

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW04305A

CORONADO UTILITIES INC.
7581 E ACADEMY BOULEVARD, SUITE 229
DENVER CO 80230

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

ANNUAL REPORT

Sewer

FOR YEAR ENDING

| | | |
|-----------|-----------|-------------|
| 12 | 31 | 2012 |
|-----------|-----------|-------------|

FOR COMMISSION USE

| | |
|--------------|-----------|
| ANN05 | 12 |
|--------------|-----------|

4-17-13

COMPANY INFORMATION

| | | | |
|--|-----------------------------|------------------------------|--|
| Company Name (Business Name) _____ <u>Coronado Utilities, Inc.</u> | | | |
| Mailing Address _____ <u>7581 E Academy Boulevard, Suite 229</u> | | | |
| (Street) | | | |
| <u>Denver</u> | <u>CO</u> | <u>80230</u> | |
| (City) | (State) | (Zip) | |
| <u>720-949-1384</u> | <u>720-949-1360</u> | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Email Address _____ <u>jw@pivotalcompanies.com</u> | | | |
| Local Office Mailing Address _____ <u>physical only; no mail – 88606 E Magma Plant Road</u> | | | |
| (Street) | | | |
| <u>San Manuel</u> | <u>AZ</u> | <u>85631</u> | |
| (City) | (State) | (Zip) | |
| Local Office Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Email Address _____ | | | |

MANAGEMENT INFORMATION

| | | | |
|--|-----------------------------|------------------------------|--------------|
| <input type="checkbox"/> Regulatory Contact: _____ <u>Jason Williamson</u> | | | |
| <input type="checkbox"/> Management Contact: _____ <u>Jason Williamson</u> _____ <u>President</u> | | | |
| (Name) (Title) | | | |
| <u>7581 E Academy Boulevard, Suite 229</u> | <u>Denver</u> | <u>CO</u> | <u>80224</u> |
| (Street) | (City) | (State) | (Zip) |
| <u>720-949-1384</u> | <u>720-949-1360</u> | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Email Address: _____ <u>jw@pivotalcompanies.com</u> | | | |
| On Site Manager: _____ <u>Wendy Gort</u> | | | |
| (Name) | | | |
| <u>PO Box 1898</u> | <u>Oracle</u> | <u>AZ</u> | <u>85623</u> |
| (Street) | (City) | (State) | (Zip) |
| <u>520-360-6772</u> | | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Email Address: _____ | | | |

Statutory Agent: _____ **Incorp** _____
(Name)

_____ **375 N. Stephanie St. Suite 1411** _____ **Henderson** _____ **NV** _____ **89014**
(Street) (City) (State) (Zip)

_____ **(702) 866-2500** _____ _____ _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: _____ **Jay Shapiro** _____
(Name)

_____ **3003 N Central Avenue, Suite 2800** _____ **Phoenix** _____ **AZ** _____ **85367**
(Street) (City) (State) (Zip)

_____ **602-916-5366** _____ _____ _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address: _____ **jlshapiro@fclaw.com** _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

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

- | | | |
|--|--|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME: CORONADO UTILITIES, INC.

UTILITY PLANT IN SERVICE

| Acct. No. | DESCRIPTION | Original Cost (OC) | Accumulated Depreciation (AD) | O.C.L.D. (OC less AD) |
|------------------|---------------------------------|---------------------------|--------------------------------------|------------------------------|
| 351 | Organization | 5,194 | (5,194) | 0 |
| 352 | Franchises | | | 0 |
| 353 | Land and Land Rights | 315,001 | 0 | 315,001 |
| 354 | Structures and Improvements | | | 0 |
| 355 | Power Generation Equipment | | | 0 |
| 360 | Collection Sewers - Force | | | 0 |
| 361 | Collection Sewers - Gravity | 60,926 | (6,529) | 54,397 |
| 362 | Special Collecting Structures | | | 0 |
| 363 | Services to Customers | | | 0 |
| 364 | Flow Measuring Devices | | | 0 |
| 365 | Flow Measuring Installations | | | 0 |
| 370 | Receiving Wells | | | 0 |
| 380 | Treatment and Disposal Equip. | 3,328,830 | (980,261) | 2,348,569 |
| 381 | Plant Sewers | | | 0 |
| 382 | Outfall Sewer Lines | 541,442 | (107,518) | 433,924 |
| 389 | Other Plant and Misc. Equipment | 217,487 | (94,921) | 122,566 |
| 390 | Office Furniture and Equipment | | | 0 |
| 391 | Transportation Equipment | 6,600 | 0 | 6,600 |
| 393 | Tools, Shop and Garage Equip. | | | 0 |
| 394 | Laboratory Equipment | | | 0 |
| 395 | Power Operated Equipment | | | 0 |
| 398 | Other Tangible Plant | | | 0 |
| | TOTALS | 4,475,480 | (1,194,423) | 3,281,057 |

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

COMPANY NAME: CORONADO UTILITIES, INC.

CALCULATION OF DEPRECIATION EXPENSE

| Acct. No. | DESCRIPTION | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1x2) |
|------------------|---------------------------------|--------------------------|------------------------------------|-----------------------------------|
| 351 | Organization | 5,194 | 0% | 0 |
| 352 | Franchises | | 0% | 0 |
| 353 | Land and Land Rights | 315,001 | 0% | 0 |
| 354 | Structures and Improvements | | 0% | 0 |
| 355 | Power Generation Equipment | | 0% | 0 |
| 360 | Collection Sewers - Force | | 0% | 0 |
| 361 | Collection Sewers - Gravity | 60,926 | 2% | 1,187 |
| 362 | Special Collecting Structures | | 0% | 0 |
| 363 | Services to Customers | | 0% | 0 |
| 364 | Flow Measuring Devices | | 0% | 0 |
| 365 | Flow Measuring Installations | | 0% | 0 |
| 370 | Receiving Wells | | 0% | 0 |
| 380 | Treatment and Disposal Equip. | 3,328,830 | 4% | 163,484 |
| 381 | Plant Sewers | | 0% | 0 |
| 382 | Outfall Sewer Lines | 541,442 | 3% | 18,020 |
| 389 | Other Plant and Misc. Equipment | 217,487 | 8% | 19,302 |
| 390 | Office Furniture and Equipment | | 0% | 0 |
| 391 | Transportation Equipment | 6,600 | 0% | 0 |
| 393 | Tools, Shop and Garage Equip. | | 0% | 0 |
| 394 | Laboratory Equipment | | 0% | 0 |
| 395 | Power Operated Equipment | | 0% | 0 |
| 398 | Other Tangible Plant | | 0% | 0 |
| | TOTALS | 4,475,480 | | 201,993 |

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

COMPANY NAME: CORONADO UTILITIES, INC.

BALANCE SHEET

| Acct. No. | ASSETS | BALANCE AT BEGINNING OF TEST YEAR | BALANCE AT END OF YEAR |
|------------------|---|--|-------------------------------|
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$330,323 | \$318,541 |
| 132 | Special Deposits | \$21,574 | \$21,574 |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | \$194,566 | \$182,399 |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | | 870 |
| 174 | Miscellaneous Current and Accrued Assets | \$68,720 | \$63,981 |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$615,183 | \$587,365 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$4,441,173 | \$4,475,480 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation - Utility Plant | (\$992,430) | (\$1,194,423) |
| 121 | Non Utility Property | | |
| 122 | Accumulated Depreciation - Non Utility | | |
| | TOTAL FIXED ASSETS | \$3,448,743 | \$3,281,057 |
| | TOTAL ASSETS | \$4,063,926 | \$3,868,422 |

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

COMPANY NAME: CORONADO UTILITIES, INC.

BALANCE SHEET (CONTINUED)

| Acct. No. | LIABILITIES | BALANCE AT BEGINNING OF TEST YEAR | BALANCE AT END OF YEAR |
|------------------|---|--|-------------------------------|
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | \$120,730 | \$63,895 |
| 232 | Notes Payable (Current Portion) | \$12,083 | \$11,563 |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | \$18,775 | \$19,412 |
| 236 | Accrued Taxes | \$50 | \$50 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | \$28,507 | \$23,489 |
| | TOTAL CURRENT LIABILITIES | \$180,145 | \$118,409 |
| | LONG-TERM DEBT (Over 12 Months) | | |
| 224 | Long -Term Notes and Bonds | 2,320,000 | \$2,220,000 |
| | DEFERRED CREDITS | | |
| 252 | Advances in Aid of Construction | | |
| 253 | Other Deferred Credits | | |
| 255 | Accumulated Deferred Investment Tax Credits | | |
| 271 | Contributions in Aid of Construction | \$603,201 | \$603,201 |
| 272 | Less: Amortizations of Contributions | (\$80,356) | (\$104,862) |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$522,845 | \$498,339 |
| | TOTAL LIABILITIES | \$3,022,990 | \$2,836,748 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ 314,238 | \$ 314,238 |
| 211 | Other Paid in Capital | \$570,000 | \$570,000 |
| 215 | Retained Earnings | \$156,697 | \$147,435 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ 1,040,935 | \$ 1,031,673 |
| | TOTAL LIABILITIES AND CAPITAL | \$4,063,925 | \$3,868,421 |

COMPANY NAME: CORONADO UTILITIES, INC.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|------------------|---|--------------------|---------------------|
| 521 | Flat Rate Revenues | \$897,906 | \$900,611 |
| 522 | Measured Revenues | \$87,480 | \$76,004 |
| 536 | Other Wastewater Revenues | \$66,443 | \$40,054 |
| | TOTAL REVENUES | \$1,051,829 | \$1,016,669 |
| | | | |
| | OPERATING EXPENSES | | |
| 701 | Salaries and Wages | (\$121,033) | (\$149,500) |
| 710 | Purchased Wastewater Treatment | | |
| 711 | Sludge Removal Expense | | |
| 715 | Purchased Power | (\$58,614) | (\$56,608) |
| 716 | Fuel for Power Production | | |
| 718 | Chemicals | (\$15,273) | (\$18,961) |
| 720 | Materials and Supplies | (\$1,882) | (\$1,701) |
| 731 | Contractual Services - Professional | (\$11,627) | (\$20,998) |
| 735 | Contractual Services - Testing | (\$7,213) | (\$4,486) |
| 736 | Contractual Services - Other | (\$199,156) | (\$218,159) |
| 740 | Rents | \$0 | \$0 |
| 750 | Transportation Expense | (\$6,136) | (\$3,374) |
| 755 | Insurance Expense | (\$15,496) | (\$15,625) |
| 765 | Regulatory Commission Expense | (\$1,769) | (\$2,518) |
| 775 | Miscellaneous Expense | (\$198,148) | (\$143,839) |
| 403 | Depreciation Expense | (\$183,258) | (\$184,370) |
| 408 | Taxes Other Than Income | (\$7,697) | (\$11,722) |
| 408.11 | Property Taxes | (\$39,011) | (\$40,992) |
| 409 | Income Taxes | (\$50) | (\$96) |
| | TOTAL OPERATING EXPENSES | (\$866,363) | (\$872,949) |
| | | | |
| | OTHER INCOME/EXPENSE | | |
| 419 | Interest and Dividend Income | \$499 | (\$534) |
| 421 | Non-Utility Income | | |
| 426 | Miscellaneous Non-Utility Expenses (incl. bad debt) | | |
| 427 | Interest Expense | (\$158,566) | (\$150,070) |
| | TOTAL OTHER INCOME/EXPENSE | (\$158,067) | (\$150,604) |
| | | | |
| | NET INCOME/(LOSS) | \$27,399 | (\$6,884) |

COMPANY NAME Coronado Utilities, Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

| | LOAN #1 | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|--|----------------|----------------|----------------|
| Date Issued | 6/27/05 | | | |
| Source of Loan | Pinal County Industrial Development Authority and Municipal Leasing Credit Corp. | | | |
| ACC Decision No. | #68606 | | | |
| Reason for Loan | Funding of new .35 MGD WWTP | | | |
| Dollar Amount Issued | \$2,650,000 | \$ | \$ | \$ |
| Amount Outstanding | \$2,320,000 | \$ | \$ | \$ |
| Date of Maturity | 6/20/26 | | | |
| Interest Rate | 6.25% | % | % | % |
| Current Year Interest | \$94,997.21 | \$ | \$ | \$ |
| Current Year Principle | \$147,797,64 | \$ | \$ | \$ |

| |
|--|
| COMPANY NAME <u>Coronado Utilities, Inc.</u> |
| Name of System: _____ Wastewater Inventory Number (if applicable): _____ |

WASTEWATER COMPANY PLANT DESCRIPTION
TREATMENT FACILITY

| | |
|---|--|
| TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.) | Influent grit chamber, spiralift roto-screener, and flow equalization basin followed by an Anoxic basin then a 5-stage modified extended aeration process with denitrification, disinfection (chlorination), and conventional clarification. A 150 kW backup generator with automatic transfer switch is also onsite. |
| DESIGN CAPACITY OF PLANT (Gallons Per Day) | .350 MGD |

LIFT STATION FACILITIES

| Location | Quantity of Pumps | Horsepower Per Pump | Capacity Per Pump (GPM) | Wet Well Capacity (gals) |
|---|-------------------|---------------------|-------------------------|--------------------------|
| Mobile Manor Ocotillo Street (Rancho San Manuel Lift Station) | 2 | 4.5 | 480 | 2,114 |
| Airport Lift Station, Airport Road | 2 | 4.5 | 480 | 897 |
| Effluent Lift Station (WWTP site) | 2 | 50 | 400 | 20,000 |
| | | | | |
| | | | | |

FORCE MAINS

| Size | Material | Length (Feet) |
|--------|---|---------------|
| 4-inch | PVC – from airport lift station | 3,600 |
| | PVC – from RSM lift station to collection system gravity manhole at top of trailer park | 820 |
| 8-inch | HDPE – Effluent Reclaimed Water Forced Main | 15,800 |

MANHOLES

| Type | Quantity |
|----------|----------|
| Standard | 314 |
| Drop | |
| | |

CLEANOUTS

| Quantity |
|----------|
| 5 |
| |
| |

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

COMPANY NAME Coronado Utilities, Inc.

Name of System: _____ Wastewater Inventory Number (if applicable): _____

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

| Size (in inches) | Material | Length (in feet) |
|---------------------|----------|---------------------|
| 3 | | |
| 4 | | |
| 6 | Clay | 44,973 |
| 8 | Clay | 35,068 |
| 10 | Clay | 6,275 |
| 12 | Clay | 2,350 |
| 15 | Clay | 10,485 |
| 18 | | |
| 21 | | |
| 24 | | |
| 30 | | |

SERVICES

| Size (in inches) | Material | Quantity |
|---------------------|----------|----------|
| 2 | | |
| 4 | Clay/PVC | 1,504 |
| 6 | | |
| 8 | Clay/PVC | 20 |
| 12 | | |
| 15 | | |
| | | |
| | | |
| | | |
| | | |

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM

| | |
|---|--|
| SOLIDS PROCESSING AND HANDLING FACILITIES | Grit chamber, bar screen, roto-screen Sludge digesting tank with scum pump and sludge drying beds |
| DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.) | Liquid chlorination system and chlorine contact tank |
| FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.) | N/A |
| STRUCTURES (Buildings, Fences, Etc.) | Operations building; perimeter fence |
| OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.) | Process and testing equipment/backhoe/utility Truck/pressure waster/flow meters 150 kW standby generator with transfer switch |

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

COMPANY NAME CORONADO UTILITIES, INC.

Name of System:

Wastewater Inventory Number (if applicable):

WASTEWATER FLOWS

| MONTH/YEAR (Most Recent 12 Months) | NUMBER OF SERVICES | TOTAL MONTHLY SEWAGE FLOW | SEWAGE FLOW ON PEAK DAY |
|---|-------------------------------|--------------------------------------|------------------------------------|
| January | 1322 | 6,014,000 | 194,000 |
| February | 1310 | 5,152,000 | 184,000 |
| March | 1326 | 6,045,000 | 195,000 |
| April | 1336 | 5,670,000 | 189,000 |
| May | 1330 | 5,797,000 | 187,000 |
| June | 1330 | 5,670,000 | 189,000 |
| July | 1361 | 5,890,000 | 190,000 |
| August | 1326 | 5,921,000 | 191,000 |
| September | 1315 | 5,700,000 | 190,000 |
| October | 1311 | 6,014,000 | 194,000 |
| November | 1326 | 6,120,000 | 204,000 |
| December | 1313 | 6,262,000 | 202,000 |

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE
PER WASTEWATER SYSTEM**

| | |
|---|---|
| Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.) | Golf course reuse – or – Evaporation ponds |
| Groundwater Permit Number | N/A |
| ADEQ Aquifer Protection Permit Number | P105607 |
| ADEQ Reuse Permit Number | R105906 |
| EPA NPDES Permit Number | N/A |

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

COMPANY NAME: Coronado Utilities, Inc.

Name of System: _____ Wastewater Inventory Number (if applicable): _____

UTILITY SHUTOFFS / DISCONNECTS

| MONTH | Termination without Notice R14-2- 609.B | Termination with Notice R14-2- 609.C | OTHER |
|-----------|--|---|-------|
| JANUARY | | | |
| FEBRUARY | | | |
| MARCH | | | |
| APRIL | | | |
| MAY | | | |
| JUNE | | | |
| JULY | | | |
| AUGUST | | | |
| SEPTEMBER | | | |
| OCTOBER | | | |
| NOVEMBER | | | |
| DECEMBER | | | |
| TOTALS → | 0 | 0 | 0 |

OTHER (description):

COMPANY NAME: CORONADO UTILITIES, INC.
YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported <45,263>
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported <38,810>
Estimated or Actual State Tax Liability 50

Amount of Grossed-Up Contributions/Advances:

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

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.



SIGNATURE

4/11/13

DATE

JASON WILLIAMSON

PRINTED NAME

PRESIDENT

TITLE

COMPANY NAME: CORONADO UTILITIES, INC.
YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 40,190.36

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. _____

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN STATEMENT
Taxes

VERIFICATION

STATE OF COLORADO
CITY AND COUNTY OF DENVER

I, THE UNDERSIGNED, JASON WILLIAMSON, PRESIDENT OF CORONADO UTILITIES INC., DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING - 12/31/12

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.

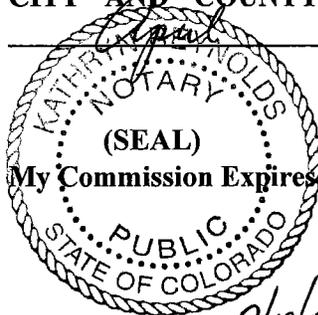


SIGNATURE OF OWNER OR OFFICIAL

720-949-1384

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE CITY AND COUNTY OF DENVER, COLORADO, THIS 11th DAY OF April, 20 13.



2/17/15 _____


My Commission Expires 2/17/15

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN
STATEMENT
Intrastate Revenues Only
VERIFICATION

STATE OF COLORADO
CITY AND COUNTY OF DENVER

I, THE UNDERSIGNED, JASON WILLIAMSON, PRESIDENT OF CORONADO UTILITIES INC., DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING - 12/31/12

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 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 1,016,669.24

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 0 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)

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
720-949-1384
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE CITY AND COUNTY OF DENVER, COLORADO, THIS 11/2 DAY OF

[Signature]
NOTARY PUBLIC
STATE OF COLORADO
(SEAL)
My Commission Expires: 2/17/15
My Commission Expires 2/17/15

[Signature]

RECEIVED

APR 15 2013

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRSTATE REVENUES ONLY
VERIFICATION

STATE OF COLORADO
CITY AND COUNTY OF DENVER

I, THE UNDERSIGNED, JASON WILLIAMSON, PRESIDENT OF CORONADO UTILITIES INC., DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING - 12/31/12

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 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 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only
\$ 1,016,669.24

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 0 IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL

720-949-1380
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE CITY AND COUNTY OF DENVER, COLORADO, THIS 11th DAY OF

April, 20 13.



My Commission Expires: 2/17/15



My Commission Expires 2/17/15