

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02370A
Chino Meadows II Water Company
PO BOX 350
Chino Valley, AZ 86323

RECEIVED

APR 28 2014

**AZ CORP COMM
Director - Utilities**

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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S-2-14

COMPANY INFORMATION

Company Name (Business Name) Chino Meadows Ii Water Company

Mailing Address: PO BOX 350 Chino Valley, AZ 86323

928-717-2616

Telephone No. (Include Area Code)

928-636-0684

Fax No. (Include Area Code)

928-899-7669

Cell No. (Include Area Code)

Email Address Service@cmiwc.com

Local Office Mailing Address Same

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Same

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Arden Barney

(Name)

Operations Manager

(Title)

PO BOX 350

(Street)

Chino Valley

(City)

AZ

(State)

86323

(Zip)

928-717-2616

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email

Address Arden@leviigroup.com

On Site Manager: Christine Nelson

(Name)

PO Box 350

(Street)

Chino Valley

(City)

AZ

(State)

86323

(Zip)

928-717-2616

Telephone No. (Include Area Code)

928-636-0684

Fax No. (Include Area Code)

N/A

Cell No. (Include Area Code)

Email

Address christine@leviigroup.com

Statutory Agent: Paul D. Levie

(Name)

PO BOX 350

(Street)

Chino Valley

(City)

AZ

(State)

86323

928-717-2616

Telephone No. (Include Area Code)

928-363-0684

Fax No. (Include Area Code)

N/A

Cell No. (Include Area Code)

Attorney: Paul D. Levie

(Name)

PO BOX 350

(Street)

Chino Valley

(City)

AZ

(State)

86323

(Zip)

928-717-2616

Telephone No. (Include Area Code)

928-636-0684

Fax No. (Include Area Code)

N/A

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

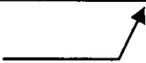
Check the box below for the county/ies in which you are certificated to provide service:

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

COMPANY NAME: Chino Meadows II Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$6843.02	6843.02	0
302	Franchises			
303	Land and Land Rights	\$15204.06	0	\$15204.06
304	Structures and Improvements	\$44339.01	\$38190.22	\$6148.79
305	Collection and Impound Resv	\$4349.74	\$3541.04	\$808.70
307	Wells and Springs	\$27448.37	\$25519.17	\$1929.20
309	Supply Mains	\$1009.21	\$895.78	\$113.43
310	Power Generation Equipment	\$12400.62	\$1046.24	\$11354.38
311	Pumping Equipment	\$46267.62	\$37515.31	\$8752.31
320	Water Treatment Equipment	\$6406.03	\$4111.31	\$2294.72
330	Distribution Reservoirs and Standpipes	\$51683.88	\$49869.75	\$1814.13
331	Transmission and Distribution Mains	\$304941.78	\$238031.56	\$66910.22
333	Services	\$30067.16	\$25121.30	\$4945.86
334	Meters and Meter Installations	\$88637.12	\$66154.10	\$22483.02
335	Hydrants	\$12041.55	\$10374.27	\$1667.28
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	\$16727.91	\$8567.52	\$8160.39
340	Office Furniture and Equipment	\$9346.02	\$7873.14	\$1472.88
341	Transportation Equipment	\$96568.67	\$50626.71	\$45941.96
343	Tools, Shop and Garage Equipment	\$1273.54	\$807.77	\$465.77
344	Laboratory Equipment			
345	Power Operated Equipment	\$30460.65	\$23938.16	\$6522.49
346	Communication Equipment	\$35846.67	\$16827.85	\$19018.82
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	\$841772.63	\$615854.22	\$226008.41

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

COMPANY NAME: Chino Meadows II Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	\$6843.02	0%	0
302	Franchises			
303	Land and Land Rights	\$15204.06	0%	0
304	Structures and Improvements	\$44339.01	5%	\$2216.96
305	Collection & Impound Resv	\$4349.74	5%	\$217.48
307	Wells and Springs	\$27448.37	3%	\$823.45
309	Supply Mains	\$1009.21	5%	\$50.46
310	Power Generation Equipment	\$12400.62	3%	\$372.01
311	Pumping Equipment	\$46267.62	4%	\$1850.70
320	Water Treatment Equipment	\$6406.03	5%	\$320.30
330	Distribution Reservoirs and Standpipes	\$51683.88	2%	\$1033.67
331	Transmission and Distribution Mains	\$304941.78	2%	\$6098.83
333	Services	\$30067.16	4%	\$1202.68
334	Meters and Meter Installations	\$88637.12	3%	\$2659.11
335	Hydrants	\$12041.55	5%	\$602.07
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	\$16727.91	5%	\$813.64
340	Office Furniture and Equipment	\$9346.02	3%	\$283.08
341	Transportation Equipment	\$96568.67	7%	\$6759.80
343	Tools, Shop and Garage Equipment	\$1273.54	5%	\$63.67
344	Laboratory Equipment			
345	Power Operated Equipment	\$30460.65	5%	\$1523.03
346	Communication Equipment	\$35846.67	8%	\$2867.73
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	\$841772.63		\$29758.67

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



BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	(3085.06)	\$9348.11
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$26019.58	\$29637.30
146	Notes/Receivables from Associated Companies	\$16951.82	\$17555.84
151	Plant Material and Supplies	\$3023.81	\$3023.81
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$42910.15	\$56565.06
	FIXED ASSETS		
101	Utility Plant in Service	\$841862.63	\$844327.01
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(588231.33)	(615966.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$253631.30	\$228361.01
	TOTAL ASSETS	\$296541.45	\$284926.07

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	\$1699.82	\$1699.82
232	Notes Payable (Current Portion)		(1500.00)
234	Notes/Accounts Payable to Associated Companies	\$19891.00	\$26499.82
235	Customer Deposits	\$11149.07	\$10596.08
236	Accrued Taxes	\$514.96	\$4437.34
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	\$5525.40	\$9066.13
	TOTAL CURRENT LIABILITIES	\$38780.25	\$41733.06
	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	\$13219.00	\$13219.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$31477.69	\$31477.69
272	Less: Amortization of Contributions	(2630.87)	(2630.87)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$42065.82	\$42065.82
	TOTAL LIABILITIES	\$80846.07	\$83798.88
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$8597.00	\$8597.00
211	Paid in Capital in Excess of Par Value	\$80266.00	\$80266.00
215	Retained Earnings	\$40573.69	\$34704.26
218	Proprietary Capital (Sole Props and Partnerships)	\$86258.69	\$99075.40
	TOTAL CAPITAL	\$215695.38	\$222642.66
	TOTAL LIABILITIES AND CAPITAL	\$296541.45	\$306441.54

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$341613.36	\$339617.82
460	Unmetered Water Revenue		
474	Other Water Revenues	\$10254.22	\$12342.30
	TOTAL REVENUES	\$3351867.58	\$351960.12
	OPERATING EXPENSES		
601	Salaries and Wages	\$163286.25	\$164965.22
610	Purchased Water	\$219.00	\$39.76
615	Purchased Power	\$22482.56	\$24648.04
618	Chemicals	\$1191.50	\$472.26
620	Repairs and Maintenance	\$10373.98	\$9396.32
621	Office Supplies and Expense	\$33101.66	\$12904.06
630	Outside Services	\$20695.38	\$11947.37
635	Water Testing	\$4323.28	\$4790.54
641	Rents	\$11700.00	\$12000.00
650	Transportation Expenses	\$27358.83	\$27487.31
657	Insurance – General Liability	\$9543.94	\$9959.60
659	Insurance - Health and Life	\$1893.00	\$2962.87
666	Regulatory Commission Expense – Rate Case	\$10073.61	\$445.15
675	Miscellaneous Expense	\$10623.30	\$242.77
403	Depreciation Expense	\$28840.12	\$29758.67
408	Taxes Other Than Income	0	0
408.11	Property Taxes	\$16107.23	\$18172.92
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$371813.64	\$330192.86
	OPERATING INCOME/(LOSS)	(19946.06)	\$21767.26
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income	\$8996.65	(11608.82)
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(1470.76)	(1450.78)
	TOTAL OTHER INCOME/(EXPENSE)	\$7525.89	(13059.60)
	NET INCOME/(LOSS)	(12420.17)	\$8707.66

COMPANY NAME: Chino Meadows II Water Company
Name of System: Chino Meadows II Water Co ADEQ Public Water System Number: 13-079

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-552320	15	225	355	10	3	1995
55613770	20	250	450	12	3	1982

* 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
15	4	7	3
25	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
67000	1	5000	2
20000	1		
10000	2		

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

COMPANY NAME: Chino Meadows II Water Company

Name of System: Chino Meadows II Water Company ADEQ Public Water System Number: 13-079

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3	PVC	
4	PVC	
5		
6	PVC & D.I.P.	
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	903
3/4	
1	
1 1/2	
2	
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:

- (2) Chlorination Pump Systems

STRUCTURES:

- (1) Shop Building Quonset Hut; Metal 26'x38'
- (2) Well House Structures; Wood 8'x8' and 6'x15'
- (1) Application Shed; Wood 8'x8'
- (2) Pump/Pressure Tank Buildings; Wood 10'x12' and Block 16'x20'
- (1) Storage Building; Block 20'x20'

OTHER:

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

COMPANY NAME: Chino Meadows II Water Company

Name of System: Chino Meadows II Water CO ADEQ Public Water System Number: 13-079

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	892	4074	5126	0
FEBRUARY	905	3059	3888	0
MARCH	904	3278	4139	0
APRIL	899	4398	5874	0
MAY	901	5387	6341	0
JUNE	905	6065	6807	0
JULY	907	5544	5996	0
AUGUST	902	5191	5725	0
SEPTEMBER	900	4505	4805	0
OCTOBER	903	4552	4975	0
NOVEMBER	910	2655	2974	0
DECEMBER	908	3715	4080	0
TOTALS →			60730	

What is the level of arsenic for each well on your system? _____ mg/l 55-613770=.006 mg/l
55-552320=.006 mg/l

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

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
(X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) 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: Chino Meadows II Water Company

Name of System: Chino Meadows II Water Co ADEQ Public Water System Number: 13-079

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		4	
FEBRUARY		2	
MARCH		11	
APRIL		6	
MAY		4	
JUNE		6	
JULY		9	
AUGUST		2	
SEPTEMBER		11	
OCTOBER		7	
NOVEMBER		9	
DECEMBER		5	
TOTALS →		76	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: **\$18172.92**

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 28 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

COUNTY OF (COUNTY NAME) Yavapai
NAME (OWNER OR OFFICIAL) TITLE Paul D. Levie President

I, THE UNDERSIGNED
OF THE

COMPANY NAME

Chino Meadows II Water Company

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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.

Paul D. Levie

SIGNATURE OF OWNER OR OFFICIAL

928-717-2616

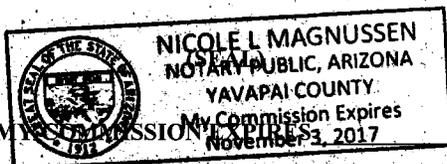
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 23 DAY OF

COUNTY NAME: Yavapai	
MONTH April	2014



Nicole L. Magnusen

SIGNATURE OF NOTARY PUBLIC

11/3/17

COMPANY NAME: Chino Meadows II Water Company **YEAR ENDING 12/31/2013**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported To be determined
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported To be determined
Estimated or Actual State Tax Liability _____

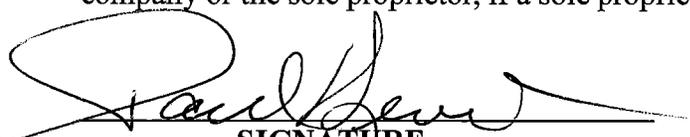
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances To be determined
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.


SIGNATURE

4-23-14
DATE

Paul Leve
PRINTED NAME

Owner
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 28 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai
NAME (OWNER OR OFFICIAL) TITLE Paul D. Levie, President
COMPANY NAME Chino Meadows II Water Company

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:



NICOLE L MAGNUSSEN
NOTARY PUBLIC, ARIZONA
YAVAPAI COUNTY
My Commission Expires
November 3, 2017

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 387,328.74

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 35,368.62
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)

Paul D. Levie
SIGNATURE OF OWNER OR OFFICIAL
928-717-2616
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 23 DAY OF

COUNTY NAME <u>Yavapai</u>
MONTH <u>April</u> , 2014

(SEAL)

Nicole L. Magnusen
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 11/3/17

RECEIVED

APR 28 2014

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Paul D. Levie	TITLE President
COMPANY NAME: Chino Meadows II Water Company	

I, THE UNDERSIGNED

OF THE

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

FOR THE YEAR ENDING

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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 2013 WAS:

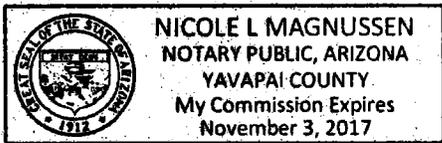
ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 387,328.74

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 35368.62
IN SALES TAXES BILLED, OR COLLECTED)

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

Paul D. Levie
SIGNATURE OF OWNER OR OFFICIAL

928-717-2616
TELEPHONE NUMBER



SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 23rd DAY OF

NOTARY PUBLIC NAME <i>Nicole Magnusen</i>	
COUNTY NAME <i>Yavapai</i>	
MONTH April	,2014

(SEAL)

MY COMMISSION EXPIRES 11/3/17

Nicole L. Magnusen
SIGNATURE OF NOTARY PUBLIC