

ANNUAL REPORT

Of

Company Name: ACME Water, LLC
365 E. Coronado Rd., Ste. 200

Mailing Address: Phoenix AZ
85004-1560

Docket No.: W-20809A
For the Year Ended: 12/31/16

RECEIVED

APR 26 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: 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:

Original Filing

Application Date:

4/17/17

5-2-17

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
ACME Water, LLC

A Class Utility

1. For the Calendar Year Ended: 12/31/16

2. Address:

365 E. Coronado #200			
City:	Phoenix	State:	Arizona
Zip Code:	85004		

3. Telephone Number:

928-639-1308

4. Date of Original Organization of Utility:

1/1/2013

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

Name:

Jim West

Telephone No. :

928-639-1308

Address:

365 E. Coronado #200			
City:	Phoenix	State:	Arizona
Zip Code:	85004		

Email:

acmewatercompany@gmail.com

6. On-Site Manager:

Name:

None

Telephone No. :

None

Address:

None			
City:	None	State:	Arizona
Zip Code:	None		

Email:

None

7. Ownership:

Limited Liability Company ("LLC")

8. Counties Served:

Yavapai

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OC/LD (OC less AD)
301	Organization	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	15,321	0	0	15,321	0	15,321
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	0	0	0	0	0	0
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	0	0	0	0	0	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	312,796	0	0	312,796	62,560	250,236
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	157,133	0	0	157,133	31,428	125,705
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	125,000	0	0	125,000	25,000	100,000
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	0	0	0	0	0	0
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	0	0	0	0	0	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	4,000	0	0	4,000	800	3,200
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	0	0	0	0	0	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$614,250	\$0	\$0	\$614,250	\$119,787	\$494,463

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.

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	Depreciation Percentages	Depreciation Expense
301	Organization	\$0	\$0	\$0	\$0	\$0	0.00%	\$0
302	Franchises	0	0	0	0	0	0.00%	0
303	Land and Land Rights	15,321	0	0	15,321	0	0.00%	0
304	Structures and Improvements	0	0	0	0	0	0.00%	0
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	0	0	0	0	0	0.00%	0
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	0	0	0	0	0	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	-	0
320.1	Water Treatment Plants	312,796	0	0	312,796	0	5.00%	15,640
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	-	0
330.1	Storage Tanks	157,133	0	0	157,133	0	5.00%	7,857
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	125,000	0	0	125,000	0	5.00%	6,250
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	0	0	0	0	0	0.00%	0
335	Hydrants	0	0	0	0	0	0.00%	0
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	0	0	0	0	0	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	4,000	0	0	4,000	0	5.00%	200
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$614,250	\$0	\$0	\$614,250	\$0		\$29,946

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 4.88%
 Amortization of CIAC \$0

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.

ACME Water, 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		\$5,133	\$2,306
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		0	0
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		\$5,133	\$2,306
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$614,250	\$614,250
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(89,841)	(119,787)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$524,409	\$494,463
	Total Assets		\$529,542	\$496,769

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 AR3 UPIS Page 3

ACME Water, 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		\$0	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	0
235	Customer Deposits		0	0
236	Accrued Taxes		0	0
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$0	\$0
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$403,090	\$386,948
	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 Liabilities		\$403,090	\$386,948
	Capital Accounts			
201	Common Stock Issued		\$0	\$0
211	Other Paid-In Capital		0	0
215	Retained Earnings		126,452	109,821
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$126,452	\$109,821
	Total Liabilities and Capital		\$529,542	\$496,769

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!

Water 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		
461	Metered Water Revenue	\$155,408	\$148,176
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	0	0
	Total Revenues	\$155,408	\$148,176
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	31,090	30,000
615	Purchased Power	14,055	14,483
618	Chemicals	3,009	3,151
620	Materials and Supplies	7,945	0
620.1	Repairs and Maintenance	41,418	12,225
620.2	Office Supplies and Expense	6,802	4,269
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	3,229	660
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	3,600	30,750
635	Contractual Services - Water Testing	22,699	18,587
636	Contractual Services - Other	0	0
640	Rents	10,200	10,200
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	6,799	6,882
657	Insurance - General Liability	0	0
657.1	Insurance - Health and Life	1,734	3,312
665	Regulatory Commission Expense - Rate	0	0
675	Miscellaneous Expense	7,607	4,820
403	Depreciation Expense (From Schedule AR4)	29,946	29,946
408	Taxes Other Than Income	8,847	6,361
408.11	Property Taxes	0	0
409	Income Taxes	0	0
	Total Operating Expenses	\$198,980	\$175,646
	Operating Income / (Loss)	(\$43,572)	(\$27,470)
	Other Income / (Expense)		
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)	(\$43,572)	(\$27,470)

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	4/10/2010	4/10/2010	4/10/2010	4/10/2010
Source of Loan	WIFA	WIFA	WIFA	WIFA
ACC Decision No.	70658	42006, 71234	71953	70102
Reason for Loan	Arsenic	Storage	Arsenic	Storage
Dollar Amt. Issued	\$70,000	\$160,000	\$263,873	\$30,000
Amount Outstanding	\$50,330	\$117,755	\$196,357	\$22,506
Date of Maturity				
Interest Rate	3.68%	3.68%	1.00%	3.68%
Current Year Interest	\$1,918	\$4,463	\$2,038	\$853
Current Year Principal	\$3,122	\$6,776	\$13,774	\$1,304

Meter Deposit Balance at Test Year End:	\$0
---	-----

Meter Deposits Refunded During the Test Year:	\$0
---	-----

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.

Water Utility Plant Description

Name of the System: Blue Hills #3
 ADEQ Public Water System Number: 13055

WELLS

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-622750	5	30		6"		2		
55-622751	1	10		7"		2		
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None	0	0
None	0	0

BOOSTER PUMPS

Horsepower	GPM	Quantity
		2
NA	NA	NA
NA	NA	NA
NA	NA	NA

FIRE HYDRANTS

Type	Quantity
Standard ***	0
Other	0

STORAGE TANKS

Capacity	Material	Quantity
1	Plastic	10,000
NA	NA	NA
NA	NA	NA

PRESSURE/BLADDER TANKS

Capacity	Quantity
	4
NA	NA
NA	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. Copy and paste this sheet as many times as is necessary.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

** Pump motor type, turbine or submersible.

*** 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)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2	PVC	1,000	5/8 X 3/4	55
3	NA	0	3/4	0
4	Concrete	3,500	1	1
5	NA	0	1 1/2	1
6	NA	0	Compound 2	0
8	NA	0	Turbine 2	0
10	NA	0	Compound 3	0
12	NA	0	Turbine 3	0
NA	NA	0	Compound 4	0
NA	NA	0	Turbine 5	0
NA	NA	0	Compound 6	0
NA	NA	0	Turbine 6	0
NA	NA	0	6+	0

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

TREATMENT EQUIPMENT:	Arsenic Treatment, chlorinator
-----------------------------	--------------------------------

STRUCTURES:	pump house, shed for arsenic treatment
--------------------	--

OTHER:	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. Copy and paste this sheet as many times as is necessary.

Water Utility Plant Description

Name of the System: Yavapai Estates
 ADEQ Public Water System Number: 13077

WELLS								
ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-622947	5	20		8"		2		
55-622479	5	35		6"		2		
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA

OTHER WATER SOURCES		
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None	0	0
None	0	0

BOOSTER PUMPS		
Horsepower	GPM	Quantity
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

FIRE HYDRANTS	
Type	Quantity
Standard ***	
Other	

STORAGE TANKS		
Capacity	Material	Quantity
10,000	Steel	2
NA	NA	NA
NA	NA	NA

PRESSURE/BLADDER TANKS	
Capacity	Quantity
1	
NA	NA
NA	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. Copy and paste this sheet as many times as is necessary.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.
 ** Pump motor type, turbine or submersible.

*** 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)					
MAINS			CUSTOMER METERS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity	
2	NA	0	5/8 X 3/4	94	
3	NA	0	3/4		
4	NA	0	1	1	
5	NA	0	1 1/2		
6	NA	0	Compound 2		
8	NA	0	Turbine 2		
10	NA	0	Compound 3		
12	NA	0	Turbine 3		
NA	NA	0	Compound 4	1	
NA	NA	0	Turbine 5		
NA	NA	0	Compound 6		
NA	NA	0	Turbine 6		
NA	NA	0	6+		

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

TREATMENT EQUIPMENT:	Arsenic Treatment, Chlorinator
-----------------------------	--------------------------------

STRUCTURES:	Pump House
--------------------	------------

OTHER:	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. Copy and paste this sheet as many times as is necessary.

Water Utility Plant Description

Name of the System: Thunderbird Meadows
 ADEQ Public Water System Number: 13056

WELLS

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled
55-568193	2	5		6		1.5	
55-622742	2	5		6		1.5	
55-62274	2	10		6		1.5	
55-904908	5	20		6		1.5	
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Walden Meadows Community Coop		

BOOSTER PUMPS

Horsepower	GPM	Quantity

FIRE HYDRANTS

Type	Quantity
Standard ***	
Other	

STORAGE TANKS

Capacity	Material	Quantity
80,000		1

PRESSURE/BLADDER TANKS

Capacity	Quantity

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account no applicable information to report. Copy and paste this sheet as many times as is necessary.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

** Pump motor type, turbine or submersible.

*** 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.

Arsenic Level (mg/L)
NA
NA
NA
NA
NA
NA
NA
NA

or there is

tion

Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2			5/8 X 3/4	125
3			3/4	
4	pvc, concrete	17,500	1	
5			1 1/2	
6	concrete	4,200	Compound 2	
8			Turbine 2	
10			Compound 3	
12			Turbine 3	
			Compound 4	
			Turbine 5	
			Compound 6	
			Turbine 6	
			6+	

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

TREATMENT EQUIPMENT:	
-----------------------------	--

STRUCTURES:	
--------------------	--

OTHER:	
---------------	--

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. Copy and paste this sheet as many times as is necessary.

Water Utility Plant Description

Name of the System: Dells
 ADEQ Public Water System Number: 13029

WELLS								
ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-802748	4	20		6		1.5		
55-802747	0.5	5		6		1.5		
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA

OTHER WATER SOURCES		
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		
Horsepower	GPM	Quantity

FIRE HYDRANTS	
Type	Quantity
Standard ***	
Other	

STORAGE TANKS		
Capacity	Material	Quantity
8,000		4

PRESSURE/BLADDER TANKS	
Capacity	Quantity
	1

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.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

** Pump motor type, turbine or submersible.

*** 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)					
MAINS			CUSTOMER METERS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity	
2	pvc, galvanized	4,670	5/8 X 3/4	45	
3			3/4		
4	pvc, galvanized	1,900	1	7	
5			1 1/2		
6	pvc	750	Compound 2	1	
8			Turbine 2		
10			Compound 3		
12			Turbine 3		
			Compound 4		
			Turbine 5		
			Compound 6		
			Turbine 6		
			6+		

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

TREATMENT EQUIPMENT:	Chlorinator
-----------------------------	-------------

STRUCTURES:	pump house
--------------------	------------

OTHER:	
---------------	--

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. Copy and paste this sheet as many times as is necessary.

Water Use Data Sheet					
Name of the System:		Blue Hills #3			
ADEQ Public Water System Number:		13055			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	54	215,180	230,540	0	0
February	54	211,430	215,950	0	0
March	53	198,000	205,100	0	0
April	53	238,120	245,560	0	0
May	54	234,040	240,880	0	0
June	54	283,430	301,630	0	0
July	54	258,430	268,990	0	0
August	54	320,670	325,110	0	0
September	54	253,370	294,050	0	0
October	54	228,730	235,780	0	0
November	54	136,490	150,110	0	0
December	54	186,890	195,220	0	0
Totals		2,764,780	2,908,920	0	0

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

Does the system have chlorination treatment?

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

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

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

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.

- 1 Gallons sold - Total gallons from customer meters, and other sold gallons such as Construction water.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

Water Use Data Sheet					
Name of the System:		Yavapai Estates			
ADEQ Public Water System Number:		13077			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	93	553,120	602,300	0	0
February	93	515,130	535,100	0	0
March	93	630,450	650,100	0	0
April	93	584,420	600,500	0	0
May	93	808,810	815,200	0	0
June	93	784,450	800,100	0	0
July	93	860,300	890,300	0	0
August	93	780,770	798,500	0	0
September	93	714,520	729,500	0	0
October	93	670,160	690,100	0	0
November	93	508,560	555,600	0	0
December	93	550,770	602,600	0	0
Totals		7,961,460	8,269,900	0	0

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

Does the system have chlorination treatment?

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

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

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

Water Use Data Sheet					
Name of the System:		Thunderbird Meadows			
ADEQ Public Water System Number:		13056			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	123	418,500	0	1,632,500	
February	123	347,200	0	1,168,500	
March	123	492,250	0	1,003,400	
April	123	659,400	0	909,600	
May	123	896,000	0	978,400	
June	123	837,220	0	1,513,500	
July	123	777,480	0	1,189,000	
August	123	493,340	0	841,800	
September	123	525,760	0	860,300	
October	123	526,280	0	805,000	
November	123	445,780	0	731,300	
December	123	356,920	0	610,600	
Totals		6,776,130	0	12,243,900	0

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

Does the system have chlorination treatment?

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

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

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

Water Use Data Sheet					
Name of the System:		Dells			
ADEQ Public Water System Number:		13029			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	53	298,040	340,500		
February	53	300,850	320,300		
March	53	368,020	400,300		
April	53	537,440	560,600		
May	53	560,350	590,100		
June	53	633,470	650,000		
July	53	763,270	801,500		
August	53	645,900	720,600		
September	53	570,380	580,600		
October	53	592,030	620,300		
November	53	429,460	460,100		
December	53	327,860	358,900		
Totals		6,027,070	6,403,800	0	0

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

Does the system have chlorination treatment?

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

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

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

ACME Water, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

ADEQ System No. :	13055
-------------------	-------

Utility Shutoffs / Disconnects			
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):

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.

ACME Water, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Annual Report

ADEQ System No. :	13077
-------------------	-------

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	0

Other (description):

<p>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.</p>
--

ACME Water, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Annual Report

ADEQ System No. :	13056
-------------------	-------

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	0

Other (description):

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.

ACME Water, LLC
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Annual Report

ADEQ System No. :	13029
-------------------	-------

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0	0	0

Other (description):

--

<p>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.</p>
--

ACME Water, LLC
Annual Report
Property Taxes
12/31/16

Property Taxes	
-----------------------	--

Amount of actual property taxes paid during Calendar Year 2016 was	\$0
--	-----

If no property taxes paid, explain why. Insufficient revenue

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

RECEIVED

Verification:

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

County of (county name): Maricopa

Name (owner or official) title: Jim West

Company name: ACME Water, LLC

APR 25 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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.

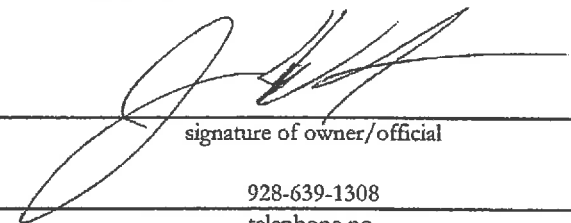
Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$155,208

(The amount in the box above includes

\$8,847 in sales taxes billed or collected)



signature of owner/official

928-639-1308

telephone no.

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


THIS 17th DAY OF

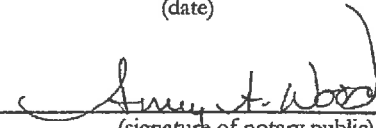
Maricopa

(county name)
April, 2017

(month) and (year)

MY COMMISSION EXPIRES 4/15/2020
(date)

 **AMY A. WOOD**
Notary Public - Arizona
Maricopa County
Expires 04/15/2020



(signature of notary public)

Verification and Statement (Residential Revenue)

Verification:

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

County of (county name): Maricopa
Name (owner or official) title: Jim West
Company name: ACME Water, LLC

RECEIVED

APR 25 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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 (\$)

\$135,870

(The amount in the box above includes

\$7,608 in sales taxes
billed or collected)

[Signature]
signature of owner/official

928-639-1308
telephone no.

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

Maricopa
(county name)

THIS 17th

DAY OF April, 2017
(month) and (year)

MY COMMISSION EXPIRES

4/15/2020
(date)



AMY A. WOOD
Notary Public - Arizona
Maricopa County
Expires 04/15/2020

[Signature]
(signature of notary public)