

ANNUAL REPORT

Of

Company Name: **A. Petersen Water Company, Inc.**

PO Box 245

Mailing Address:

Taylor

AZ

85939

Docket No.:

W-02678A

For the Year Ended:

12/31/23

RECEIVED BY EMAIL

6/20/2024, 12:14 PM

**ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION**

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@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:

6/20/2024

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
A. Petersen Water Company, Inc.
A Class Utility

For the Calendar Year Ended: 12/31/23

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:

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

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

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

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

Ownership:

Counties Served:

Important changes during the year

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.
	N/A

No	Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?
	If yes, please provide specific details in the box below.
	N/A

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$3,000	\$0	\$0	\$3,000	\$0	\$3,000
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	0	0	0	0	0	0
304	Structures and Improvements	0	0	0	0	0	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	3,000	0	0	3,000	0	3,000
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	5,751	11,600	0	17,351	3,491	13,860
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	610	0	0	610	189	421
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	26,852	930	0	27,782	1,781	26,001
333	Services	9,602	711	0	10,313	2,758	7,555
334	Meters and Meter Installations	26,357	1,783	0	28,140	15,446	12,694
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	5,337	0	0	5,337	1,561	3,776
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	205	0	0	205	52	153
348	Other Tangible Plant	2,000	0	0	2,000	2,000	0
	Totals	\$82,714	\$15,024	\$0	\$97,738	\$27,278	\$70,460

A. Petersen Water Company, Inc.
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/23

Depreciation Expense for the Current Year (Water)									
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
301	Organization	\$3,000	\$0	\$0	\$3,000	\$3,000	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0	0.00%	0
303	Land and Land Rights	0	0	0	0	0	0	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0	0.00%	0
307	Wells and Springs	3,000	0	0	3,000	3,000	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0	0.00%	0
311	Pumping Equipment	5,751	11,600	0	17,351	0	17,351	12.50%	1,444
320	Water Treatment Equipment	0	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	610	0	0	610	0	610	2.22%	14
330.2	Pressure Tanks	0	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	26,852	930	0	27,782	0	27,782	3.33%	910
333	Services	9,602	711	0	10,313	0	10,313	3.33%	332
334	Meters and Meter Installations	26,357	1,783	0	28,140	0	28,140	8.33%	2,270
335	Hydrants	0	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	5,337	0	0	5,337	0	5,337	6.67%	356
340	Office Furniture and Equipment	0	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	205	0	0	205	0	205	10.00%	21
348	Other Tangible Plant	2,000	0	0	2,000	2,000	0	0.00%	0
	Subtotal	\$82,714	\$15,024	\$0	\$97,738	\$8,000	\$89,738		\$5,345

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	5.96%
Amortization of CIAC	\$0

Less: Amortization of CIAC

DEPRECIATION EXPENSE

A. Petersen Water Company, Inc.
 Annual Report
 Balance Sheet Assets
 12/31/23

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current and Accrued Assets			
131	Cash		\$1,501	\$2,803
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		(2,908)	6
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		(\$1,407)	\$2,809
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$82,714	\$97,738
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(21,931)	(27,278)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$60,783	\$70,460
	Total Assets		\$59,376	\$73,269

*Note these items feed automatically from AR3 UPIS Page 4

A. Petersen Water Company, Inc.
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2023)	Balance at End of Year (2023)
Account No.	Current Liabilities			
231	Accounts Payable		\$3,229	\$10,151
232	Notes Payable (Current Portion)		747	1,500
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		(475)	1,599
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$3,501	\$13,250
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		0	0
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$0	\$0
	Total Liabilites		\$3,501	\$13,250
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		64,868	0
215	Retained Earnings		(8,993)	60,020
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$55,875	\$60,020
	Total Liabilities and Capital		\$59,376	\$73,270

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

A. Petersen Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/23

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2023 - 12/31/2023	Last Year 01/01/2022 - 12/31/2022
	Operating Revenue		
461	Metered Water Revenue	\$47,700	\$38,095
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	3,495	2,840
	Total Revenues	\$51,195	\$40,935
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	300	0
615	Purchased Power	3,156	3,186
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	674	2,027
620.2	Office Supplies and Expense	796	562
630	Contractual Services	0	13,288
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	1,750	250
633	Contractual Services - Legal	293	0
634	Contractual Services - Management Fees	23,679	18,766
635	Contractual Services - Water Testing	1,428	769
636	Contractual Services - Other	4,442	1,041
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	480
650	Transportation Expenses	2,226	1,796
657	Insurance - General Liability	355	452
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	478	0
403	Depreciation Expense (From Schedule AR4)	5,345	4,279
408	Taxes Other Than Income	0	47
408.11	Property Taxes	921	0
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$45,843	\$46,943
	Operating Income / (Loss)	\$5,352	(\$6,008)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	(10)	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	(\$10)	\$0
	Net Income / (Loss)	\$5,342	(\$6,008)

A. Petersen Water Company, Inc.
Annual Report
Full time equivalent employees
12/31/23

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President	0.1	0.0	0.0	0.1
Vice-president	0.0	0.0	0.0	0.0
Manager	0.0	0.0	0.2	0.2
Engineering Staff	0.0	0.0	0.1	0.1
System Operator(s)	0.0	0.0	0.2	0.2
Meter reader	0.0	0.0	0.0	0.0
Customer Service	0.0	0.0	0.0	0.0
Accounting	0.0	0.0	0.1	0.1
Business Office	0.0	0.0	0.1	0.1
Rates Department	0.0	0.0	0.0	0.0
Administrative Staff	0.0	0.0	0.2	0.2
Other	0.0	0.0	0.0	0.0
Total	0.1	0.0	0.9	1.0

A. Petersen Water Company, Inc.
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/23

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	na	na	na	na
Amount Outstanding	na	na	na	na
Date of Maturity	na	na	na	na
Interest Rate	na	na	na	na
Current Year Interest	na	na	na	na
Current Year Principal	na	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.

Name of the System: A PETERSEN WATER CO

ADQC Public System Number: AZ0409032		ADWR FCC Number: 91-000386-0000		ADWR FCC Number: XXXXXX)		Well registry 55# (55-XXXXXX)		Pump Horsepower: 10		Pump Yield (gpm): 60		Casing Depth (feet): 440		Casing Diameter (inches): 8		Pump Motor Type: Drilled		Year: 2013		Water level: 300		Water level: 300		Meter Size (inches): 2		How measured: Metered		Active: Yes	
Name of system water delivered to:		ADWR FCC Number: na		Source of water delivered to another system: NA		Name of system water received from:		ADWR FCC Number:		Source of water received: NA		Well registry 55# (55-XXXXXX): na																	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense (kWh)7	Purchased Power (kWh)8
January	255,865.00	171,000.00	0.00	0.00	0.00	\$226	8
February	251,100.00	162,111.00	0.00	0.00	0.00	220	7
March	320,621.00	255,350.00	0.00	0.00	0.00	226	8
April	255,144.00	206,230.00	0.00	0.00	0.00	243	8
May	335,555.00	290,111.00	0.00	0.00	0.00	234	10
June	516,310.00	485,441.00	0.00	0.00	0.00	323	12
July	496,144.00	452,911.00	0.00	0.00	0.00	360	13
August	296,574.00	224,190.00	0.00	0.00	0.00	325	9
September	353,444.00	257,999.00	0.00	0.00	0.00	253	8
October	247,111.00	195,141.00	0.00	0.00	0.00	238	8
November	152,554.00	131,581.00	0.00	0.00	0.00	242	9
December	250,411.00	223,930.00	0.00	0.00	0.00	266	10
Totals	3,730,833.00	3,055,995.00	0.00	0.00	0.00	\$3,156	110

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 NONE

- 1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
- 2 Water sold - Total gallons from customer meters, and other sales such as construction water.
- 3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
- 4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
- 5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
- 6 Enter the total purchased power costs for the power meters associated with this system.
- 7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description	
Name of the System:	A PETERSEN WATER CO
ADEQ Public Water System Number:	AZ0409032
ADWR PCC Number:	91-000386.0000

MAINS		
Sizes (inches)	Material	Length (feet)
3.00	ABS	650
4.00	ABS	4,350
4.00	AC/PVC	1,500

CUSTOMER METERS			
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old
5/8 X 3/4	58	0%	0%

SERVICE LINES			
Material	Percent of system	Year installed	
PVC	95%	0	
HDPE	5%	0	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
5	85	1

FIRE HYDRANTS	
Type	Quantity
Standard *	0
Other	0

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
10,000	Galvanized Steel	1	0
1,000	Fiberglass	1	0

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
3,000	metal	1	0

* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)

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

TREATMENT EQUIPMENT:	NONE
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STRUCTURES:	NONE
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OTHER:	30X30 CHAIN LINK FENCE
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Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC	161
Method used:	(a)

Customer and Other Information	
Name of the System:	A PETERSEN WATER CO
ADEQ Public Water System Number:	AZ0409032
ADWR PCC Number:	91-000386.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	52	0	1	0	0
February	52	0	1	0	0
March	52	0	1	0	0
April	52	0	1	0	0
May	52	0	1	0	0
June	52	0	1	0	0
July	52	0	1	0	0
August	52	0	1	0	0
September	52	0	1	0	0
October	52	0	1	0	0
November	52	0	1	0	0
December	52	0	1	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

What is the present system connection capacity (in ERCs *) using existing lines?

What is the future system connection capacity (in ERCs *) upon service area buildout?

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

NONE

* an ERC is based on the calculation on the bottom of AR9 page 12.

A. Petersen Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/23

Utility Shutoffs / Disconnects	
Name of the System:	A PETERSEN WATER CO
ADEQ Public Water System Number:	AZ0409032
ADWR PCC Number:	91-000386.0000

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.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): N/A

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.

A. Petersen Water Company, Inc.
Annual Report
Property Taxes
12/31/23

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2023 was	\$921

If no property taxes paid, explain why.

n/a

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 Certification (Taxes)

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

County of (county name): Cochise
Name (owner or official) title: DUSTIN DESPAIN
Company name: A. Petersen Water Company, Inc.

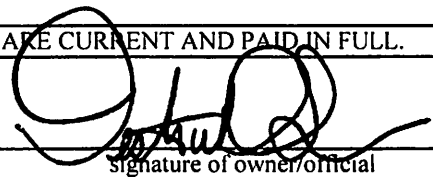
DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/23

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.

Certification: I CERTIFY THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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


signature of owner/official

520-265-5350
telephone no.