

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: 12/31/15

**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: 12/31/15

Primary Address:
 City: State: Zip Code:

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:

Management Contact

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

On-Site Manager

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

NA

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

NA

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

Ownership:

Counties Served:

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	2,939,260	54,122	0	2,993,382	1,739,710	1,253,672
355	Power Generation Equipment	3,839	5,160	0	9,000	801	8,199
360	Collections Wastewater - Force	1,130,430	0	535	1,129,895	366,701	763,194
361	Collections Wastewater - Gravity	4,555,181	141,607	0	4,696,788	3,654,302	1,042,486
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	260,435	0	0	260,435	177,860	82,575
364	Flow Measuring Devices	31,668	0	0	31,668	31,668	0
365	Flow Measuring Installations	180,051	0	0	180,051	179,772	279
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	1,028,182	(254,251)	0	773,931	484,206	289,725
371	Pumping Equipment	1,023,485	78,647	7,735	1,094,397	780,996	313,401
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	320,285	17,285	0	337,570	126,373	211,197
381	Plant Sewers	124,527	(7,610)	0	116,917	116,917	(0)
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	959,832	7,610	0	967,442	723,664	243,778
390	Office Furniture and Equipment	227,290	(317)	0	226,973	184,606	42,367
390.1	Computer & Software	62,224	317	0	62,541	31,144	31,397
391	Transportation Equipment	80,215	5,590	0	85,805	63,156	22,648
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	28,942	1,327	0	30,269	6,134	24,135
394	Laboratory Equipment	10,683	0	0	10,683	7,966	2,717
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	103,290	14,786	0	118,076	53,768	64,308
397	Miscellaneous Equipment	0	6,892	0	6,892	345	6,547
398	Other Tangible Plant	486,294	0	0	486,294	461,980	24,314
	Totals	\$14,028,638	\$71,165	\$8,271	\$14,091,532	\$9,192,067	\$4,899,465

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)
12/31/15

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
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	2,939,260	54,122	0	2,993,382	0	2,993,382	3.33%	98,779
355	Power Generation Equipment	3,839	5,160	0	9,000	0	9,000	5.00%	321
360	Collections Wastewater - Force	1,130,430	0	535	1,129,895	0	1,129,895	2.00%	22,603
361	Collections Wastewater - Gravity	4,555,181	141,607	0	4,696,788	0	4,696,788	2.00%	92,520
362	Special Collecting Structures	0	0	0	0	0	0	2.00%	0
363	Services to Customers	260,435	0	0	260,435	0	260,435	2.00%	5,209
364	Flow Measuring Devices	31,668	0	0	31,668	31,668	0	10.00%	0
365	Flow Measuring Installations	180,051	0	0	180,051	0	180,051	10.00%	14,134
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	1,028,182	(254,251)	0	773,931	0	773,931	3.33%	30,005
371	Pumping Equipment	1,023,485	78,647	7,735	1,094,397	544,657	549,740	12.50%	63,802
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	2.50%	0
380	Treatment and Disposal Equipment	320,285	17,285	0	337,570	0	337,570	5.00%	16,446
381	Plant Sewers	124,527	(7,610)	0	116,917	116,917	(0)	5.00%	(7,610)
382	Outfall Sewer Lines	0	0	0	0	0	0	3.33%	0
389	Other Plant and Misc. Equipment	959,832	7,610	0	967,442	0	967,442	6.67%	64,275
390	Office Furniture and Equipment	227,290	(317)	0	226,973	0	226,973	6.67%	15,150
390.1	Computer & Software	62,224	317	0	62,541	0	62,541	20.00%	12,476
391	Transportation Equipment	80,215	5,590	0	85,805	52,063	33,742	20.00%	6,189
392	Stores Equipment	0	0	0	0	0	0	4.00%	0
393	Tools, Shop and Garage Equipment	28,942	1,327	0	30,269	0	30,269	5.00%	1,480
394	Laboratory Equipment	10,683	0	0	10,683	0	10,683	10.00%	689
395	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
396	Communication Equipment	103,290	14,786	0	118,076	0	118,076	10.00%	11,068
397	Miscellaneous Equipment	0	6,892	0	6,892	0	6,892	10.00%	345
398	Other Tangible Plant	486,294	0	0	486,294	0	486,294	10.00%	48,629
	Subtotal	\$14,028,638	\$71,165	\$8,271	\$14,091,532	\$1,217,829	\$12,873,703		\$496,510

Contribution(s) in Aid of Construction (Gross) \$6,803,669
Less: Non Amortizable Contribution(s) 0
Fully Amortized Contribution(s) 5,409,971
Amortizable Contribution(s) **\$1,393,698**
Times: Proposed Amortization Rate 3.83%
Amortization of CIAC \$57,906

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
 12/31/15

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2015)	Balance at End of Year (2015)
Account No.	Current and Accrued Assets			
131	Cash		(\$141,869)	(\$140,055)
132	Special Deposits		11,568	192,937
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		50,800	52,959
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		(15,194)	(8,319)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		9,493	8,025
173	Accrued Utility Revenue		8,063	27,064
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		(\$77,138)	\$132,610
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$4,774	\$4,774
186.2	Other Deferred Debits		0	0
	Total Deferred Debits		\$4,774	\$4,774
	Fixed Assets			
101	Utility Plant in Service*		\$14,028,638	\$14,091,532
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,483,674	1,834,260
108	Accumulated Depreciation (enter as negative)*		(8,754,626)	(9,192,067)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$6,757,685	\$6,733,726
	Total Assets		\$6,685,321	\$6,871,110

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.

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

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2015)	Balance at End of Year (2015)
Account No.	Current Liabilities			
231	Accounts Payable		\$0	(\$602)
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		385,190	1,549,628
235	Customer Deposits		0	0
236	Accrued Taxes		279,698	180,044
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		391,018	340,492
	Total Current Liabilities		\$1,055,906	\$2,069,562
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction		\$1,899,656	\$1,510,174
253	Other Deferred Credits		162,996	204,612
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		6,445,253	6,803,669
272	Less: Amortization of Contributions		(5,349,760)	(5,409,971)
281	Accumulated Deferred Income Tax		(102,022)	(118,471)
	Total Deferred Credits		\$3,056,123	\$2,990,013
	Total Liabilities		\$4,112,029	\$5,059,575
	Capital Accounts			
201	Common Stock Issued		\$1,009,680	\$1,009,680
211	Other Paid-In Capital		0	0
215	Retained Earnings		1,563,612	801,856
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$2,573,292	\$1,811,535
	Total Liabilities and Capital		\$6,685,321	\$6,871,110

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
12/31/15

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2015 - 12/31/2015	Last Year 01/01/2014 - 12/31/2014
	Operating Revenue		
521	Flat Rate Revenues	2,288,422.87	\$2,218,964
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	10,268	11,098
	Total Revenues	\$2,298,691	\$2,230,062
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	6,440	5,647
711	Sludge Removal Expense	675	0
715	Purchased Power	57,439	65,112
716	Fuel for Power Production	0	0
718	Chemicals	14,325	19,215
720	Materials and Supplies	16,153	23,875
720.1	Materials and Supplies - Collection Maint.	0	0
720.2	Office Supplies and Expense	0	0
721	Office Expense	12,409	9,756
731	Contractual Services - Engineering	13,257	0
732	Contractual Services - Accounting	39	0
733	Contractual Services - Legal	287,366	24,656
734	Contractual Services - Management Fees	272,920	299,038
735	Contractual Services - Testing	13,307	8,117
736	Contractual Services - Other	644,519	583,133
740	Rents - Building	23,695	22,132
742	Rents - Equipment	0	1,675
750	Transportation Expenses	16,842	15,371
756	Insurance - Vehicles	1,471	2,236
757	Insurance - General Liability	8,328	9,484
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	29,443
770	Bad Debt Expense	(2,858)	5,373
775	Miscellaneous Expense	43,378	43,613
403	Depreciation Expense (From Schedule AR4)	438,604	458,625
407	Amortization of Regulatory Assets	0	0
408	Taxes Other Than Income	0	0
408.11	Property Taxes	51,653	47,904
408.12	Payroll Taxes	0	0
409	Income Taxes	61,573	177,676
	Total Operating Expenses	\$1,981,535	\$1,852,080
	Operating Income / (Loss)	\$317,156	\$377,983
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	0	0
420	AFUDC Income	91,036	8,893
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(30,310)	(39,801)
	Total Other Income / (Expense)	\$60,726	(\$30,908)
	Net Income / (Loss)	\$377,882	\$347,075

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.

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	0	0	0	0
Amount Outstanding	0	0	0	0
Date of Maturity	NA	NA	NA	NA
Interest Rate	NA	NA	NA	NA
Current Year Interest	0	0	0	0
Current Year Principal	0	0	0	0

Meter Deposit Balance at Test Year End:	\$0
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Meter Deposits Refunded During the Test Year:	\$0
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

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)	160,000 GPD 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	7.5 HP	705	1080
CIE - No Longer Exists	N/A	N/A	N/A	N/A
Indian Rock	2	6.5	100	470
Sage Brush	2	3	N/A	470
Trade Center	2	10	N/A	200
Sentinel Rock	2	15	370	1500
Carefree Highway	2	20	350	1525
Stage Coach Pass	2	5	50	470
Peaceful Place	2	3	15	470
Sunset Trails	2	20	290	2600
El Pedregal	2	10	185	2000
Ridgeview	2	7.5	100	470
Canyon Crossings - New River	2	2	85	300
Carefree Village	2	2.7	85	1760
Indian Basket	2	1	11	150

FORCE MAINS		
Size	Material	Length (Feet)
3 inch	ACP	915
4 inch	ACP	9,366
6 inch	ACP	7,460
1.25 inch	PVC	725
1.5 inch	PVC	5,384
2 inch	PVC	4,155
4 inch	PVC	2,390
6 inch	PVC	10,353
8 inch	PVC	12,479
4 inch	DIP	3,000
6 inch	DIP	1,135

MANHOLES	
Type	Quantity
Standard	1,043
Drop	17

CLEANOUTS	
Quantity	
	30
	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 necessary.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	ABS	1,263	4	NA	2,034
12	ABS	9,343	6	NA	131
6	VCP	12,760	NA	NA	NA
8	VCP	71,673	NA	NA	NA
10	VCP	7,675	NA	NA	NA
15	VCP	1,900	NA	NA	NA
6	PVC	3,046	NA	NA	NA
8	PVC	90,912	NA	NA	NA
10	PVC	3,455	NA	NA	NA
12	PVC	565	NA	NA	NA
15	PVC	6,735	NA	NA	NA
6	Ductile Iron (DIP)	85	NA	NA	NA
8	Ductile Iron (DIP)	1,320	NA	NA	NA
15	Ductile Iron (DIP)	165	NA	NA	NA
18	CIP	130	NA	NA	NA
21	CIP	74	NA	NA	NA

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

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypochlorite
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Main Blower Bldg., Chlorine Bldg., Headworks Bldg., Concrete Black Wall (plant)
Other (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.

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 necessary.

Liberty Utilities (Black Mountain Sewer) Corp
 Annual Report
 Wastewater Flows
 12/31/15

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	2,077	12,079,503	135,000	280,500
February	2,100	11,489,000	138,000	290,464
March	2,103	13,160,927	176,000	304,611
April	2,101	11,627,793	147,000	269,426
May	2,099	10,873,128	147,000	238,069
June	2,094	9,600,195	146,000	207,240
July	2,092	9,875,835	127,000	205,220
August	2,104	9,699,455	136,000	194,724
September	2,102	9,420,016	135,000	200,001
October	2,112	10,643,699	138,000	223,926
November	2,122	10,218,444	122,000	231,548
December	2,131	10,469,325	105,000	247,043
Totals		129,157,320	1,652,000	2,892,772

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
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)?	NA
Permitted Flow Rate	NA
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
 12/31/15

Utility Shutoffs / Disconnects	
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	8	0
February	0	1	0
March	0	2	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	18	0
December	0	0	0
Total	0	29	0

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
12/31/15

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2015 was	
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	\$51,653
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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 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: 12/31/15

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

signature of owner/official

623-298-3744

telephone no.

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

THIS _____

DAY OF _____

(county name)

(month) and (year)

MY COMMISSION EXPIRES _____

(date)

(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: 12/31/15

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 (\$)

\$2,298,691

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

signature of owner/official

623-298-3744

telephone no.

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

THIS _____ DAY OF _____
(county name)
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(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: 12/31/15

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 (\$)

\$1,620,190

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

signature of owner/official

623-298-3744

telephone no.

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

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)