

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01774A
Picacho Water Improvement Corporation
6240 E. Monitor
Picacho, AZ 85141

RECEIVED

APR 02 2013

AZ CORP COMM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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4-2-13

COMPANY INFORMATION

Company Name (Business Name) <u>Picacho Water Improvement Corporation</u>			
Mailing Address <u>6240 E. Monitor</u>			
(Street)			
<u>Picacho</u>	<u>AZ</u>	<u>85141</u>	
(City)	(State)	(Zip)	
<u>520-466-3787</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>Same as above</u>			
(Street)			
<u></u>	<u></u>	<u></u>	
(City)	(State)	(Zip)	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Ed Kile</u> <u>Manager</u>			
(Name)		(Title)	
<u>6240 E. Monitor</u>	<u>Picacho</u>	<u>AZ</u>	<u>85141</u>
(Street)	(City)	(State)	(Zip)
<u>520-466-3787</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Same</u>			
(Name)			
<u></u>	<u></u>	<u></u>	<u></u>
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

See Accountant's Compilation Report. 2

Statutory Agent: _____		Ed Kile	
	(Name)		(Title)
6240 E. Monitor	Picacho	AZ	85141
(Street)	(City)	(State)	(Zip)
520-466-3787			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: _____		Robert Lynch	
	(Name)		
340 E. Palm Lane	Phoenix	AZ	85004
(Street)	(City)	(State)	(Zip)
602-254-5908			
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:

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

COUNTIES SERVED

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

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

HOLM & VALENZUELA, CPAs, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

3208 EAST FORT LOWELL ROAD, SUITE 105

TUCSON, ARIZONA 85716

TELEPHONE: 520-777-3137

DOUGLAS R. HOLM, CPA

DRHOLM@EARTHLINK.NET

FAX: 520-777-3901

JANETTE G. VALENZUELA, CPA

JANETTEV@EARTHLINK.NET

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Picacho Water Improvement Corporation
Picacho, AZ 85141

We have compiled the balance sheets of Picacho Water Improvement Corporation of December 31, 2012 and 2011, and the related statements of income and expense for the years then ended, included in the accompanying prescribed form. We have also compiled the supplementary information presented in the prescribed form. We have not audited or reviewed the accompanying financial statements and supplementary information included in the accompanying prescribed form, and accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary information are in accordance with the Arizona Corporation Commission--Utilities Division.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary information included in the form prescribed by the Arizona Corporation Commission--Utilities Division and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary information.

These financial statements (including related disclosures) and the supplementary information included in the accompanying prescribed form are presented in accordance with the requirements of the Arizona Corporation Commission--Utilities Division, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Arizona Corporation Commission--Utilities Division and is not intended to be used by anyone other than this specified party.

Holm - Valenzuela CPAs, P.C.

March 22, 2013

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	700	---	700
304	Structures and Improvements	933	933	---
307	Wells and Springs	7479	6663	816
311	Pumping Equipment	80381	80381	---
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	25619	25619	---
331	Transmission and Distribution Mains	61778	61778	---
333	Services			
334	Meters and Meter Installations	4320	4320	---
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1555	1555	---
341	Transportation Equipment	9245	9245	---
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	3251	3251	---
	TOTALS	195261	193745	1516

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



UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	700	---	700
304	Structures and Improvements	933	933	---
307	Wells and Springs	7479	6663	816
311	Pumping Equipment	80381	80381	---
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	25619	25619	---
331	Transmission and Distribution Mains	61778	61778	---
333	Services			
334	Meters and Meter Installations	4320	4320	---
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	1555	1555	---
341	Transportation Equipment	9245	9245	---
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	3251	3251	---
	TOTALS	195261	193745	1516

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

See Accountant's Compilation Report.

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$7761	\$14950
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	22755	6980
7577	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	325	325
	TOTAL CURRENT AND ACCRUED ASSETS	\$30841	\$22255
	FIXED ASSETS		
101	Utility Plant in Service	\$195261	\$195261
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(193471)	(193745)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$1790	\$1516
	TOTAL ASSETS	\$32631	\$23771

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

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$3802	\$3802
236	Accrued Taxes	269	4717
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$4071	\$8519
	LONG-TERM DEBT (Over 12 Months)	\$53150	\$66029
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	---	---
	TOTAL LIABILITIES	\$57221	\$74548
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$13339	\$13339
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(37929)	(64116)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$(24590)	\$(50777)
	TOTAL LIABILITIES AND CAPITAL	\$32631	\$23771

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$54354	\$55001
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$54354	\$55001
	OPERATING EXPENSES		
601	Salaries and Wages		
610	Purchased Water		
615	Purchased Power	12011	7632
618	Chemicals		
620	Repairs and Maintenance	1310	26292
621	Office Supplies and Expense	4117	4655
630	Outside Services	29328	27775
635	Water Testing	1089	1201
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	993	993
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	535	319
403	Depreciation Expense	1269	274
408	Taxes Other Than Income	3559	5903
408.11	Property Taxes	2904	4506
409	Income Tax	50	50
	TOTAL OPERATING EXPENSES	\$57165	\$79600
	OPERATING INCOME/(LOSS)	\$(2811)	\$(24599)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(2315)	(1588)
	TOTAL OTHER INCOME/(EXPENSE)	\$(2315)	\$(1588)
	NET INCOME/(LOSS)	\$(5126)	\$(26187)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	10/28/03	3/01/06	3/01/07	6/01/11
Source of Loan	Great Western Bank	Mrs. Holmes	Hank Holmes	Hank Holmes
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$25000	\$5000	\$15000	\$10000
Amount Outstanding	\$21029	\$5000	\$15000	\$10000
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$1588			
Current Year Principle	\$2120			

Meter Deposit Balance at Test Year End \$ 3802

Meter Deposits Refunded During the Test Year \$ -0-

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #5			
Date Issued	6/01/12			
Source of Loan	Hank Holmes			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$15000			
Amount Outstanding	\$15000			
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest				
Current Year Principle				

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME Picacho Water Improvement Corporation

Name of System: _____ **ADEQ Public Water System Number:** _____

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
622043	40	300	14"	20"	6"	1961
622044	25	65	112"	10"	3"	1961

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
50	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
200000	1	7500	1

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

COMPANY NAME Picacho Water Improvement Corporation

Name of System: _____ **ADEQ Public Water System Number:** _____

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		3000
5		
6		5000
8		6000
10		
12		
2		
3		
4		
6		

CUSTOMER METERS

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

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

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

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

COMPANY NAME: Picacho Water Improvement Corporation

Name of System:

ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	111	1198	2000	
FEBRUARY	111	1067	2000	
MARCH	110	1471	2000	
APRIL	114	1386	2000	
MAY	114	1677	2000	
JUNE	103	2990	2000	
JULY	103	1460	2000	
AUGUST	103	1679	2000	
SEPTEMBER	101	1483	2000	
OCTOBER	94	1543	2000	
NOVEMBER	94	1150	2000	
DECEMBER	94	1264	2000	
TOTALS →		18368	24000	

NOTE: Well meters malfunctioned due to sediment build up.

What is the level of arsenic for each well on your system? .0094 mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

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

Yes

No

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, provide the GPCPD amount: _____

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

COMPANY NAME: Picacho Water Improvement Corporation

Name of System: Picacho Mutual Water Company, Inc
15123

ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		0	
FEBRUARY		0	
MARCH		1	
APRIL		0	
MAY		0	
JUNE		11	
JULY		0	
AUGUST		0	
SEPTEMBER		2	
OCTOBER		7	
NOVEMBER		0	
DECEMBER		0	
TOTALS →		21	---

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ -0-

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. Due to insufficient funds.

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

APR 02 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

**I, THE UNDERSIGNED
OF THE**

<small>COUNTY OF (COUNTY NAME)</small>	Pinal
<small>NAME (OWNER OR OFFICIAL) TITLE</small>	Hank Holmes, President
<small>COMPANY NAME</small>	Picacho Water Improvement Corporation

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

FOR THE YEAR ENDING

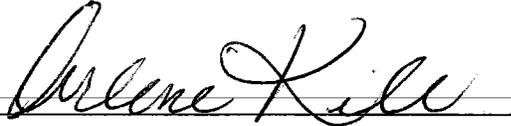
<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2012

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

520-466-3787

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**

<small>COUNTY NAME</small>	
<small>MONTH</small>	.20__

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

INCOME TAXES

For this reporting period, provide the following:

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

State Taxable Income Reported _____
Estimated or Actual State Tax Liability 50

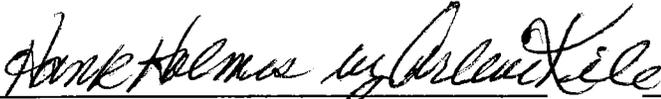
Amount of Grossed-Up Contributions/Advances:

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

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

CERTIFICATION

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

 3/30/13
SIGNATURE DATE

Hank Holmes
PRINTED NAME

President
TITLE

RECEIVED

APR 02 2013

AZ CORP COMM
Director - Utilities

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Pinal
NAME (OWNER OR OFFICIAL) TITLE	Hank Holmes, President
COMPANY NAME	Picacho Water Improvement Corporation

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

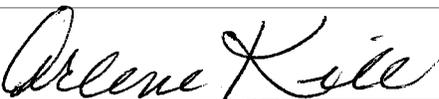
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2012 WAS:

Arizona Intrastate Gross Operating Revenues Only ()
\$ <u>55001</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3850
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

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS DAY OF

(SEAL)

COUNTY NAME	
MONTH	, 20__

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

See Accountant's Compilation Report

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

APR 02 2013

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small> Pinal	
<small>NAME (OWNER OR OFFICIAL)</small> Hank Holmes, President	
<small>COMPANY NAME</small> Picacho Water Improvement Corporation	

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

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
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:

<small>ARIZONA INTRASTATE GROSS OPERATING REVENUES</small>
\$ <u>50326</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 3523 IN SALES TAXES BILLED, OR COLLECTED)

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



SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**

(SEAL)

MY COMMISSION EXPIRES

<small>NOTARY PUBLIC NAME</small>	
<small>COUNTY NAME</small>	
<small>MONTH</small>	, 20__

SIGNATURE OF NOTARY PUBLIC