

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY**

WS-01689A  
Clear Springs Utility Company, Inc.  
PO Box 85160  
Tucson, AZ 85754

RECEIVED

APR 17 2013

AZ CORP COMM  
Director - Utilities

**ANNUAL REPORT**  
**Water & Sewer**

**FOR YEAR ENDING**

|    |    |      |
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| 12 | 31 | 2012 |
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FOR COMMISSION USE

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4-23-13

**COMPANY INFORMATION**

|  |  |                                     |  |
|--|--|-------------------------------------|--|
| <b>Company Name (Business Name)</b>                                | <u>Clear Springs Utility Company, Inc.</u>         |                                     |  |
| <b>Mailing Address</b>   | <u>PO Box 85160</u><br>(Street)                    |                                     |  |
| <u>Tucson</u><br>(City)  | <u>AZ</u><br>(State)                               | <u>85754</u><br>(Zip)               |  |
| <u>520-623-5172</u><br>Telephone No. (Include Area Code)           | <u>520-792-0377</u><br>Fax No. (Include Area Code) | <u>Cell No. (Include Area Code)</u> |  |
| <b>Email Address</b>   | <u>info@southwesternutility.com</u>                |                                     |  |
| <b>Local Office Mailing Address</b>                                | <u>PO Box 85160</u><br>(Street)                    |                                     |  |
| <u>Tucson</u><br>(City)  | <u>AZ</u><br>(State)                               | <u>85754</u><br>(Zip)               |  |
| <u>520-623-5172</u><br>Local Office Telephone No. (Incl Area Code) | <u>520-792-0377</u><br>Fax No. (Include Area Code) | <u>Cell No. (Include Area Code)</u> |  |
| <b>Email Address</b>   | <u>info@southwesternutility.com</u>                |                                     |  |

**MANAGEMENT INFORMATION**

|  |  |                                     |                       |
|--|--|-------------------------------------|-----------------------|
| <input type="checkbox"/> <b>Regulatory Contact:</b>            |  |                                     |                       |
| <input checked="" type="checkbox"/> <b>Management Contact:</b> | <u>Southwestern Utility Management, Inc.</u><br>(Name) (Title) |                                     |                       |
| <u>PO Box 85160</u><br>(Street)                                | <u>Tucson</u><br>(City)  | <u>AZ</u><br>(State)                | <u>85754</u><br>(Zip) |
| <u>520-623-5172</u><br>Telephone No. (Include Area Code)       | <u>520-792-0377</u><br>Fax No. (Include Area Code)             | <u>Cell No. (Include Area Code)</u> |                       |
| <b>Email Address</b>   | <u>info@southwesternutility.com</u>                            |                                     |                       |
| <b>On Site Manager:</b>  | <u>Keith Dojaquez</u><br>(Name)                                |                                     |                       |
| <u>PO Box 85160</u><br>(Street)                                | <u>Tucson</u><br>(City)  | <u>AZ</u><br>(State)                | <u>85754</u><br>(Zip) |
| <u>520-623-5172</u><br>Telephone No. (Include Area Code)       | <u>520-792-0377</u><br>Fax No. (Include Area Code)             | <u>Cell No. (Include Area Code)</u> |                       |
| <b>Email Address</b>   | <u>info@southwesternutility.com</u>                            |                                     |                       |

**Statutory Agent:** Bonnie O'Connor  
 (Name)

PO Box 85160                      Tucson                      AZ                      85754  
 (Street)                                      (City)                                      (State)                                      (Zip)

520-623-5172                      520-792-0377  
 Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Attorney:** N/A  
 (Name)

\_\_\_\_\_  
 (Street)                                      (City)                                      (State)                                      (Zip)

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

Email Address \_\_\_\_\_

**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: Clear Springs Utility Company, Inc. - Water Division

**UTILITY PLANT IN SERVICE**

| <b>Acct. No.</b> | <b>Description</b>                   | <b>Original Cost (OC)</b> | <b>Accumulated Depreciation (AD)</b> | <b>OCLD (OC less AD)</b> |
|------------------|--------------------------------------|---------------------------|--------------------------------------|--------------------------|
| 301              | Organization                         | \$ 1,625                  |                                      | \$ 1,625                 |
| 302              | Franchises                           |                           |                                      | -                        |
| 303              | Land & Land Rights                   | 210                       |                                      | 210                      |
| 304              | Structures & Improvements            | 28,565                    | 28,565                               | -                        |
| 307              | Wells & Springs                      | 186,615                   | 170,791                              | 15,824                   |
| 311              | Pumping Equipment                    | 217,431                   | 158,881                              | 58,550                   |
| 320              | Water Treatment Equipment            | 4,574                     | 4,117                                | 457                      |
| 330              | Distribution Reservoirs & Standpipes | 138,434                   | 118,785                              | 19,649                   |
| 331              | Transmission & Distrib. Mains        | 349,433                   | 310,157                              | 39,276                   |
| 333              | Services                             | 122,619                   | 86,369                               | 36,250                   |
| 334              | Meters & Meter Installations         | 86,889                    | 74,130                               | 12,759                   |
| 335              | Hydrants                             | 12,214                    | 9,968                                | 2,246                    |
| 336              | Backflow Prevention Devices          |                           |                                      | -                        |
| 339              | Other Plant & Misc Equipment         |                           |                                      | -                        |
| 340              | Office Furniture & Equipment         | 3,274                     | 3,274                                | -                        |
| 340.1            | Computers & Software                 |                           |                                      | -                        |
| 341              | Transportation Equipment             |                           |                                      | -                        |
| 343              | Tools, Shop & Garage Equip.          | 6,727                     | 6,727                                | -                        |
| 344              | Laboratory Equipment                 |                           |                                      | -                        |
| 345              | Power Operated Equipment             |                           |                                      | -                        |
| 346              | Communications Equipment             |                           |                                      | -                        |
| 347              | Miscellaneous Equipment              |                           |                                      | -                        |
| 348              | Other Tangible Plant                 |                           |                                      | -                        |
|                  | <b>TOTALS</b>                        | <b>\$ 1,158,611</b>       | <b>\$ 971,764</b>                    | <b>\$ 186,847</b>        |

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

Company Name: Clear Springs Utility Company, Inc. - Water Division

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

| Acct. No. | DESCRIPTION                                       | Original Cost (1)   | Depreciation Percentage (2) | Depreciation Expense (1x2) |
|-----------|---|---------------------|-----------------------------|----------------------------|
| 301       | Organization                                      | \$ 1,625            |                             | \$ -                       |
| 302       | Franchises  | -                   |                             | -                          |
| 303       | Land & Land Rights                                | 210                 | N/A                         | -                          |
| 304       | Structures & Improvements                         | 28,565              | 3.33%                       | -                          |
| 307       | Wells & Springs                                   | 186,615             | 3.33%                       | 6,114                      |
| 311       | Pumping Equipment <sup>1</sup>                    | 217,431             | 12.5000%                    | 10,059                     |
| 320       | Water Treatment Equipment                         | 4,574               | 3.33%                       | 915                        |
| 330       | Distribution Reservoirs & Standpipes <sup>2</sup> | 138,434             | 2.2200%                     | 2,718                      |
| 331       | Transmission & Distrib. Mains                     | 349,433             | 2.0000%                     | 6,989                      |
| 333       | Services  | 122,619             | 3.33%                       | 4,083                      |
| 334       | Meters & Meter Installations <sup>3</sup>         | 86,889              | 8.3300%                     | 1,631                      |
| 335       | Hydrants <sup>4</sup>                             | 12,214              | 2.0000%                     | 47                         |
| 336       | Backflow Prevention Devices                       | -                   | 6.6700%                     | -                          |
| 339       | Other Plant & Misc Equipment                      | -                   | 6.6700%                     | -                          |
| 340       | Office Furniture & Equipment                      | 3,274               | 6.6700%                     | -                          |
| 340.1     | Computers & Software                              | -                   | 33.3300%                    | -                          |
| 341       | Transportation Equipment                          | -                   | 20.0000%                    | -                          |
| 343       | Tools, Shop & Garage Equip.                       | 6,727               | 5.0000%                     | -                          |
| 344       | Laboratory Equipment                              | -                   | 10.0000%                    | -                          |
| 345       | Power Operated Equipment                          | -                   | 5.0000%                     | -                          |
| 346       | Communications Equipment                          | -                   | 10.0000%                    | -                          |
| 347       | Miscellaneous Equipment                           | -                   | 10.0000%                    | -                          |
| 348       | Other Tangible Plant                              | -                   | 10.0000%                    | -                          |
|           | <b>TOTALS</b>                                     | <b>\$ 1,158,611</b> |                             | <b>\$ 32,556</b>           |

CIAC Ammortization (6,331)

Net Depreciation Exp \$ 26,225

<sup>1</sup> \$121,259 of the total is fully depreciated.

<sup>2</sup> \$16,011 of the total is fully depreciated.

<sup>3</sup> \$66,606 of the total is fully depreciated.

<sup>4</sup> \$9,850 of the total is fully depreciated.

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

Company Name: Clear Springs Utility Company, Inc. - Sewer Division

**UTILITY PLANT IN SERVICE**

| Acct. No. | Description                      | Original Cost (OC) | Accumulated Depreciation (AD) | OCLD (OC less AD) |
|-----------|----------------------------------|--------------------|-------------------------------|-------------------|
| 351       | Organization                     |                    | \$ -                          | \$ -              |
| 352       | Franchises                       |                    |                               | -                 |
| 353       | Land & Land Rights               | 4,654              | -                             | 4,654             |
| 354       | Structures & Improvements        | 9,505              | 9,056                         | 449               |
| 355       | Power Generation Equipment       |                    |                               | -                 |
| 360       | Collection Sewers - Force        | 276,318            | 268,628                       | 7,690             |
| 361       | Collection Sewers - Gravity      |                    |                               | -                 |
| 362       | Special Collecting Structures    |                    |                               | -                 |
| 363       | Services to Customers            | 9,880              | 4,442                         | 5,439             |
| 364       | Flow Measuring Devices           |                    |                               | -                 |
| 365       | Flow Measuring Installations     |                    |                               | -                 |
| 370       | Receiving Wells                  |                    |                               | -                 |
| 371       | Pumping Equipment                | 54,162             | 47,630                        | 6,532             |
| 380       | Treatment and Disposal Equipment | 487                | 244                           | 243               |
| 381       | Plant Sewers                     |                    |                               | -                 |
| 382       | Outfall Sewer Lines              |                    |                               | -                 |
| 389       | Other Plant & Misc Equipment     |                    |                               | -                 |
| 390       | Office Furniture & Equipment     |                    |                               | -                 |
| 391       | Transportation Equipment         | 863                | 863                           | -                 |
| 393       | Tools, Shop & Garage Equip.      | 2,061              | 1,765                         | 296               |
| 394       | Laboratory Equipment             |                    |                               | -                 |
| 395       | Power Operated Equipment         |                    |                               | -                 |
| 398       | Other Tangible Plant             |                    |                               | -                 |
|           | <b>TOTALS</b>                    | <b>\$ 357,929</b>  | <b>\$ 332,627</b>             | <b>\$ 25,302</b>  |

Total Accumulated Depreciation amount goes on the Balance Sheet Acct. No. 108

Company Name: Clear Springs Utility Company, Inc. - Sewer Division

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

| Acct. No. | DESCRIPTION                            | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1X2) |
|-----------|--|-------------------|-----------------------------|----------------------------|
| 351       | Organization                           | \$ -              |                             | \$ -                       |
| 352       | Franchises                             | -                 |                             |                            |
| 353       | Land & Land Rights                     | 4,654             | N/A                         |                            |
| 354       | Structures & Improvements              | 9,505             | 5%                          | 475                        |
| 355       | Power Generation Equipment             | -                 | 5%                          | -                          |
| 360       | Collection Sewers - Force <sup>1</sup> | 276,318           | 5%                          | 513                        |
| 361       | Collection Sewers - Gravity            | -                 | 5%                          | -                          |
| 362       | Special Collecting Structures          | -                 | 5%                          | -                          |
| 363       | Services to Customers                  | 9,880             | 5%                          | 494                        |
| 364       | Flow Measuring Devices                 | -                 | 5%                          | -                          |
| 365       | Flow Measuring Installations           | -                 | 5%                          | -                          |
| 370       | Receiving Wells                        | -                 | 5%                          | -                          |
| 371       | Pumping Equipment <sup>2</sup>         | 54,162            | 5%                          | 369                        |
| 380       | Treatment and Disposal Equipment       | 487               | 5%                          | 24                         |
| 381       | Plant Sewers                           | -                 | 5%                          | -                          |
| 382       | Outfall Sewer Lines                    | -                 | 5%                          | -                          |
| 389       | Other Plant & Misc Equipment           | -                 | 5%                          | -                          |
| 390       | Office Furniture & Equipment           | -                 | 5%                          | -                          |
| 391       | Transportation Equipment               | 863               | 5%                          | -                          |
| 393       | Tools, Shop & Garage Equip.            | 2,061             | 5%                          | 103                        |
| 394       | Laboratory Equipment <sup>1</sup>      | -                 | 5%                          | -                          |
| 395       | Power Operated Equipment               | -                 | 5%                          | -                          |
| 398       | Other Tangible Plant                   | -                 | 5%                          | -                          |
|           | <b>TOTALS</b>                          | <b>\$ 357,929</b> |                             | <b>\$ 1,979</b>            |

<sup>1</sup> \$266,052 of the total is fully depreciated

CIAC Ammortization (1,515)

<sup>2</sup> \$45,916 of the total is fully depreciated

Net Depreciation Exp \$ 464

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

Company Name: Clear Springs Utility Company, Inc. - Water Division

**BALANCE SHEET**

| Acct. No. |   | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-----------|---|------------------------------|------------------------|
|           | <b>ASSETS</b>                               |                              |                        |
|           | <b>CURRENT AND ACCRUED ASSETS</b>           |                              |                        |
| 131       | Cash  | \$ 36,155                    | \$ 9,125               |
| 134       | Working Funds                               |                              |                        |
| 135       | Temporary Cash Investments                  |                              | \$ 21,233              |
| 141       | Customer Accounts Receivable                | 15,741                       | 21,609                 |
| 146       | Notes/Receivables from Associated Companies | \$ 6,547                     | \$ 6,547               |
| 151       | Plant Material and Supplies                 |                              |                        |
| 162       | Prepayments                                 |                              |                        |
| 174       | Miscellaneous Current and Accrued Assets    |                              |                        |
|           | <b>TOTAL CURRENT AND ACCRUED ASSETS</b>     | \$ 58,443                    | \$ 58,514              |
|           | <b>FIXED ASSETS</b>                         |                              |                        |
| 101       | Utility Plant in Service                    | \$ 1,103,234                 | \$ 1,158,611           |
| 103       | Property Held for Future Use                |                              |                        |
| 105       | Construction Work In Progress               | 11,169                       | \$ 11,169              |
| 108       | Accumulated Depreciation - Utility Plant    | (822,915)                    | (971,764)              |
| 121       | Non-Utility Property                        |                              |                        |
| 122       | Accumulated Depreciation - Non Utility      |                              |                        |
|           | <b>TOTAL FIXED ASSETS</b>                   | \$ 291,488                   | \$ 198,015             |
|           | <b>TOTAL ASSETS</b>                         | \$ 349,931                   | \$ 256,529             |

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

Company Name: Clear Springs Utility Company, Inc. - Water Division

**BALANCE SHEET (CONTINUED)**

| Acct.<br>No. | LIABILITIES                                       | BALANCE AT<br>BEGINNING OF<br>YEAR | BALANCE AT<br>END OF<br>YEAR |
|--------------|---|------------------------------------|------------------------------|
|              | <b>CURRENT LIABILITIES</b>                        |                                    |                              |
| 231          | Accounts Payable                                  | \$ 10,326                          | \$ 30,057                    |
| 232          | Notes Payable (Current Portion)                   |                                    |                              |
| 234          | Notes/Accounts Payable to Associated Companies    | 120,866                            | 157,926                      |
| 235          | Customer Deposits                                 | 46,261                             | 7,900                        |
| 236          | Accrued Taxes                                     | 780                                | 818                          |
| 237          | Accrued Interest                                  |                                    |                              |
| 241          | Miscellaneous Current and Accrued Liabilities     |                                    |                              |
|              | <b>TOTAL CURRENT LIABILITIES</b>                  | <b>\$ 178,233</b>                  | <b>\$ 196,701</b>            |
|              | <b>LONG-TERM DEBT (Over 12 Months)</b>            |                                    |                              |
| 224          | Long-Term Notes and Bonds                         | \$ 84,484                          | \$ 78,619                    |
|              | <b>DEFERRED CREDITS</b>                           |                                    |                              |
| 251          | Unamortized Premium on Debt                       |                                    |                              |
| 252          | Advances in Aid of Construction                   | \$ 121,467                         | \$ 109,457                   |
| 255          | Accumulated Deferred Investment Tax Credits       |                                    |                              |
| 271          | Gross Contributions in Aid of Construction        | 239,743                            | 289,887                      |
| 272          | Less: Amortization of contributions               | (230,065)                          | (251,027)                    |
| 281          | Accumulated Deferred Income Tax                   |                                    |                              |
|              | <b>TOTAL DEFERRED CREDITS</b>                     | <b>\$ 131,145</b>                  | <b>\$ 148,317</b>            |
|              | <b>TOTAL LIABILITIES</b>                          | <b>\$ 393,862</b>                  | <b>\$ 423,637</b>            |
|              | <b>CAPITAL ACCOUNTS</b>                           |                                    |                              |
| 201          | Common Stock Issued                               | \$ 1,000                           | \$ 1,000                     |
| 211          | Paid in Capital in Excess of Par Value            | 1,839,934                          | 1,839,934                    |
| 215          | Retained Earnings                                 | (1,884,865)                        | (2,008,042)                  |
| 218          | Proprietary Capital (Sole Props and Partnerships) |                                    |                              |
|              | <b>TOTAL CAPITAL</b>                              | <b>\$ (43,931)</b>                 | <b>\$ (167,108)</b>          |
|              | <b>TOTAL LIABILITIES AND CAPITAL</b>              | <b>\$ 349,931</b>                  | <b>\$ 256,529</b>            |

Company Name: Clear Springs Utility Company, Inc. - Sewer Division

**BALANCE SHEET**

| <b>Acct. No.</b> | <b>ASSETS</b>                               | <b>BALANCE AT BEGINNING OF YEAR</b> | <b>BALANCE AT END OF YEAR</b> |
|------------------|---|-------------------------------------|-------------------------------|
|                  | <b>CURRENT AND ACCRUED ASSETS</b>           |                                     |                               |
| 131              | Cash  | \$ 5,024                            | \$ 727                        |
| 132              | Special Deposits                            |                                     |                               |
| 135              | Temporary Cash Investments                  | 16,619                              | 16,619                        |
| 141              | Customer Accounts Receivable                | 751                                 | 6,162                         |
| 146              | Notes/Receivables from Associated Companies | 118,078                             | 153,494                       |
| 151              | Plant Material and Supplies                 | 1,602                               |                               |
| 162              | Prepayments                                 |                                     |                               |
| 174              | Miscellaneous Current and Accrued Assets    |                                     |                               |
|                  | <b>TOTAL CURRENT AND ACCRUED ASSETS</b>     | <b>\$ 142,074</b>                   | <b>\$ 177,003</b>             |
|                  | <b>FIXED ASSETS</b>                         |                                     |                               |
| 101              | Utility Plant in Service                    | \$ 356,700                          | \$ 357,929                    |
| 103              | Property Held for Future Use                |                                     |                               |
| 105              | Construction Work In Progress               |                                     |                               |
| 108              | Accumulated Depreciation - Utility Plant    | (312,487)                           | (332,627)                     |
| 121              | Non-Utility Property                        |                                     |                               |
| 122              | Accumulated Depreciation - Non Utility      |                                     |                               |
|                  | <b>TOTAL FIXED ASSETS</b>                   | <b>\$ 44,213</b>                    | <b>\$ 25,302</b>              |
|                  | <b>TOTAL ASSETS</b>                         | <b>\$ 186,287</b>                   | <b>\$ 202,305</b>             |

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

Company Name: Clear Springs Utility Company, Inc. - Sewer Division

**BALANCE SHEET (CONTINUED)**

| <b>Acct. No.</b> | <b>LIABILITIES</b>                                | <b>BALANCE AT BEGINNING OF YEAR</b> | <b>BALANCE AT END OF YEAR</b> |
|------------------|---|-------------------------------------|-------------------------------|
|                  | <b>CURRENT LIABILITIES</b>                        |                                     |                               |
| 231              | Accounts Payable                                  | \$ 1,407                            | \$ -                          |
| 232              | Notes Payable (Current Portion)                   |                                     |                               |
| 234              | Notes/Accounts Payable to Associated Companies    | 6,547                               | 6,547                         |
| 235              | Customer Deposits                                 | 1                                   | 2,472                         |
| 236              | Accrued Taxes                                     | 248                                 | 274                           |
| 237              | Accrued Interest                                  |                                     |                               |
| 241              | Miscellaneous Current and Accrued Liabilities     |                                     |                               |
|                  | <b>TOTAL CURRENT LIABILITIES</b>                  | \$ 8,203                            | \$ 9,293                      |
|                  | <b>LONG-TERM DEBT (Over 12 Months)</b>            |                                     |                               |
| 224              | Long-Term Notes and Bonds                         |                                     |                               |
|                  | <b>DEFERRED CREDITS</b>                           |                                     |                               |
| 252              | Advances in Aid of Construction                   | \$ 40,741                           | \$ -                          |
| 253              | Other Deferred Debits                             |                                     |                               |
| 255              | Accumulated Deferred Investment Tax Credits       |                                     |                               |
| 271              | Contributions in Aid of Construction              | 87,976                              | 132,017                       |
| 272              | Less: Amortization of Contributions               | (83,629)                            | (86,123)                      |
| 281              | Accumulated Deferred Income Tax                   |                                     |                               |
|                  | <b>TOTAL DEFERRED CREDITS</b>                     | \$ 45,088                           | \$ 45,894                     |
|                  | <b>TOTAL LIABILITIES</b>                          | \$ 53,291                           | \$ 55,187                     |
|                  | <b>CAPITAL ACCOUNTS</b>                           |                                     |                               |
| 201              | Common Stock Issued                               | \$ -                                | \$ -                          |
| 211              | Paid in Capital in Excess of Par Value            | 797,825                             | 797,825                       |
| 215              | Retained Earnings                                 | (664,829)                           | (650,707)                     |
| 218              | Proprietary Capital (Sole Props and Partnerships) |                                     |                               |
|                  | <b>TOTAL CAPITAL</b>                              | \$ 132,996                          | \$ 147,118                    |
|                  | <b>TOTAL LIABILITIES AND CAPITAL</b>              | \$ 186,287                          | \$ 202,305                    |

Company Name: Clear Springs Utility Company - Water Division

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

| <b>Acct. No.</b> | <b>OPERATING REVENUES</b>           | <b>PRIOR YEAR</b> | <b>CURRENT YEAR</b> |
|------------------|-------------------------------------|-------------------|---------------------|
| 461              | Metered Water Revenue               | \$ 173,412        | \$ 157,650          |
| 462              | Surcharge Revenue                   |                   |                     |
| 474              | Other Water Revenues                | 2,997             | 6,654               |
|                  | <b>TOTAL REVENUES</b>               | \$ 176,409        | \$ 164,303          |
|                  | <b>OPERATING EXPENSES</b>           |                   |                     |
| 601              | Salaries and Wages                  | \$ -              | \$ -                |
| 610              | Purchased Water                     |                   |                     |
| 615              | Purchased Power                     | 33,530            | 27,932              |
| 618              | Chemicals                           | 1,095             | 2,153               |
| 620              | Repairs and Maintenance             | 11,566            | 13,626              |
| 621              | Office Supplies & Expense           | 6,698             | 8,699               |
| 630              | Outside Services                    | 82,487            | 89,341              |
| 635              | Water Testing                       | 6,694             | 3,856               |
| 641              | Rents                               |                   |                     |
| 650              | Transportation Expenses             | 5,969             | 262                 |
| 657              | Insurance - General Liability       | 2,862             | 2,864               |
| 659              | Insurance - Health and Life         |                   |                     |
| 665              | Regulatory Expenses                 | 7,288             |                     |
| 675              | Miscellaneous Expense               | 5,229             | 696                 |
| 403              | Depreciation Expense                | 12,365            | 26,225              |
| 408              | Taxes Other Than Income             |                   |                     |
| 408.11           | Property Taxes                      | 9,863             | 5,767               |
| 409              | Income Tax                          | 50                |                     |
| 427.2            | Customer Security Deposit Interest  |                   | 181                 |
|                  | <b>TOTAL OPERATING EXPENSES</b>     | \$ 185,696        | \$ 181,602          |
|                  | <b>OPERATING INCOME/(LOSS)</b>      | \$ (9,287)        | \$ (17,298)         |
|                  | <b>OTHER INCOME/(EXPENSE)</b>       |                   |                     |
| 419              | Interest and Dividend Income        | \$ 19             | \$ 15               |
| 421              | Non-Utility Income                  | 1,135             |                     |
| 427              | Interest Expense                    | (5,921)           | (2,942)             |
| 434              | Extraordinary Deductions            |                   | (96,952)            |
|                  | <b>TOTAL OTHER INCOME/(EXPENSE)</b> | \$ (4,767)        | \$ (99,879)         |
|                  | <b>NET INCOME/(LOSS)</b>            | \$ (14,054)       | \$ (117,178)        |

Company Name: Clear Springs Utility Company, Inc. - Sewer Division

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

| <b>Acct. No.</b> | <b>OPERATING REVENUES</b>           | <b>PRIOR YEAR</b> | <b>CURRENT YEAR</b> |
|------------------|-------------------------------------|-------------------|---------------------|
| 521              | Flat Rate Revenues                  | \$ -              | \$ -                |
| 522              | Measured Revenues                   | 47,702            | 47,614              |
| 536              | Other Wastewater Revenues           | 270               | 460                 |
|                  | <b>TOTAL REVENUES</b>               | <b>\$ 47,972</b>  | <b>\$ 48,074</b>    |
|                  | <b>OPERATING EXPENSES</b>           |                   |                     |
| 701              | Salaries and Wages                  | \$ -              | \$ -                |
| 710              | Purchased Wastewater Treatment      |                   |                     |
| 711              | Sludge Removal Expense              |                   |                     |
| 715              | Purchased Power                     | 2,300             | 3,082               |
| 718              | Chemicals                           |                   |                     |
| 720              | Materials and Supplies              | 133               | 2,382               |
| 731              | Contractual Services - Professional |                   | 165                 |
| 735              | Contractual Services - Testing      | 2,060             | 505                 |
| 736              | Contractual Services - Other        |                   |                     |
| 740              | Rents                               |                   |                     |
| 750              | Transportation Expenses             |                   |                     |
| 755              | Insurance Expense                   |                   |                     |
| 765              | Regulatory Commission Expense       |                   |                     |
| 775              | Miscellaneous Expense               | 415               | 7,042               |
| 403              | Depreciation Expense                | 1,853             | 1,979               |
| 408              | Taxes Other Than Income             |                   |                     |
| 408.11           | Property Taxes                      | 281               | 1,632               |
| 409              | Income Taxes                        |                   |                     |
| 427.2            | Customer Security Deposit Interest  |                   | 24                  |
|                  | <b>TOTAL OPERATING EXPENSES</b>     | <b>\$ 7,042</b>   | <b>\$ 16,811</b>    |
|                  | <b>OPERATING INCOME/(LOSS)</b>      | <b>\$ 40,930</b>  | <b>\$ 31,263</b>    |
|                  | <b>OTHER INCOME/(EXPENSE)</b>       |                   |                     |
| 419              | Interest and Dividend Income        | \$ 233            | \$ -                |
| 421              | Non-Utility Income                  |                   |                     |
| 427              | Interest Expense                    |                   |                     |
| 434              | Extraordinary Deductions            | (5)               | (16,645)            |
|                  | <b>TOTAL OTHER INCOME/(EXPENSE)</b> | <b>\$ 228</b>     | <b>\$ (16,645)</b>  |
|                  | <b>NET INCOME/(LOSS)</b>            | <b>\$ 41,158</b>  | <b>\$ 14,618</b>    |

Company Name: Clear Springs Utility Company - Water Division

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

|                        | <b>LOAN #1</b>                    | <b>LOAN #2</b>                    | <b>LOAN #3</b> | <b>LOAN #4</b> |
|------------------------|-----------------------------------|-----------------------------------|----------------|----------------|
| Date Issued            | 6/1/2001                          | 5/23/2006                         |                |                |
| Source of Loan         | WIFA                              | WIFA                              |                |                |
| ACC Decision No.       | 62583                             | 68443                             |                |                |
| Reason for Loan        | Finance Water System Improvements | Finance Water System Improvements |                |                |
| Dollar Amount Issued   | \$ 80,000                         | \$ 40,640                         | \$ -           | \$ -           |
| Amount Outstanding     | \$ 47,093                         | \$ 31,526                         | \$ -           | \$ -           |
| Date of Maturity       | 6/1/2021                          | 5/1/2026                          |                |                |
| Interest Rate          | 6.75%                             | 6.38%                             | %              | %              |
| Current Year Interest  | \$ 3,326                          | \$ 2,067                          | \$ -           | \$ -           |
| Current Year Principal | \$ 3,974                          | \$ 1,581                          | \$ -           | \$ -           |

Meter Deposit Balance at Test Year End \$ 38,404

Meter Deposits Refunded During the Test Year \$ 1,525

Company Name: Clear Springs Utility Company - Water Division

Name of System: ADEQ Public Water System Number: 02-008

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-603877       | 30              | 180              | 800                 | 16                       | 4                   | 1964         |
| 55-502128       | 120             | 300              | 700                 | 16                       | 6                   | 1982         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| N/A                 |                |  |
|                     |                |  |

**BOOSTER PUMPS**

| Horsepower | Quantity |
|------------|----------|
| 20.0       | 2        |
|            |          |
|            |          |
|            |          |

**FIRE HYDRANTS**

| Quantity Standard | Quantity Other |
|-------------------|----------------|
| 73                |                |
|                   |                |
|                   |                |
|                   |                |

**STORAGE TANKS**

| Capacity | Quantity |
|----------|----------|
| 10,000   | 1        |
|          |          |
|          |          |
|          |          |

**PRESSURE TANKS**

| Capacity | Quantity |
|----------|----------|
| 5,000    | 3        |
|          |          |
|          |          |
|          |          |

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

|  |                                  |        |
|--|----------------------------------|--------|
| Company Name: Clear Springs Utility Company - Water Division |                                  |        |
| Name of System:  | ADEQ Public Water System Number: | 02-008 |

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material   | Length (in feet) |
|------------------|------------|------------------|
| 2                | Galvanized | 200              |
| 3                | PVC        | 360              |
| 4                | PVC        | 3,339            |
| 5                |            |                  |
| 6                | PVC        | 3,040            |
| 8                | PVC        | 180              |
| 10               | AC         | 6,985            |
| 12               | AC         | 200              |
| 2                | PVC        | 1,036            |
| 3                | AC         | 10,698           |
| 4                | AC         | 3,020            |
| 6                | AC         | 29,495           |
| 8                | AC         | 5,650            |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4        | 538      |
| 3/4              | 6        |
| 1                | 17       |
| 1 1/2            | 7        |
| 2                | 3        |
| Comp. 3          |          |
| Turbo 3          | 1        |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |

**For the following three items, please list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

Two Chlorinators

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**STRUCTURES:**

1313 Treasure Rd Building

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**OTHER:**

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

Company Name: Clear Springs Utility Company - Water Division

Name of System: Well #3

ADEQ Public Water System Number: 02-048

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-603879       | 5               | 25               | 442                 | 6                        | 2                   | 1966         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| N/A                 |                |  |
|                     |                |  |

**BOOSTER PUMPS**

| Horsepower | Quantity |
|------------|----------|
| N/A        |          |
|            |          |
|            |          |

**FIRE HYDRANTS**

| Quantity Standard | Quantity Other |
|-------------------|----------------|
| N/A               |                |
|                   |                |
|                   |                |

**STORAGE TANKS**

| Capacity | Quantity |
|----------|----------|
|          |          |
|          |          |
|          |          |

**PRESSURE TANKS**

| Capacity | Quantity |
|----------|----------|
| 85       | 1        |
|          |          |
|          |          |

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

|  |                                  |        |
|--|----------------------------------|--------|
| Company Name: Clear Springs Utility Company - Water Division |                                  |        |
| Name of System: Well #3                                      | ADEQ Public Water System Number: | 02-048 |

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material | Length (in feet) |
|------------------|----------|------------------|
| 2                |          |                  |
| 3                |          |                  |
| 4                | PVC      | 1,500            |
| 5                |          |                  |
| 6                |          |                  |
| 8                |          |                  |
| 10               |          |                  |
| 12               |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4        | 6        |
| 3/4              |          |
| 1                |          |
| 1 1/2            |          |
| 2                |          |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |

**For the following three items, please list the utility owned assets in each category.**

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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

|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System: Well #6                                      | ADEQ Public Water System Number: 02-049 |

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-588414       | 7.5             | 40               | 505                 | 8                        | 2                   | 2001         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| N/A                 |                |  |
|                     |                |  |

| <b>BOOSTER PUMPS</b> |          |
|----------------------|----------|
| Horsepower           | Quantity |
| 5.0                  | 1        |
|                      |          |
|                      |          |
|                      |          |

| <b>FIRE HYDRANTS</b> |                |
|----------------------|----------------|
| Quantity Standard    | Quantity Other |
| N/A                  |                |
|                      |                |
|                      |                |
|                      |                |

| <b>STORAGE TANKS</b> |          |
|----------------------|----------|
| Capacity             | Quantity |
| 12,000               | 1        |
|                      |          |
|                      |          |
|                      |          |

| <b>PRESSURE TANKS</b> |          |
|-----------------------|----------|
| Capacity              | Quantity |
| 3,000                 | 1        |
|                       |          |
|                       |          |
|                       |          |

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

|  |         |                                  |        |
|--|---------|----------------------------------|--------|
| Company Name: Clear Springs Utility Company - Water Division |         |                                  |        |
| Name of System:  | Well #6 | ADEQ Public Water System Number: | 02-049 |

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

| MAINS            |          |                  |
|------------------|----------|------------------|
| Size (in inches) | Material | Length (in feet) |
| 2                |          |                  |
| 3                |          |                  |
| 4                | PVC      | 240              |
| 5                |          |                  |
| 6                | AC       | 4,700            |
| 8                |          |                  |
| 10               |          |                  |
| 12               |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |

| CUSTOMER METERS  |          |
|------------------|----------|
| Size (in inches) | Quantity |
| 5/8 x 3/4        | 19       |
| 3/4              |          |
| 1                |          |
| 1 1/2            |          |
| 2                |          |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |

**For the following three items, please list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

Chlorinator

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**STRUCTURES:**

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**OTHER:**

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

|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System: Well #7                                      | ADEQ Public Water System Number: 02-050 |

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-603880       | 3               | 18               | 560                 | 6                        | 2                   | 1969         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| N/A                 |                |  |
|                     |                |  |

| <b>BOOSTER PUMPS</b> |          |
|----------------------|----------|
| Horsepower           | Quantity |
| 5.0                  | 1        |
|                      |          |
|                      |          |
|                      |          |

| <b>FIRE HYDRANTS</b> |                |
|----------------------|----------------|
| Quantity Standard    | Quantity Other |
| N/A                  |                |
|                      |                |
|                      |                |
|                      |                |

| <b>STORAGE TANKS</b> |          |
|----------------------|----------|
| Capacity             | Quantity |
| 1,000                | 1        |
|                      |          |
|                      |          |
|                      |          |

| <b>PRESSURE TANKS</b> |          |
|-----------------------|----------|
| Capacity              | Quantity |
| 85                    | 1        |
|                       |          |
|                       |          |
|                       |          |

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

|  |                                  |        |
|--|----------------------------------|--------|
| Company Name: Clear Springs Utility Company - Water Division |                                  |        |
| Name of System: Well #7                                      | ADEQ Public Water System Number: | 02-050 |

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material | Length (in feet) |
|------------------|----------|------------------|
| 2                |          |                  |
| 3                |          |                  |
| 4                |          |                  |
| 5                |          |                  |
| 6                | AC       | 1,800            |
| 8                |          |                  |
| 10               |          |                  |
| 12               |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4        | 9        |
| 3/4              |          |
| 1                |          |
| 1 1/2            |          |
| 2                |          |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |
|                  |          |

**For the following three items, please list the utility owned assets in each category.**

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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

Company Name: Clear Springs Utility Company - Water Division

Name of System: Well #9

ADEQ Public Water System Number: 02-051

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-603882       | 5               | 25               | 675                 | 8/6                      | 2                   | 1970         |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |
|                 |                 |                  |                     |                          |                     |              |

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| N/A                 |                |  |
|                     |                |  |

**BOOSTER PUMPS**

| Horsepower | Quantity |
|------------|----------|
| 5.0        | 1        |
|            |          |
|            |          |

**FIRE HYDRANTS**

| Quantity Standard | Quantity Other |
|-------------------|----------------|
| N/A               |                |
|                   |                |
|                   |                |

**STORAGE TANKS**

| Capacity | Quantity |
|----------|----------|
| 12,500   | 1        |
|          |          |
|          |          |

**PRESSURE TANKS**

| Capacity | Quantity |
|----------|----------|
| 1,000    | 1        |
|          |          |
|          |          |

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

|  |                                  |        |
|--|----------------------------------|--------|
| Company Name: Clear Springs Utility Company - Water Division |                                  |        |
| Name of System: Well #9                                      | ADEQ Public Water System Number: | 02-051 |

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

| Size (in inches) | Material | Length (in feet) |
|------------------|----------|------------------|
| 2                |          |                  |
| 3                |          |                  |
| 4                |          |                  |
| 5                |          |                  |
| 6                | AC       | 4,200            |
| 8                |          |                  |
| 10               |          |                  |
| 12               |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |
|                  |          |                  |

**CUSTOMER METERS**

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 x 3/4        | 10       |
| 3/4              |          |
| 1                |          |
| 1 1/2            |          |
| 2                |          |
| Comp. 3          |          |
| Turbo 3          |          |
| Comp. 4          |          |
| Turbo 4          |          |
| Comp. 6          |          |
| Turbo 6          |          |
|                  |          |
|                  |          |
|                  |          |

**For the following three items, please list the utility owned assets in each category.**

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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

|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System:  | ADEQ Public Water System Number: 02-008 |

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012**

| MONTH         | NUMBER OF CUSTOMERS | GALLONS SOLD<br>(Thousands) | GALLONS PUMPED<br>(Thousands) | GALLONS PURCHASED<br>(Thousands) |
|---------------|---------------------|-----------------------------|-------------------------------|----------------------------------|
| JANUARY       | 525                 | 1,618                       | 4,613                         | -                                |
| FEBRUARY      | 517                 | 3,363                       | 3,335                         | -                                |
| MARCH         | 514                 | 2,599                       | 3,285                         | -                                |
| APRIL         | 521                 | 3,068                       | 3,639                         | -                                |
| MAY           | 521                 | 3,409                       | 4,232                         | -                                |
| JUNE          | 524                 | 3,359                       | 4,342                         | -                                |
| JULY          | 523                 | 3,248                       | 4,414                         | -                                |
| AUGUST        | 517                 | 3,004                       | 4,209                         | -                                |
| SEPTEMBER     | 519                 | 2,374                       | 2,335                         | -                                |
| OCTOBER       | 512                 | 2,858                       | 3,297                         | -                                |
| NOVEMBER      | 509                 | 2,349                       | 3,648                         | -                                |
| DECEMBER      | 516                 | 2,180                       | 3,694                         | -                                |
| <b>TOTALS</b> |                     | 33,429                      | 45,043                        | -                                |

What is the level of arsenic for each well on your system? <0.001 & 0.001 mg/l  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hours

If system has chlorination treatment, does this treatment system chlorinate continuously?

YES                      NO                      N/A

Is the water utility located in an ADWR Active Management Area (AMA)?

YES                      NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

YES                      NO

If Yes, please provide the GPCPD amount: \_\_\_\_\_

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

|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System: Well #3                                      | ADEQ Public Water System Number: 02-048 |

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012**

| MONTH         | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED (Thousands) |
|---------------|---------------------|--------------------------|----------------------------|-------------------------------|
| JANUARY       | 6                   | 25                       | 34                         | -                             |
| FEBRUARY      | 6                   | 27                       | 36                         | -                             |
| MARCH         | 6                   | 28                       | 37                         | -                             |
| APRIL         | 6                   | 35                       | 42                         | -                             |
| MAY           | 6                   | 50                       | 56                         | -                             |
| JUNE          | 6                   | 50                       | 55                         | -                             |
| JULY          | 6                   | 40                       | 42                         | -                             |
| AUGUST        | 6                   | 40                       | 42                         | -                             |
| SEPTEMBER     | 6                   | 24                       | 24                         | -                             |
| OCTOBER       | 6                   | 42                       | 43                         | -                             |
| NOVEMBER      | 6                   | 41                       | 40                         | -                             |
| DECEMBER      | 6                   | 24                       | 23                         | -                             |
| <b>TOTALS</b> |                     | 426                      | 474                        | -                             |

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

If system has fire hydrants, what is the fire flow requirement? \_\_\_\_\_ GPM for \_\_\_\_\_ hours

If system has chlorination treatment, does this treatment system chlorinate continuously?

YES                      NO                      N/A

Is the water utility located in an ADWR Active Management Area (AMA)?

YES                      NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

YES                      NO

If Yes, please provide the GPCPD amount: \_\_\_\_\_

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







Company Name: Clear Springs Utility Company - Water Division  
 Name of System: ADEQ Public Water System Number: 02-008

**UTILITY SHUTOFFS / DISCONNECTS**

| <b>MONTH</b>  | <b>Termination without Notice<br/>R14-2-410.B</b> | <b>Termination with Notice<br/>R14-2-410.C</b> | <b>OTHER</b> |
|---------------|---|--|--------------|
| JANUARY       |   | -  |              |
| FEBRUARY      |   | -  |              |
| MARCH         |   | 2  |              |
| APRIL         |   | 2  |              |
| MAY           |   | 1  |              |
| JUNE          |   | 4  |              |
| JULY          |   | 3  |              |
| AUGUST        |   | 3  |              |
| SEPTEMBER     |   | -  |              |
| OCTOBER       |   | 3  |              |
| NOVEMBER      |   | 3  |              |
| DECEMBER      |   | -  |              |
| <b>TOTALS</b> | -   | 21   | -            |

OTHER (description):

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|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System: Well #3                                      | ADEQ Public Water System Number: 02-048 |

**UTILITY SHUTOFFS / DISCONNECTS**

| MONTH         | Termination without Notice<br>R14-2-410.B | Termination with Notice<br>R14-2-410.C | OTHER |
|---------------|---|--|-------|
| JANUARY       |   | -                                      |       |
| FEBRUARY      |   | -                                      |       |
| MARCH         |   | -                                      |       |
| APRIL         |   | -                                      |       |
| MAY           |   | -                                      |       |
| JUNE          |   | -                                      |       |
| JULY          |   | -                                      |       |
| AUGUST        |   | -                                      |       |
| SEPTEMBER     |   | -                                      |       |
| OCTOBER       |   | -                                      |       |
| NOVEMBER      |   | -                                      |       |
| DECEMBER      |   | -                                      |       |
| <b>TOTALS</b> | -   | -                                      | -     |

OTHER (description):

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|  |   |
|--|---|
| Company Name: Clear Springs Utility Company - Water Division |   |
| Name of System: Well #6                                      | ADEQ Public Water System Number: 02-049 |

**UTILITY SHUTOFFS / DISCONNECTS**

| MONTH         | Termination without Notice<br>R14-2-410.B | Termination with Notice<br>R14-2-410.C | OTHER |
|---------------|---|--|-------|
| JANUARY       |   | 1                                      |       |
| FEBRUARY      |   | -                                      |       |
| MARCH         |   | -                                      |       |
| APRIL         |   | -                                      |       |
| MAY           |   | -                                      |       |
| JUNE          |   | -                                      |       |
| JULY          |   | -                                      |       |
| AUGUST        |   | -                                      |       |
| SEPTEMBER     |   | -                                      |       |
| OCTOBER       |   | -                                      |       |
| NOVEMBER      |   | -                                      |       |
| DECEMBER      |   | -                                      |       |
| <b>TOTALS</b> | -   | 1                                      | -     |

OTHER (description):

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Company Name: Clear Springs Utility Company - Water Division

Name of System: Well #7

ADEQ Public Water System Number:

02-050

**UTILITY SHUTOFFS / DISCONNECTS**

| <b>MONTH</b>  | <b>Termination without Notice<br/>R14-2-410.B</b> | <b>Termination with Notice<br/>R14-2-410.C</b> | <b>OTHER</b> |
|---------------|---|--|--------------|
| JANUARY       |   | -  |              |
| FEBRUARY      |   | -  |              |
| MARCH         |   | -  |              |
| APRIL         |   | -  |              |
| MAY           |   | -  |              |
| JUNE          |   | -  |              |
| JULY          |   | -  |              |
| AUGUST        |   | -  |              |
| SEPTEMBER     |   | -  |              |
| OCTOBER       |   | -  |              |
| NOVEMBER      |   | -  |              |
| DECEMBER      |   | -  |              |
| <b>TOTALS</b> | -   | -  | -            |

OTHER (description):

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Company Name: Clear Springs Utility Company - Water Division  
 Name of System: Well #9 ADEQ Public Water System Number: 02-051

**UTILITY SHUTOFFS / DISCONNECTS**

| <b>MONTH</b>  | <b>Termination without Notice<br/>R14-2-410.B</b> | <b>Termination with Notice<br/>R14-2-410.C</b> | <b>OTHER</b> |
|---------------|---|--|--------------|
| JANUARY       |   | 1  |              |
| FEBRUARY      |   | -  |              |
| MARCH         |   | -  |              |
| APRIL         |   | -  |              |
| MAY           |   | -  |              |
| JUNE          |   | -  |              |
| JULY          |   | -  |              |
| AUGUST        |   | -  |              |
| SEPTEMBER     |   | -  |              |
| OCTOBER       |   | -  |              |
| NOVEMBER      |   | -  |              |
| DECEMBER      |   | -  |              |
| <b>TOTALS</b> | -   | 1  | -            |

OTHER (description):

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|                 |  |
|-----------------|--|
| Company Name:   | Clear Springs Utility Company - Sewer Division |
| Name of System: | Wastewater Inventory Number (if applicable):   |

**WASTEWATER COMPANY PLANT DESCRIPTION**

**TREATMENT FACILITY**

|   |                                    |
|---|------------------------------------|
| <b>TYPE OF TREATMENT</b><br>(Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.) | Aerobic Lagoon<br>Anaerobic Lagoon |
| <b>DESIGN CAPACITY OF PLANT</b><br>(Gallons Per Day)  | 300,000 GPD                        |

**LIFT STATION FACILITIES**

| Location                           | Quantity of Pumps | Horsepower Per Pump | Capacity Per Pump (GPM) | Wet Well Capacity (gals) |
|------------------------------------|-------------------|---------------------|-------------------------|--------------------------|
| SW Corner Ford Road & Allen St.    | 2                 | 7.5                 | 500                     | 2,000                    |
| Stand-by back-up pump 220V 3 phase | 1                 | 5                   | 200                     |                          |
| Stand-by 110 Volt pump             | 1                 | 5                   | 160                     |                          |
|                                    |                   |                     |                         |                          |
|                                    |                   |                     |                         |                          |
|                                    |                   |                     |                         |                          |
|                                    |                   |                     |                         |                          |

**FORCE MAINS**

| Size   | Material | Length (Feet) |
|--------|----------|---------------|
| 4-inch |          |               |
| 6-inch |          |               |
| 8-inch | AC       | 1,200         |
|        |          |               |

**MANHOLES**

| Type     | Quantity |
|----------|----------|
| Standard | 160      |
| Drop     |          |
|          |          |

**CLEANOUTS**

| Quantity |
|----------|
| 11       |
|          |
|          |

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

Company Name: Clear Springs Utility Company - Sewer Division

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

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**COLLECTION MAINS**

| Size<br>(in inches) | Material | Length<br>(in feet) |
|---------------------|----------|---------------------|
| 4                   |          |                     |
| 6                   | AC       | 1,225               |
| 6                   | PVC      | 3,730               |
| 8                   | AC       | 24,200              |
| 8                   | CLAY     | 56,000              |
| 12                  | AC       | 3,000               |
| 18                  |          |                     |
| 21                  |          |                     |
| 24                  |          |                     |
| 30                  |          |                     |
|                     |          |                     |

**SERVICES**

| Size<br>(in inches) | Material | Quantity |
|---------------------|----------|----------|
| 4                   | AC       | 386      |
| 6                   |          |          |
| 8                   |          |          |
| 12                  |          |          |
| 15                  |          |          |
|                     |          |          |
|                     |          |          |
|                     |          |          |
|                     |          |          |
|                     |          |          |

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

|   |                           |
|---|---------------------------|
| <b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>  |                           |
| <b>DISINFECTION EQUIPMENT</b><br>(Chlorinator, Ultra-Violet, Etc.)                      |                           |
| <b>FILTRATION EQUIPMENT</b><br>(Rapid Sand, Slow Sand, Activated Carbon, Etc.)          |                           |
| <b>STRUCTURES</b><br>(Buildings, Fences, Etc.)  | Fences around Sewer ponds |
| <b>OTHER</b><br>(Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.) |                           |

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

|  |  |
|--|--|
| Company Name: Clear Springs Utility Company - Sewer Division |  |
| Name of System:  | Wastewater Inventory Number (if applicable): |

**WASTEWATER FLOWS**

| <b>MONTH/YEAR<br/>(Most Recent 12 Months)</b> | <b>NUMBER OF<br/>SERVICES</b> | <b>TOTAL MONTHLY<br/>SEWAGE FLOW</b> | <b>SEWAGE FLOW ON<br/>PEAK DAY</b> |
|---|-------------------------------|--------------------------------------|------------------------------------|
| January-12                                    | 371                           | 1,516,920                            | 183,320                            |
| February-12                                   | 371                           | 1,298,976                            | 147,728                            |
| March-12                                      | 371                           | 1,439,952                            | 150,216                            |
| April-12                                      | 368                           | 1,345,320                            | 158,480                            |
| May-12  | 368                           | 1,204,648                            | 147,992                            |
| June-12                                       | 364                           | 1,019,072                            | 159,040                            |
| July-12                                       | 366                           | 1,039,008                            | 127,576                            |
| August-12                                     | 365                           | 1,011,552                            | 164,904                            |
| September-12                                  | 367                           | 924,312                              | 188,448                            |
| October-12                                    | 367                           | 1,098,592                            | 158,384                            |
| November-12                                   | 367                           | 1,028,272                            | 300,480                            |
| December-12                                   | 367                           | 1,110,000                            | 207,912                            |

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

|  |                   |
|--|-------------------|
| <b>Method of Effluent Disposal</b><br>(leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc) | Evaporation Ponds |
| <b>Groundwater Permit Number</b>   | 100824            |
| <b>ADEQ Aquifer Protection Permit Number</b>   | P100824           |
| <b>ADEQ Reuse Permit Number</b>  |                   |
| <b>EPA NPDES Permit Number</b>   |                   |

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

Company Name: Clear Springs Utility Company - Sewer Division

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

**UTILITY SHUTOFFS / DISCONNECTS**

| <b>MONTH</b>  | <b>Termination without Notice<br/>R14-2-609.B</b> | <b>Termination with Notice<br/>R14-2-609.C</b> | <b>OTHER</b> |
|---------------|---|--|--------------|
| JANUARY       | -   | -  | -            |
| FEBRUARY      | -   | -  | -            |
| MARCH         | -   | 1  | -            |
| APRIL         | -   | 1  | -            |
| MAY           | -   | 1  | -            |
| JUNE          | -   | 3  | -            |
| JULY          | -   | 3  | -            |
| AUGUST        | -   | 2  | -            |
| SEPTEMBER     | -   | -  | -            |
| OCTOBER       | -   | 2  | -            |
| NOVEMBER      | -   | 3  | -            |
| DECEMBER      | -   | -  | -            |
| <b>TOTALS</b> | -   | 16   | -            |

OTHER (description):

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**COMPANY NAME** Clear Springs Utility Company, Inc. **YEAR ENDING 12/31/12**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar year 2012 was: \$13,742.44

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 17 2013

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

|                                |                                       |
|--------------------------------|---------------------------------------|
| COUNTY OF (COUNTY NAME)        | <u>Pima</u>                           |
| NAME (OWNER OR OFFICIAL) TITLE | <u>Bonnie O'Connor, Manager</u>       |
| COMPANY NAME                   | <u>Clear Springs Utility Co. Inc.</u> |

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

FOR THE YEAR ENDING

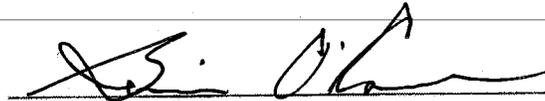
| MONTH | DAY | YEAR |
|-------|-----|------|
| 12    | 31  | 2012 |

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.



SIGNATURE OF OWNER OR OFFICIAL

570-674-1460

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15<sup>th</sup> DAY OF

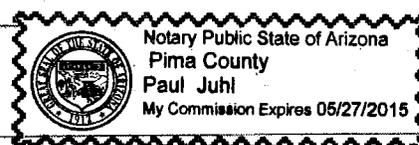
(SEAL)

MY COMMISSION EXPIRES 5/27/15

|             |              |             |
|-------------|--------------|-------------|
| COUNTY NAME | <u>Pima</u>  |             |
| MONTH       | <u>April</u> | <u>2013</u> |



SIGNATURE OF NOTARY PUBLIC



**INCOME TAXES**

For this reporting period, provide the following:

|   |                            |
|---|----------------------------|
| Federal Taxable Income Reported           | <u>taxes not completed</u> |
| Estimated or Actual Federal Tax Liability | <u>\$ -</u>                |

|   |                            |
|---|----------------------------|
| State Taxable Income Reported           | <u>taxes not completed</u> |
| Estimated or Actual State Tax Liability | <u>\$ -</u>                |

Amount of Grossed-Up Contributions/Advances:

|   |             |
|---|-------------|
| Amount of Contributions/Advances        | <u>\$ -</u> |
| Amount of Gross-Up Tax Collected        | <u>-</u>    |
| Total Grossed-Up Contributions/Advances | <u>\$ -</u> |

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 certified that the Utility has refunded to Payers all gross-up tax refunds reported in the prior years 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

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
TITLE

RECEIVED

APR 17 2013

AZ CORP COMM  
Director - Utilities

**VERIFICATION  
AND  
SWORN STATEMENT (WATER)  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

|                                |                                       |
|--------------------------------|---------------------------------------|
| COUNTY OF (COUNTY NAME)        | <u>Pima</u>                           |
| NAME (OWNER OR OFFICIAL) TITLE | <u>Bonnie O'Connor, Manager</u>       |
| COMPANY NAME                   | <u>Clear Springs Utility Co. Inc.</u> |

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

**FOR THE YEAR ENDING**

|           |           |             |
|-----------|-----------|-------------|
| MONTH     | DAY       | YEAR        |
| <u>12</u> | <u>31</u> | <u>2012</u> |

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>175,833</u>                                     |

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 11,530  
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

520-624-1460  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

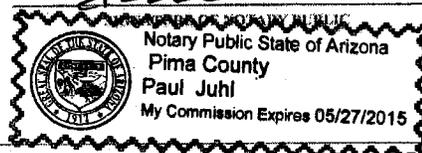
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15<sup>th</sup> DAY OF

|             |                             |
|-------------|-----------------------------|
| COUNTY NAME | <u>Pima</u>                 |
| MONTH       | <u>April</u> , 20 <u>13</u> |

(SEAL)

MY COMMISSION EXPIRES 5/27/15



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE (WATER)  
INTRASTATE REVENUES ONLY**

**RECEIVED**

APR 17 2013

AZ CORP COMMISSION  
Director - Utilities

VERIFICATION  
STATE OF \_\_\_\_\_

I, THE UNDERSIGNED  
OF THE

|  |                      |
|--|----------------------|
| COUNTY OF (COUNTY NAME) <b>Pima</b>                |                      |
| NAME (OWNER OR OFFICIAL) <b>Bonnie O'Connor</b>    | TITLE <b>Manager</b> |
| COMPANY NAME <b>Clear Springs Utility Co. Inc.</b> |                      |

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<br><br>\$ <u>144,137</u> |
|--|

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 10,060  
IN SALES TAXES BILLED, OR COLLECTED

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

  
SIGNATURE OF OWNER OR OFFICIAL

520-624-1460  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

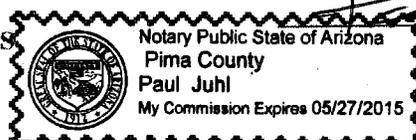
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15<sup>th</sup> DAY OF

|  |             |
|--|-------------|
| NOTARY PUBLIC NAME <b>Paul B. Juhl</b> |             |
| COUNTY NAME <b>Pima</b>                |             |
| MONTH <b>April</b>                     | <b>2013</b> |

(SEAL)

MY COMMISSION EXPIRES  
**5/27/15**



  
SIGNATURE OF NOTARY PUBLIC

RECEIVED

VERIFICATION AND SWORN STATEMENT (SEWER) Intrastate Revenues Only

APR 17 2013

AZ CORP COMM Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

Form with fields: COUNTY OF (COUNTY NAME) Pima, NAME (OWNER OR OFFICIAL) TITLE Bonnie O'Connor, COMPANY NAME Clear Springs Utility Co. Inc.

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

FOR THE YEAR ENDING

Table with columns: MONTH, DAY, YEAR. Values: 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 (\$) \$ 51,456

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 3,382 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 OF OWNER OR OFFICIAL (Handwritten signature) 520-624-1460 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

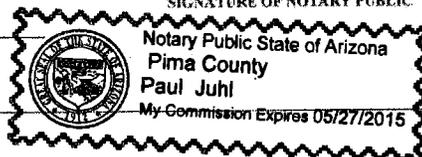
THIS 15th DAY OF

Form with fields: COUNTY NAME Pima, MONTH April, 2013

(SEAL)

SIGNATURE OF NOTARY PUBLIC (Handwritten signature)

MY COMMISSION EXPIRES 5/27/15



RECEIVED

VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE (SEWER) Intrastate Revenues Only

APR 17 2013

AZ CORP COMM Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

Form with fields: COUNTY OF (COUNTY NAME) Pima, NAME (OWNER OR OFFICIAL) Bonnie O'Connor, TITLE Manager, COMPANY NAME Clear Springs Utility Co. Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION FOR THE YEAR ENDING MONTH 12 DAY 31 YEAR 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 \$ 46,678

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 3,064 IN SALES TAXES BILLED, OR COLLECTED)

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

Handwritten signature of Bonnie O'Connor

520-624-1460 TELEPHONE NUMBER

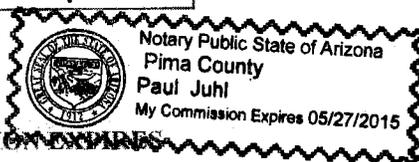
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

NOTARY PUBLIC NAME Paul B. Juhl, COUNTY NAME Pima, MONTH April, 2013

(SEAL)



MY COMMISSION EXPIRES

5/27/15

Handwritten signature of Paul B. Juhl

SIGNATURE OF NOTARY PUBLIC