

**ANNUAL REPORT**

Of

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

Mailing Address: Tucson AZ  
85718

Docket No.:   
For the Year Ended:

**RECEIVED**  
**MAR 20 2018**  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WASTEWATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdefuente@azcc.gov](mailto:rdefuente@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:

3-20-18

ARIZONA CORPORATION COMMISSION  
WASTEWATER UTILITY ANNUAL REPORT  
Red Rock Utilities, LLC  
A Class  A  Utility

1. For the Calendar Year Ended: 12/31/17

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:

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	1,181,204	1,905,341
355	Power Generation Equipment	31,432	0	0	31,432	18,073	13,359
360	Collections Wastewater - Force	0	0	0	0	0	0
361	Collections Wastewater - Gravity	5,978,394	0	0	5,978,394	1,165,673	4,812,721
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	5,089	21,842
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	59,197	221,214
375	Reuse Trans. And Distr. Equipment	625,073	0	0	625,073	145,338	479,735
380	Treatment and Disposal Equipment	2,168,195	9,418	0	2,177,613	1,119,960	1,057,653
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	7,091	2,948
390.1	Computer & Software	0	0	0	0	0	0
391	Transportation Equipment	8,224	0	0	8,224	8,224	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	25,454	0	0	25,454	9,776	15,678
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
	<b>Totals</b>	<b>\$12,368,894</b>	<b>\$9,418</b>	<b>\$0</b>	<b>\$12,378,312</b>	<b>\$3,769,550</b>	<b>\$8,608,762</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.

Red Rock Utilities, LLC

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	\$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	2,168,195	9,418	0	2,177,613	0	5.00%	108,645
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
392	Stores Equipment	0	0	0	0	0	0.00%	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	882	10.00%	0
397	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
398	Other Tangible Plant	0	0	0	0	0	10.00%	0
	<b>Subtotal</b>	\$12,368,894	\$9,418	\$0	\$12,378,312	\$136,420		\$358,957

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**

\$16,099

Less: Amortization of CIAC \$16,099

**DEPRECIATION EXPENSE** \$342,858

**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  
Balance Sheet Assets  
12/31/17

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
<b>Account No.</b>	<b>Current and Accrued Assets</b>			
131	Cash		\$386	\$96,997
132	Special Deposits		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		45,399	45,117
142	Other Accounts Receivable		0	12,500
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
	<b>Total Current and Accrued Assets</b>		<b>\$45,785</b>	<b>\$154,614</b>
	<b>Deferred Debits</b>			
186.1	Deferred Rate Case Expense		\$0	\$0
	<b>Total Deferred Debits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$12,368,894	\$12,378,312
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(3,410,593)	(3,769,550)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$8,958,301</b>	<b>\$8,608,762</b>
	<b>Total Assets</b>		<b>\$9,004,086</b>	<b>\$8,763,376</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.

Red Rock Utilities, LLC  
 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)
<b>Account No.</b>	<b>Current Liabilities</b>			
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		15,875	20,358
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		0	0
253	Other Deferred Credits		0	0
	<b>Total Current Liabilities</b>		<b>\$15,105</b>	<b>\$19,588</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		\$5,567,476	\$5,512,203
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		549,043	549,043
272	Less: Amortization of Contributions		(87,459)	(103,559)
281	Accumulated Deferred Income Tax		0	0
	<b>Total Deferred Credits</b>		<b>\$6,029,060</b>	<b>\$5,957,687</b>
	<b>Total Liabilities</b>		<b>\$6,044,165</b>	<b>\$5,977,275</b>
	<b>Capital Accounts</b>			
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)		2,959,921	2,786,101
	<b>Total Capital</b>		<b>\$2,959,921</b>	<b>\$2,786,101</b>
	<b>Total Liabilities and Capital</b>		<b>\$9,004,086</b>	<b>\$8,763,376</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!

Red Rock Utilities, LLC  
Annual Report  
Wastewater Comparative Income Statement  
12/31/17

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year	Last Year
		01/01/2017 - 12/31/2017	01/01/2016 - 12/31/2016
	<b>Operating Revenue</b>		
521	Flat Rate Revenues	\$597,798	\$458,640
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	16,549	14,534
	<b>Total Revenues</b>	<b>\$614,347</b>	<b>\$473,174</b>
	<b>Operating Expenses</b>		
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	60,357	57,823
716	Fuel for Power Production	0	0
718	Chemicals	5,216	5,885
720	Materials and Supplies	9,384	8,858
720.1	Repairs and Maintenance	0	0
720.2	Office Supplies and Expense	0	0
721	Office Expense	4,161	3,752
731	Contractual Services - Engineering	0	2,074
732	Contractual Services - Accounting	28,998	27,080
733	Contractual Services - Legal	2,450	3,570
734	Contractual Services - Management Fees	50,000	50,000
735	Contractual Services - Testing	40,574	33,423
736	Contractual Services - Other	232,184	228,940
740	Rents - Building	0	0
742	Rents - Equipment	0	0
750	Transportation Expenses	0	0
757	Insurance - General Liability	19,606	16,537
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	7,221	15,968
403	Depreciation Expense (From Schedule AR4)	342,858	342,258
408	Taxes Other Than Income	0	0
408.11	Property Taxes	40,715	31,750
408.12	Payroll Taxes	0	0
409	Income Taxes	0	0
	<b>Total Operating Expenses</b>	<b>\$843,724</b>	<b>\$827,918</b>
	<b>Operating Income / (Loss)</b>	<b>(\$229,377)</b>	<b>(\$354,744)</b>
	<b>Other Income / (Expense)</b>		
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
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>(\$229,377)</b>	<b>(\$354,744)</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.

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 (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
8	SDR 35 PVC	58,128	4	PVC	841
12	SDR 35 PVC	2,670	6	PVC	2
15	SDR 35 PVC	1,542	2	NA	0
18	SDR 15 PVC	6,314	2	NA	0
24	Ductile Iron (DIP)	60			
18	Ductile Iron (DIP)	308			
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.

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Noxon Centrifuge
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Sun Light System Ultra Violet Light
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Miami Filters Sand Filters
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Red Rock WRF Operations Building
<b>Other</b> (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.

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow	Sewage Flow on Peak Day	Purchased Power Expense <sup>1</sup>	Purchased Power (kWh) <sup>2</sup>
January	764	2,729,516	103,074	\$4,316	32,400
February	766	2,450,643	109,863	4,202	33,300
March	771	2,778,432	105,778	4,379	34,800
April	771	2,655,285	116,205	4,232	32,400
May	779	2,704,920	107,260	5,114	37,500
June	779	2,566,177	98,588	5,360	39,900
July	795	2,782,753	124,344	5,369	37,800
August	795	2,729,427	137,685	5,345	39,000
September	796	2,667,506	121,450	5,958	45,300
October	796	2,813,516	122,191	5,585	38,400
November	802	2,842,665	121,817	5,339	47,100
December	812	3,022,882	134,232	4,580	36,900
	<b>Totals</b>	<b>32,743,722</b>	<b>1,402,487</b>	<b>\$59,780</b>	<b>454,800</b>

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.

<sup>1</sup> Enter the total purchased power costs for the power meters associated with this system.

<sup>2</sup> 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.

Red Rock Utilities, LLC  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/17

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
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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  
12/31/17

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2017 was

\$36,233

If no property taxes paid, explain why.

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.

Verification and Sworn 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

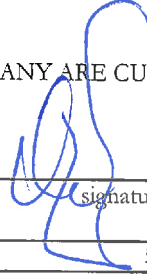
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/17

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.



signature of owner/official

520-577-0200

telephone no.

RECEIVED

MAR 22 2018

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

THIS

20th

DAY OF

March

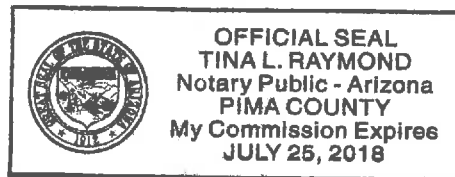
2018

(month) and (year)

MY COMMISSION EXPIRES

7/25/18

(date)



Tina L. Raymond  
(signature of notary public)

Verification and Sworn 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: 12/31/17

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 (\$)  
\$614,346  
(The amount in the box above includes  
\$0 in sales taxes  
billed or collected)

RECEIVED

MAR 22 2018

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]  
signature of owner/official

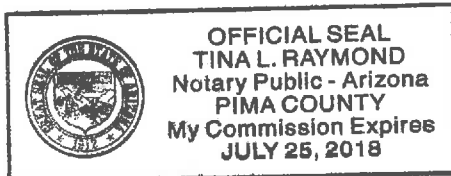
520-577-0200

telephone no.

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

THIS 20th DAY OF Pima March 2018  
(month) and (year)

MY COMMISSION EXPIRES 7/25/18  
(date)



Tina L. Raymond  
(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): Mark Weinberg, Vice President Diamond Venture  
Name (owner or official) title: 0  
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: 12/31/17

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 (\$)

\$591,636

(The amount in the box above includes

\$0 in sales taxes billed or collected)

RECEIVED

MAR 22 2018

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

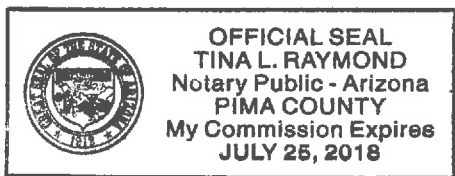
[Signature]  
signature of owner/official  
520-577-0200  
telephone no.

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

Pima  
(county name)

THIS 20th DAY OF March 2018  
(month) and (year)

MY COMMISSION EXPIRES 7/25/18  
(date)



Tina L. Raymond  
(signature of notary public)