

ANNUAL REPORT

Of

Company Name: Beardsley Water Company, Inc.
c/o First National Management, Inc.
Mailing Address: PO Box 1020
Apache Junction AZ
85217-1020

Docket No.: W-02074A
For the Year Ended: 12/31/16

RECEIVED

APR 25 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:
Application Date:

Original Filing

2016

4-28-17

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT

Beardsley Water Company, Inc.

A Class Utility

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

2. Address:

PO Box 1020			
City:	Apache Junction	State:	Arizona
		Zip Code:	85117-4039

3. Telephone Number: 480-677-6080

4. Date of Original Organization of Utility: 11/20/1973

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

Name: Judith A Lopez
Telephone No. : 480-677-6080
Address: 3880 S De Niza Road
City: Apache Junction State: Arizona Zip Code: 85119
Email: jlopez2027@aol.com

6. On-Site Manager:

Name: First National Management, Inc.
Telephone No. : 480-677-6080
Address: PO Box 1020
City: Apache Junction State: Arizona Zip Code: 85117-4039
Email: jlopez2027@aol.com

7. Ownership: "C" 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	\$0	\$0	\$0	\$0	\$0	\$0
302	Franchises	0	0	0	0	0	0
303	Land and Land Rights	10	0	0	10	0	10
304	Structures and Improvements	2,500	0	0	2,500	2,192	308
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	193,715	0	0	193,715	150,245	43,470
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	431,248	16,811	0	448,059	250,406	197,653
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	1,895	0	0	1,895	1,445	450
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	371,718	0	0	371,718	233,881	137,837
330.2	Pressure Tanks	38,233	0	0	38,233	28,119	10,114
331	Transmission and Distribution Mains	794,793	404	0	795,197	496,712	298,485
333	Services	97,677	0	0	97,677	43,091	54,586
334	Meters and Meter Installations	60,349	6,984	0	67,333	37,323	30,010
335	Hydrants	57,860	6,326	0	64,186	26,203	37,983
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	20,463	0	0	20,463	4,260	16,203
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	4,133	0	0	4,133	1,894	2,239
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	675	0	0	675	675	0
348	Other Tangible Plant	0	0	0	0	0	0
	Totals	\$2,075,269	\$30,525	\$0	\$2,105,794	\$1,276,446	\$829,348

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	10	0	0	10	10	0.00%	0
304	Structures and Improvements	2,500	0	0	2,500	0	5.00%	125
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	193,715	0	0	193,715	0	5.00%	9,690
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	431,248	16,811	0	448,059	0	8.43%	37,772
320	Water Treatment Equipment	0	0	0	0	0	-	0
320.1	Water Treatment Plants	0	0	0	0	0	0.00%	0
320.2	Solution Chemical Feeders	1,895	0	0	1,895	0	5.01%	95
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	371,718	0	0	371,718	0	4.86%	18,057
330.2	Pressure Tanks	38,233	0	0	38,233	0	5.00%	1,912
331	Transmission and Distribution Mains	794,793	404	0	795,197	0	4.90%	38,981
333	Services	97,677	0	0	97,677	13,383	4.22%	3,555
334	Meters and Meter Installations	60,349	6,984	0	67,333	0	5.56%	3,741
335	Hydrants	57,860	6,326	0	64,186	0	4.03%	2,586
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	20,463	0	0	20,463	0	6.17%	1,262
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	0	0	0	0	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	4,133	0	0	4,133	0	4.98%	206
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	675	0	0	675	675	0.00%	0
348	Other Tangible Plant	0	0	0	0	0	0.00%	0
	Subtotal	\$2,075,269	\$30,525	\$0	\$2,105,794	\$14,068		\$117,982

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	5.64%
Amortization of CIAC	\$0
Less: Amortization of CIAC	\$0
DEPRECIATION EXPENSE	\$117,982

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.

Beardsley Water Company, Inc.
 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		\$26,052	\$28,368
134	Working Funds		0	0
135	Temporary Cash Investments		369,000	344,000
141	Customer Accounts Receivable		13,685	31,717
146	Notes Receivable from Associated Companies		15,697	3,697
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		5,416	5,416
	Total Current and Accrued Assets		\$429,850	\$413,198
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$2,075,269	\$2,105,794
103	Property Held for Future Use		0	0
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(1,158,464)	(1,276,446)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$916,805	\$829,348
	Total Assets		\$1,346,655	\$1,242,546

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

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

Balance Sheet Liabilities and Owners Equity				
Account No.	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Current Liabilities				
231	Accounts Payable		\$38,707	\$77,251
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		50,000	50,000
235	Customer Deposits		2,700	2,565
236	Accrued Taxes		0	1,398
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$91,407	\$131,214
Long Term Debt				
224	Long Term Debt (Notes and Bonds)		\$11,867	\$10,184
Deferred Credits				
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		643,728	634,882
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		59,549	59,550
272	Less: Amortization of Contributions		0	0
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$703,277	\$694,432
	Total Liabilities		\$806,551	\$835,830
Capital Accounts				
201	Common Stock Issued		\$0	
211	Other Paid-In Capital		358,824	358,824
215	Retained Earnings		181,280	47,892
218	Proprietary Capital (Sole Props and Partnerships)		0	
	Total Capital		\$540,104	\$406,716
	Total Liabilities and Capital		\$1,346,655	\$1,242,546

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.

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

Beardsley Water Company, Inc.
Annual Report
Water Comparative Income Statement
12/31/16

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	\$340,199	\$298,402
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	2,990
	Total Revenues	\$340,199	\$301,392
	Operating Expenses		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	63,502	59,954
618	Chemicals	0	0
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	11,189	34,949
620.2	Office Supplies and Expense	8,035	11,797
630	Contractual Services	0	145,368
631	Contractual Services - Engineering	0	0
632	Contractual Services - Accounting	2,740	0
633	Contractual Services - Legal	22,152	0
634	Contractual Services - Management Fees	113,592	0
635	Contractual Services - Water Testing	8,770	9,512
636	Contractual Services - Other	109,918	0
640	Rents	0	0
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	0	0
650	Transportation Expenses	912	0
657	Insurance - General Liability	4,001	5,350
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
675	Miscellaneous Expense	504	8,722
403	Depreciation Expense (From Schedule AR4)	117,982	113,714
408	Taxes Other Than Income	0	0
408.11	Property Taxes	13,996	13,540
409	Income Taxes		0
	Total Operating Expenses	\$477,293	\$402,906
	Operating Income / (Loss)	(\$137,094)	(\$101,514)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	4,015	6,186
426	Miscellaneous Non-Utility (Expense)	0	(1,454)
427	Interest (Expense)	(309)	(359)
	Total Other Income / (Expense)	\$3,706	\$4,373
	Net Income / (Loss)	(\$133,388)	(\$97,141)

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	9/1/2002			
Source of Loan	WIFA			
ACC Decision No.	63202 & 64177			
Reason for Loan	Installation of 100K gallon tank			
Dollar Amt. Issued	\$65,561			
Amount Outstanding	\$10,184			
Date of Maturity	2/1/2022			
Interest Rate	2.06%			
Current Year Interest	\$226			
Current Year Principal	\$1,683			

Meter Deposit Balance at Test Year End:	\$2,565
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Meter Deposits Refunded During the Test Year:	\$2,925
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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.

Water Utility Plant Description

Name of the System: _____

ADEQ Public Water System Number: _____

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)	
55-618472	15	90	Unknown	10	Submersible	2	1968	0.0027	
55-618473	15	96	Unknown	10	Submersible	2	1971	0.0035	
55-618474	Inactive	N/A		6		N.A	Unknown		
55-618476	Inactive	N/A		6		N.A	1979		
55-556291	7.5 Inactive	35		6		2	1996		
55-577605	5	44	660	8	Submersible	3	1999		
55-591679	30	135	789	9	Submersible	3	2002	0.0027	
55-595072	40	248	798	9	Submersible	3	2002	0.0027	
55-202408	40	155	129	9	Submersible	3	2005	0.0025	

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

BOOSTER PUMPS		
Horsepower	GPM	Quantity
10		3
5		1
40		4
50		4
7.5		1
15		2
Fire Pump		3

FIRE HYDRANTS	
Type	Quantity
Standard ***	63
Other	10

STORAGE TANKS		
Capacity	Material	Quantity
10,000	Steel	3
25,000	Steel	1
30,000	Steel	1
60,000	Steel	2
80,000	Steel	5
100,000	Steel	1

PRESSURE/BLADDER TANKS	
Capacity	Quantity
2,000	4
5,000	1
4,000	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	210	5/8 X 3/4	365
3	PVC	4,630	3/4	1
4	PVC	6,320	1	94
5			1 1/2	
6	PVC	26,003	Compound 2	
8	PVC	30,614	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:	Chlorination equipment at each wellsite
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STRUCTURES:	Each wellsite has a 6" high perimeter that is either block wall or chain link fence.
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OTHER:	None
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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:		0			
ADEO Public Water System Number:		0			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	435	2,773	3,171	0	
February	438	3,647	3,855	0	
March	445	4,580	4,977	0	
April	439	4,820	5,229	0	
May	445	5,616	6,085	0	
June	440	8,154	8,698	0	
July	443	7,579	8,369	0	
August	440	7,857	8,761	0	
September	437	6,254	6,851	0	
October	440	5,158	5,781	0	
November	443	5,808	6,469	0	
December	448	3,669	4,776	0	
Totals		65,915	73,022	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, 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.

Beardsley Water Company, Inc.
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

ADEQ System No. : 0

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	8	
February	0	1	
March	0	5	
April	0	10	
May	0	3	
June	0	4	
July	0	18	
August	0	1	
September	0	4	
October	0	0	
November	0	4	
December	0	3	
Total	0	61	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.

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$13,758

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 Statement (Taxes)

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

County of (county name):

Maricopa

Name (owner or official) title:

Judith A Lopez, Agent

Company name:

Beardsley Water Company, Inc.

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.

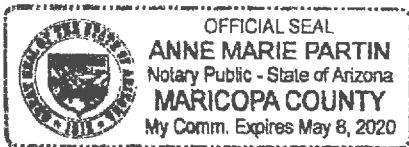
FOR THE YEAR ENDING:

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: 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.



Judith A. Lopez
signature of owner/official

480-677-6080

telephone no.

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

THIS

14th

DAY OF

Maricopa
(county name)
April 2017
(month) and (year)

MY COMMISSION EXPIRES

May 8, 2020
(date)

Anne Marie Partin
(signature of notary public)

RECEIVED

APR 25 2017

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Statement

Verification:

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

County of (county name):

Maricopa

Name (owner or official) title:

Judith A Lopez, Agent

Company name:

Beardsley Water Company, Inc.

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)
\$369,796
(The amount in the box above includes
\$29,597 in sales taxes
billed or collected)



Judith A Lopez
signature of owner/official
480-677-6080
telephone no.

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

THIS 14th DAY OF Maricopa
April 2017
(month) and (year)

MY COMMISSION EXPIRES May 8 2020
(date)

Anne Marie Partin
(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:

Judith A Lopez, Agent

Company name:

Beadsley Water Company, Inc.

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:

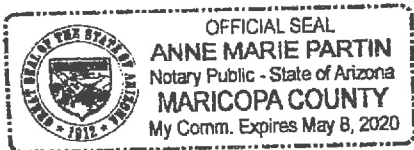
Arizona Intrastate Gross Operating Revenues Only (\$)

\$369,796

(The amount in the box above includes

\$29,597 in sales taxes

billed or collected)



Judith A Lopez
signature of owner/official
480-677-6080
telephone no.

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

Maricopa
(county name)

THIS

14th

DAY OF

April 2017
(month) and (year)

MY COMMISSION EXPIRES

May 8 2020
(date)

Anne Marie Partin
(signature of notary public)