

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04106A
Cibola Mutual Water Company, Inc.
RR2, Box 77
Cibola, AZ 85328

RECEIVED

MAY 20 2014

AZ CORP COM M
Director Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
----	----	------

FOR COMMISSION USE

ANN 04	13
--------	----

5-23-14

COMPANY INFORMATION

Company Name (Business Name) <u>Cibola Mutual Water Company, Inc.</u>		
Mailing Address <u>RR2, Box 77 5948 Levee Rd.</u>		
<u>Cibola</u> (City)	<u>AZ</u> (State)	<u>85328</u> (Zip)
<u>928-857-3506</u> Telephone No. (Include Area Code)	<u>928-857-1057</u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)
Email Address <u>cibolamutualwater@hotmail.com</u>		
Local Office Mailing Address <u>Same as above</u>		
<u> </u> (City)	<u> </u> (State)	<u> </u> (Zip)
<u> </u> Local Office Telephone No. (Include Area Code)	<u> </u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)
Email Address <u>cibolamutualwater@hotmail.com</u>		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u> Dave Grundy </u>			
<u> </u> (Name)		<u> General Manager </u> (Title)	
<u>RR2, Box 77 5948 Levee</u> (Street)	<u>Cibola</u> (City)	<u>AZ</u> (State)	<u>85328</u> (Zip)
<u>928-857-3506</u> Telephone No. (Include Area Code)	<u> </u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)	
Email Address <u> </u>			
On Site Manager: <u> Same </u>			
<u> </u> (Name)			
<u> </u> (Street)	<u> </u> (City)	<u> </u> (State)	<u> </u> (Zip)
<u> </u> Telephone No. (Include Area Code)	<u> </u> Fax No. (Include Area Code)	<u> </u> Cell No. (Include Area Code)	
Email Address <u> </u>			

See Accountant's Compilation Report. 2

Statutory Agent: Dave Grundy
 (Name) (Title)
RR2, Box 77 5948 Levee Rd. Cibola AZ 85328
 (Street) (City) (State) (Zip)
928-857-3506
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Ledbetter Law Firm
 (Name)
1003 N. Main St. Cottonwood AZ 85326
 (Street) (City) (State) (Zip)
928-649-8777
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address www.ledbetter-law.com

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 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 checked="" type="checkbox"/> Other (Describe) <u>Non-profit</u> | |

COUNTIES SERVED

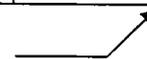
Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--------------------------------------------|-----------------------------------|-----------------------------------|
| <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 checked="" 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	223134		223134
302	Franchises			
303	Land and Land Rights	9045	---	9045
304	Structures and Improvements	574967	51831	523136
307	Wells and Springs	248000	28766	219234
311	Pumping Equipment	136000	64727	71273
320	Water Treatment Equipment			
320.1	Water Treatment Plants	588261	70739	517522
320.2	Solution Chemical Feeders	51700	20680	31020
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	35000	16693	18307
330.2	Pressure Tanks	458000	45800	412200
331	Transmission and Distribution Mains	2004414	139908	1864506
333	Services	81515	9454	72061
334	Meters and Meter Installations	142633	40491	102141
335	Hydrants	260300	18169	242131
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	83433	18619	64814
340	Office Furniture and Equipment	10131	2343	7788
340.1	Computers & Software			
341	Transportation Equipment	18116	12319	5797
343	Tools, Shop and Garage Equipment	5449	946	4503
344	Laboratory Equipment	390000	134550	255450
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5320098	676035	4644063

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	223134		
302	Franchises			
303	Land and Land Rights	9045		
304	Structures and Improvements	574967	3.33%	19146
307	Wells and Springs	248000	3.33%	8258
311	Pumping Equipment	136000	12.50%	17000
320	Water Treatment Equipment			
320.1	Water Treatment Plants	588261	3.33%	19589
320.2	Solution Chemical Feeders	51700	20.00%	10340
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	35000	2.22%	777
330.2	Pressure Tanks	458000	5.00%	22900
331	Transmission and Distribution Mains	2004414	2.00%	40088
333	Services	81515	3.33%	2714
334	Meters and Meter Installations	142633	8.33%	11881
335	Hydrants	260300	2.00%	5206
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	83433	6.67%	5565
340	Office Furniture and Equipment	10131	6.67%	676
340.1	Computers & Software			
341	Transportation Equipment	18116	20.00%	3623
343	Tools, Shop and Garage Equipment	5449	5.00%	272
344	Laboratory Equipment	390000	10.00%	39000
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5320098		207035

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403
Less: Amortization of Contributions in Aid of Construction
See Accountant's Compilation Report.

(193186)

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$1077	\$580
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	10926	2435
7577	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$12003	\$3015
	FIXED ASSETS		
101	Utility Plant in Service	\$5140375	\$5320098
103	Property Held for Future Use		
105	Construction Work in Progress	179723	---
108	Accumulated Depreciation – Utility Plant	(434853)	(676035)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$4885245	\$4644063
	TOTAL ASSETS	\$4897248	\$4647078

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	\$12268	\$35711
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	124553	124403
236	Accrued Taxes	1501	2936
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$138322	\$163050
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$337265	\$333488
	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	\$4948642	\$4948642
272	Less: Amortization of Contributions	(394672)	(587858)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$4553970	\$4360784
	TOTAL LIABILITIES	\$5029557	\$4857322
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value	\$5705	\$5705
215	Retained Earnings	(138014)	(215949)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$132309	(210244)
	TOTAL LIABILITIES AND CAPITAL	\$4897248	\$4647078

R.E. Beginning	(138014)
Accumulated Depreciation Adjustment—Rate Case	(34147)
2013 Loss	(43788)
R.E. Ending 12-31-13	(215949)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$102980	\$93963
460	Unmetered Water Revenue		
474	Other Water Revenues	1003	1286
	TOTAL REVENUES	\$103983	\$95249
	OPERATING EXPENSES		
601	Salaries and Wages	\$43684	\$47735
610	Purchased Water		
615	Purchased Power	9895	10580
618	Chemicals	2343	2640
620	Repairs and Maintenance	9477	10974
621	Office Supplies and Expense	7371	6330
630	Outside Services	16838	8350
635	Water Testing	3120	4927
641	Rents	500	500
650	Transportation Expenses	1226	2828
657	Insurance – General Liability	4340	7218
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	10008	13849
408	Taxes Other Than Income	3921	4635
408.11	Property Taxes	639	3055
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$113362	\$123621
	OPERATING INCOME/(LOSS)	\$(9379)	\$(28372)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(15410)	(15416)
	TOTAL OTHER INCOME/(EXPENSE)	\$(15410)	\$15416
	NET INCOME/(LOSS)	\$(24789)	\$(43788)

COMPANY NAME Cibola Mutual Water Company, Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	7/17/093	7/17/09		
Source of Loan	USDA-RD	USDA-RD		
ACC Decision No.				
Reason for Loan	Build System	Build System		
Dollar Amount Issued	\$200000	\$142610		
Amount Outstanding	\$194684	\$138804		
Date of Maturity	7/17/2049	7/17/2049		
Interest Rate	4.5%	4.5%		
Current Year Interest	\$8814	\$6285		
Current Year Principle	\$2202	\$1575		

Meter Deposit Balance at Test Year End	\$ 124403
Meter Deposits Refunded During the Test Year	\$ 150

COMPANY NAME Cibola Mutual Water Company, Inc.

Name of System:

ADEQ Public Water System Number: 15123

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Surface—Colorado River		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2-10 HP	2	64	
1-100 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100000	1	1550	1
168000	1		

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

COMPANY NAME Cibola Mutual Water Company, Inc.

Name of System:

ADEQ Public Water System Number: 15123

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8	C-900 150 PVC	32220
10		
12	C-900 150 PVC	19680
2		
3		
4		
6		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	158
1	6
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-Intake Pumps 1.5 HP	1-100-HP Booster Pump
2-Ultra Filtration Units	2-10 HP Booster Pumps
Chlorinating System	1-Pressure Tank 1550 gal.
100,000 Reservoir	
168,000 Reservoir	
4,000 Compensating Tank	

STRUCTURES:

Office Building
Electrical Building
Chlorination Building
Intake Platform

OTHER:

Distribution Lines
64 Fire Hydrants
Generator

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

COMPANY NAME: Cibola Mutual Water Company, Inc.

Name of System:

ADEQ Public Water System Number: 15123

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	160	542	1070	
FEBRUARY	160	415	796	
MARCH	160	365	762	
APRIL	159	430	1018	
MAY	158	605	1063	
JUNE	158	704	1162	
JULY	158	689	1466	
AUGUST	158	682	1224	
SEPTEMBER	158	583	1223	
OCTOBER	158	576	645	
NOVEMBER	158	551	897	
DECEMBER	158	373	1098	
TOTALS →		6515	12424	

NOTE: Well meters malfunctioned due to sediment build up.

What is the level of arsenic for each well on your system? No wells 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: Cibola Mutual Water Company, Inc.

Name of System: Cibola Mutual Water Company, Inc

ADEQ Public Water System Number: 15123

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		1	
FEBRUARY		0	
MARCH		0	
APRIL		1	
MAY		1	
JUNE		0	
JULY		0	
AUGUST		0	
SEPTEMBER		0	
OCTOBER		0	
NOVEMBER		0	
DECEMBER		0	
TOTALS →		3	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 647.37

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

MAY 20 2014

AZ. CORPORATION
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>La Paz</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Dave Grundy, Manager</u>
COMPANY NAME <u>Cibola Mutual Water Company, 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	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.



SIGNATURE OF OWNER OR OFFICIAL
928-857-3506

TELEPHONE NUMBER

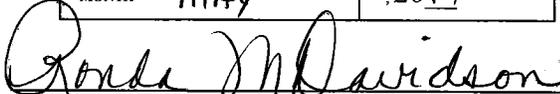
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 16th DAY OF

COUNTY NAME <u>Riverside</u>	
MONTH <u>MAY</u>	YEAR <u>2014</u>

(SEAL)



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 08/31/2015

See Attached for
Notarial Wording and
Stamp

See Accountant's Compilation Report.

INCOME TAXES

For this reporting period, provide the following:

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

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

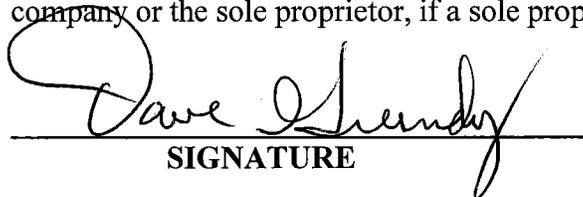
Amount of Grossed-Up Contributions/Advances:

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.



SIGNATURE

5/15/14

DATE

Dave Grundy

PRINTED NAME

Manager

TITLE

RECEIVED

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

MAY 20 2014

AZ CORP COMM Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED OF THE

Form with fields: COUNTY OF (COUNTY NAME) La Paz, NAME (OWNER OR OFFICIAL) TITLE Dave Grundy, Manager, COMPANY NAME Cibola Mutual 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 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:

Arizona Intrastate Gross Operating Revenues Only (\$) 102569

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 7320 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 Dave Grundy, 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)

Form with fields: 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

MAY 20 2014

AZ CORPORATION
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	La Paz	
NAME (OWNER OR OFFICIAL)	Dave Grundy, Manager	
COMPANY NAME	Cibola Mutual Water Company, Inc.	

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 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
\$ 95718

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 6954
IN SALES TAXES BILLED, OR COLLECTED)

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

Dave Grundy
SIGNATURE OF OWNER OR OFFICIAL

TEL. SERVICE NUMBER

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

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	20__

(SEAL)

MY COMMISSION EXPIRES

SIGNATURE OF NOTARY PUBLIC

See Accountant's Compilation Report.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189**

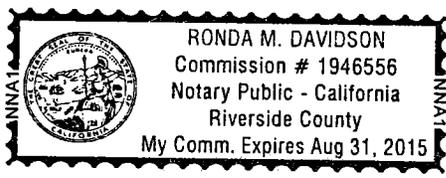
State of California

County of Riverside }

On MAY 16, 2014 before me, RONDA M DAVIDSON, NOTARY PUBLIC
Date Name and Title of the Officer

personally appeared DAVE Grundy
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature: Ronda M Davidson
Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: ANNUAL Report Document Date: 5/15/14
Number of Pages: 21 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

- | | |
|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Signer's Name: _____ | Signer's Name: _____ |
| <input type="checkbox"/> Corporate Officer — Title(s): _____ | <input type="checkbox"/> Corporate Officer — Title(s): _____ |
| <input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General | <input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General |
| <input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact | <input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact |
| <input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator | <input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Other: _____ |

Signer Is Representing: _____ Signer Is Representing: _____