

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

SW-02849A
Saddlebrooke Utility Company
9532 E. Riggs Rd.
Sun Lakes, AZ 85248

RECEIVED

APR 15 2013

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Sewer

FOR YEAR ENDING

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

FOR COMMISSION USE

ANN05	12
-------	----

4-19-13

COMPANY INFORMATION

Company Name (Business Name) Saddlebrooke Utility Company

Mailing Address 9532 E. Riggs Rd.

Sun Lakes AZ 85248
(City) (State) (Zip)

(480) 895-4200 (480) 895-5455
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 40004 S. Ridgeview Blvd.

Tucson AZ 85739
(City) (State) (Zip)

(520) 825-3423 (520) 825-0712
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Steve Soriano Vice President/General Manager
(Name) (Title)

9532 E. Riggs Rd. Sun Lakes AZ 85248
(Street) (City) (State) (Zip)

(480) 895-4200 (480) 895-5455
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address steve.soriano@robson.com

On Site Manager: Ed MacMeans
(Name)

40004 S. Ridgeview Blvd Tucson AZ 85739
(Street) (City) (State) (Zip)

(520) 825-3423 (520) 825-0712
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address ed.macmeans@robson.com

Statutory Agent: _____		<u>James Hubbard</u>	
(Name)			
<u>9532 E. Riggs Rd.</u>	<u>Sun Lakes</u>	<u>AZ</u>	<u>85248</u>
(Street)	(City)	(State)	(Zip)
<u>(480) 895-4200</u>	<u>(480) 895-0136</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: _____		<u>Jay L. Shapiro</u>	
(Name)			
<u>3003 N. Central Ave., Ste 2600</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012-2913</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 916-5366</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>jshapiro@fclaw.com</u>			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" 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 | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	21,369		21,369
352	Franchises			
353	Land and Land Rights	125,000		125,000
354	Structures and Improvements	62,947	25,819	37,128
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	6,664,318	1,694,119	4,970,199
362	Special Collecting Structures			
363	Services to Customers	1,466,275	302,415	1,163,860
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	1,609,063	1,165,242	443,821
380	Treatment and Disposal Equip.	6,258,288	4,282,886	1,975,402
381	Plant Sewers			
382	Outfall Sewer Lines	470,077	109,997	360,080
389	Other Plant and Misc. Equipment	249,138	150,817	98,321
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	16,926,475	7,731,295	9,195,180

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

COMPANY NAME Saddlebrooke Utility Company

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	21,369		
352	Franchises			
353	Land and Land Rights	125,000		
354	Structures and Improvements	62,947	2.56	1,614
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	6,664,318	2.00	133,287
362	Special Collecting Structures			
363	Services to Customers	1,466,275	2.00	29,326
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	1,609,063	5.62	90,395
380	Treatment and Disposal Equip.	6,258,288	5.25	328,708
381	Plant Sewers			
382	Outfall Sewer Lines	470,077	5.01	23,562
389	Other Plant and Misc. Equipment	249,138	10.05	25,028
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	16,926,475	3.73	631,920

This amount goes on the Comparative Statement of Income and Expense Acct. 403

COMPANY NAME Saddlebrooke Utility Company

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$119,856	\$109,697
132	Special Deposits	0	0
135	Temporary Cash Investments		
141	Customer Accounts Receivable	169,852	185,074
146	Notes/Receivables from Associated Companies	3,935,914	5,207,031
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	417,042	408,927
	TOTAL CURRENT AND ACCRUED ASSETS	\$4,642,664	\$5,910,729
	FIXED ASSETS		
101	Utility Plant in Service	\$16,814,623	\$16,926,475
103	Property Held for Future Use		
105	Construction Work in Progress	136,878	232,590
108	Accumulated Depreciation – Utility Plant	(7,114,450)	(7,731,295)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$9,837,051	\$9,427,770
	TOTAL ASSETS	\$14,479,715	\$15,338,499

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

COMPANY NAME Saddlebrooke Utility Company

BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$172,247	\$14,920
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	67,093	58,677
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		19,846
	TOTAL CURRENT LIABILITIES	\$239,340	\$93,443
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$0	\$0
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$0	\$0
253	Other Deferred Credits		
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	\$0	\$0
	TOTAL LIABILITIES	\$239,340	\$93,443
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$98,472	\$98,472
211	Other Paid in Capital	3,224,839	3,224,839
215	Retained Earnings	10,917,064	11,921,745
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$14,240,375	\$15,245,056
	TOTAL LIABILITIES AND CAPITAL	\$14,479,715	\$15,338,499

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$2,261,630	\$2,274,264
522	Measured Revenues	82,872	90,976
536	Other Wastewater Revenues	95,980	87,264
	TOTAL REVENUES	\$2,440,482	\$2,452,504
	OPERATING EXPENSES		
701	Salaries and Wages	\$186,781	\$229,467
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	257,492	225,684
716	Fuel for Power Production		
718	Chemicals	10,238	5,874
720	Materials and Supplies	146,938	210,454
731	Contractual Services – Professional	54,415	7,341
735	Contractual Services – Testing	63,269	19,599
736	Contractual Services – Other	52,300	47,092
740	Rents		6,562
750	Transportation Expense		24,175
755	Insurance Expense	38,099	22,277
765	Regulatory Commission Expense		
775	Miscellaneous Expense	74,991	31,734
403	Depreciation Expense	646,146	631,920
408	Taxes Other Than Income		
408.11	Property Taxes	108,913	108,034
409	Income Taxes		
	TOTAL OPERATING EXPENSES	\$1,639,582	\$1,570,213
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$77,732	\$120,024
421	Non-Utility Income	2,227	2,416
426	Miscellaneous Non-Utility Expenses		(51)
427	Interest Expense	0	0
	TOTAL OTHER INCOME/EXPENSE	\$79,959	\$122,389
	NET INCOME/(LOSS)	\$880,859	\$1,004,680

COMPANY NAME Saddlebrooke Utility Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	01/18/96			
Source of Loan	IDA Bonds			
ACC Decision No.	59134			
Reason for Loan	Construction			
Dollar Amount Issued	\$3,950,000	\$	\$	\$
Amount Outstanding	\$0	\$	\$	\$
Date of Maturity	07/01/19			
Interest Rate	7.25%	%	%	%
Current Year Interest	\$0	\$	\$	\$
Current Year Principle	\$0	\$	\$	\$

COMPANY NAME Saddlebrooke Utility Company

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.)	Package plant with primary clarifier and tertiary treatment facilities
DESIGN CAPACITY OF PLANT (Gallons Per Day)	1,240,000 GPD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
See Attached				

FORCE MAINS

Size	Material	Length (Feet)
4-inch	PVC	1,772
6-inch	PVC	8,046
< 4-inch	PVC	8,002
> 6-inch	PVC	2,797

MANHOLES

Type	Quantity
Standard	1,006
Drop	11

CLEANOUTS

Quantity
133

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

**Saddlebrooke Utility Company
Wastewater Company Plant Descriptions - Treatment Facility
December 31, 2012**

Lift Station Facilities:

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump GPM	Wet Well Capacity (gals)
Construction Yard	2	1	50	1,000
Unit 7	2	3	50	1,020
Unit 9	2	75	140	677
Unit 19	2	3	140	888
Unit 27	2	5	120	380
Unit 32	2	20	500	1,800
Unit 21 North	2	15	131	1,197
Unit 21 South	2	88	275	1,795
Unit 46	2	20	600	1,800

COMPANY NAME Saddlebrooke Utility Company

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

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

SERVICES

Size (in inches)	Material	Length (in feet)
3	PVC	760
4	PVC	6,302
6		
8	PVC	267,159
10	PVC	2,787
12		
15		
18		
21		
24		
30		

Size (in inches)	Material	Quantity
4	PVC	4,843
6		
8		
12		
15		

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

SOLIDS PROCESSING AND HANDLING FACILITIES	Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Sand & Anthracite
STRUCTURES (Buildings, Fences, Etc.)	Comminuter, Influent Pump Station, Package Plant, Blowers, Generators, Equalization Basin, Filters, UV Disinfection, Effluent
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Vehicles, Microscope

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

COMPANY NAME Saddlebrooke Utility Company

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	4,817	16,190,000	558,000
February	4,817	15,535,000	570,000
March	4,819	16,829,000	582,000
April	4,816	15,405,000	561,000
May	4,818	13,347,000	501,000
June	4,822	11,567,000	425,000
July	4,824	11,998,000	560,000
August	4,829	11,409,000	418,000
September	4,833	12,548,000	721,000
October	4,837	13,308,000	467,000
November	4,839	13,591,000	515,000
December	4,843	14,752,000	511,000

**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.)	Reuse NPDES
Groundwater Permit Number	100356
ADEQ Aquifer Protection Permit Number	N/A
ADEQ Reuse Permit Number	PL000356
EPA NPDES Permit Number	AZ0022853

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

COMPANY NAME: Saddlebrooke Utility Company

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	0	8	0
FEBRUARY	0	0	0
MARCH	0	12	0
APRIL	0	10	0
MAY	0	13	0
JUNE	0	8	0
JULY	0	4	0
AUGUST	0	5	0
SEPTEMBER	0	11	0
OCTOBER	0	14	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	85	0

OTHER (description):

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
 Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
 Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
 Amount of Gross-Up Tax Collected 0
 Total Grossed-Up Contributions/Advances 0

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

4-15-13

 DATE

Steve Soriano

 PRINTED NAME

Vice President/General Manager

 TITLE

COMPANY NAME Saddlebrooke Utility Company YEAR ENDING 12/31/2012

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 108,327.96

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. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
APR 15 2013

VERIFICATION
STATE OF Arizona
I, THE UNDERSIGNED
OF THE

ACC UTILITIES DIRECTOR

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE Steve Soriano – Vice President/General Manager
COMPANY NAME Saddlebrooke Utility Company

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	2012

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.

Steve Soriano

SIGNATURE OF OWNER OR OFFICIAL

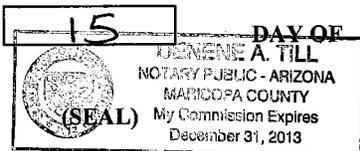
(480) 895-4200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



COUNTY NAME	Maricopa	
MONTH	April	.2013

Denene A. Till

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12/31/13

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 15 2013

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Maricopa	ACC UTILITIES DIRECTOR
NAME (OWNER OR OFFICIAL) TITLE Steve Soriano – Vice President/General Manager	
COMPANY NAME Saddlebrooke Utility Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 (\$) \$ <u>2,460,401</u>
--

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 7,897
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)**

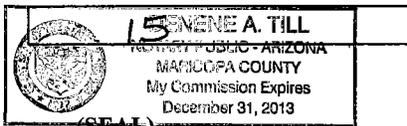
Steve Soriano

SIGNATURE OF OWNER OR OFFICIAL
(480) 895-4200
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



(SEAL)

COUNTY NAME	Maricopa
MONTH	April, 2013

Denene A. Till

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12/31/13

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED
APR 15 2013
ACC UTILITIES DIRECTOR

VERIFICATION
STATE OF Arizona

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Steve Soriano</u>	TITLE <u>Vice President/General Manager</u>
COMPANY NAME <u>Saddlebrooke Utility Company</u>	

I, THE UNDERSIGNED
OF THE

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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.

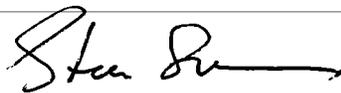
SWORN STATEMENT

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 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 2,281,462
--

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

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



SIGNATURE OF OWNER OR OFFICIAL

(480) 895-4200

TELEPHONE NUMBER

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

15 DAY OF

(SEAL)  DENENE A. TILL
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Commission Expires
December 31, 2013

MY COMMISSION EXPIRES 12/31/13

NOTARY PUBLIC NAME <u>Denene A. Till</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	20 <u>13</u>



SIGNATURE OF NOTARY PUBLIC