

**ANNUAL REPORT**

Of

Company Name: Liberty Utilities (Black Mountain Sewer) Corp  
14920 W. Camelback Rd.

Mailing Address: Litchfield Park AZ  
85340

Docket No.: SW-02361A  
For the Year Ended: 12/31/2017

RECEIVED  
BY EMAIL  
10/29/2020, 9:02 AM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

**WASTEWATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: rdelafuente@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: Corrected Filing  
Application Date: 10/29/2020

ARIZONA CORPORATION COMMISSION  
 WASTEWATER UTILITY ANNUAL REPORT  
 Liberty Utilities (Black Mountain Sewer) Corp  
 A Class  Utility

For the Calendar Year Ended: 12/31/2017

Primary Address: 

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

Telephone Number: 

623-935-9367
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Date of Original Organization of Utility: 

2/24/1978
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Person to whom correspondence should be addressed concerning this report:

Name: 

Leticia Washington
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 Telephone No. : 

623-935-9367
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 Address: 

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

  
 Email: 

Leticia.Washington@LibertyUtilities.com
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**Management Contact**

Name: 

Matthew Garlick
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 Telephone No. : 

623-298-3763
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 Address: 

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

  
 Email: 

Leticia.Washington@LibertyUtilities.com
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**On-Site Manager**

Name: 

Eric Burkett
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 Telephone No. : 

480-983-1293
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 Address: 

7202 E. Cave Creek			
City:	Carefree	State:	Arizona
		Zip Code:	85377

  
 Email: 

Eric.Burkett@LibertyUtilities.com
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**NA**

Name: 

NA
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 Telephone No. : 

NA
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 Address: 

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

  
 Email: 

NA
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**NA**

Name: 

NA
----

  
 Telephone No. : 

NA
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 Address: 

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

  
 Email: 

NA
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Ownership: 

"C" Corporation
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Counties Served: 

Maricopa
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Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
101.2	Operating Leases	\$0	\$0	\$0	\$0	\$0	\$0
351	Organization	0	0	0	0	0	0
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	472,524	0	0	472,524	0	472,524
354	Structures and Improvements	3,006,423	820	79	3,007,163	1,931,871	1,075,292
355	Power Generation Equipment	9,000	0	0	9,000	1,701	7,299
360	Collections Wastewater - Force	1,152,686	30,718	3,462	1,179,942	394,894	785,048
361	Collections Wastewater - Gravity	4,685,343	59,038	6,853	4,737,528	3,819,752	917,776
362	Special Collecting Structures	3,052	0	0	3,052	92	2,960
363	Services to Customers	258,785	0	0	258,785	182,177	76,608
364	Flow Measuring Devices	44,933	18,111	0	63,044	16,523	46,521
365	Flow Measuring Installations	180,051	0	0	180,051	179,858	193
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	773,931	0	0	773,931	535,749	238,181
371	Pumping Equipment	1,040,281	50,127	32,895	1,057,513	769,209	288,304
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0
380	Treatment and Disposal Equipment	380,679	5,291	52	385,918	163,442	222,476
381	Plant Sewers	120,945	0	0	120,945	117,219	3,726
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	940,638	0	0	940,638	818,175	122,463
390	Office Furniture and Equipment	84,739	0	0	84,739	58,422	26,317
390.1	Computer & Software	62,541	6,434	0	68,975	56,804	12,171
391	Transportation Equipment	54,942	0	0	54,942	40,117	14,825
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	30,796	367	240	30,923	8,964	21,959
394	Laboratory Equipment	13,906	0	0	13,906	5,302	8,604
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	122,410	2,110	1,223	123,296	76,854	46,442
397	Miscellaneous Equipment	6,892	0	0	6,892	1,723	5,169
398	Other Tangible Plant	486,294	0	0	486,294	486,294	0
	<b>Totals</b>	<b>\$13,931,790</b>	<b>\$173,015</b>	<b>\$44,804</b>	<b>\$14,060,000</b>	<b>\$9,665,141</b>	<b>\$4,394,859</b>

**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.

Liberty Utilities (Black Mountain Sewer) Corp  
Annual Report  
Depreciation Expense for the Current Year (Wastewater)  
12/31/2017

Depreciation Expense for the Current Year (Wastewater)									
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
101.2	Operating Leases	\$0	\$0	\$0	\$0	\$0		0.00%	\$0
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
352	Franchises	0	0	0	0	\$0	0	0.00%	0
353	Land and Land Rights	472,524	0	0	472,524	\$472,524	0	0.00%	0
354	Structures and Improvements	3,006,423	820	79	3,007,163	\$0	3,007,163	3.33%	100,126
355	Power Generation Equipment	9,000	0	0	9,000	\$0	9,000	5.00%	450
360	Collections Wastewater - Force	1,152,686	30,718	3,462	1,179,942	\$0	1,179,942	2.00%	23,326
361	Collections Wastewater - Gravity	4,685,343	59,038	6,853	4,737,528	\$0	4,737,528	2.00%	94,229
362	Special Collecting Structures	3,052	0	0	3,052	\$0	3,052	2.00%	61
363	Services to Customers	258,785	0	0	258,785	\$0	258,785	2.00%	5,176
364	Flow Measuring Devices	44,933	18,111	0	63,044	\$10,444	52,600	10.00%	4,354
365	Flow Measuring Installations	180,051	0	0	180,051	\$179,622	429	10.00%	43
366	Reuse Services	0	0	0	0	\$0	0	2.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	\$0	0	8.33%	0
370	Receiving Wells	773,931	0	0	773,931	\$0	773,931	3.33%	25,772
371	Pumping Equipment	1,040,281	50,127	32,895	1,057,513	\$378,003	679,510	12.50%	81,173
374	Reuse Distribution Reservoirs	0	0	0	0	\$0	0	2.50%	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	\$0	0	2.00%	0
380	Treatment and Disposal Equipment	380,679	5,291	52	385,918	\$0	385,918	5.00%	19,165
381	Plant Sewers	120,945	0	0	120,945	\$116,917	4,028	5.00%	201
382	Outfall Sewer Lines	0	0	0	0	\$0	0	3.33%	0
389	Other Plant and Misc. Equipment	940,638	0	0	940,638	\$0	940,638	6.67%	62,741
390	Office Furniture and Equipment	84,739	0	0	84,739	\$0	84,739	6.67%	5,652
390.1	Computer & Software	62,541	6,434	0	68,975	\$0	68,975	20.00%	13,152
391	Transportation Equipment	54,942	0	0	54,942	\$13,843	41,099	20.00%	7,698
392	Stores Equipment	0	0	0	0	\$0	0	4.00%	0
393	Tools, Shop and Garage Equipment	30,796	367	240	30,923	\$0	30,923	5.00%	1,543
394	Laboratory Equipment	13,906	0	0	13,906	\$3,032	10,874	10.00%	1,087
395	Power Operated Equipment	0	0	0	0	\$0	0	5.00%	0
396	Communication Equipment	122,410	2,110	1,223	123,296	\$0	123,296	10.00%	12,285
397	Miscellaneous Equipment	6,892	0	0	6,892	\$0	6,892	10.00%	689
398	Other Tangible Plant	486,294	0	0	486,294	\$486,294	0	10.00%	0
	<b>Subtotal</b>	<b>\$13,931,790</b>	<b>\$173,015</b>	<b>\$44,804</b>	<b>\$14,060,000</b>	<b>\$1,660,679</b>	<b>\$12,399,321</b>		<b>\$458,923</b>

Contribution(s) in Aid of Construction (Gross) \$6,957,144  
Less: Non Amortizable Contribution(s) 0  
Fully Amortized Contribution(s) 5,535,062  
Amortizable Contribution(s) \$1,422,082  
Times: Proposed Amortization Rate 3.85%  
**Amortization of CIAC** \$63,893

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

**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.

Liberty Utilities (Black Mountain Sewer) Corp  
Annual Report  
Balance Sheet Assets  
12/31/2017

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$3,042	(\$10,777)
132	Special Deposits		311,243	327,030
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		43,339	31,488
142	Other Accounts Receivable		129,579	129,579
143	Accumulated Provision for Uncollectable Accounts		(9,807)	(858)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		16,549	14,060
173	Accrued Utility Revenue		260,831	209,287
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$754,776</b>	<b>\$699,809</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense		\$254,462	\$181,382
186.2	Other Deferred Debits		\$0	\$0
186.3	Regulatory Assets		801,015	759,761
	<b>Total Deferred Debits</b>		<b>\$1,055,477</b>	<b>\$941,143</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$13,931,790	\$14,060,000
103	Property Held for Future Use		0	0
105	Construction Work in Progress		500,709	1,735,818
108	Accumulated Depreciation (enter as negative)*		(9,251,024)	(9,665,141)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$5,181,474</b>	<b>\$6,130,677</b>
	<b>Total Assets</b>		<b>\$6,991,727</b>	<b>\$7,771,629</b>

**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.

Note these items feed automatically from the adjusted end of year balance from AR4.

Liberty Utilities (Black Mountain Sewer) Corp  
Annual Report  
Balance Sheet Liabilities and Owners Equity

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		1,401,289	1,278,391
235	Customer Deposits		0	0
236	Accrued Taxes		0	439,131
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		404,043	454,165
	<b>Total Current Liabilities</b>		<b>\$1,805,332</b>	<b>\$2,171,687</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	<b>Total Long Term Debt</b>		<b>\$0</b>	<b>\$0</b>
	<b>Deferred Credits</b>			
252	Advances in Aid of Construction		\$328,649	205,328.56
253	Other Deferred Credits		339,966	361,312
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		6,803,669	6,957,144
272	Less: Amortization of Contributions		(5,468,610)	(5,535,062)
281	Accumulated Deferred Income Tax		104,907	(126,777)
	<b>Total Deferred Credits</b>		<b>\$2,108,582</b>	<b>\$1,861,945</b>
	<b>Total Liabilities</b>		<b>\$3,913,914</b>	<b>\$4,033,632</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$1,009,680	\$1,009,680
211	Other Paid-In Capital		0	0
215	Retained Earnings		2,068,134	2,728,317
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$3,077,813</b>	<b>\$3,737,997</b>
	<b>Total Liabilities and Capital</b>		<b>\$6,991,727</b>	<b>\$7,771,629</b>

**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.

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

Liberty Utilities (Black Mountain Sewer) Corp  
Annual Report  
Wastewater Comparative Income Statement  
12/31/2017

<b>Wastewater Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$2,548,202	\$2,526,497
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	9,941	8,296
	<b>Total Revenues</b>	<b>\$2,558,143</b>	<b>\$2,534,794</b>
	<b>Operating Expenses</b>		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	213,931	263,816
711	Sludge Removal Expense	1,350	3,375
715	Purchased Power	65,482	64,369
716	Fuel for Power Production	0	0
718	Chemicals	19,374	14,568
720	Materials and Supplies	25,076	15,319
720.1	Repairs and Maintenance	0	0
720.2	Office Supplies and Expense	16,583	0
721	Office Expense	0	14,222
731	Contractual Services - Engineering	0	0
732	Contractual Services - Accounting	6,800	(167)
733	Contractual Services - Legal	350	(49,999)
734	Contractual Services - Management Fees	360,728	439,913
735	Contractual Services - Testing	22,045	21,758
736	Contractual Services - Other	294,987	320,948
740	Rents - Building	26,783	23,505
742	Rents - Equipment	0	0
750	Transportation Expenses	11,725	11,269
756	Insurance - Vehicles	2,036	1,803
757	Insurance - General Liability	9,694	6,928
758	Insurance - Worker's Compensation	0	0
759	Insurance - Other	0	0
760	Advertising Expense	0	0
766	Regulatory Commission Expense - Rate Case	0	0
767	Regulatory Commission Expense - Other	0	0
770	Bad Debt Expense	1,763	2,925
775	Miscellaneous Expense	37,202	34,252
403	Depreciation Expense (From Schedule AR4)	395,030	418,337
407	Amortization of Regulatory Assets	114,333	66,694
408	Taxes Other Than Income	0	0
408.11	Property Taxes	50,684	52,492
408.12	Payroll Taxes	0	0
409	Income Taxes	312,354	104,907
	<b>Total Operating Expenses</b>	<b>\$1,988,309</b>	<b>\$1,831,236</b>
	<b>Operating Income / (Loss)</b>	<b>\$569,833</b>	<b>\$703,558</b>
	<b>Other Income / (Expense)</b>		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	0	0
420	AFUDC Income	13,125	(14,771)
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(729)	(14,658)
	<b>Total Other Income / (Expense)</b>	<b>\$12,396</b>	<b>(\$29,428)</b>
	<b>Net Income / (Loss)</b>	<b>\$582,229</b>	<b>\$674,130</b>

**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.

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	6/27/2019	NA	NA	NA
Source of Loan	Liberty Utilities Co.	NA	NA	NA
ACC Decision No.	75510	NA	NA	NA
Reason for Loan	Approved Capital Structure	NA	NA	NA
Dollar Amt. Issued	\$ 3,400,000	NA	NA	NA
Amount Outstanding	\$ 3,400,000	NA	NA	NA
Date of Maturity	6/24/2029	NA	NA	NA
Interest Rate	3.36%	NA	NA	NA
Current Year Interest	\$ -	NA	NA	NA
Current Year Principal	\$ -	NA	NA	NA

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.**



Wastewater Utility Plant Description	
Name of System:	Liberty Utilities (Black Mountain Sewer) Corp.
Wastewater Inventory Number (if applicable):	APP100351
Type of Treatment	Extended Aeration
Design Capacity of Plant (Gallons per day)	160000GPD BMSC Facility/318,000 GPD Scottsdale

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Commercial	2	23 HP	200	1080
CIE - No Longer Exists	N/A	N/A	N/A	N/A
Indian Rock	2	6.5	100	470
Sage Brush	2	4	45	470
Trade Center	2	10	174	1000
Sentinel Rock	2	15	370	1500
Carefree Highway	2	20	150	1525
Stage Coach Pass	2	5	50	470
Peaceful Place	2	3	15	470
Sunset Trails	2	20	150	2600
El Pedregal	2	10	185	2000
Ridgeview	2	7.5	100	470
Canyon Crossings - New	2	2	85	1000
Carefree Village	2	2.7	85	1760
Indian Basket	2	1	11	150
NA	NA	NA	NA	NA

FORCE MAINS		
Size	Material	Length (Feet)
Unknown	ACP/PVC/DIP	3,581
1.5 inch	ACP	2,660
2 inch	ACP	5,352
2.5 inch	PVC	164
3 inch	PVC	685
4 inch	PVC	7,263
6 inch	PVC	28,767
8 inch	PVC	625
10 inch	PVC	1,188

MANHOLES	
Type	Quantity
Standard	1,069
Drop	19

CLEANOUTS	
Quantity	
36	
NA	
NA	
NA	

**Note:** If you are filing for more than one system, please provide separate sheets for each system.

**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. Copy and paste this sheet as many times as is

Wastewater Utility Plant Description (Continued)					
GRAVITY MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	VCP/PVC/DIP/ABS	473	4	NA	2,074
6	VCP/PVC/DIP/ABS	12,457	6	NA	131
8	VCP/PVC/DIP/ABS	196,190	NA	NA	NA
10	VCP/PVC/DIP/ABS	3,145	NA	NA	NA
12	VCP/PVC/DIP/ABS	3,061	NA	NA	NA
15	VCP/PVC/DIP/ABS	1,708	NA	NA	NA
18	VCP/PVC/DIP/ABS	130	NA	NA	NA
21	VCP/PVC/DIP/ABS	74	NA	NA	NA
24	VCP/PVC/DIP/ABS	0	NA	NA	NA
30	VCP/PVC/DIP/ABS	0	NA	NA	NA
Unknown & 16	VCP/PVC/DIP/ABS	2,786	NA	NA	NA
2	VCP/PVC/DIP/ABS	473	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

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

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	N/A
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypochlorite
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Main Blower Bldg., Chlorine Bldg., Headworks Bldg., Concrete Black Wall (plant)
<b>Other</b> (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Odor Control Scrubber (Plant), Stand-by Generator (Portable); Lifting Crane Assembly; Chevy Pickup (x1); Ford Pickup (x2); Stand by Generators (Carefree Village, Commercial, New Trade Center)

**Note:** If you are filing for more than one system, please provide separate sheets for each system.

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Liberty Utilities (Black Mountain Sewer) Corp  
 Annual Report  
 Wastewater Flows  
 12/31/2017

Wastewater Flows				
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day WWTP	Sewage Flow on Peak Day COS Meter
January	2,175	6,740,000	137,000	319,000
February	2,184	5,449,000	153,000	328,000
March	2,189	7,634,000	158,000	346,000
April	2,196	6,280,000	160,000	311,000
May	2,204	5,716,000	130,000	265,000
June	2,201	5,185,000	146,000	227,000
July	2,204	5,209,000	135,000	226,000
August	2,196	4,826,000	143,000	240,000
September	2,200	4,809,000	144,000	265,000
October	2,201	5,250,000	144,000	441,000
November	2,204	5,665,000	147,000	348,000
December	2,207	6,247,000	128,000	260,000
<b>Totals</b>		<b>69,010,000</b>	<b>1,725,000</b>	<b>3,576,000</b>

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Other
Groundwater Permit Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	APP100351
ADEQ Reuse Permit Number	R105424
EPA NPDES Permil Number	NA
APP Effluent Treatment Requirement (Class)?	A+
Permitted Flow Rate	120000 GPD
Permitted Organic Capacity	NA
Hydraulic Capacity	NA
Type of Biological Treatment	N/A

In the space below, list all violations within the past 12 months:

NA
----

**Note:** If you are filing for more than one system, please provide separate sheets for each

- |   |
|---|
| 1 Enter the total purchased power costs for the power meters associated with this system. |
| 2 Enter the total purchased kWh used by the power meters associated with this system.     |

**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.

Liberty Utilities (Black Mountain Sewer) Corp  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/2017

<b>Utility Shutoffs / Disconnects</b>	
Name of System:	Liberty Utilities (Black Mountain Sewer) Corp.
Wastewater Inventory Number (if applicable):	APP100351

Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.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	1	0
November	0	0	0
December	0	3	0
<b>Total</b>	<b>0</b>	<b>4</b>	<b>0</b>

**Other (description):**

NA
----

**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.

Liberty Utilities (Black Mountain Sewer) Corp  
Annual Report  
Property Taxes  
12/31/2017

<b>Property Taxes</b>	
-----------------------	--

Amount of actual property taxes paid during Calendar Year 2017 was	\$50,684
--	----------

If no property taxes paid, explain why.

NA

**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.

**Verification and Sworn Statement (Taxes)**

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

County of (county name): Maricopa  
Name (owner or official) title: Crystal Greene, Vice President, Finance  
Company name: Liberty Utilities (Black Mountain Sewer) Corp

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

FOR THE YEAR ENDING: 12/31/2017

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.

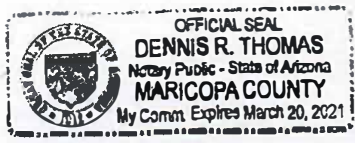
Crystal Greene  
signature of owner/official

623-298-3763  
telephone no.

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

THIS 08 DAY OF September 2020  
(month) and (year)

MY COMMISSION EXPIRES 03/20/2021  
(date)



[Signature]  
(signature of notary public)

**Verification and Sworn Statement**

**Verification:**

State of Arizona I, the undersigned of the  
(state name)  
County of (county name): Maricopa  
Name (owner or official) title: Crystal Greene, Vice President, Finance  
Company name: Liberty Utilities (Black Mountain Sewer) Corp

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

FOR THE YEAR ENDING: 12/31/2017

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 (\$)  
\$2,558,143  
(The amount in the box above includes  
\$0 in sales taxes  
billed or collected)

Crystal Greene  
signature of owner/official

623-298-3763  
telephone no.

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

THIS 08 DAY OF September 2020  
(month) and (year)  
Maricopa  
(county name)

MY COMMISSION EXPIRES 03/20/2021  
(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): Maricopa  
Name (owner or official) title: Crystal Greene, Vice President, Finance  
Company name: Liberty Utilities (Black Mountain Sewer) Corp

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

FOR THE YEAR ENDING: 12/31/2017

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 (\$)

\$2,159,421

(The amount in the box above includes

\$0 in sales taxes  
billed or collected)

Crystal Greene  
signature of owner/official

623-298-3763

telephone no.

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

Maricopa  
(county name)

THIS

08

DAY OF

September 2020  
(month) and (year)

MY COMMISSION EXPIRES

03/20/2021  
(date)



[Signature]  
signature of notary public)