

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-20475A

WATCO, Inc.
PO Box 364
Overgaard, AZ 85933

RECEIVED

APR 16 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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5-1-14

COMPANY INFORMATION

Company Name (Business Name) <u>Watco, Inc</u>			
Mailing Address <u>PO Box 364</u>	<u>Overgaard</u>	<u>AZ</u>	<u>85933</u>
(Street)	(City)	(State)	(Zip)
<u>928-537-8739</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>watercos@gmail.com</u>			
Local Office Mailing Address <u>Same as Above</u>			
(Street)			
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
(City)	(State)	(Zip)	
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>N/A</u>			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact: Thomas Grapp PO Box 364, Overgaard, AZ 85933			
<input type="checkbox"/> Management Contact: <u>Southwestern Utility Management</u>			
(Name)		(Title)	
<u>PO Box 85160</u>	<u>Tucson</u>	<u>AZ</u>	<u>85754</u>
(Street)	(City)	(State)	(Zip)
<u>520-623-5172</u>	<u>520-792-0377</u>	<u>N/A</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>info@southwesternutility.com</u>			
On Site Manager: <u>Bryan Mullins</u>			
(Name)			
<u>Same as above</u>	<u>Same as above</u>	<u>Same as above</u>	
(Street)	(City)	(State)	(Zip)
<u>Same as above</u>	<u>Same as above</u>	<u>Same as above</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>watercos@gmail.com</u>			

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

Statutory Agent: Mark Grapp

(Name)

PO Box 364

(Street)

Overgaard

(City)

AZ

(State)

85933

(Zip)

928-537-8739

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Cell No. (Include Area Code)

Attorney:

N/A

(Name)

N/A

(Street)

N/A

(City)

N/A

(State)

N/A

(Zip)

N/A

Telephone No. (Include Area Code)

N/A

Fax No. (Include Area Code)

N/A

Cell No. (Include Area Code)

Email Address

N/A

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 checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

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

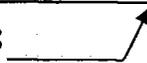
- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" 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 | | |

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

COMPANY NAME Watco, Inc.

UTILITY PLANT IN SERVICE

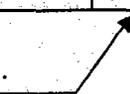
Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,542	0	1,542
302	Franchises	7	0	7
303	Land and Land Rights	27,094	0	27,094
304	Structures and Improvements	47,958	10,636	37,322
307	Wells and Springs	48,807	30,764	18,043
311	Pumping Equipment	44,821	38,822	5,999
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
330.1	Storage Tanks	74,796	11,984	62,812
330.2	Pressure Tanks	46,800	28,366	18,434
331	Transmission and Distribution Mains	1,101,680	430,625	671,055
333	Services	94,714	63,604	31,110
334	Meters and Meter Installations	25,493	25,493	0
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	0	0	0
340.1	Computers & Software	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	1,513,712	640,294	873,418

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

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

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,542	0	0
302	Franchises	7	0	0
303	Land and Land Rights	27,094	0	0
304	Structures and Improvements	47,958	3.33	1,597
307	Wells and Springs	48,807	3.33	1,625
311	Pumping Equipment	44,821	12.5	5,603
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	0	0	0
330	Distribution Reservoirs and Standpipes	0	0	0
330.1	Storage Tanks	74,796	5	3,740
330.2	Pressure Tanks	46,800	5	2,340
331	Transmission and Distribution Mains	1,101,680	2	22,034
333	Services	94,714	3.33	3,154
334	Meters and Meter Installations	25,493	8.33	2,124
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	0	0	0
340.1	Computers & Software	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTALS	1,513,712	N/A	42,217

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

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

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ (71,127)	\$ (20,887)
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	7,263	7,369
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ (63,864)	\$ (13,518)
	FIXED ASSETS		
101	Utility Plant in Service	\$ 2,272,084	\$ 1,513,712
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation - Utility Plant	792,532	640,294
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 1,479,552	\$ 873,418
	TOTAL ASSETS	\$ 1,415,688	\$ 859,900

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

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)	7,157	7,037
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	12,065	10,945
236	Accrued Taxes	0	0
237	Accrued Interest	7,569	7,511
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 26,791	\$ 25,493
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 154,768	\$ 69,395
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	1,610,928	1,003,656
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$ 1,610,928	\$ 1,003,656
	TOTAL LIABILITIES	\$ 1,792,487	\$ 1,098,544
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	(376,799)	(238,644)
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$ (376,799)	\$ (238,644)
	TOTAL LIABILITIES AND CAPITAL	\$ 1,415,688	\$ 859,900

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

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 140,909	\$ 177,887
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	1,315	1,000
	TOTAL REVENUES	\$ 142,224	\$ 178,887
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 63,415	\$ 53,607
610	Purchased Water	0	0
615	Purchased Power	11,514	10,849
618	Chemicals	0	0
620	Repairs and Maintenance	7,954	11,525
621	Office Supplies and Expense	6,791	5,049
630	Outside Services	19,487	17,769
635	Water Testing	1,193	240
641	Rents	11,398	11,679
650	Transportation Expenses	8,396	2,418
657	Insurance - General Liability	1,708	1,582
659	Insurance - Health and Life	798	948
666	Regulatory Commission Expense - Rate Case	190	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense	63,862	42,217
408	Taxes Other Than Income	9,417	10,725
408.11	Property Taxes	4,083	2,384
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 210,206	\$ 170,992
	OPERATING INCOME/(LOSS)	\$ (67,982)	\$ 7,895
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(405)	(139)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (405)	\$ (139)
	NET INCOME/(LOSS)	\$ (68,387)	\$ 7,756

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	06/26/2008			
Source of Loan	WIFA			
ACC Decision No.	70055			
Reason for Loan	Infrastructure			
Dollar Amount Issued	\$ 600,000	\$	\$	\$
Amount Outstanding	\$ 72,936	\$	\$	\$
Date of Maturity	06/26/2028			
Interest Rate	4.9	%	%	%
Current Year Interest	1,355	\$	\$	\$
Current Year Principle	3452	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 783

Meter Deposits Refunded During the Test Year \$ 319

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

COMPANY NAME	Watco, Inc.		
Name of System:	Same as above	ADEQ Public Water System Number:	09049

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	AC&PVC	33,872
5		
6	PVC	9,206
8	PVC	1,700
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	336
3/4	
1	
1 1/2	
2	1
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:

N/A

STRUCTURES:

12' X 30' Building
20' X 20' Building

OTHER: N/A

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

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	1,494
8	PVC	13,030
10		
12	PVC	1,427

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	5
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

N/A

STRUCTURES: 18' X 24' Building

OTHER: N/A

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

COMPANY NAME	Watco, Inc.		
Name of System:	Same as above	ADEQ Public Water System Number:	09049

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-603156	10	58	538	8	2	1964
55-506606	5	31	440	6	2	1983

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	7	1	N/A

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1		
25,000	1	3,000	1

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

COMPANY NAME	Watco, Inc.		
Name of System:	Same as above	ADEQ Public Water System Number:	09091

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-901337	7.5	60	465	8	3	2004

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30	1	22	N/A
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
120,000	1	5,000	1

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

COMPANY NAME: Watco, Inc.
Name of System: Same as Above ADEO Public Water System Number: 09049

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	284	1,067	1,417	0
FEBRUARY	282	1,280	1,857	0
MARCH	273	829	1,131	0
APRIL	269	984	1,283	0
MAY	270	1,029	1,140	0
JUNE	272	1,387	1,551	0
JULY	274	1,855	1,788	0
AUGUST	274	1,080	1,275	0
SEPTEMBER	272	948	1,096	0
OCTOBER	274	952	1,172	0
NOVEMBER	273	892	1,031	0
DECEMBER	271	762	895	0
TOTALS →		13,065	15,636	0

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

POE#1 < .001 POE#2 < .001

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

COMPANY NAME: Watco, Inc.

Name of System: Same as Above

ADEO Public Water System Number: 09091

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	5	18	30	0
FEBRUARY	5	55	-4	0
MARCH	5	12	144	0
APRIL	5	15	20	0
MAY	5	38	31	0
JUNE	5	55	58	0
JULY	5	63	62	0
AUGUST	5	45	49	0
SEPTEMBER	5	38	36	0
OCTOBER	5	36	37	0
NOVEMBER	5	27	36	0
DECEMBER	5	11	0	0
TOTALS →		413	499	0

What is the level of arsenic for each well on your system? < .002 mg/l
(If more than one well, please list each separately.)

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

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

COMPANY NAME: Watco, Inc.

Name of System: Same as above

ADEQ Public Water System Number: 09049, 09091

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	10	0
FEBRUARY	0	8	0
MARCH	0	7	0
APRIL	0	5	0
MAY	0	7	0
JUNE	0	9	0
JULY	0	7	0
AUGUST	0	13	0
SEPTEMBER	0	4	0
OCTOBER	0	3	0
NOVEMBER	0	5	0
DECEMBER	0	5	0
TOTALS →	0	83	0

OTHER (description): N/A

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 2384

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. N/A

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 16 2014

CC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Navajo
NAME (OWNER OR OFFICIAL) TITLE COMPANY	Thomas Gregg VP of Operations
NAME	Watco, Inc.

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.

Thomas Gregg
SIGNATURE OF OWNER OR OFFICIAL

928-537-8739
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th DAY OF

COUNTY NAME	Apache	
MONTH	April	2014


Merilyn Hjalmarson
NOTARY PUBLIC - ARIZONA
APACHE COUNTY
My Commission Expires
December 05, 2016
MY COMMISSION EXPIRES December 2016

Merilyn Hjalmarson
SIGNATURE OF NOTARY PUBLIC

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	0
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	0
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

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

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.

Thomas Graep
SIGNATURE

04-14-14
DATE

Thomas Graep
PRINTED NAME

VP of Operations
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 16 2014
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Navajo
NAME (OWNER OR OFFICIAL) TITLE	Thomas Grapp VP of Operations
COMPANY NAME	Watco, 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 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>178,886.94</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 10,725.20
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)**

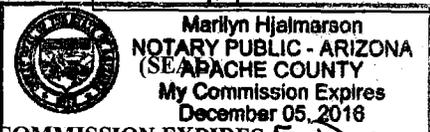
Thomas Grapp
SIGNATURE OF OWNER OR OFFICIAL
928-537-8739
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th DAY OF

COUNTY NAME	Apache
MONTH	April 2014



Marilyn Hjalmarson
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5 December 2016

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

RECEIVED

APR 16 2014

VERIFICATION

ACC UTILITIES DIRECTOR

STATE OF ARIZONA

COUNTY OF (COUNTY NAME) Navajo	
NAME (OWNER OR OFFICIAL) Thomas Grapp	TITLE VP of Operations
COMPANY NAME Watco, Inc.	

I, THE UNDERSIGNED
OF THE

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
\$ 178,886.94

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 10725.20
IN SALES TAXES BILLED, OR COLLECTED)

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

Thomas Grapp
SIGNATURE OF OWNER OR OFFICIAL

928-537-8739
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

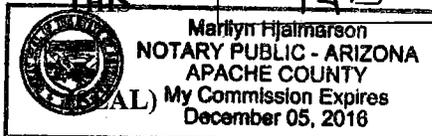
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

NOTARY PUBLIC NAME Marilyn Hjalmarsen	
COUNTY NAME Apache	
MONTH April	2014



MY COMMISSION EXPIRES

5 December 2014

Marilyn Hjalmarsen
SIGNATURE OF NOTARY PUBLIC