ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01982A

W

WHITE HILLS WATER COMPANY, INC.
P.O. BOX 30626
MESA, AZ 85275

RECEIVED
AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007

FOR COMMISSION USE

ANN 04	07

PROCESSED BY:
8-31-10

SCANNED

COMPANY INFORMATION

Company Name (Business Name) WHITE HILLS WATER COMPANY, INC.

Mailing Address P.O. BOX 30626
(Street)

MESA (City) AZ (State) 85275 (Zip)

480-981-0559
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

Local Office Mailing Address SAME AS ABOVE
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: V. DAVID ARTHUR
(Name) (Title)

P.O. BOX 30626 (Street) MESA (City) AZ (State) 85275 (Zip)

480-981-0559
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

On Site Manager:
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

Statutory Agent: V. DAVID ARTHUR
(Name)

P.O. BOX 30626 | MESA | AZ | 85275
(Street) | (City) | (State) | (Zip)

480-981-0559
Telephone No. (Include Area Code) | Fax No. (Include Area Code | Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street) | (City) | (State) | (Zip)

Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code)

Email Address _____

☐ **Please mark this box if the above address(es) have changed or are updated since the last filing.**

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ **Sole Proprietor (S)**
- ☒ **C Corporation (C) (Other than Association/Co-op)**
- ☐ **Partnership (P)**
- ☐ **Subchapter S Corporation (Z)**
- ☐ **Bankruptcy (B)**
- ☐ **Association/Co-op (A)**
- ☐ **Receivership (R)**
- ☐ **Limited Liability Company**
- ☐ **Other** (Describe)_____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**	☐ **COCHISE**	☐ **COCONINO**
☐ **GILA**	☐ **GRAHAM**	☐ **GREENLEE**
☐ **LA PAZ**	☐ **MARICOPA**	☒ **MOHAVE**
☐ **NAVAJO**	☐ **PIMA**	☐ **PINAL**
☐ **SANTA CRUZ**	☐ **YAVAPAI**	☐ **YUMA**
☐ **STATEWIDE**		

COMPANY NAME
WHITE HILLS WATER COMPANY, INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	10,114	10,114	0
302	Franchises			
303	Land and Land Rights	969		969
304	Structures and Improvements	2,575	2,575	0
307	Wells and Springs	42,437	21,289	21,148
311	Pumping Equipment	46,366	14,598	31,768
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	78,758	8,447	70,311
331	Transmission and Distribution Mains	275,855	21,869	253,986
333	Services			
334	Meters and Meter Installations	18,217	3,329	14,888
335	Hydrants	185	48	137
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,613	2,613	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	4,112	4,112	0
348	Other Tangible Plant			
	TOTALS	**482,201**	**88,994**	**393,207**

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME
WHITE HILLS WATER COMPANY, INC.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	10,114		
302	Franchises			
303	Land and Land Rights	969		
304	Structures and Improvements	2,575		
307	Wells and Springs	42,437	1.50%	636
311	Pumping Equipment	46,366	1.24%	575
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	78,758	2.51%	1,977
331	Transmission and Distribution Mains	275,855	1.25%	3,381
333	Services			
334	Meters and Meter Installations	18,217	1.30%	237
335	Hydrants	185	2.70%	5
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	2,613		
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	4,112	20.00%	789
348	Other Tangible Plant			
	TOTALS	482,201		7,600

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

ULLMANN
& COMPANY P.C.
Certified Public Accountants

To The Board of Directors of
White Hills Water Company, Inc.
Mesa, Arizona

We have compiled the balance sheet of White Hills Water Company, Inc. as of December 31, 2007 and 2006, and the related comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

We are not independent with respect to White Hills Water Company, Inc.

Ullmann & Company

ULLMANN & COMPANY, P.C.
Certified Public Accountants

April 23, 2010

4647 North 32nd Street ▪ Suite 220 ▪ Phoenix, Arizona 85018
Telephone: (602) 224-0166 ▪ FAX: (602) 224-6062 ▪ e-mail: CPA@ULLMANNCPA.com ▪ www.ULLMANNCPA.com

COMPANY NAME
WHITE HILLS WATER COMPANY, INC.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	$ 26,313	$ 12,124
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	**$ 26,313**	**$ 12,124**
	FIXED ASSETS		
101	Utility Plant in Service	$ 456,463	$ 482,201
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	81,394	88,994
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	$ 375,069	$ 393,207
	TOTAL ASSETS	**$ 401,382**	**$ 405,331**

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME
WHITE HILLS WATER COMPANY, INC.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	$ -	$ -
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	87,605	100,505
235	Customer Deposits	1,857	2,257
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	$ 89,462	$ 102,762
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	$ -	$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	$ -	$ -
252	Advances in Aid of Construction	318,940	321,230
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	$ 318,940	$ 321,230
	TOTAL LIABILITIES	$ 408,402	$ 423,992
	CAPITAL ACCOUNTS		
201	Common Stock Issued	$ -	$ -
211	Paid in Capital in Excess of Par Value	30,026	30,026
215	Retained Earnings	(37,046)	(48,687)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	$ (7,020)	$ (18,661)
	TOTAL LIABILITIES AND CAPITAL	**$ 401,382**	**$ 405,331**

See Accountants' Compilation Report

COMPANY NAME
WHITE HILLS WATER COMPANY, INC.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	$ 39,727	$ 43,518
460	Unmetered Water Revenue	4,432	4,760
474	Other Water Revenues	60	25
	TOTAL REVENUES	$ 44,219	$ 48,303
	OPERATING EXPENSES		
601	Salaries and Wages	$ -	$ -
610	Purchased Water		
615	Purchased Power	3,970	4,976
618	Chemicals		
620	Repairs and Maintenance	4,509	10,932
621	Office Supplies and Expense	1,304	1,204
630	Outside Services	30,108	22,682
635	Water Testing	4,562	3,482
641	Rents		
650	Transportation Expenses	10,186	3,487
657	Insurance - General Liability	567	654
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	3,519	1,976
403	Depreciation Expense	7,203	7,600
408	Taxes Other Than Income		
408.11	Property Taxes	2,295	2,952
409	Income Tax	45	0
	TOTAL OPERATING EXPENSES	$ 68,268	$ 59,945
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	$ -	$ -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	$ -	$ -
	NET INCOME/(LOSS)	$ (24,049)	$ (11,642)

See Accountants' Compilation Report

COMPANY NAME	WHITE HILLS WATER COMPANY, INC.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	$	$	$	$
Amount Outstanding	$	$	$	$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	$	$	$	$
Current Year Principle	$	$	$	$

Meter Deposit Balance at Test Year End $ 4,410

Meter Deposits Refunded During the Test Year $ 0

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ¾	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: White Hills Water Company, Inc.	
Name of System: Unit 3,4,6	ADEQ Public Water System Number: 08-039

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR ~~2009~~ 2007

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →				

NO DATA IS AVAILABLE FOR THIS CALENDAR YEAR

What is the level of arsenic for each well on your system? .005 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
( ) Yes (x) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
( ) Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (x) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: White Hills Water Company, Inc.	
Name of System: Unit 1	ADEQ Public Water System Number: 08-149

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR ~~2009~~ 2007

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
JULY				
AUGUST				
SEPTEMBER				
OCTOBER				
NOVEMBER				
DECEMBER				
TOTALS →				

NO DATA IS AVAILABLE FOR THIS CALENDAR YEAR

What is the level of arsenic for each well on your system? .010 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
( ) Yes (x) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
( ) Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes (x) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME WHITE HILLS WATER COMPANY, INC. YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: $ 2,952

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

2393

WHITE HILLS WATER COMPANY, INC.
P.O. BOX 520480
LAS VEGAS, NV 89162

Date October 3, 2007

Pay to the order of Mohave County Treasurer $ 2126.39/xx

Two thousand one hundred twenty six and 39/100 Dollars

1ST NATIONAL BANK OF NEVADA
EL MIRAGE BRANCH
3100 S. MARIDEN HWY., STE 101
LAUGHLIN, NV 89029

For 32905173 + 4 MWS FY07

Robin Duke

⑈002393⑈ ⑆122401723⑆ 001-306553⑈ ⑇0000212639⑇

Seq 000-1105526

JP MORGAN CHASE BANK, NA
FORT WORTH, TX 11232007
P1119013314 #15 5390 23
5340418044

FOR DEPOSIT ONLY
MOHAVE COUNTY TREASURER

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	MOHAVE
NAME (OWNER OR OFFICIAL) TITLE	V. DAVID ARTHUR, PRESIDENT
COMPANY NAME	WHITE HILLS WATER COMPANY, INC.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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.

V. David Arthur
SIGNATURE OF OWNER OR OFFICIAL

480-981-0559
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF COUNTY NAME Maricopa

THIS 19th **DAY OF** MONTH August 2010

TAYLER SMITH
Notary Public - Arizona
Maricopa County
My Commission Expires
March 14, 2014

(SEAL)

Tayler Smith
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 3/14/14

COMPANY NAME WATER HILLS WATER COMPANY, INC. **YEAR ENDING 9/30/2007**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	(6,532)
Estimated or Actual Federal Tax Liability	0
State Taxable Income Reported	(6,769)
Estimated or Actual State Tax Liability	45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	N/A
Amount of Gross-Up Tax Collected	N/A
Total Grossed-Up Contributions/Advances	N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

V. David Arthur	8-19-10
SIGNATURE	**DATE**
V. David Arthur	President
PRINTED NAME	**TITLE**

RECEIVED

AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	MOHAVE
NAME (OWNER OR OFFICIAL) TITLE	V. DAVID ARTHUR, PRESIDENT
COMPANY NAME	WHITE HILLS WATER COMPANY, INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 REQUIREMENT 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 CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only ($)
$ 52,306

(THE AMOUNT IN BOX ABOVE INCLUDES $ 4,003 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

V. David Arthur
SIGNATURE OF OWNER OR OFFICIAL

480-981-0559
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 19th **DAY OF**

COUNTY NAME	Maricopa
MONTH August	2010

TAYLER SMITH
Notary Public - Arizona
Maricopa County
My Commission Expires
March 14, 2014

MY COMMISSION EXPIRES 3/14/14

Tayler Smith
SIGNATURE OF NOTARY PUBLIC

RECEIVED

AZ CORP COMM
Director Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	MOHAVE	
NAME (OWNER OR OFFICIAL)	V. DAVID ARTHUR	TITLE PRESIDENT
COMPANY NAME	WHITE HILLS WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

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 40-401.01, 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 CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

$ 52,306

THE AMOUNT IN BOX AT LEFT INCLUDES $ 4,003 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**

V. David Arthur
SIGNATURE OF OWNER OR OFFICIAL

480-981-0559
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 19th **DAY OF**

NOTARY PUBLIC NAME	Tayler Smith
COUNTY NAME	Maricopa
MONTH	August, 2010

TAYLER SMITH
Notary Public - Arizona
Maricopa County
My Commission Expires
March 14, 2014

MY COMMISSION EXPIRES 3/14/14

X Tayler Smith
SIGNATURE OF NOTARY PUBLIC