

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

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

**W-01717A**  
**Ponderosa Utility Corporation**  
**949 Osage Street**  
**Flagstaff, AZ 86005**

RECEIVED

APR 14 2014

ACC UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Water**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2013</b>
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FOR COMMISSION USE

<b>ANN 04</b>	<b>13</b>
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4-28-14

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Ponderosa Utility Corporation</u>			
<b>Mailing Address</b> <u>949 Osage Street</u> <small>(Street)</small>			
<u>Flagstaff</u> <small>(City)</small>	<u>AZ</u> <small>(State)</small>	<u>86005</u> <small>(Zip)</small>	
<u>(928) 525-6210</u> <small>Telephone No. (Include Area Code)</small>	<u>(928) 525-9444</u> <small>Fax No. (Include Area Code)</small>	<u>                    </u> <small>Cell No. (Include Area Code)</small>	
<b>Email Address</b> <u>contact@ponderosauc.com</u>			
<b>Local Office Mailing Address</b> <u>949 Osage Street</u> <small>(Street)</small>			
<u>Flagstaff</u> <small>(City)</small>	<u>AZ</u> <small>(State)</small>	<u>86005</u> <small>(Zip)</small>	
<u>(928) 525-6210</u> <small>Local Office Telephone No. (Incl Area Code)</small>	<u>(928) 525-9444</u> <small>Fax No. (Include Area Code)</small>	<u>                    </u> <small>Cell No. (Include Area Code)</small>	
<b>Email Address</b> <u>contact@ponderosauc.com</u>			

## MANAGEMENT INFORMATION

<input type="checkbox"/> <b>Regulatory Contact:</b>			
<input checked="" type="checkbox"/> <b>Management Contact:</b>			
<u>Vera Hendrix</u> <small>(Name)</small>		<u>Office Manager</u> <small>(Title)</small>	
<u>949 Osage Street</u> <small>(Street)</small>	<u>Flagstaff</u> <small>(City)</small>	<u>AZ</u> <small>(State)</small>	<u>86005</u> <small>(Zip)</small>
<u>(928) 525-6210</u> <small>Telephone No. (Include Area Code)</small>	<u>(928) 525-9444</u> <small>Fax No. (Include Area Code)</small>	<u>                    </u> <small>Cell No. (Include Area Code)</small>	
<b>Email Address</b> <u>contact@ponderosauc.com</u>			
<b>On Site Manager:</b> <u>Vera Hendrix</u> <small>(Name)</small>			
<u>949 Osage Street</u> <small>(Street)</small>	<u>Flagstaff</u> <small>(City)</small>	<u>AZ</u> <small>(State)</small>	<u>86005</u> <small>(Zip)</small>
<u>(928) 525-6210</u> <small>Telephone No. (Include Area Code)</small>	<u>(928) 525-9444</u> <small>Fax No. (Include Area Code)</small>	<u>                    </u> <small>Cell No. (Include Area Code)</small>	
<b>Email Address</b> <u>contact@ponderosauc.com</u>			

**Statutory Agent:** Marshall T. Brown  
 (Name)

949 Osage Street                      Flagstaff                      AZ                      86005  
 (Street)                                      (City)                                      (State)                                      (Zip)

(928) 525-6210                                      (928) 525-9444  
 Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Attorney:**                      N/A  
 (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: Ponderosa Utility Corporation

**UTILITY PLANT IN SERVICE**

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization	\$ 1,443		\$ 1,443
302	Franchises			-
303	Land & Land Rights	1,361		1,361
304	Structures & Improvements	131,042	111,939	19,103
307	Wells & Springs	224,464	147,563	76,901
310	Power Generation Equipment	9,720	729	8,991
311	Pumping Equipment	99,099	69,739	29,360
320	Water Treatment Equipment			-
330	Distribution Reservoirs & Standpipes	74,532	71,595	2,937
331	Transmission & Distrib. Mains	184,964	184,661	303
333	Services	34,173	33,622	551
334	Meters & Meter Installations	84,467	59,086	25,381
335	Hydrants	5,609	5,609	-
336	Backflow Prevention Devices			-
339	Other Plant & Misc Equipment	558	368	191
340	Office Furniture & Equipment	17,164	16,662	502
340.1	Computers & Software	9,354	5,783	3,571
341	Transportation Equipment	7,200	4,000	3,200
343	Tools, Shop & Garage Equip.	31,586	27,822	3,764
344	Laboratory Equipment			-
345	Power Operated Equipment	14,784	2,537	12,247
346	Communications Equipment			-
347	Miscellaneous Equipment	3,775	3,775	-
348	Other Tangible Plant			-
	<b>TOTALS</b>	<b>\$ 935,295</b>	<b>\$ 745,489</b>	<b>\$ 189,808</b>

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

Company Name: Ponderosa Utility Corporation

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1X2)
301	Organization	\$ 1,443		\$ -
302	Franchises	-		-
303	Land & Land Rights	1,361	N/A	-
304	Structures & Improvements	131,042	3.33%	4,364
307	Wells & Springs	224,464	3.33%	7,464
310	Power Generation Equipment	9,720		486
311	Pumping Equipment <sup>1</sup>	99,099	12.5000%	6,152
320	Water Treatment Equipment	-	20.00%	-
330	Distribution Reservoirs & Standpipes <sup>2</sup>	74,532	2.2200%	40
331	Transmission & Distrib. Mains <sup>3</sup>	184,964	2.0000%	7
333	Services <sup>4</sup>	34,173	3.33%	26
334	Meters & Meter Installations <sup>5</sup>	84,467	8.3300%	2,373
335	Hydrants	5,609	2.0000%	-
336	Backflow Prevention Devices	-	6.6700%	-
339	Other Plant & Misc Equipment	558	6.6700%	37
340	Office Furniture & Equipment <sup>6</sup>	17,164	6.6700%	17
340.1	Computers & Software <sup>7</sup>	9,354	33.3300%	1,064
341	Transportation Equipment	7,200	20.0000%	1,440
343	Tools, Shop & Garage Equip. <sup>8</sup>	31,586	5.0000%	240
344	Laboratory Equipment	-	10.0000%	-
345	Power Operated Equipment <sup>9</sup>	14,784	5.0000%	700
346	Communications Equipment	-	10.0000%	-
347	Miscellaneous Equipment	3,775	10.0000%	-
348	Other Tangible Plant	-	10.0000%	-
	<b>TOTALS</b>	<b>\$ 935,295</b>		<b>\$ 24,411</b>

CIAC Amortization \$ (3,882)

Net Depreciation Expense \$ 20,529

- 1 - \$46,166 of the total is fully depreciated
- 2 - \$71,548 of the total is fully depreciated
- 3 - \$184,607 of the total is fully depreciated
- 4 - \$33,404 of the total is fully depreciated
- 5 - \$50,091 of the total is fully depreciated
- 6 - \$16,645 of the total is fully depreciated
- 7 - \$3,756 of the total is fully depreciated
- 8 - \$26,439 of the total is fully depreciated
- 9 - \$787 of the total is fully depreciated

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

Company Name: Ponderosa Utility Corporation

**BALANCE SHEET**

<b>Acct. No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 13,935	\$ 18,336
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	8,186	8,033
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	600	600
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 22,721	\$ 26,969
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1,005,994	\$ 935,295
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(803,838)	(745,489)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 202,156	\$ 189,807
	<b>TOTAL ASSETS</b>	\$ 224,877	\$ 216,775

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

Company Name: Ponderosa Utility Corporation

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 7,333	\$ (34)
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,076	451
236	Accrued Taxes	4,160	4,957
237	Accrued Interest	10	12
241	Miscellaneous Current and Accrued Liabilities	36	383
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 12,616	\$ 5,770
	<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	\$ 12,944	\$ 13,744
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	95,595	95,595
272	Less: Amortization of contributions	(87,857)	(91,739)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 20,682	\$ 17,600
	<b>TOTAL LIABILITIES</b>	\$ 33,298	\$ 23,370
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 52,541	\$ 52,541
211	Paid in Capital in Excess of Par Value	29,091	29,091
215	Retained Earnings	109,947	111,773
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 191,579	\$ 193,405
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 224,877	\$ 216,775

Company Name: Ponderosa Utility Corporation

**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	\$ 265,759	\$ 294,728
460	Unmetered Water Revenue		
474	Other Water Revenues	7,666	4,405
	<b>TOTAL REVENUES</b>	<b>\$ 273,425</b>	<b>\$ 299,133</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 90,473	\$ 92,785
610	Purchased Water		
615	Purchased Power	25,484	27,858
618	Chemicals		
620	Repairs and Maintenance	31,928	13,443
621	Office Supplies & Expense	12,638	13,006
630	Outside Services	21,078	4,529
635	Water Testing	3,059	676
641	Rents	43,200	43,200
650	Transportation Expenses	11,406	9,590
657	Insurance - General Liability	3,995	3,750
659	Insurance - Health and Life		
666	Regulatory Commsn Exp-Rate Case		
675	Miscellaneous Expense	5,768	2,142
403	Depreciation Expense	14,505	
408	Taxes Other Than Income		9,018
408.11	Property Taxes	12,696	5,291
409	Income Tax		3,114
427	Customer Security Deposit Interest		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 276,228</b>	<b>\$ 228,403</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (2,803)</b>	<b>\$ 70,730</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Exp		
427	Interest Expense	(43)	(297)
434	Extraordinary Deductions		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (43)</b>	<b>\$ (297)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (2,846)</b>	<b>\$ 70,432</b>

Company Name: Ponderosa Utility Corporation

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

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
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 \$ 5,687

Meter Deposits Refunded During the Test Year \$ 2,738

Company Name: Ponderosa Utility Corporation	
Name of System:	ADEQ Public Water System Number: 03-018

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-806223	30	75	950	8	3	2003
55-566882	40	120	1120	8	3	1998

\* 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
5.0	2
10.0	4
15.0	1

**FIRE HYDRANTS**

Quantity Standard	Quantity Other
29	

**STORAGE TANKS**

Capacity	Quantity
22,000	1
66,000	1
84,000	1
125,000	1

**PRESSURE TANKS**

Capacity	Quantity
3,000	1

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

Company Name: Ponderosa Utility Corporation		
Name of System:	ADEQ Public Water System Number:	03-018

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC	6,500
3	PVC	10,355
4	PVC	14,220
5		
6	PVC	15,110
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 x 3/4	614
3/4	5
1	18
1 1/2	1
2	1
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:

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STRUCTURES:

4 pump houses

1 work shed

1 office/storage building

OTHER:

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

Company Name: Ponderosa Utility Corporation		
Name of System:	ADEQ Public Water System Number:	03-018

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	581	1,691	2,168	
FEBRUARY	580	1,557	1,926	
MARCH	586	1,641	1,850	
APRIL	586	2,004	2,091	
MAY	596	2,767	3,093	
JUNE	596	4,011	4,395	
JULY	586	2,366	3,073	
AUGUST	586	2,317	3,030	
SEPTEMBER	582	2,193	2,292	
OCTOBER	585	1,585	1,597	
NOVEMBER	583	1,518	2,013	
DECEMBER	586	1,617	2,381	
<b>TOTALS</b>		25,267	29,909	

What is the level of arsenic for each well on your system?      Well 1 - .0013 mg/l  
*(If more than one well, please list each separately.)*              Well 2 - 0.0023 mg/l

If system has fire hydrants, what is the fire flow requirement?      1000/1500   GPM for   2   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, 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: Ponderosa Utility Corporation

Name of System:

ADEQ Public Water System Number:

03-018

**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	-	-	-
FEBRUARY	-	2	-
MARCH	-	-	-
APRIL	-	4	-
MAY	-	9	-
JUNE	-	-	-
JULY	-	6	-
AUGUST	-	-	-
SEPTEMBER	-	-	-
OCTOBER	-	3	-
NOVEMBER	-	-	-
DECEMBER	-	4	-
<b>TOTALS</b>	-	28	-

OTHER (description):

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COMPANY NAME Ponderosa Utility Corporation

YEAR ENDING **12/31/13**

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar year 2013 was: \$ 10,703

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 14 2014  
ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<b>Coconino</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>Marshall T. Brown, President</b>
COMPANY NAME	<b>Ponderosa Utility Corporation</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	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.**

*Marshall T. Brown*

SIGNATURE OF OWNER OR OFFICIAL

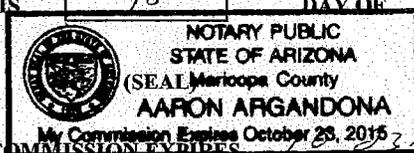
928-525-6210

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 10 DAY OF April



MY COMMISSION EXPIRES

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> 20 <u>14</u>

SIGNATURE OF NOTARY PUBLIC

**COMPANY NAME** Ponderosa Utility Corporation

**YEAR ENDING 12/31/13**

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	\$	-	return extended
Estimated or Actual Federal Tax Liability	\$	-	estimated

State Taxable Income Reported	\$	-	return 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  
APR 14 2014

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>Coconino</b>
NAME (OWNER OR OFFICIAL) TITLE <b>Marshall T. Brown, President</b>
COMPANY NAME <b>Ponderosa Utility Corporation</b>

ACC UTILITIES DIRECTOR

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 (\$)  \$ <u>318,074</u>
--

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 18,940  
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)**

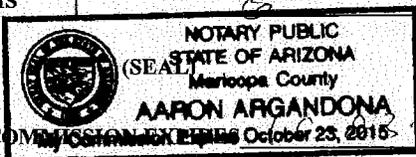
*Marshall T. Brown*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
928-525-6210  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS \_\_\_\_\_ DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> 20 <u>14</u>



*Aaron Argandona*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

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

RECEIVED  
APR 14 2014  
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	Coconino	
NAME (OWNER OR OFFICIAL)	Marshall T. Brown	TITLE President
COMPANY NAME	Ponderosa Utility Corporation	

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>309,782</u>

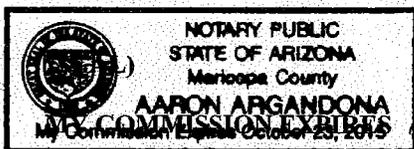
THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 18,446  
IN SALES TAXES BILLED, OR COLLECTED)

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

*Marshall T. Brown*  
SIGNATURE OF OWNER OR OFFICIAL  
928-525-6210  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 6 DAY OF April

NOTARY PUBLIC NAME	AARON ARGANDONA	
COUNTY NAME	Maricopa	
MONTH	April	.20 <u>14</u>



*Aaron Argandona*  
SIGNATURE OF NOTARY PUBLIC