

ANNUAL REPORT

Of

Company Name:
2200 E. River Rd., Ste. 115

Mailing Address: Tucson AZ
85718

Docket No.:
For the Year Ended:

RECEIVED

MAR 15 2017

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefafuente@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:
Application Date:

3-16-17

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Red Rock Utilities, LLC
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:

Red Rock Utilities, LLC
Annual Report
Utility Plant in Service (Wastewater)
12/31/16

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	\$11,983	\$0	\$0	\$11,983	\$0	\$11,983
352	Franchises	59,751	0	0	59,751	0	59,751
353	Land and Land Rights	6,538	0	0	6,538	0	6,538
354	Structures and Improvements	3,086,545	0	0	3,086,545	1,078,422	2,008,123
355	Power Generation Equipment	31,432	0	0	31,432	16,502	14,930
360	Collections Wastewater - Force	0	0	0	0	0	0
361	Collections Wastewater - Gravity	5,978,394	0	0	5,978,394	1,046,105	4,932,289
362	Special Collecting Structures	0	0	0	0	0	0
363	Services to Customers	0	0	0	0	0	0
364	Flow Measuring Devices	0	0	0	0	0	0
365	Flow Measuring Installations	0	0	0	0	0	0
366	Reuse Services	26,931	0	0	26,931	4,550	22,381
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	0	0	0	0	0	0
371	Pumping Equipment	49,042	0	0	49,042	49,042	0
374	Reuse Distribution Reservoirs	280,411	0	0	280,411	52,186	228,225
375	Reuse Trans. And Distr. Equipment	625,073	0	0	625,073	129,712	495,361
380	Treatment and Disposal Equipment	2,151,196	16,999	0	2,168,195	1,011,315	1,156,880
381	Plant Sewers	0	0	0	0	0	0
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	0	0	0	0	0	0
390	Office Furniture and Equipment	10,039	0	0	10,039	6,422	3,617
390.1	Computer & Software	0	0	0	0	0	0
391	Transportation Equipment	8,224	0	0	8,224	8,224	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	0
394	Laboratory Equipment	25,454	0	0	25,454	7,231	18,223
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	882	0	0	882	882	0
397	Miscellaneous Equipment	0	0	0	0	0	0
398	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$12,351,895	\$16,999	\$0	\$12,368,894	\$3,410,593	\$8,958,301

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.

Red Rock Utilities, LLC
 Annual Report
 Depreciation Expense for the Current Year (Wastewater)
 12/31/16

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	\$11,983	\$0	\$0	\$11,983	\$11,983	0.00%	\$0
352	Franchises	59,751	0	0	59,751	59,751	0.00%	0
353	Land and Land Rights	6,538	0	0	6,538	6,538	0.00%	0
354	Structures and Improvements	3,086,545	0	0	3,086,545	0	3.33%	102,782
355	Power Generation Equipment	31,432	0	0	31,432	0	5.00%	1,572
360	Collections Wastewater - Force	0	0	0	0	0	2.00%	0
361	Collections Wastewater - Gravity	5,978,394	0	0	5,978,394	0	2.00%	119,568
362	Special Collecting Structures	0	0	0	0	0	2.00%	0
363	Services to Customers	0	0	0	0	0	2.00%	0
364	Flow Measuring Devices	0	0	0	0	0	10.00%	0
365	Flow Measuring Installations	0	0	0	0	0	0.00%	0
366	Reuse Services	26,931	0	0	26,931	0	2.00%	539
367	Reuse Meters & Meter Installations	0	0	0	0	0	8.33%	0
370	Receiving Wells	0	0	0	0	0	3.33%	0
371	Pumping Equipment	49,042	0	0	49,042	49,042	12.50%	0
374	Reuse Distribution Reservoirs	280,411	0	0	280,411	0	2.50%	7,010
375	Reuse Trans. And Distr. Equipment	625,073	0	0	625,073	0	2.50%	15,627
380	Treatment and Disposal Equipment	2,151,196	16,999	0	2,168,195	0	5.00%	107,985
381	Plant Sewers	0	0	0	0	0	5.00%	0
382	Outfall Sewer Lines	0	0	0	0	0	3.33%	0
389	Other Plant and Misc. Equipment	0	0	0	0	0	6.67%	0
390	Office Furniture and Equipment	10,039	0	0	10,039	0	6.67%	670
390.1	Computer & Software	0	0	0	0	0	20.00%	0
391	Transportation Equipment	8,224	0	0	8,224	8,224	20.00%	0
393	Tools, Shop and Garage Equipment	0	0	0	0	0	5.00%	0
394	Laboratory Equipment	25,454	0	0	25,454	0	10.00%	2,545
395	Power Operated Equipment	0	0	0	0	0	0.00%	0
396	Communication Equipment	882	0	0	882	440	10.00%	44
397	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
398	Other Tangible Plant	0	0	0	0	0	10.00%	0
	Subtotal	\$12,351,895	\$16,999	\$0	\$12,368,894	\$135,978		\$358,341

Contribution(s) in Aid of Construction (Gross) \$549,043
 Less: Non Amortizable Contribution(s) 0
 Fully Amortized Contribution(s) 0
 Amortizable Contribution(s) \$549,043
 Times: Proposed Amortization Rate 2.93%
 Amortization of CIAC \$16,083

Less: Amortization of CIAC

DEPRECIATION EXPENSE

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.

Red Rock Utilities, LLC
 Annual Report
 Balance Sheet Assets
 12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		\$22,343	\$386
132	Special Deposits		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		27,028	45,399
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		\$49,371	\$45,785
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$12,351,895	\$12,368,894
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(3,052,252)	(3,410,593)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$9,299,643	\$8,958,301
	Total Assets		\$9,349,014	\$9,004,086

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.

Red Rock Utilities, LLC
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current Liabilities			
231	Accounts Payable		(\$770)	(\$770)
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		16,945	15,875
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		0	0
253	Other Deferred Credits		0	0
	Total Current Liabilities		\$16,175	\$15,105
	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		5,611,394	5,567,476
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		549,043	549,043
272	Less: Amortization of Contributions		(71,376)	(87,459)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$6,089,061	\$6,029,060
	Total Liabilities		\$6,105,236	\$6,044,165
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		0	0
218	Proprietary Capital (Sole Props and Partnerships)		3,243,778	2,959,921
	Total Capital		\$3,243,778	\$2,959,921
	Total Liabilities and Capital		\$9,349,014	\$9,004,086

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!

Red Rock Utilities, LLC
Annual Report
Wastewater Comparative Income Statement
12/31/16

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	Operating Revenue		
521	Flat Rate Revenues	\$458,640	\$348,903
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
539	Other Wastewater Revenues	14,534	17,587
	Total Revenues	\$473,174	\$366,490
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	0	0
711	Sludge Removal Expense	0	0
715	Purchased Power	57,823	30,099
716	Fuel for Power Production	0	0
718	Chemicals	5,885	5,083
720	Materials and Supplies	8,858	14,520
721	Office Expense	3,752	0
731	Contractual Services -Engineering	2,074	500
732	Contractual Services - Accounting	27,080	23,354
733	Contractual Services - Legal	3,570	10,820
734	Contractual Services - Management Fees	50,000	50,000
735	Contractual Services - Testing	33,423	27,787
736	Contractual Services - Other	228,940	235,036
740	Rents - Building	0	0
742	Rents - Equipment	0	0
750	Transportation Expenses	0	0
757	Insurance - General Liability	16,537	16,125
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	0	0
775	Miscellaneous Expense	15,968	14,680
403	Depreciation Expense (From Schedule AR4)	342,258	346,081
408	Taxes Other Than Income	0	0
408.11	Property Taxes	31,750	33,890
408.12	Payroll Taxes	0	0
409	Income Taxes	0	0
	Total Operating Expenses	\$827,918	\$807,975
	Operating Income / (Loss)	(\$354,744)	(\$441,485)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	0	0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$354,744)	(\$441,485)

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	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	None	None	None	None
Interest Rate	0.00%	100.00%	200.00%	300.00%
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:	Red Rock Utilities, LLC
Wastewater Inventory Number (if applicable):	105421
Type of Treatment	Other
Design Capacity of Plant (Gallons per day)	300,000

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
33786 Spirit Lane (WRF)	2	15	625	4680
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

FORCE MAINS		
Size	Material	Length (Feet)
8 Inch	Ductile Iron	60
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0

MANHOLES	
Type	Quantity
Standard	155
Drop	0

CLEANOUTS
Quantity
6
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
4	0	0	4	PVC	831
6	0	0	6	PVC	2
8	SDR 35 PVC	58,128	8	0	0
10	0	0	12	0	0
12	SDR 35 PVC	2,670	15	0	0
15	SDR 35 PVC	1,542	0	0	0
18	SDR 15 PVC	6,314	0	0	0
21	0	0	0	0	0
24	Ductile Iron (DIP)	60	0	0	0
30	0	0	0	0	0
18	Ductile Iron (DIP)	308	0	0	0
0	0	0	0	0	0

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

SOLIDS PROCESSING AND HANDLING FACILITIES	Noxon Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sun Light Systems Ultra Violet Light
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Miami Filters Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Red Rock WRF Operations Building
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Incubator, Muffle Furnace, Laboratory, Refrigerator, Oven, Nitrate Analyzer, PH Analyzer, Electronic Scale, Generac 350 KW Standby Generator

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.

Red Rock Utilities, LLC
 Annual Report
 Wastewater Flows
 12/31/16

Wastewater Flows			
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day
January	714	2,544,000	116,000
February	717	2,319,000	103,000
March	718	2,476,000	103,000
April	718	2,426,000	116,000
May	721	2,429,000	97,000
June	721	2,297,000	95,000
July	732	2,418,000	96,000
August	746	2,541,000	121,000
September	751	2,488,000	135,000
October	755	2,492,000	100,000
November	759	2,594,000	110,000
December	761	2,778,000	109,000
	Totals	29,802,000	1,301,000

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	none
ADEQ Aquifer Protection Permit ("APP") Number	P-105621
ADEQ Reuse Permit Number	R105978
EPA NPDES Permil Number	AZMW25143
APP Effluent Treatment Requirement (Class)?	Class A

None

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 relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Red Rock Utilities, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Name of System:	Red Rock Utilities, LLC
Wastewater Inventory Number (if applicable):	105421

Utility Shutoffs / Disconnects			
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	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

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.

Red Rock Utilities, LLC
Annual Report
Property Taxes
12/31/16

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$32,820

If no property taxes paid, explain why.
none

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 Statement (Taxes)

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

County of (county name): Pima
Name (owner or official) title: Mark Weinberg, Vice President Diamond Ventures, Inc
Company name: Red Rock Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/16

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.

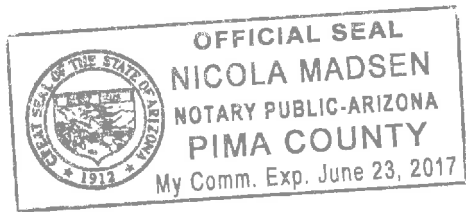
RECEIVED
MAR 15 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]
signature of owner/official
520-577-0200
telephone no.

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

THIS 9th DAY OF PIMA
MARCH, 2017
(month) and (year)

MY COMMISSION EXPIRES 6/23/17
(date)



Nicola Madsen
(signature of notary public)

Verification and Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Pima
Name (owner or official) title: Mark Weinberg, Vice President Diamond Ventures, Inc
Company name: Red Rock Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)
\$473,174
(The amount in the box above includes
\$0 in sales taxes
billed or collected)

RECEIVED
MAR 15 2017
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Handwritten Signature]

signature of owner/official

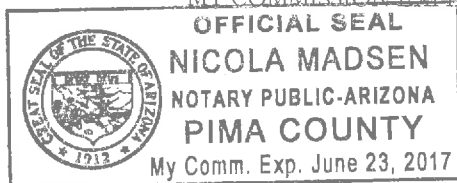
520-577-0200
telephone no.

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

THIS 9th DAY OF PIMA
MARCH, 2017
(month) and (year)

MY COMMISSION EXPIRES

6/23/17
(date)



Nicola Madsen
(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Pima
Name (owner or official) title: Mark Weinberg, Vice President Diamond Venture
Company name: Red Rock Utilities, LLC

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)

\$452,478

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

RECEIVED

MAR 15 2017

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]
signature of owner/official

520-577-0200
telephone no.

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

PIMA

(county name)

THIS

9th

DAY OF

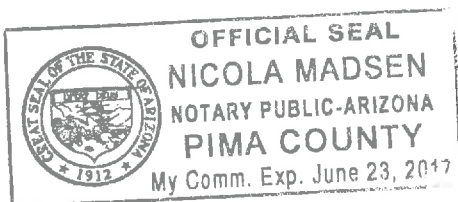
MARCH, 2017

(month) and (year)

MY COMMISSION EXPIRES

6/23/17

(date)



[Signature]
(signature of notary public)



Pinal County Treasurer

PO Box 729, Florence, AZ 85132-0729

Tax Receipt

Paid By: ATTN: MARK WEINBERG
 RED ROCK UTILITIES LLC
 2200 EAST RIVER RD STE 115
 2200 EAST RIVER ROAD STE 115
 TUCSON, AZ 85718

Batch: 9282989
 Payment Date: 4/25/2016
 Interest Date: 4/25/2016
 As Of Date: 2/16/2017

Receipt Total: \$16,944.83

Parcel Number 9420050008			
2015	Paid	Due	Due By
Taxes Billed: \$33,889.66	Tax \$16,944.83	Full Year Tax \$0.00	
	Total \$16,944.83	Int/Fees \$0.00	
		Due \$0.00	
Parcel Payment: \$16,944.83		Total Due:	
Property Desc: TOTAL VALUE OF OPERATING PROPERTY 410-11-001-E 6,650 410-11-001-J 5,000 410-11-001-K 5,000 410-12-001-E 3,936			
Situs Address: AZ			

Make checks payable to: Pinal County Treasurer
 PO Box 729
 Florence, AZ 85132-0729

Pay online: <https://treasurer.pinalcountyaz.gov/parcelinquiry>



Pinal County Treasurer

PO Box 729, Florence, AZ 85132-0729

Tax Receipt

Paid By: ATTN: ORACLE HIGHLANDS LLC
RED ROCK UTILITIES LLC
2200 E RIVER RD STE 115
TUCSON, AZ 85718

Batch: 9300423
Payment Date: 10/26/2016
Interest Date: 10/26/2016
As Of Date: 2/16/2017

Receipt Total: \$15,874.99

Parcel Number 9420050008							
2016	Paid		Due			Due By	
Taxes Billed: \$31,749.98	Tax	\$15,874.99	2nd Half	Tax	\$15,874.99		
	Total	\$15,874.99		Int/Fees	\$0.00		
				Due	\$15,874.99	05/01/17	
Parcel Payment:		\$15,874.99	Total Due:				
Property Desc: TOTAL VALUE OF OPERATING PROPERTY 410-11-001-E 001-K 5,000 410-12-001-E 3,936				6,650 410-11-001-J 5,000 410-11-			
Situs Address: AZ							

Make checks payable to: Pinal County Treasurer
PO Box 729
Florence, AZ 85132-0729

Pay online: <https://treasurer.pinalcountyyaz.gov/parcelinquiry>