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MAY 14 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

ANNUAL REPORT

Of

Company Name: Aguila Water Services, Inc.
PO Box 1086

Mailing Address: Sun City AZ
85372

Docket No.: W-01578A
For the Year Ended: 12/31/17

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Original Filing
Application Date: 5/9/2018

S-16-18

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Aguila Water Services, Inc.

A Class E Utility

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

2. Address:

PO BOX 1086					
City:	SUN CITY	State:	AZ	Zip Code:	85372

3. Telephone Number:

602-942-1352

4. Date of Original Organization of Utility:

--

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

Name:	VICTORIA BONNET				
Telephone No.:	602-942-1352				
Address:	405 STARLIGHT LANE				
City:	WICKENBURG	State:	AZ	Zip Code:	85390
Email:	aguilawater@qwestoffice.net				

6. On-Site Manager:

Name:	DON BOHLIER-CERTIFIED OPERA				
Telephone No.:	928-778-1888				
Address:	4750 TONTO CIRCLE				
City:	PRESCOTT VALLEY	State:	AZ	Zip Code:	86311
Email:	NONE				

7. Ownership:

SUBCHAPTER S CORPORATION

8. Counties Served:

MARICOPA

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	50			50		50
302	Franchises	0	0		0		0
303	Land and Land Rights	600	0		600		600
304	Structures and Improvements	26,462	0	0	26,462	25,296	1,166
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	130,165	0	0	130,165	113,444	16,721
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	89,390	0	0	89,390	75,891	13,499
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	98,572	0	0	98,572	93,490	5,082
330.1	Storage Tanks	0	0	0	0	0	0
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	291,076	84	0	291,160	266,922	24,238
333	Services	47,036	4,464	0	51,500	39,429	12,071
334	Meters and Meter Installations	52,284	434	0	52,718	47,798	4,920
335	Hydrants	0	0	0	0	0	0
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	17,267	0	0	17,267	17,116	151
340	Office Furniture and Equipment	18,431	0	0	18,431	18,431	0
340.1	Computer & Software	0	0	0	0	0	0
341	Transportation Equipment	92,373	0	0	92,373	89,914	2,459
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	\$863,656	\$4,982	\$0	\$868,638	\$787,731	\$80,907

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.

Aguila Water Services, Inc.
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/17

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
302	Franchises	0	0	0	0			0
303	Land and Land Rights	600	0	0	600	600	0.00%	0
304	Structures and Improvements	26,462	0	0	26,462	0	2.00%	40
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	130,165	0	0	130,165	0	2.00%	5,560
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	89,390	0	0	89,390	0	2.00%	1,127
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
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	98,572	0	0	98,572	0	2.00%	4,415
330.1	Storage Tanks	0	0	0	0	0	0.00%	0
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	291,076	84	0	291,160	0	2.00%	1,948
333	Services	47,036	4,464	0	51,500	0	2.00%	3,073
334	Meters and Meter Installations	52,284	434	0	52,718	0	2.00%	701
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	17,267	0	0	17,267	0	2.00%	101
340	Office Furniture and Equipment	18,431	0	0	18,431	18,431	0.00%	0
340.1	Computer & Software	0	0	0	0	0	0.00%	0
341	Transportation Equipment	92,373	0	0	92,373	0	0.00%	0
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	\$863,656	\$4,982	\$0	\$868,638	\$19,031		\$16,965

Contribution(s) in Aid of Construction (Gross) \$16,017
 Less: Non Amortizable Contribution(s) 0
 Fully Amortized Contribution(s) 0
 Amortizable Contribution(s) \$16,017
 Times: Proposed Amortization Rate 2.00%
Amortization of CIAC \$320

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.

Aguila Water Services, Inc.
 Annual Report
 Balance Sheet Assets
 12/31/17

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current and Accrued Assets			
131	Cash		\$35,935	\$31,464
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		18,009	19,322
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		3,227	3,227
162	Prepayments		28,390	28,558
174	Miscellaneous Current and Accrued Assets		741	741
	Total Current and Accrued Assets		\$86,302	\$83,312
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$863,656	\$868,638
103	Property Held for Future Use		0	
105	Construction Work in Progress		0	
108	Accumulated Depreciation (enter as negative)*		(770,250)	(787,731)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$93,406	\$80,907
	Total Assets		\$179,708	\$164,219

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

Aguila Water Services, Inc.
 Annual Report
 Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity			
	Liabilities	Balance at Beginning of Year (2017)	Balance at End of Year (2017)
Account No.	Current Liabilities		
231	Accounts Payable	\$25,289	\$3,828
232	Notes Payable (Current Portion)	17,577	17,577
234	Notes Payable to Associated Companies	0	0
235	Customer Deposits	31,759	31,964
236	Accrued Taxes	4,323	3,449
237	Accrued Interest	0	0
242	Miscellaneous Current and Accrued Liabilities	0	0
	Total Current Liabilities	\$78,948	\$56,818
	Long Term Debt		
224	Long Term Debt (Notes and Bonds)	\$145,043	\$160,297
	Deferred Credits		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	51,724	51,724
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	16,017	16,017
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	Total Deferred Credits	\$67,741	\$67,741
	Total Liabilities	\$291,732	\$284,856
	Capital Accounts		
201	Common Stock Issued	\$29,365	\$29,365
211	Other Paid-In Capital	48,006	48,006
215	Retained Earnings	(189,395)	(198,008)
218	Proprietary Capital (Sole Props and Partnerships)		
	Total Capital	(\$112,024)	(\$120,637)
	Total Liabilities and Capital	\$179,708	\$164,219

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!

Aguila Water Services, Inc.
Annual Report
Water Comparative Income Statement
12/31/17

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2017 - 12/31/2017	Last Year 01/01/2016 - 12/31/2016
	Operating Revenue		
461	Metered Water Revenue	\$217,097	\$226,498
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	3,374	1,317
	Total Revenues	\$220,471	\$227,816
	Operating Expenses		
601	Salaries and Wages	\$96,974	\$89,681
604	Employee Pensions and Benefits	0	0
610	Purchased Water	23,380	20,546
615	Purchased Power	0	0
618	Chemicals	1,541	709
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	20,571	688
620.2	Office Supplies and Expense	3,765	1,868
630	Contractual Services	0	0
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	0	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	0	0
636	Contractual Services - Other	0	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	1,600	0
650	Transportation Expenses	13,963	10,742
657	Insurance - General Liability	11,344	11,628
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	22,503	29,567
403	Depreciation Expense (From Schedule AR4)	16,965	14,629
408	Taxes Other Than Income	8,362	9,047
408.11	Property Taxes	8,619	18,367
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$229,587	\$207,471
	Operating Income / (Loss)	(\$9,116)	\$20,345
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	11,928	0
426	Miscellaneous Non-Utility (Expense)	(7,726)	(300)
427	Interest Expense	(3,699)	(6,290)
	Total Other Income / (Expense)	\$503	(\$6,590)
	Net Income / (Loss)	(\$8,613)	\$13,755

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	3/23/2001			
Source of Loan	WIFA			
ACC Decision No.	63333			
Reason for Loan	System Improvement			
Dollar Amt. Issued	\$250,000			
Amount Outstanding	\$31,585			
Date of Maturity	2/8/2018			
Interest Rate	6.38%			
Current Year Interest	\$1,427	\$0		
Current Year Principal	\$19,462	\$0		

Meter Deposit Balance at Test Year End:

Meter Deposits Refunded During the Test Year:

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: AGUILA WATER SERVICES, INC.
 ADEQ Public Water System Number: AZ04-07003

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)
55-086985	50	220	850	12	Submersible	4	1969	
55-592364	50	250	920	10	Submersible	6	2002	

OTHER WATER SOURCES

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

BOOSTER PUMPS

Horsepower	GPM	Quantity
25		2
5		2

FIRE HYDRANTS

Type	Quantity
Standard ***	0
Other	0

STORAGE TANKS

Capacity	Material	Quantity
100,000	Steel	1
15,000	Steel	1

PRESSURE/BLADDER TANKS

Capacity	Quantity
5,000	2
2,000	1

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.

* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXXX.
 ** 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)			CUSTOMER METERS	
MAINS			Size (inches)	Quantity
Sizes (inches)	Material	Length (feet)		
2.00	PVC	29,405	5/8 X 3/4"	210
3.00	PVC	4,147	1"	97
4.00	PVC	16,724	1 1/2"	1
6.00	PVC	26,355	2"	2
3.00	AC	2,600	3"	1
4.00	AC	2,250	Standpipe	2
6.00	AC	4,680		

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

TREATMENT EQUIPMENT:	NONE
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STRUCTURES:	Frame shop and receiving office at plant site. Steel shade over pumping equipment at plant site. Chain link fencing around plant site and wells. Chain link fencing around booster station.
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OTHER:	NONE
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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.

Water Use Data Sheet							
Name of the System:		AGUILA WATER SERVICES, INC.					
ADEQ Public Water System Number:		AZ04-07003					
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴	Purchased Power Expense ⁵	Purchased Power (kWh) ⁶
January	311	1,767,908	2,115,300	0	25,000		
February	310	1,804,058	2,043,900	0	25,000		
March	313	2,362,223	2,679,700	0	25,000		
April	311	3,212,644	3,454,100	0	25,000		
May	313	3,191,221	3,563,200	0	25,000		
June	308	4,149,033	4,538,900	0	25,000		
July	311	3,817,412	4,115,100	0	25,000		
August	313	3,601,525	3,894,000	0	25,000		
September	308	3,020,274	3,545,800	0	25,000		
October	309	3,092,463	3,552,000	0	25,000		
November	312	2,473,760	2,958,900	0	25,000		
December	315	2,558,066	2,810,500	0	25,000		
Totals		35,050,587	39,271,400	0	300,000	\$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:
 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.

- 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.
- 5 Enter the total purchased power costs for the power meters associated with this system.
- 6 Enter the total purchased kWh used by the power meters associated with this system.

Aguila Water Services, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/17

ADEQ System No. : AZ04-07003

Utility Shutoffs / Disconnects				
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other	
January	0	1	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	1	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.

Aguila Water Services, Inc.
Annual Report
Property Taxes
12/31/17

Property Taxes

Amount of actual property taxes paid during Calendar Year 2017 was	\$8,619
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If no property taxes paid, explain why.

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 Sworn Statement (Taxes)

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

County of (county name): MARICOPA
Name (owner or official) title: VICTORIA BONNET, PRESIDENT
Company name: Aguila Water Services, Inc.

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

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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

Victoria H. Bonnet

signature of owner/official

602-942-1352

telephone no.

RECEIVED

MAY 14 2018

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

THIS

30th

DAY OF

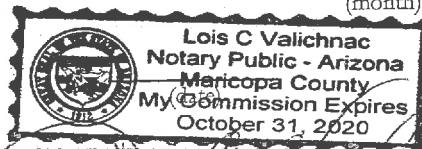
MARICOPA

(county name)

MAY 14, 2018

(month) and (year)

MY COMMISSION EXPIRES



Lois C. Valichnac

(signature of notary public)

Verification and Sworn Statement

Verification:

State of ARIZONA I, the undersigned of the
(state name)
County of (county name): MARICOPA
Name (owner or official) title: VICTORIA BONNET, PRESIDENT
Company name: Aguila Water Services, Inc.

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

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

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

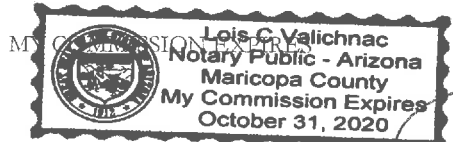
Arizona Intrastate Gross Operating Revenues Only (\$) \$232,764
(The amount in the box above includes \$14,137 in sales taxes billed or collected)

RECEIVED
APR 02 2018
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Victoria Bonnet
signature of owner/official
1-628-684 4958
telephone no.

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

THIS 30 DAY OF MARICOPA
MARCH, 2018
(month) and (year)



Lois C. Valichnac
(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): VICTORIA BONNET, PRESIDENT
Name (owner or official) title: 0
Company name: Aguila Water Services, Inc.

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

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

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

Arizona Intrastate Gross Operating Revenues Only (\$)

\$199,552

(The amount in the box above includes

\$11,827 in sales taxes
billed or collected)

RECEIVED

APR 02 2018

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

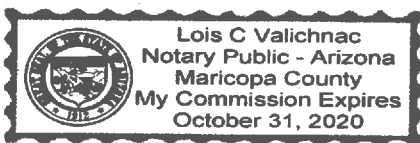
Victoria Bonnet
signature of owner/official

1-928-6844958
telephone no.

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

MARICOPA
(county name)

THIS 30 DAY OF MARCH 2018
(month) and (year)



MY COMMISSION EXPIRES _____
(date)

Lois C Valichnac
(signature of notary public)