

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: 12/31/22

**RECEIVED
BY EMAIL
5/8/2023, 9:28 AM
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: 5/8/2023

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Hydro-Resources, Inc.
A Class ☐ A ☒ Utility

For the Calendar Year Ended: 12/31/22

Primary Address:

PO Box 3246			
City:	Grand Canyon	State:	Arizona
Zip Code:	86023		

Telephone Number:

928-522-4405

Date of Original Organization of Utility:

6/1/1994

Person to whom correspondence should be addressed concerning this report:

Name:

John Rueter

Telephone No. :

928-522-4405

Address:

PO Box 3246			
City:	Grand Canyon	State:	Arizona
Zip Code:	86023		

Email:

john@jwrueter.com
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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Name:

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Telephone No. :

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Address:

City:		State:	
Zip Code:			

Email:

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Ownership:

"S" Corporation

Counties Served:

Coconino

Important changes during the year
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	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
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	If yes, please provide specific details in the box below.
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	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
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	If yes, please provide specific details in the box below.
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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	\$258,392	\$0	\$0	\$258,392	\$258,392	\$0
302	Franchises	0	0	0	0		0
303	Land and Land Rights	137,407	0	0	137,407	137,407	0
304	Structures and Improvements	22,696	0	0	22,696	5,292	17,404
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	883,247	0	0	883,247	619,997	263,250
307	Wells and Springs	0	0	0	0	0	0
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	143,830	3,000	0	146,830	99,094	47,736
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	64,341	0	0	64,341	51,064	13,277
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	454,775	491	0	455,266	32,583	422,683
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	50,374	2,440	0	52,814	20,446	32,368
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	62,923	0	0	62,923	41,685	21,238
340	Office Furniture and Equipment	3,021	0	0	3,021	3,021	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	61,953	1,456	0	63,409	57,104	6,305
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	44,283	1,329	0	45,612	12,829	32,783
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	58,037	0	0	58,037	36,870	21,167
346	Communication Equipment	2,074	0	0	2,074	1,449	625
347	Miscellaneous Equipment	9,362	0	0	9,362	5,944	3,418
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,256,715	\$8,716	\$0	\$2,265,431	\$1,383,177	\$882,254

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	\$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	883,247	0	0	883,247	0	883,247	3.33%	29,412
307	Wells and Springs	0	0	0	0	0	0	0.00%	0
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	143,830	3,000	0	146,830	0	146,830	12.50%	18,166
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	0	0	64,341	0	64,341	2.22%	1,428
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	454,775	491	0	455,266	0	455,266	2.00%	9,100
333	Services	0	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	50,374	2,440	0	52,814	0	52,814	8.33%	4,298
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	62,923	0	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	61,953	1,456	0	63,409	0	63,409	20.00%	12,536
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	44,283	1,329	0	45,612	0	45,612	5.00%	2,247
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	\$2,256,715	\$8,716	\$0	\$2,265,431	\$398,820	\$1,866,611		\$86,187

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

\$0

4.62%

\$0

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

DEPRECIATION EXPENSE **\$86,187**

Hydro-Resources, Inc.
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		\$42,378	\$60,097
134	Working Funds		0	0
135	Temporary Cash Investments		5,012	82,180
141	Customer Accounts Receivable		61,945	41,811
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		8,740	12,560
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$118,075	\$196,648
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,256,715	\$2,265,431
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,296,992)	(1,383,177)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$959,723	\$882,254
	Total Assets		\$1,077,798	\$1,078,902

*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 Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$71,239	\$28,043
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		10,480	14,353
	Total Current Liabilities		\$81,719	\$42,396
	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 Liabilities		\$81,719	\$42,396
	Capital Accounts			
201	Common Stock Issued		\$50,000	\$50,000
211	Other Paid-In Capital		30,081	30,081
215	Retained Earnings		915,998	956,425
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$996,079	\$1,036,506
	Total Liabilities and Capital		\$1,077,798	\$1,078,902

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

Hydro-Resources, Inc.
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	\$551,106	\$535,992
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	\$551,106	\$535,992
	Operating Expenses		
601	Salaries and Wages	\$105,716	\$139,267
604	Employee Pensions and Benefits	3,284	5,159
610	Purchased Water	0	0
615	Purchased Power	63,340	55,299
618	Chemicals	1,625	770
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	39,755	40,154
620.2	Office Supplies and Expense	5,247	4,867
630	Contractual Services	0	0
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	27,900	27,900
633	Contractual Services - Legal	11,919	25,561
634	Contractual Services - Management Fees	1,500	37,500
635	Contractual Services - Water Testing	5,032	2,699
636	Contractual Services - Other	6,534	53,060
640	Rents	0	0
641	Rental of Building/Real Property	57,636	42,339
642	Rental of Equipment	7,353	2,354
650	Transportation Expenses	13,455	13,825
657	Insurance - General Liability	36,995	29,669
657.1	Insurance - Health and Life	11,765	25,278
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	2,251	3,400
403	Depreciation Expense (From Schedule AR4)	86,187	83,451
408	Taxes Other Than Income	8,370	11,326
408.11	Property Taxes	27,747	32,688
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$523,611	\$636,566
	Operating Income / (Loss)	\$27,495	(\$100,574)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$50	\$6
421	Non-Utility Income	44,700	106,010
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(670)	0
	Total Other Income / (Expense)	\$44,080	\$106,016
	Net Income / (Loss)	\$71,575	\$5,442

Full time equivalent employees

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

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
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Meter Deposits Refunded During the Test Year:	NA
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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:	ADOT GRAND CANYON AIRPORT	
ADWR PCC Number:	91-000088.0000	
Source of water delivered to another system	Ground Water	

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

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 Expense6	Purchased Power7 (kWh)
January	1,798,135.00	1,591,270.00	209,790.00	0.00	1,771,083.00	\$5,053	51,320
February	1,910,304.00	1,661,134.00	432,070.00	0.00	1,794,855.00	3,628	33,600
March	2,946,688.00	2,607,689.00	679,000.00	0.00	2,850,790.00	4,114	39,720
April	3,499,454.00	3,061,640.00	1,118,670.00	0.00	3,450,079.00	5,167	50,800
May	3,060,101.00	2,693,751.00	623,510.00	0.00	3,097,684.00	6,375	65,320
June	2,941,038.00	2,575,340.00	422,790.00	0.00	2,898,854.00	5,461	55,000
July	2,797,775.00	2,458,070.00	425,680.00	0.00	2,737,847.00	5,599	56,840
August	2,566,462.00	2,255,438.00	341,818.00	0.00	2,527,482.00	4,782	47,240
September	2,319,414.00	2,024,982.00	257,372.00	0.00	2,224,451.00	5,461	55,040
October	2,366,477.00	2,062,110.00	283,050.00	0.00	2,315,323.00	4,987	49,600
November	2,003,981.00	1,759,422.00	125,212.00	0.00	1,963,828.00	4,549	43,880
December	1,813,267.00	1,601,968.00	49,514.00	0.00	1,817,746.00	5,677	56,880
Totals	30,023,096.00	26,352,814.00	4,968,476.00	0.00	29,450,022.00	\$60,853	605,240

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

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:	HYDRO RESOURCES-TUSAYAN		
ADEQ Public Water System Number:	AZ0403312		
ADWR PCC Number:	91-000109.0000		

MAINS		
Sizes (inches)	Material	Length (feet)
2.00	PVC 40	605
4.00	PVC C900	1,391
6.00	PVC 40	3,363
8.00	Ductile Iron	186
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

SERVICE LINES			
Material	Percent of system	Year installed	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	
NA	NA	NA	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
250	2,500	1
NA	NA	NA
NA	NA	NA
NA	NA	NA

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
525,000	Steel Bolted	1	1975
3,000,000	Steel Welded	1	1991
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	74	20%	58%
1	4	75%	33%
1.5	2	60%	0%
2	17	94%	50%
3	6	100%	0%
4	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard *	8
Other	NA

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	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:	Two sodium hypochlorite chemical feed pumps
STRUCTURES:	Wellhouses, Fences, Control Sheds, Retaining Walls at Tusayan #2, Fire Pump Shed
OTHER:	Improved access road to Well #2, cinder and concrete pads

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	109
Method used:	(b)

Customer and Other Information		
Name of the System:	HYDRO RESOURCES-TUSAYAN	
ADEQ Public Water System Number:	AZ0403312	
ADWR PCC Number:	91-000109.0000	

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	29	14	20	0	4
February	29	14	20	0	4
March	29	14	20	0	4
April	29	14	20	0	4
May	29	14	20	0	4
June	29	14	20	0	4
July	29	14	20	0	4
August	29	14	20	0	4
September	29	14	20	0	4
October	29	14	20	0	4
November	29	14	20	0	4
December	29	14	20	0	4

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

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?

If yes, which AMA?

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

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

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

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

Hydro-Resources, Inc.
Annual Report
 Utility Shutoffs / Disconnects
 12/31/22

Utility Shutoffs / Disconnects	
Name of the System:	HYDRO RESOURCES-TUSAYAN
ADEQ Public Water System Number:	AZ0403312
ADWR PCC Number:	91-000109.0000

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

Other (description):

Instructions: Fill out the Grey Cells with the 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
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\$24,747

If no property taxes paid, explain why.

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): Coconino
Name (owner or official) title: John W. Rueter President
Company name: Hydro-Resources, Inc.

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 NOT CURRENT AND PAID IN FULL.

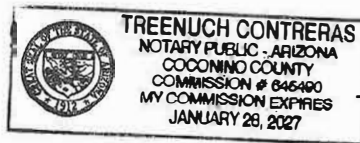
John W. Rueter
signature of owner/official

928-522-4405
telephone no.

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

THIS 2nd DAY OF Coconino
(county name)
May 2023
(month) and (year)

MY COMMISSION EXPIRES 1/28/27
(date)



Treenuch Contreras
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Coconino
Name (owner or official) title: John W. Rueter President
Company name: Hydro-Resources, Inc.

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 (\$)

\$603,975

(The amount in the box above includes

\$52,869 in sales taxes
billed or collected)

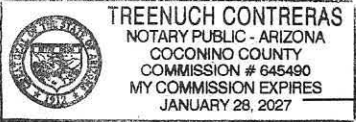
John W. Rueter
signature of owner/official

928-522-4405
telephone no.

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

THIS 2nd DAY OF Coconino
(county name) May, 2023
(month) and (year)

MY COMMISSION EXPIRES 1/28/27
(date)



Treenuch Contreras
(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): Coconino
Name (owner or official) title: John W. Rueter President
Company name: Hydro-Resources, Inc.

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 (\$)

\$167,944

(The amount in the box above includes

\$16,507 in sales taxes
billed or collected)

John W. Rueter
signature of owner/official

928-522-4405
telephone no.

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

Coconino
(county name)

THIS

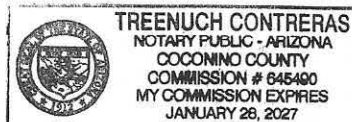
2nd

DAY OF

May, 2023
(month) and (year)

MY COMMISSION EXPIRES

1/28/27
(date)



Treenuch Contreras
(signature of notary public)