

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01049A

The Morenci Water and Electric Company
PO Box 68
Morenci, AZ 85540

RECEIVED

MAR 29 2013

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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4-1-13

COMPANY INFORMATION

Company Name (Business Name) <u>The Morenci Water & Electric Company</u>			
Mailing Address <u>P. O. Box 68</u>			
(Street)			
<u>Morenci</u>	<u>Arizona</u>	<u>85540</u>	
(City)	(State)	(Zip)	
<u>(928) 865-2229</u>	<u>(928) 865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>Ruel_RogersJr@fmi.com</u>			
Local Office Mailing Address <u>Same as above</u>			
(Street)			
(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 type="checkbox"/> Management Contact: <u>Ruel Rogers</u> <u>Superintendent</u>			
(Name) (Title)			
<u>P. O. Box 68</u>	<u>Morenci</u>	<u>Arizona</u>	<u>85540</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 865-2229</u>	<u>(928) 865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>Ruel_RogersJr@fmi.com</u>			
On Site Manager: <u>Same as above</u>			
(Name)			
(Street) (City) (State) (Zip)			
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)			
Email Address _____			

Statutory Agent: Michael McElrath

(Name)

4521 US Highway 191

(Street)

Morenci

(City)

Arizona

(State)

85540

(Zip)

(928) 865-2229

Telephone No. (Include Area Code)

(928) 865-5261

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Roshka Heymen & Dewulf

(Name)

400 East Van Buren Street Suite 800

(Street)

Phoenix

(City)

Arizona

(State)

85004

(Zip)

(602) 256-6100

Telephone No. (Include Area Code)

(602) 256-6800

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 checked="" 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 type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	151,165		151,165
304	Structures and Improvements	1,697,567	1,532,733	164,834
307	Wells and Springs			
311	Pumping Equipment	93,254	74,644	18,610
320	Water Treatment Equipment	50,070	4,033	46,037
330	Distribution Reservoirs and Standpipes	2,527,029	1,033,843	1,493,186
331	Transmission and Distribution Mains	2,300,267	715,869	1,584,398
333	Services	305,395	27,735	277,661
334	Meters and Meter Installations	507,371	180,415	326,956
335	Hydrants	427	407	20
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	45,418	45,418	
340	Office Furniture and Equipment	18,270	15,267	3,003
341	Transportation Equipment	316,732	170,813	145,919
343	Tools, Shop and Garage Equipment	36,798	19,204	17,594
344	Laboratory Equipment	915	915	
345	Power Operated Equipment	33,578	33,578	
346	Communication Equipment			
347	Miscellaneous Equipment	108,270	36,920	71,350
348	Other Tangible Plant	83,363	61,551	21,812
	TOTALS	8,275,891	3,953,345	4,322,546

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



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	151,165		
304	Structures and Improvements	1,697,567	1.92%	32,626
307	Wells and Springs			
311	Pumping Equipment	93,254	5.69%	5,305
320	Water Treatment Equipment	50,070	2.00%	1,001
330	Distribution Reservoirs and Standpipes	2,527,029	2.58%	65,216
331	Transmission and Distribution Mains	2,300,267	2.18%	50,174
333	Services	305,395	1.99%	6,082
334	Meters and Meter Installations	507,371	7.14%	36,251
335	Hydrants	427	10.01%	43
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	45,418	0.00%	
340	Office Furniture and Equipment	18,270	3.59%	655
341	Transportation Equipment	316,732	13.16%	41,691
343	Tools, Shop and Garage Equipment	36,798	0.38%	142
344	Laboratory Equipment	915	5.73%	52
345	Power Operated Equipment	33,578	0.00%	
346	Communication Equipment			
347	Miscellaneous Equipment	108,270	8.85%	9,581
348	Other Tangible Plant	83,363	10.07%	8,398
	TOTALS	8,275,891	1.00	257,217

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



BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3,238,072	\$ 475,837
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	231,327	593,405
146	Notes/Receivables from Associated Companies	8,003,430	6,221,253
151	Plant Material and Supplies	208,725	244,806
162	Prepayments	42,817	20,264
174	Miscellaneous Current and Accrued Assets	15,109	15,109
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 11,829,480	\$ 7,570,674
	FIXED ASSETS		
101	Utility Plant in Service	\$ 35,069,098	\$ 35,825,433
103	Property Held for Future Use		
105	Construction Work in Progress	424,962	159,726
108	Accumulated Depreciation – Utility Plant	(8,902,674)	(9,794,238)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 26,591,386	\$ 26,190,922
	TOTAL ASSETS	\$ 38,420,866	\$ 33,761,596

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 LIABILITES		
231	Accounts Payable	\$ 3,708,150	\$ 3,430,658
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	12,454,645	7,694,467
235	Customer Deposits	10,846	21,185
236	Accrued Taxes	1,540,305	1,633,428
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	181,817	154,964
	TOTAL CURRENT LIABILITIES	\$ 17,895,763	\$ 12,934,702
	LONG-TERM DEBT (Over 12 Months)		
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	698,258	724,390
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax	190,933	190,933
	TOTAL DEFERRED CREDITS	\$ 889,191	\$ 915,323
	Other Deferred Credits	10,570	0
	TOTAL LIABILITIES	\$ 899,761	\$ 915,323
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 14,525,370	\$ 14,525,370
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	5,099,972	5,386,202
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 19,625,342	\$ 19,911,572
	TOTAL LIABILITIES AND CAPITAL	\$ 38,420,866	\$ 33,761,597

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 863,712	\$ 876,035
460	Unmetered Water Revenue		
474	Other Water Revenues	37,598	19,884
	TOTAL REVENUES	\$ 901,310	\$ 895,919
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 491,259	\$ 550,230
610	Purchased Water	75,430	108,938
615	Purchased Power	28,844	33,164
618	Chemicals	119,702	123,020
620	Repairs and Maintenance	7,299	15,362
621	Office Supplies and Expense	1,774	3,331
630	Outside Services	66,569	170,500
635	Water Testing		
641	Rents		
650	Transportation Expenses	2,174	2,072
657	Insurance – General Liability	17,885	7,504
659	Insurance - Health and Life	21,931	111,932
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	180,609	8,421
403	Depreciation Expense	189,903	257,508
408	Taxes Other Than Income		
408.11	Property Taxes	45,757	48,553
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 1,249,136	\$ 1,440,534
	OPERATING INCOME/(LOSS)	\$ (347,827)	\$ (544,615)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ (347,827)	\$ (544,615)

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
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 Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME The Morenci Water & Electric Company

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
55-624-247	60	500	148'	20"	8"	1972
55-624-246	60	500	148'	20"	8"	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
50	2		
5	3		
1000	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
750,000 500,000	1 4		
101,000 228,000	1 1		
10,000 5,000 7,500 355,000	1 1 1 1		

COMPANY NAME The Morenci Water & Electric Company

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Steel	19,440
3	Cement Asbestos	5,430
4	Cement Asbestos	34,760
5	None	
6	Cement Asbestos	32,955
8	Cement Asbestos	73,395
10	Cement Asbestos	13,090
12	Cement Asbestos	12,790
6	C900 PVC	2,300

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	2,139
3/4	5
1	16
1 1/2	2
2	37
Comp. 3	4
Turbo 3	1
Comp. 4	
Turbo 4	1
Comp. 6	
Turbo 6	1
	2,206

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

TREATMENT EQUIPMENT:

2 Clarifiers
4 Sandfilters
2 Chlorine Units

STRUCTURES:

Treatment Plant, Pumping Station

OTHER:

COMPANY NAME: The Morenci Water & Electric Company	
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	2,187	34,016		
FEBRUARY	2,187	32,614		
MARCH	2,193	38,691		
APRIL	2,207	48,902		
MAY	2,217	65,099		
JUNE	2,227	63,632		
JULY	2,211	56,832		
AUGUST	2,216	52,481		
SEPTEMBER	2,210	39,680		
OCTOBER	2,207	43,759		
NOVEMBER	2,201	38,266		
DECEMBER	2,191	33,033		
TOTALS →		547,005		

What is the level of arsenic for each well on your system? >0.001 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: The Morenci Water & Electric Company

Name of System:

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		5	
FEBRUARY		7	
MARCH		3	
APRIL		1	
MAY		3	
JUNE		1	
JULY		0	
AUGUST		3	
SEPTEMBER		3	
OCTOBER		5	
NOVEMBER		2	
DECEMBER		0	
TOTALS →		33	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 235,774

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
MAR 29 2013
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Greenlee</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Ruel Rogers</u>
COMPANY NAME <u>The Morenci Water & Electric Company</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

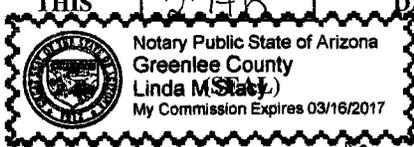
I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Ruel Rogers
SIGNATURE OF OWNER OR OFFICIAL
928-865-2229
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 27th DAY OF

MY COMMISSION EXPIRES March 16, 2017

COUNTY NAME <u>Greenlee</u>	
MONTH <u>March</u>	<u>2013</u>

Linda M. Stacy
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME The Morenci Water & Electric Company YEAR ENDING 12/31/2012

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported None
Estimated or Actual Federal Tax Liability None

State Taxable Income Reported None
Estimated or Actual State Tax Liability None

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances None
Amount of Gross-Up Tax Collected None
Total Grossed-Up Contributions/Advances None

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.

Ruel Rogers
SIGNATURE

3/27/13
DATE

Ruel Rogers
PRINTED NAME

Superintendent
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
MAR 29 2013
ACC UTILITIES DIRECTOR

VERIFICATION
STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Greenlee
NAME (OWNER OR OFFICIAL) TITLE	Ruel Rogers
COMPANY NAME	The Morenci Water & Electric Company

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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

SWORN STATEMENT

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

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>958,041.75</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 62,263.30
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)**

Ruel Rogers

SIGNATURE OF OWNER OR OFFICIAL
928-865-2229

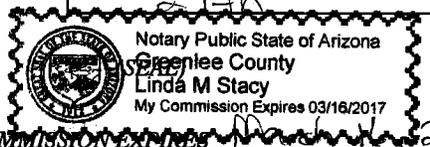
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 27th DAY OF

COUNTY NAME	Greenlee	
MONTH	March	.201 <u>3</u>



Linda M. Stacy

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES March 16, 2017

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

RECEIVED
MAR 29 2013
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Greenlee	
NAME (OWNER OR OFFICIAL) Ruel Rogers	TITLE Superintendent
COMPANY NAME The Morenci Water and Electric Company	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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

SWORN STATEMENT

IN ACCORDANCE WITH THE 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
\$ 612,735.32

**THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 39,821.77
IN SALES TAXES BILLED, OR COLLECTED)**

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



SIGNATURE OF OWNER OR OFFICIAL

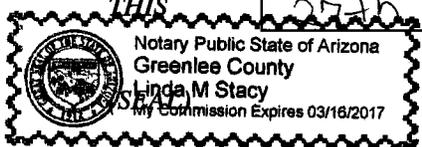
928-865-2229

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

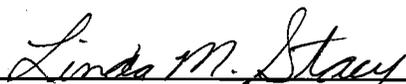
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 27th DAY OF



MY COMMISSION EXPIRES March 16, 2017

NOTARY PUBLIC NAME Linda M. Stacy	
COUNTY NAME Greenlee	
MONTH March	2013



SIGNATURE OF NOTARY PUBLIC