year installed |
| | | |
| | | |
| | | - |
| | | |

| | CUSTON | IER METERS | |
|---------------|----------|-----------------------------------|------------------------------|
| Size (inches) | Quantity | Percent over 1,000,000 gallons | Percent over 10 years old |
| 5/8 X 3/4 | 74 | 5% | 58% |
| 1 | 5 | 50% | 33% |
| 1.5 | 2 | 50% | 0% |
| 2 | 40 | 20% | 0% |
| 3 | 4 | 50% | 0% |
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| | <u> </u> | L | |

| | BOOSTER PUMPS | | |
|------------|---------------|-------|----------|
| Horsepower | GPM | | Quantity |
| 250 | | 2,500 | |
| | | | |
| | | | |
| | | | |

| | STORAGE TANKS | | | |
|--------------------|---------------|----------|---|-------------------|
| Capacity (gallons) | Material | Quantity | | Year installed |
| 3,000,000 | Steel, Wo | elded | 1 | 1991 |
| | | | | |
| | | | | |
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| FIRE HYDRANTS | |
|---------------|----------|
| Туре | Quantity |
| Standard * | 8 |
| Other | |

| | PRESSURE/B | LADDER TAN | KS |
|-----------------------|------------|------------|----------------|
| Capacity (gallons) | Material | Quantity | Year installed |
| | | | |
| | | | |
| | | | |

* 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) | | |
|--|--|--|--|
| For the following | For the following three items, list the utility owned assets in each category for each system. | | |
| TREATMENT EQUIPMENT: | 2 chemical feed pumps | | |
| STRUCTURES: | well controls shed, well shed, fire pump house | | |
| OTHER: | | | |
| Provide a calcula Use one of the foll (a) (b) | tion used to determine the value of one water equivalent residential connection (ERC), owing methods: 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. If no historical flow data are available, use: ERC - (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day.) | | |
| ERC Method used: | | | |

Hydro-Resources, Inc. Annual Report Customer and Other Information 12/31/23

| | Customer and C | ther Information | |
|----------------------------------|-------------------------|------------------|--|
| Name of the System: | Hydro Resources Tusayan | | |
| ADEQ Public Water System Number: | 04-03-312 | | |
| ADWR PCC Number: | | | |

| Month | Number of Customers | | | | | |
|-----------|---------------------|--------------|------------|-----------------|---------------------------|--|
| | Single-Family | Multi-Family | Commercial | Turf/Irrigation | Other Non- Residential | |
| January | 60 | 7 | 22 | | | |
| February | 60 | 7 | 22 | | | |
| March | 60 | 7 | 22 | | | |
| April | 60 | 7 | 22 | | | |
| May | 60 | 7 | 22 | | | |
| June | 60 | 7 | 22 | | | |
| July | 60 | 7 | 22 | | | |
| August | 60 | 7 | 22 | | | |
| September | 60 | 7 | 22 | | | |
| October | 60 | 7 | 22 | | | |
| November | 60 | 7 | 22 | | | |
| December | 60 | 7 | 22 | | | |

| If the system has fire hydrants, what is the fire flow requirements? | GPM for | | hrs. |
|--|------------------------------|-----|------|
| Does the system have chlorination treatment? | Yes | | |
| Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPI If yes, provide the GPCPD amount: | e) requirement? | No | |
| Is the Water Utility located in an ADWR Active Management Area (AMAIf yes, which AMA? |);? | No | |
| What is the present system connection capacity (in ERCs *) using existing | lines? | | |
| What is the future system connection capacity (in ERCs *) upon service a | ea buildout? | | |
| Describe any plans and estimated completion dates for any enlargements of | r improvements of this syste | em. | |
| | | | |
| | | | |
| | | | |

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

Hydro-Resources, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/23

| Utility Shutoffs / Disconnects | | | |
|----------------------------------|-------------------------|------------|--|
| Name of the System: | Hydro Resources Tusayan | | |
| ADEQ Public Water System Number: | | 04-03-0312 | |
| ADWR PCC Number: | | | |

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

Hydro-Resources, Inc. Annual Report Property Taxes 12/31/23

| Property Taxes | | | |
|--|----------|--|--|
| Amount of actual property taxes paid during Calendar Year 2023 was | \$27,836 | | |
| If no property taxes paid, explain why. | | | |
| | | | |
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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.

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ARIZONA CORPORATION COMMISSION **UTILITIES DIVISION**

Annual Report Verification and Certification (Taxes) 12/31/23

| | Verification and Certification (Taxes) |
|----------------|---|
| Verification: | State of Arizona I, the undersigned of the (state name) |
| | County of (county name): Name (owner or official) title: Company name: One in the interval of the interval |
| | DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION. |
| | FOR THE YEAR ENDING: 12/31/23 |
| | 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. |
| cer incation. | CERTIFY THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL. |
| | signature of owner/official 9285224405 telephone no. |