

ANNUAL REPORT

Of

Company Name: Sweetwater Creek Utilities, Inc.
3328 Rising Sun Rdg

Mailing Address: Wickenburg AZ
85390

Docket No.: SW-03036A
For the Year Ended: 12/31/17

RECEIVED
APR 09 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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: Original Filing
Application Date: 041518

4-10-18

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Sweetwater Creek Utilities, Inc.
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

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

6. On-Site Manager:

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

7. Ownership:

8. Counties Served:

Sweetwater Creek Utilities, Inc.
Annual Report
Utility Plant in Service (Wastewater)
12/31/17

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)
351	Organization	\$13,462	\$0	\$0	\$13,462	\$13,462	\$0
352	Franchises	0	\$0	0	0	0	0
353	Land and Land Rights	44,000	\$0	0	44,000	0	44,000
354	Structures and Improvements	105,293	\$0	0	105,293	103,036	2,257
355	Power Generation Equipment	0	\$0	0	0	0	0
360	Collections Wastewater - Force	0	\$0	0	0	0	0
361	Collections Wastewater - Gravity	129,324	\$0	0	129,324	129,324	0
362	Special Collecting Structures	0	\$0	0	0	0	0
363	Services to Customers	31,630	\$0	0	31,630	31,630	0
364	Flow Measuring Devices	4,020	\$0	0	4,020	3,925	95
365	Flow Measuring Installations	1,000	\$0	0	1,000	1,000	0
366	Reuse Services	0	\$0	0	0	0	0
367	Reuse Meters & Meter Installations	0	\$0	0	0	0	0
370	Receiving Wells	21,500	\$0	0	21,500	21,500	0
371	Pumping Equipment	0	\$0	0	0	0	0
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	677,826	8,062	0	685,888	521,096	164,792
381	Plant Sewers	2,661	0	0	2,661	2,661	0
382	Outfall Sewer Lines	10,673	0	0	10,673	10,673	0
389	Other Plant and Misc. Equipment	0	0	0	0	0	0
390	Office Furniture and Equipment	4,085	0	0	4,085	3,506	579
390.1	Computer & Software	0	0	0	0	0	0
391	Transportation Equipment	0	0	0	0	0	0
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	0
394	Laboratory Equipment	8,016	0	0	8,016	6,563	1,453
395	Power Operated Equipment	7,791	0	0	7,791	4,460	3,331
396	Communication Equipment	0	0	0	0	0	0
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$1,061,281	\$8,062	\$0	\$1,069,343	\$852,836	\$216,507

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.

Sweetwater Creek Utilities, Inc.
Annual Report
Depreciation Expense for the Current Year (Wastewater)
12/31/17

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	Depreciation Percentages	Depreciation Expense
351	Organization	\$13,462	\$0	\$0	\$13,462	\$0	0.91%	\$123
352	Franchises	0	0	0	0	0	0.00%	0
353	Land and Land Rights	44,000	0	0	44,000	0	0.00%	0
354	Structures and Improvements	105,293	0	0	105,293	0	5.00%	5,265
355	Power Generation Equipment	0	0	0	0	0	0.00%	0
360	Collections Wastewater - Force	0	0	0	0	0	0.00%	0
361	Collections Wastewater - Gravity	129,324	0	0	129,324	0	1.41%	1,829
362	Special Collecting Structures	0	0	0	0	0	0.00%	0
363	Services to Customers	31,630	0	0	31,630	0	0.91%	287
364	Flow Measuring Devices	4,020	0	0	4,020	0	5.00%	201
365	Flow Measuring Installations	1,000	0	0	1,000	0	7.40%	74
366	Reuse Services	0	0	0	0	0	0.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0.00%	0
370	Receiving Wells	21,500	0	0	21,500	0	0.91%	196
371	Pumping Equipment	0	0	0	0	0	0.00%	0
374	Reuse Distribution Reservoirs	0	0	0	0	0	0.00%	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0.00%	0
380	Treatment and Disposal Equipment	677,826	8,062	0	685,888	0	5.00%	34,093
381	Plant Sewers	2,661	0	0	2,661	0	3.04%	81
382	Outfall Sewer Lines	10,673	0	0	10,673	0	0.90%	96
389	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
390	Office Furniture and Equipment	4,085	0	0	4,085	0	5.00%	204
390.1	Computer & Software	0	0	0	0	0	0.00%	0
391	Transportation Equipment	0	0	0	0	0	0.00%	0
392	Stores Equipment	0	0	0	0	0	0.00%	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
394	Laboratory Equipment	8,016	0	0	8,016	0	5.00%	401
395	Power Operated Equipment	7,791	0	0	7,791	0	5.00%	390
396	Communication Equipment	0	0	0	0	0	0.00%	0
397	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
398	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$1,061,281	\$8,062	\$0	\$1,069,343	\$0		\$43,238

Contribution(s) in Aid of Construction (Gross)	\$689,477
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$689,477
Times: Proposed Amortization Rate	4.04%
Amortization of CIAC	\$27,879
Less: Amortization of CIAC	\$27,879
DEPRECIATION EXPENSE	\$15,360

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.

Sweetwater Creek Utilities, Inc.
Annual Report
Balance Sheet Assets
12/31/17

Balance Sheet Assets				
Account No.	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
	Current and Accrued Assets			
131	Cash		\$26,648	\$37,214
132	Special Deposits		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		19,387	22,220
142	Other Accounts Receivable		0	0
143	Accumulated Provision for Uncollectable Accounts		0	0
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
173	Accrued Utility Revenue		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$46,035	\$59,434
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$1,061,281	\$1,069,343
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(809,602)	(852,836)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$251,679	\$216,507
	Total Assets		\$297,714	\$275,941

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.

Sweetwater Creek Utilities, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current Liabilities			
231	Accounts Payable		\$11,062	\$11,024
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		14,362	15,447
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		52	0
253	Other Deferred Credits		0	0
	Total Current Liabilities		\$25,476	\$26,471
	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		\$0	\$0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		689,477	689,477
272	Less: Amortization of Contributions		(635,078)	(662,957)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$54,399	\$26,520
	Total Liabilities		\$79,875	\$52,991
	Capital Accounts			
201	Common Stock Issued		(\$97,917)	(\$97,917)
211	Other Paid-In Capital		171,993	171,993
215	Retained Earnings		143,763	148,874
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$217,839	\$222,950
	Total Liabilities and Capital		\$297,714	\$275,941

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!

Sweetwater Creek Utilities, Inc.
Annual Report
Wastewater Comparative Income Statement
12/31/17

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
521	Flat Rate Revenues	\$206,072	\$207,492
522	Measured Revenues		
534	Rents from Wastewater Property		
536	Other Wastewater Revenues	8,933	8,663
	Total Revenues	\$215,005	\$216,155
	Operating Expenses		
701	Salaries and Wages		
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	2,100	13,130
715	Purchased Power	29,184	30,117
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies	19,563	16,695
720.1	Repairs and Maintenance	4,800	1,450
720.2	Office Supplies and Expense		
721	Office Expense		
731	Contractual Services - Engineering		
732	Contractual Services - Accounting		5,000
733	Contractual Services - Legal		
734	Contractual Services - Management Fees		
735	Contractual Services - Testing	5,073	9,578
736	Contractual Services - Other	109,150	100,013
740	Rents - Building		
742	Rents - Equipment		
750	Transportation Expenses	1,020	1,020
757	Insurance - General Liability		
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case		
767	Regulatory Commission Expense - Other		
770	Bad Debt Expense		
775	Miscellaneous Expense	11,813	18,852
403	Depreciation Expense (From Schedule AR4)	15,360	17,689
408	Taxes Other Than Income		
408.11	Property Taxes	11,847	12,061
408.12	Payroll Taxes		
409	Income Taxes		
	Total Operating Expenses	\$209,910	\$225,605
	Operating Income / (Loss)	\$5,095	(\$9,450)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions		
419	Interest and Dividend Income	7	
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$7	\$0
	Net Income / (Loss)	\$5,102	(\$9,450)

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.

Sweetwater Creek Utilities, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/17

Supplemental Financial Data (Long-Term Debt)				
	Loan # 1	Loan # 2	Loan # 3	Loan # 4
Date Issued	None	None	None	None
Source of Loan	0	0	0	0
ACC Decision No.	0	0	0	0
Reason for Loan	0	0	0	0
Dollar Amt. Issued	\$0	\$0	\$0	\$0
Amount Outstanding	\$0	\$0	\$0	\$0
Date of Maturity	1/0/1900	1/0/1900	1/0/1900	1/0/1900
Interest Rate	0.00%	0.00%	0.00%	0.00%
Current Year Interest	\$0	\$0	\$0	\$0
Current Year Principal	\$0	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$15,447
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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:	Sweetwater WWTP		
Wastewater Inventory Number (if applicable):		102846	
Type of Treatment	Extended Aeration		
Design Capacity of Plant (Gallons per day)		126000	

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
10363 S Union Yuma Az	2	10.1	450	3100
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0
NA	0	0	0	0

FORCE MAINS

Size	Material	Length (Feet)
4 inch	PVC	100
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0
NA	NA	0

MANHOLES	
Type	Quantity
Standard	57
Drop	0

CLEANOUTS
Quantity
0
0
0
0

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
8	PVC	15,426	NA	NA	0
10	PVC	30	NA	NA	0
12	PVC	5,050	NA	NA	0
15	PVC	1,089	NA	NA	0
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			
NA	NA	0			

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

SOLIDS PROCESSING AND HANDLING FACILITIES	Two aerated sludge holding tanks/digesters.
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	One chlorine contact basin with liquid chlorine feed system.
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	None
STRUCTURES (Buildings, Fences, Etc.)	One stucco on site operations/control building. Chain link fence around perimeter.
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Laboratory /process control testing equipment. One portable trash pump and backup solids handling pump.

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.

Sweetwater Creek Utilities, Inc.
 Annual Report
 Wastewater Flows
 12/31/17

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	581	2,260	0.092		0
February	580	1,560	0.094		0
March	581	1,560	0.094		0
April	583	1,560	0.094		0
May	583	1,560	0.094		0
June	583	*	*		0
July	583	1,560	0.094		0
August	583	1,560	0.094		0
September	583	1,560	0.094		0
October	581	3,530	0.254		0
November	582	2,330	0.100		0
December	583	2,280	0.086		0
	Totals	21,320	1,344	\$0	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Evaporation Ponds
Groundwater Permit Number	None
ADEQ Aquifer Protection Permit ("APP") Number	P102846
ADEQ Reuse Permit Number	None
EPA NPDES Permil Number	None
APP Effluent Treatment Requirement (Class)?	None

* - flow meter failed and was being replaced.

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

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.

Sweetwater Creek Utilities, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

Name of System:	Sweetwater WWTP
Wastewater Inventory Number (if applicable):	102846

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	6	6
February	0	4	5
March	0	7	5
April	1	6	7
May	0	6	3
June	1	4	4
July	1	10	6
August	0	3	2
September	0	5	9
October	1	4	5
November	1	0	8
December	0	0	1
Total	5	55	61

Other (description):

None

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

Amount of actual property taxes paid during Calendar Year 2017 was

\$11,847

If no property taxes paid, explain why.

NA

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): Maricopa
Name (owner or official) title: Dwight L Zemp
Company name: Sweetwater Creek Utilities, Inc.

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

FOR THE YEAR ENDING: 12/31/17

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.

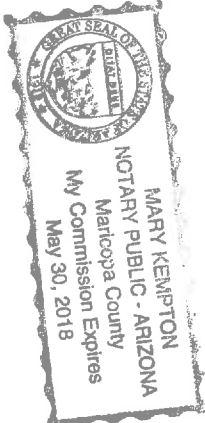
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APR 09 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Dwight L Zemp
signature of owner/official

303 899-4977
telephone no.



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

THIS 3 DAY OF April 2018
(month) and (year)

MY COMMISSION EXPIRES 5-30-18
(date)

Mary Kempton
(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: Dwight L Zemp
Company name: Sweetwater Creek Utilities, Inc.

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)
\$215,005
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

signature of owner/official

303 899-4977
telephone no.

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

THIS _____ DAY OF _____
(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: Dwight L Zemp
Company name: Sweetwater Creek Utilities, Inc.

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

\$215,005

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

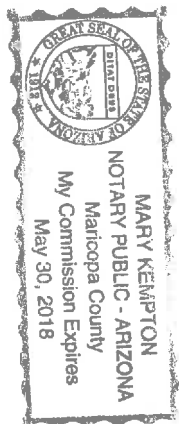
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APR 09 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Dwight Zemp
signature of owner/official

303 899-4977
telephone no.



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

Maricopa
(county name)

THIS 3 DAY OF March 2018
(month) and (year)

MY COMMISSION EXPIRES 5-30-18
(date)

Mary Kempton
signature of notary public