

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02060A
Cordes Lakes Water Company
PO Box 219
Tempe, AZ 85280

RECEIVED

AUG 27 2014

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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8-27-14

COMPANY INFORMATION

Company Name (Business Name)	Cordes Lakes Water Company		
Mailing Address	PO Box 219 <small>(Street)</small>		
Tempe <small>(City)</small>	AZ <small>(State)</small>	85280 <small>(Zip)</small>	
(480) 966-5804 <small>Telephone No. (Include Area Code)</small>	(480) 967-7857 <small>Fax No. (Include Area Code)</small>		
Email Address	support@arizonawaterworks.com		
Local Office Mailing Address	PO Box 219 <small>(Street)</small>		
Tempe <small>(City)</small>	AZ <small>(State)</small>	85280 <small>(Zip)</small>	
(480) 966-5804 <small>Local Office Telephone No. (Incl Area Code)</small>	(480) 967-7857 <small>Fax No. (Include Area Code)</small>		
Email Address	support@arizonawaterworks.com		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact:	Brad Folkman <small>(Name)</small>	Secretary <small>(Title)</small>	
PO Box 219 <small>(Street)</small>	Tempe <small>(City)</small>	AZ <small>(State)</small>	85280 <small>(Zip)</small>
(480) 966-5804 <small>Telephone No. (Include Area Code)</small>	(480) 967-7857 <small>Fax No. (Include Area Code)</small>		
Email Address	support@arizonawaterworks.com		
On Site Manager:	Don Ross <small>(Name)</small>		
PO Box 219 <small>(Street)</small>	Tempe <small>(City)</small>	AZ <small>(State)</small>	85280 <small>(Zip)</small>
(928) 713-1959 <small>Telephone No. (Include Area Code)</small>	(480) 967-7857 <small>Fax No. (Include Area Code)</small>	(928) 713-1959 <small>Cell No. (Include Area Code)</small>	
Email Address	support@arizonawaterworks.com		

Statutory Agent: Neil Folkman

(Name)

2501 E Palo Verde

(Street)

Phoenix

(City)

AZ

(State)

85016

(Zip)

(480) 966-5804

Telephone No. (Include Area Code)

(480) 967-7857

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____

(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:

Sole Proprietor (S)

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co-op (A)

Receivership (R)

Limited Liability Company

Other (Describe) _____

COUNTIES SERVED

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

APACHE

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

YAVAPAI

YUMA

STATEWIDE

Company Name: Cordes Lakes Water Company

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization			\$ -
302	Franchises			-
303	Land & Land Rights	85,599		85,599
304	Structures & Improvements	6,657	3,918	2,739
307	Wells & Springs	151,274	64,739	86,535
311	Pumping Equipment	89,929	35,969	53,959
320	Water Treatment Equipment			-
330	Distribution Reservoirs & Standpipes	137,243	70,116	67,127
331	Transmission & Distrib. Mains	582,428	568,837	13,591
333	Services	19,350	19,350	-
334	Meters & Meter Installations	62,505	30,063	32,442
335	Hydrants			-
336	Backflow Prevention Devices			-
339	Other Plant & Misc Equipment			-
340	Office Furniture & Equipment	4,490	3,693	797
340.1	Computers & Software	2,537	1,776	761
341	Transportation Equipment	82,046	51,285	30,761
343	Tools, Shop & Garage Equip.			-
344	Laboratory Equipment			-
345	Power Operated Equipment	61,280	39,681	21,599
346	Communications Equipment			-
347	Miscellaneous Equipment	582	582	-
348	Other Tangible Plant	-		-
	TOTALS	\$ 1,285,921	\$ 890,010	\$ 395,911

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

Company Name: Cordes Lakes Water Company

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 & Land Rights	85,599		-
304	Structures & Improvements	6,657	3.33%	222
307	Wells & Springs	151,274	3.33%	5,037
311	Pumping Equipment ¹	89,929	12.5000%	9,062
320	Water Treatment Equipment	-	3.33%	-
330	Distribution Reservoirs & Standpipes	137,243	2.2200%	3,047
331	Transmission & Distrib. Mains ²	582,428	2.0000%	390
333	Services	19,350	3.33%	-
334	Meters & Meter Installations	62,505	8.3300%	5,001
335	Hydrants	-	2.0000%	-
336	Backflow Prevention Devices	-	6.6700%	-
339	Other Plant & Misc Equipment	-	6.6700%	-
340	Office Furniture & Equipment	4,490	6.6700%	299
340.1	Computers & Software	2,537	33.3300%	507
341	Transportation Equipment ³	82,046	20.0000%	13,241
343	Tools, Shop & Garage Equipment	-	5.0000%	-
344	Laboratory Equipment	-	10.0000%	-
345	Power Operated Equipment	61,280	5.0000%	3,016
346	Communications Equipment	-	10.0000%	-
347	Miscellaneous Equipment	582	10.0000%	-
348	Other Tangible Plant	-	10.0000%	-
	TOTALS	\$ 1,285,921		\$ 39,822

CIAC Amortization (3,771)

Net Depreciation Expense \$ 36,051

¹ \$10,558 of the amount in this category is fully depreciated.

² \$562,940 of the amount in this category is fully depreciated.

³ \$31,212 of the amount in this category is fully depreciated.

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

Company Name: Cordes Lakes Water Company

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 11,264	\$ 14,326
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		31,347
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 11,264	\$ 45,673
	FIXED ASSETS		
101	Utility Plant in Service	\$ 633,012	\$ 1,285,921
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(246,962)	890,010
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 386,050	\$ 395,911
	TOTAL ASSETS	\$ 397,314	\$ 441,584

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

Company Name: Cordes Lakes Water Company

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 17,730	\$ 1,259
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		194,400
235	Customer Deposits	14,467	19,090
236	Accrued Taxes		6,580
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		23,170
	TOTAL CURRENT LIABILITIES	\$ 32,197	\$ 244,499
	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		\$ 12,705
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	79,369	76,247
272	Less: Amortization of contributions	(40,345)	(26,298)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 39,024	\$ 62,654
	TOTAL LIABILITIES	\$ 71,221	\$ 307,153
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100,000	\$ 100,000
211	Paid in Capital in Excess of Par Value		(77,013)
215	Retained Earnings	226,093	111,444
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 326,093	\$ 134,431
	TOTAL LIABILITIES AND CAPITAL	\$ 397,314	\$ 441,584

Company Name: Cordes Lakes Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 434,135	\$ 395,933
460	Unmetered Water Revenue		
474	Other Water Revenues		271
	TOTAL REVENUES	\$ 434,135	\$ 396,204
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 157,512	\$ 140,989
610	Purchased Water		
615	Purchased Power	32,623	33,164
618	Chemicals	5,243	6,711
620	Repairs and Maintenance	29,313	9,695
621	Office Supplies & Expense	17,294	29,693
630	Outside Services	37,151	30,623
635	Water Testing	5,404	5,618
641	Rents	26,400	25,250
650	Transportation Expenses	3,049	2,112
657	Insurance - General Liability	22,165	27,438
659	Insurance - Health and Life	26,323	26,786
666	Regulatory Commsn Exp-Rate Case		22,602
675	Miscellaneous Expense	4,780	3,068
403	Depreciation Expense	78,473	36,051
408	Taxes Other Than Income	31,418	12,596
408.11	Property Taxes	19,522	21,625
409	Income Tax		45
	TOTAL OPERATING EXPENSES	\$ 496,670	\$ 434,066
	OPERATING INCOME/(LOSS)	\$ (62,535)	\$ (37,862)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	4,185	
427	Interest Expense		
433	Extraordinary Income		207,370
	TOTAL OTHER INCOME/(EXPENSE)	\$ 4,185	\$ 207,370
	NET INCOME/(LOSS)	\$ (58,350)	\$ 169,508

Company Name: Cordes Lakes Water Company

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	No loans			
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 \$ 12,705

Meter Deposits Refunded During the Test Year \$ 3,634

Company Name: Cordes Lakes Water Company

Name of System:

ADEQ Public Water System Number: 13-023

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-609346 (POE 1)	7.5	65	32	12	3	1969
55-518196 (POE 2)	7.5	95	380	8	3	1987
55-609347 (POE 4)	7.5	94	500	12	3	1968
55-565855 (POE 5)	10	65	343	10	3	1998

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS

Horsepower	Quantity
2.5	1
5.0	5
7.5	8
10.0	2

FIRE HYDRANTS

Quantity Standard	Quantity Other

STORAGE TANKS

Capacity	Quantity
16,000 gal	1
30,000 gal	2
45,000 gal	2
100,000 gal	1

PRESSURE TANKS

Capacity	Quantity
3,000 gal	1
5,000 gal	4

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

Company Name: Cordes Lakes Water Company		
Name of System:	ADEQ Public Water System Number:	13-023

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	168,000
5		
6	PVC	234000
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 x 3/4	
3/4	1401
1	5
1 1/2	
2	1
Comp. 3	
Turbo 3	6
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

Emergency chlorinators at POE 1, 2, 4 and 5

STRUCTURES:

8' x 8' wood pump house and fencing at POE 1 site

8' x 8' block pump house and fencing at POE 2 site

10' x 12' wood pump house and fencing at POE 3 well site

12' x 12' block pump house and fencing at POE 4 well site

8' x 8' wood pump house and fencing at POE 5 site

Fencing around booster stations 1, 2 and 3

OTHER:

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

Company Name: Cordes Lakes Water Company	
Name of System:	ADEQ Public Water System Number: 13-023

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1301	4,133.4	6,681.2	-
FEBRUARY	1291	3,883.5	5,415.2	-
MARCH	1285	3,881.2	6,358.3	-
APRIL	1288	4,688.9	6,910.0	-
MAY	1297	6,888.4	7,837.2	-
JUNE	1306	6,277.6	8,643.0	-
JULY	1305	6,416.6	8,496.6	-
AUGUST	1304	6,510.5	8,457.1	-
SEPTEMBER	1299	4,453.0	6,022.8	-
OCTOBER	1305	5,212.4	6,289.6	-
NOVEMBER	1312	4,107.0	5,662.2	-
DECEMBER	1311	4,002.7	6,220.0	-
TOTALS		60,455.2	82,993.2	-

What is the level of arsenic for each well on your system? POE 1 .0013 mg/l
(If more than one well, please list each separately.) POE 2 .0020 mg/l
POE 4 .0018 mg/l
POE 5 <.001 mg/l

If system has fire hydrants, what is the fire flow requirement? N/A GPM for hours

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: N/A

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

Company Name: Cordes Lakes Water Company
 Name of System: ADEQ Public Water System Number: 13-023

UTILITY SHUTOFFS/DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		12	
FEBRUARY		14	
MARCH	1	16	
APRIL		10	
MAY		9	
JUNE	1	14	
JULY	1	5	
AUGUST		11	
SEPTEMBER	1	5	
OCTOBER		5	
NOVEMBER		5	
DECEMBER		12	
TOTALS	4	118	-

OTHER (description):

COMPANY NAME Cordes Lakes Water Company

YEAR ENDING 12/31/13

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2013 was: \$ 21,625

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 01 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	Bradley Folkman, Secretary
COMPANY NAME	Cordes Lakes Water Company

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

FOR THE YEAR ENDING

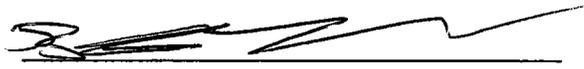
MONTH	DAY	YEAR
12	31	2013

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

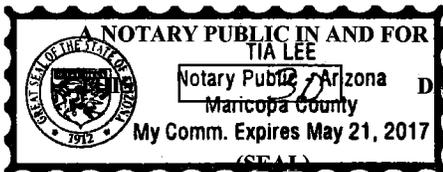
I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

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


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME



THE COUNTY OF

COUNTY NAME	Maricopa
MONTH	April .20 14

DAY OF


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 21, 2017

COMPANY NAME: Cordes Lakes Water Company

YEAR ENDING 12/31/13

INCOME TAXES

For this reporting period, provide the following:

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

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

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

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 01 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	Bradley Folkman, Secretary
COMPANY NAME	Cordes Lakes 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:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 422,738

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 26,804
IN SALES TAXES BILLED, OR COLLECTED)**

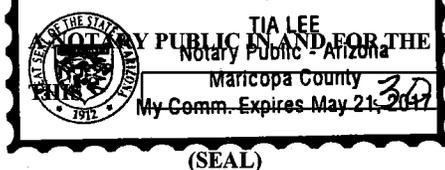
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



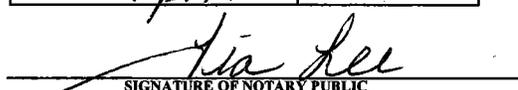
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBER AND SWORN TO BEFORE ME

NOTARY PUBLIC IN AND FOR THE COUNTY OF

 My Comm. Expires May 21, 2017

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> .2014



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 21, 2017

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

RECEIVED

MAY 01 2014

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Yavapai	
NAME (OWNER OR OFFICIAL) Bradley Folkman	TITLE Secretary
COMPANY NAME Cordes Lakes Water Company	

AZ CORP COMM
Director - Utilities

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
\$ <u>411,452</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 26,089 IN SALES TAXES BILLED, OR COLLECTED)

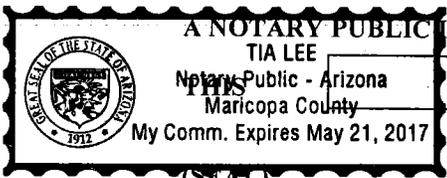
***RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

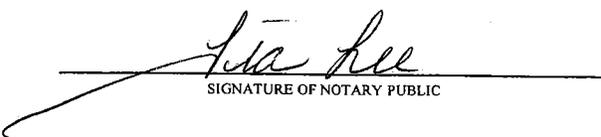
NOTARY PUBLIC NAME <u>Tia Lee</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	20 <u>14</u>



A NOTARY PUBLIC IN AND FOR THE COUNTY OF
TIA LEE
Notary Public - Arizona
Maricopa County

30 DAY OF

MY COMMISSION EXPIRES


SIGNATURE OF NOTARY PUBLIC