

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

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

W-01831A  
Sandario Water Company, Inc.  
PO Box 85160  
Tucson, AZ 85754

RECEIVED

APR 17 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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4-24-13



<b>Statutory Agent:</b> <u>Ezra H. Lewis</u>			
(Name)			
<u>PO Box 85160</u>	<u>Tucson</u>	<u>AZ</u>	<u>85754</u>
(Street)	(City)	(State)	(Zip)
<u>520-623-5172</u>	<u>520-792-0377</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Attorney:</b> <u>N/A</u>			
(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:

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

**COUNTIES SERVED**

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

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

Company Name: Sandario Water Company, Inc.

**UTILITY PLANT IN SERVICE**

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization	\$ 650		\$ 650
302	Franchises	450		450
303	Land & Land Rights	850		850
304	Structures & Improvements	23,575	22,987	588
307	Wells & Springs	55,832	44,615	11,217
311	Pumping Equipment	136,644	38,048	98,596
320	Water Treatment Equipment	2,784	487	2,297
330	Distribution Reservoirs & Standpipes	64,334	45,338	18,996
331	Transmission & Distrib. Mains	548,394	429,520	118,874
333	Services	53,057	34,726	18,332
334	Meters & Meter Installations	34,854	25,457	9,397
335	Hydrants			-
336	Backflow Prevention Devices			-
339	Other Plant & Misc Equipment			-
340	Office Furniture & Equipment			-
340.1	Computers & Software			-
341	Transportation Equipment			-
343	Tools, Shop & Garage Equip.	3,063	3,063	-
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communications Equipment	2,526	1,452	1,074
347	Miscellaneous Equipment			-
348	Other Tangible Plant	1,026	1,026	-
	<b>TOTALS</b>	<b>\$ 928,039</b>	<b>\$ 646,718</b>	<b>\$ 281,321</b>

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

Company Name: Sandario Water Company, Inc.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$ 650		\$ -
302	Franchises	450		-
303	Land & Land Rights	850	N/A	-
304	Structures & Improvements <sup>1</sup>	23,575	3.33%	70
307	Wells & Springs <sup>2</sup>	55,832	3.33%	1,164
311	Pumping Equipment	136,644	12.5000%	5,722
320	Water Treatment Equipment	2,784	3.33%	140
330	Distribution Reservoirs & Standpipes <sup>3</sup>	64,334	2.2200%	1,723
331	Transmission & Distrib. Mains <sup>4</sup>	548,394	2.0000%	14,998
333	Services <sup>5</sup>	53,057	3.33%	1,868
334	Meters & Meter Installations <sup>6</sup>	34,854	8.3300%	1,192
335	Hydrants	-	2.0000%	-
336	Backflow Prevention Devices	-	6.6700%	-
339	Other Plant & Misc Equipment	-	6.6700%	-
340	Office Furniture & Equipment	-	6.6700%	-
340.1	Computers & Software	-	33.3300%	-
341	Transportation Equipment	-	20.0000%	-
343	Tools, Shop & Garage Equip.	3,063	5.0000%	-
344	Laboratory Equipment	-	10.0000%	-
345	Power Operated Equipment	-	5.0000%	-
346	Communications Equipment	2,526	10.0000%	126
347	Miscellaneous Equipment	-	10.0000%	-
348	Other Tangible Plant	1,026	10.0000%	-
	<b>TOTALS</b>	<b>\$ 928,039</b>		<b>\$ 27,003</b>

<sup>1</sup> \$22,193 of the total is fully depreciated

<sup>2</sup> \$32,542 of the total is fully depreciated

<sup>3</sup> \$29,307 of the total is fully depreciated

<sup>4</sup> \$248,437 of the total is fully depreciated

<sup>5</sup> \$15,679 of the total is fully depreciated

<sup>6</sup> \$11,000 of the total is fully depreciated

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

Company Name: Sandario Water Company, Inc.

**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	\$ 11,695	\$ 5,594
134	Working Funds		
135	Temporary Cash Investments	3,775	
141	Customer Accounts Receivable	11,318	2,685
146	Notes/Receivables from Associated Companies	\$ 5,000	
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 31,788	\$ 8,279
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 907,317	\$ 928,039
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(515,605)	(646,718)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 391,712	\$ 281,321
	<b>TOTAL ASSETS</b>	\$ 423,500	\$ 289,600

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

Company Name: Sandario Water Company, Inc.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 19,070	\$ 41,559
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	12,110	8,672
236	Accrued Taxes	1,422	607
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 32,602	\$ 50,838
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds		
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 333,225	\$ 31,850
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	71,720	433,259
272	Less: Amortization of contributions	(39,686)	(121,886)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 365,259	\$ 343,223
	<b>TOTAL LIABILITIES</b>	\$ 397,861	\$ 394,061
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	24,639	(105,461)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 25,639	\$ (104,461)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 423,500	\$ 289,600

Company Name: Sandario Water Company, Inc.

**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	\$ 126,601	\$ 94,427
462	Surcharge Revenue		
474	Other Water Revenues	1,760	1,155
	<b>TOTAL REVENUES</b>	<b>\$ 128,361</b>	<b>\$ 95,582</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages		
610	Purchased Water		
615	Purchased Power	24,037	22,688
618	Chemicals	1,242	1,327
620	Repairs and Maintenance	159	6,117
621	Office Supplies & Expense	5,552	3,556
630	Outside Services	61,550	57,071
635	Water Testing	2,050	2,195
641	Rents		
650	Transportation Expenses	2,465	200
657	Insurance - General Liability	4,763	5,454
659	Insurance - Health and Life		
665	Regulatory Expenses	197	
675	Miscellaneous Expense	6,339	2,168
403	Depreciation Expense	18,864	27,003
408	Taxes Other Than Income		
408.11	Property Taxes	7,232	3,757
409	Income Tax		
427.2	Customer Security Deposit Interest		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 134,450</b>	<b>\$ 131,536</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (6,089)</b>	<b>\$ (35,954)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 1	\$ -
421	Non-Utility Income	543	219
427	Interest Expense		(233)
434	Extraordinary Deductions	(157)	(88,150)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 387</b>	<b>\$ (88,165)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (5,702)</b>	<b>\$ (124,119)</b>

Company Name: Sandario Water Company, Inc.

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

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued			\$ -	\$ -
Amount Outstanding	\$ -		\$ -	\$ -
Date of Maturity				
Interest Rate			%	%
Current Year Interest			\$ -	\$ -
Current Year Principal	\$ -	\$ -	\$ -	\$ -

Meter Deposit Balance at Test Year End \$ 3,754

Meter Deposits Refunded During the Test Year \$ 1,086

Company Name: Sandario Water Company, Inc.

Name of System:

ADEQ Public Water System Number: 10-093

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-594513	20	80	590	8	4	1989
55-518208	20	270	600	12	4	1987

\* 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
10.0	2
15.0	2
5.0	1

**FIRE HYDRANTS**

Quantity Standard	Quantity Other
N/A	

**STORAGE TANKS**

Capacity	Quantity
12,000	4
20,000	1

**PRESSURE TANKS**

Capacity	Quantity
2,000	1
5,000	1

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

Company Name: Sandario Water Company, Inc.		
Name of System:	ADEQ Public Water System Number:	10-093

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	Galv	660
3	AC	4,530
4	AC	7,308
5		
6	AC	20,535
8		
10		
12		
2	PVC	710
3	PVC	330
4	PVC	5,865
6	PVC	18,123

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	349
3/4	3
1	5
1 1/2	2
2	3
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:**

Two Chlorinators

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**STRUCTURES:**

700' of 6' Chain Link Fence and 12' x 12' Booster Station

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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: Sandario Water Company, Inc.	
Name of System:	ADEQ Public Water System Number: 10-093

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

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	329	2,245	2,510	-
FEBRUARY	326	1,999	2,240	-
MARCH	326	2,123	2,318	-
APRIL	326	2,626	3,000	-
MAY	329	2,954	2,203	-
JUNE	329	3,771	4,215	-
JULY	330	3,564	3,564	-
AUGUST	326	2,895	2,895	-
SEPTEMBER	324	2,413	2,838	-
OCTOBER	323	2,602	3,116	-
NOVEMBER	322	2,413	2,670	-
DECEMBER	323	2,460	2,876	-
<b>TOTALS</b>		32,065	34,445	-

What is the level of arsenic for each well on your system? 0.0069 & 0.0074 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: Sandario Water Company, Inc.

Name of System:

ADEQ Public Water System Number:

10-093

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
JANUARY	-	4	-
FEBRUARY	-	3	-
MARCH	-	7	-
APRIL	-	6	-
MAY	-	-	-
JUNE	-	3	-
JULY	-	8	-
AUGUST	-	5	-
SEPTEMBER	-	3	-
OCTOBER	-	4	-
NOVEMBER	-	4	-
DECEMBER	-	2	-
<b>TOTALS</b>	-	49	-

OTHER (description):

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COMPANY NAME Sandario Water Company, Inc.

YEAR ENDING 12/31/12

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar year 2012 was: \$ 7,241.29

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)	<b>Pima</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>Bonnie O'Connor, Manager</b>
COMPANY NAME	<b>Sandario Water Company, Inc.</b>

**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

520-624-1460  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

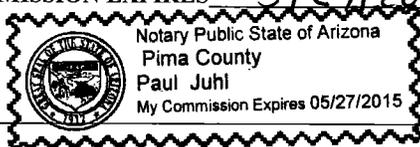
THIS 15<sup>th</sup> DAY OF

COUNTY NAME	<b>Pima</b>	
MONTH	<b>April</b>	<b>2013</b>

(SEAL)

  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/2015



COMPANY NAME Sandario Water Company, Inc.

YEAR ENDING 12/31/12

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	\$	-
Estimated or Actual Federal Tax Liability	\$	-
State Taxable Income Reported	\$	-
Estimated or Actual State Tax Liability	\$	50.00
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 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

VERIFICATION AND SWORN STATEMENT 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, Manager; COMPANY NAME Sandario Water Company, Inc.

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

FOR THE YEAR ENDING

Table with columns: 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 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 (\$) \$ 103,620

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 7,819 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) TELEPHONE NUMBER 520-624-1460

SUBSCRIBED AND SWORN TO BEFORE ME

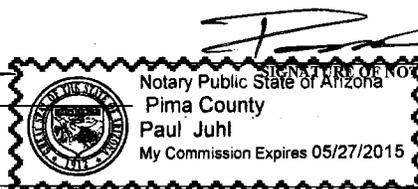
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

COUNTY NAME Pima; MONTH April; 2013

(SEAL)

MY COMMISSION EXPIRES 5/27/15



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

**RECEIVED**

APR 17 2013

AZ CORP COMM  
Director - Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**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>Sandario Water Company, Inc.</b>	

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

**FOR THE YEAR ENDING**

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

**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.**

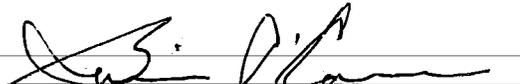
**SWORN STATEMENT**

**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
\$ <u>103,404</u>

**THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 7,804  
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**

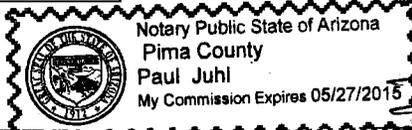
**THIS**

**15<sup>th</sup>**

**DAY OF**

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

**(SEAL)**



**MY COMMISSION EXPIRES**

**5/27/15**

  
SIGNATURE OF NOTARY PUBLIC