

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

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

**W-01412A**  
**Valley Utilities Water Co., Inc.**  
**6808 N. Dysart Rd., Ste. 112**  
**Glendale, AZ 85307**

**RECEIVED**

**MAR 06 2014**

**AZ CORP COMM**  
**Director - Utilities**

**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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3-11-14

**COMPANY INFORMATION**

**Company Name (Business Name)** VALLEY UTILITIES WATER CO., INC.

**Mailing Address** 6808 N. DYSART ROAD, SUITE 112

(Street)

GLENDALE

(City)

AZ

(State)

85307

(Zip)

(623) 935-1100

Telephone No. (Include Area Code)

(623) 935-7321

Fax No. (Include Area Code)

(602) 672-9481

Cell No. (Include Area Code)

**Email Address** bobprince@vuwco.com

**Local Office Mailing Address** SAME AS ABOVE

(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**

**Regulatory Contact:**

**Management Contact:** ROBERT L. PRINCE PRESIDENT

(Name)

(Title)

6808 N. DYSART ROAD, SUITE 112

(Street)

GLENDALE

(City)

AZ

(State)

85307

(Zip)

(623) 935-1100

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(623) 935-7321

Fax No. (Include Area Code)

(602) 672-9481

Cell No. (Include Area Code)

**Email Address** bobprince@vuwco.com

**On Site Manager:** SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** PATRICK BLACK

(Name)

2394 E CAMELBACK RD, SUITE 600

(Street)

PHOENIX

(City)

AZ

(State)

85016

(Zip)

(602) 916-5400

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Attorney:** SAME AS ABOVE

(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:

- |   |  |
|---|--|
| <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 checked="" 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**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	543,196		543,196
304	Structures and Improvements	312,194	35,478	276,716
307	Wells and Springs	1,415,397	310,419	1,104,978
311	Pumping Equipment	810,131	806,862	3,269
320	Water Treatment Equipment	2,097,556	249,911	1,847,645
330	Distribution Reservoirs and Standpipes	874,959	320,036	554,923
331	Transmission and Distribution Mains	4,074,336	1,304,976	2,769,360
333	Services	183,474	49,873	133,601
334	Meters and Meter Installations	477,813	407,324	70,489
335	Hydrants	292,711	45,949	246,762
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,237	694	543
340	Office Furniture and Equipment	80,136	51,397	28,739
341	Transportation Equipment	80,907	75,219	5,688
343	Tools, Shop and Garage Equipment	49,666	28,750	20,916
344	Laboratory Equipment			
345	Power Operated Equipment	5,930	5,930	0
346	Communication Equipment			
347	Miscellaneous Equipment	27,212	11,361	15,851
348	Other Tangible Plant	6,089	4,452	1,637
	<b>TOTALS</b>	<b>11,332,944</b>	<b>3,708,631</b>	<b>7,624,313</b>

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

**COMPANY NAME VALLEY UTILITIES WATER CO., INC.**

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	543,196		
304	Structures and Improvements	312,194	3.33%	9,744
307	Wells and Springs	1,415,397	3.33%	47,091
311	Pumping Equipment	810,131	12.50%	100,370
320	Water Treatment Equipment	2,097,556	3.33%	69,787
330	Distribution Reservoirs and Standpipes	874,959	2.22%	19,424
331	Transmission and Distribution Mains	4,074,336	2.00%	72,983
333	Services	183,474	3.33%	5,615
334	Meters and Meter Installations	477,813	8.33%	38,976
335	Hydrants	292,711	2.00%	5,817
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	1,237	6.67%	83
340	Office Furniture and Equipment	80,136	6.67%	5,015
341	Transportation Equipment	80,907	20.00%	14,193
343	Tools, Shop and Garage Equipment	49,666	5.00%	2,453
344	Laboratory Equipment			
345	Power Operated Equipment	5,930	5.00%	0
346	Communication Equipment			
347	Miscellaneous Equipment	27,212	10.00%	2,361
348	Other Tangible Plant	6,089	3.33%	203
	<b>SUBTOTALS</b>	<b>11,332,944</b>		<b>394,115</b>
	Less: Amortization of Contributions			64,680
	<b>TOTALS</b>	<b>11,332,944</b>		<b>329,435</b>

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

**COMPANY NAME** VALLEY UTILITIES WATER CO., INC.

**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	\$ 58,147	\$ 75,158
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	96,772	105,644
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	35,401	28,390
162	Prepayments		3,430
174	Miscellaneous Current and Accrued Assets	201,387	255,245
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 391,707</b>	<b>\$ 467,867</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 10,358,495	\$ 11,332,944
103	Property Held for Future Use	7,071	2,470
105	Construction Work in Progress	1,978	413
108	Accumulated Depreciation - Utility Plant	3,367,229	3,708,631
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 7,000,315</b>	<b>\$ 7,627,196</b>
	<b>TOTAL ASSETS</b>	<b>\$ 7,392,022</b>	<b>\$ 8,095,063</b>

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

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 73,575	\$ 81,647
232	Notes Payable (Current Portion)	123,036	102,142
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	65,536	62,583
236	Accrued Taxes	39,267	37,087
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	8,770	10,482
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 310,184	\$ 293,941
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 1,578,361	\$ 1,480,506
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	3,764,031	4,375,073
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	1,722,658	1,923,412
272	Less: Amortization of Contributions	497,384	562,064
281	Accumulated Deferred Income Tax	247,447	270,475
	<b>TOTAL DEFERRED CREDITS</b>	\$ 5,236,752	\$ 6,006,896
	<b>TOTAL LIABILITIES</b>	\$ 7,125,297	\$ 7,781,343
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 410,000	\$ 410,000
211	Paid in Capital in Excess of Par Value	4,988	4,988
215	Retained Earnings	(148,263)	(101,268)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 266,725	\$ 313,720
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 7,392,022	\$ 8,095,063

**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	\$ 1,411,285	\$ 1,502,587
460	Unmetered Water Revenue		
474	Other Water Revenues	53,900	54,070
	<b>TOTAL REVENUES</b>	\$ 1,465,185	\$ 1,556,657
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 463,580	\$ 499,110
610	Purchased Water	3,396	3,228
615	Purchased Power	141,370	149,013
618	Chemicals	9,132	9,884
620	Repairs and Maintenance	28,611	58,165
621	Office Supplies and Expense	5,689	6,700
630	Outside Services	11,873	3,994
635	Water Testing	13,795	6,346
641	Rents	36,151	35,312
650	Transportation Expenses	24,317	33,672
657	Insurance - General Liability	24,803	22,531
659	Insurance - Health and Life	63,844	56,250
666	Regulatory Commission Expense - Rate Case	30,149	21,585
675	Miscellaneous Expense	69,768	82,047
403	Depreciation Expense	304,826	329,435
408	Taxes Other Than Income	35,516	38,455
408.11	Property Taxes	48,242	59,527
409	Income Tax	21,232	23,078
	<b>TOTAL OPERATING EXPENSES</b>	\$ 1,336,294	\$ 1,438,332
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 279	\$ -
421	Non-Utility Income	12,865	25,245
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	102,862	96,575
	<b>TOTAL OTHER INCOME/EXP</b>	\$ (89,718)	\$ (71,330)
	<b>NET INCOME/(LOSS)</b>	\$ 39,173	\$ 46,995

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

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	VARIOUS	VARIOUS		
Source of Loan	WIFA	WIFA		
ACC Decision No.	68309	70138		
Reason for Loan	CAPITAL IMPROVEMENT	CAPITAL IMPROVEMENT		
Dollar Amount Issued	\$1,925,941	\$250,000		
Amount Outstanding	\$1,370,029	\$212,619		
Date of Maturity	11/01/2024	10/01/2028		
Interest Rate	5.775%	5.8%		
Current Year Interest	\$81,883	\$12,612		
Current Year Principle	\$87,596	\$8,825		

Meter Deposit Balance at Test Year End	<u>\$ 40,212</u>
Meter Deposits Refunded During the Test Year	<u>\$ 13,087</u>

<b>COMPANY NAME</b>	<b>VALLEY UTILITIES WATER CO., INC.</b>
<b>Name of System:</b>	<b>ADEQ Public Water System Number: 07-079</b>

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
See Attachment A						

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
Liberty Water	400	0

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
See Attachment A		202	

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
See Attachment A		See Attachment A	

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

# ATTACHMENT A

## VALLEY UTILITIES WATER CO. INC. ANNUAL REPORT 2013

### BOOSTER PUMPS:

2 – 15 HORSE POWER  
3 – 20 HORSE POWER  
2 – 30 HORSE POWER  
3 – 40 HORSE POWER  
2 – 50 HORSE POWER

### STORAGE TANKS:

3 – 100,000 GALLON CAPACITY  
1 – 200,000 GALLON CAPACITY  
1 – 560,000 GALLON CAPACITY  
1 – 1,000,000 GALLON CAPACITY

### PRESSURE VESSELS:

2 – 5,000 GALLON CAPACITY  
1 – 7,500 GALLON CAPACITY  
1 – 10,000 GALLON CAPACITY

### WELL INFORMATION:

DWR #	HORSE POWER	Q (GPM)	CASING DEPTH/DIAMETR	METER SIZE	YEAR DRILLED	As m/L
1 - 55-639720	25	75	650' / 12"	3"	1942	10.3
2 - 55-639721	30	125	650' / 10"	3"	1969	13*
3 - 55-639723	25	90	425' / 8"	4"	1965	8.1
4 - 55-639722	25	90	800' / 12"	4"	1970	13*
5 - 55-503273	75	450	850' / 20"	6"	1982	12.7
6 - Out of Service						
6A - 55-216455	125	250	810 / 16"	8"	2008	13.1
7 - 55-208819	125	450	715 / 16"	8"	2007	12.5

\* Number 2 well at the GWY has been taken out of service and retired as of December 31, 2011.

\* Number 4 well at the BHW has been taken out of service and retired as of December 31, 2013.

<b>COMPANY NAME</b>	<b>VALLEY UTILITIES WATER CO., INC.</b>
<b>Name of System:</b>	<b>ADEQ Public Water System Number: 07-079</b>

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	AC & PVC	10,000
5		
6	AC & DIP	78,034
8	AC & DIP	52,911
10	DIP	2,952
12	AC & DIP	5,973
16	DIP & PVC	4,937

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	106
3/4	843
1	430
1 1/2	13
2	50
Comp. 3	
Turbo 3	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 – Arsenic Treatment Facilities
  - 2 – 300 Gallon Liquid Chlorinators
  - 1 – 100 Gallon Liquid Chlorinator
- 
- 
- 

**STRUCTURES:**

- 2 Arsenic Treatment Buildings, 2400 and 1200 sq ft.
  - Motor Control Center, 264 sq ft.
  - Motor Control Center, 192 sq ft.
- 
- 
- 

**OTHER:**

- 
- 
- 

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

COMPANY NAME: VALLEY UTILITIES WATER CO., INC.

Name of System: ADEQ Public Water System Number: 07-079

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

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1,409	19,355	21,408	
FEBRUARY	1,406	16,330	18,106	
MARCH	1,421	22,599	24,580	
APRIL	1,419	25,590	24,261	
MAY	1,422	28,936	31,554	
JUNE	1,425	34,905	34,260	
JULY	1,428	36,040	36,555	
AUGUST	1,432	30,680	38,623	
SEPTEMBER	1,439	29,214	31,204	
OCTOBER	1,438	26,031	28,963	
NOVEMBER	1,441	22,996	22,774	
DECEMBER	1,445	16,601	18,369	
TOTALS →		301,956	330,657	0

What is the level of arsenic for each well on your system? \_\_\_\_\_ mg/l  
(If more than one well, please list each separately.)

See Attachment A

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.**

<b>COMPANY NAME:</b>	<b>VALLEY UTILITIES WATER CO., INC.</b>
<b>Name of System:</b>	<b>ADEQ Public Water System Number: 07-079</b>

**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>
<b>JANUARY</b>	1	17	
<b>FEBRUARY</b>	0	26	
<b>MARCH</b>	3	28	
<b>APRIL</b>	0	15	
<b>MAY</b>	1	13	
<b>JUNE</b>	0	17	
<b>JULY</b>	0	27	
<b>AUGUST</b>	2	28	
<b>SEPTEMBER</b>	1	19	
<b>OCTOBER</b>	0	20	
<b>NOVEMBER</b>	0	11	
<b>DECEMBER</b>	1	12	
<b>TOTALS →</b>	9	233	

OTHER (description):

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COMPANY NAME VALLEY UTILITIES WATER CO., INC. YEAR ENDING 12/31/2013

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 57,295.25

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 06 2014

AZ CORP COMMISSION  
Director - Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME	<b>VALLEY UTILITIES WATER CO., INC.</b>

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

**FOR THE YEAR ENDING**

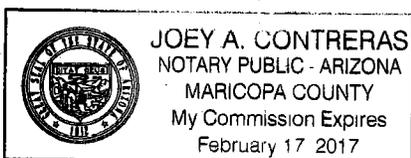
MONTH	DAY	YEAR
12	31	2013

**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.**



*Robert L. Prince*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
**623-935-1100**  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 27<sup>th</sup> **DAY OF**

COUNTY NAME	<b>Maricopa</b>	
MONTH	<b>Feb.</b>	<b>2014</b>

(SEAL)

*Joey A. Contreras*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**MY COMMISSION EXPIRES** 02-17-17

COMPANY NAME VALLEY UTILITIES WATER CO., INC. YEAR ENDING 12/31/2013

**INCOME TAXES**

For this reporting period, provide the following:

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

State Taxable Income Reported (37,382)  
Estimated or Actual State Tax Liability 50

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

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

2-27-14  
DATE

Robert L. Pince  
PRINTED NAME

President  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

MAR 06 2014

AZ CORP COMM  
Director - Utilities

**VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME)	<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>ROBERT L. PRINCE, PRESIDENT</b>
COMPANY NAME	<b>VALLEY UTILITIES WATER CO., INC.</b>

**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.**

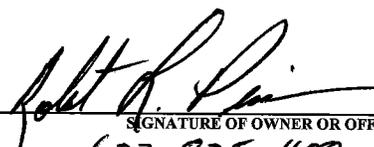
**SWORN STATEMENT**

**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>1,660,325</u>

**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 103,668  
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  
623-935-1100  
\_\_\_\_\_  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS** 27<sup>th</sup> **DAY OF**

COUNTY NAME	<u>Maricopa</u>	
MONTH	<u>Feb.</u>	, 20 <u>14</u>

 **JOEY A. CONTRERAS**  
NOTARY PUBLIC - ARIZONA  
MARICOPA COUNTY  
My Commission Expires  
**February 17, 2017**

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

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

**RECEIVED**

MAR 06 2014

AZ CORP COMM  
Director Utilities

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	MARICOPA	
NAME (OWNER OR OFFICIAL)	ROBERT L. PRINCE	TITLE PRESIDENT
COMPANY NAME	VALLEY UTILITIES WATER CO., 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.**

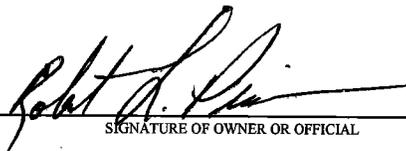
**SWORN STATEMENT**

**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
\$ <u>1,153,314</u>

**THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 71,487  
IN SALES TAXES BILLED, OR COLLECTED)**

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

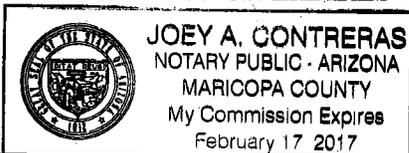
  
SIGNATURE OF OWNER OR OFFICIAL  
623-935-1100  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 27<sup>th</sup> DAY OF**

NOTARY PUBLIC NAME	Joseph Contreras	
COUNTY NAME	Maricopa	
MONTH	Feb.	.2014

(SEAL)

**MY COMMISSION EXPIRES 02-17-17**



X   
SIGNATURE OF NOTARY PUBLIC