

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

SW-01428A

Litchfield Park Service Company
12725 W. Indian School Rd., Ste. D101
Avondale, AZ 85392

RECEIVED

APR 15 2015

AZ CORP COMM
Director - Utilities

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT
Sewer

FOR YEAR ENDING

12	31	2014
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FOR COMMISSION USE

ANN05	14
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4-21-15

COMPANY INFORMATION

Company Name (Business Name)	Litchfield Park Service Company (Sewer)
Mailing Address	12725 W Indian School Rd, Suite D101 Avondale, AZ 85392
Telephone	623 935 9367
Fax	623 935 1020
Cellular	
Email	
Local Office Mailing Address	12725 W Indian School Rd, Suite D101 Avondale, AZ 85392
Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)	623 935 9367
Email Address	
Website address	

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact	
<input checked="" type="checkbox"/> Management Contact	Greg Sorensen, President 12725 W Indian School Rd, Suite D101 Avondale, AZ 85392
Telephone	623 935 9367
Fax	623 935 1020
On Site Manager	Clint Arndt 14222 W McDowell Rd Goodyear, AZ 85395
Telephone	623 298 4824
Fax	623 935 3008
Cellular	623 293 3056
Email	clint.arndt@libertyutilities.com

Statutory Agent	CT Corporation System
Mailing Address	3225 N Central Ave Phoenix, AZ 85012
Telephone	602 277 4792
Fax	
Cellular	
Email	
Attorney	Todd Wiley
Mailing Address	12725 W Indian School Rd, Suite D101 Avondale, AZ 85392
Telephone	623 935 9367
Fax	
Cellular	
Email	

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		

WASTEWATER UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
352	Franchises	\$27,447		\$27,447
353	Land and Land Rights	\$1,895,668		\$1,895,668
354	Structures and Improvements	\$20,268,590	-\$4,688,688	\$15,579,902
355	Power Generation Equipment	\$598,133	-\$279,389	\$318,744
360	Collection Wastewaters – Force	\$1,162,596	-\$216,927	\$945,669
361	Collection Wastewaters – Gravity	\$33,047,391	-\$6,191,689	\$26,855,702
363	Services to Customers	\$173,728	-\$10,916	\$162,812
364	Flow Measuring Devices	\$146,613	-\$80,432	\$66,181
366	Reuse Services	\$4,078,136	-\$1,280,738	\$2,797,398
367	Reuse Meters And Installation	\$47,075	-\$10,557	\$36,518
370	Receiving Wells	\$860,393	-\$350,780	\$509,613
371	Pumping Equipment	\$1,499,447	-\$514,260	\$985,187
374	Reuse Distribution Reservoirs	\$62,825	-\$12,297	\$50,528
375	Reuse Transmission And Distribution System	\$420,334	-\$67,798	\$352,536
380	Treatment and Disposal Equip.	\$10,237,676	-\$2,860,083	\$7,377,593
381	Plant Wastewaters	\$377,840	-\$53,511	\$324,329
382	Outfall Wastewater Lines	\$343,681	-\$140,315	\$203,366
389	Other Plant and Misc. Equipment	\$888,678	\$39,111	\$927,789
390	Office Furniture and Equipment	\$270,178	-\$146,762	\$123,416
391	Transportation Equipment	\$543,199	-\$14,507	\$528,692
392	Stores Equipment	\$12,468	-\$4,366	\$8,102
393	Tools, Shop and Garage Equip.	\$262,835	-\$29,896	\$232,939
394	Laboratory Equipment	\$186,023	-\$149,209	\$36,814
395	Power Operated Equipment	\$6,605	-\$55	\$6,550
396	Communication Equipment	\$441,076	-\$381,487	\$59,589
397	Other		-\$357,076	-\$357,076
	TOTALS	\$77,858,634	-\$17,802,627	\$60,056,007

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



Litchfield Park Service Company (Sewer)

WASTEWATER UTILITY CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
352	Franchises	\$27,447		
353	Land and Land Rights	\$1,895,668		
354	Structures and Improvements	\$20,268,590		
355	Power Generation Equipment	\$598,133		
360	Collection Wastewaters – Force	\$1,162,596		
361	Collection Wastewaters – Gravity	\$33,047,391		
363	Services to Customers	\$173,728		
364	Flow Measuring Devices	\$146,613		
366	Reuse Services	\$4,078,136		
367	Reuse Meters And Installation	\$47,075		
370	Receiving Wells	\$860,393		
371	Pumping Equipment	\$1,499,447		
374	Reuse Distribution Reservoirs	\$62,825		
375	Reuse Transmission And Distribution System	\$420,334		
380	Treatment and Disposal Equip.	\$10,237,676		
381	Plant Wastewaters	\$377,840		
382	Outfall Wastewater Lines	\$343,681		
389	Other Plant and Misc. Equipment	\$888,678		
390	Office Furniture and Equipment	\$270,178		
391	Transportation Equipment	\$543,199		
392	Stores Equipment	\$12,468		
393	Tools, Shop and Garage Equip.	\$262,835		
394	Laboratory Equipment	\$186,023		
395	Power Operated Equipment	\$6,605		
396	Communication Equipment	\$441,076		
397	Other			
	SUBTOTAL	\$77,858,634		\$1,990,265
	LESS CIAC Amortization			\$502,352
	TOTALS *	\$77,858,634		\$1,487,913

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

When the company completed its accounting software conversion in 2014, certain accounts were recategorized to be more properly aligned with NARUC account numbers. For example, in previous years, some accounts in the NARUC categories 371 and 380 were included in reporting for NARUC category 354. All of the values above are now linked to specific NARUC numbers. Depreciation expense is currently only available in the aggregate.

WASTEWATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	-\$11,584	\$1,882,694
132	Special Deposits	\$2,083,201	
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$1,538,629	
146	Notes/Receivables from Associated Companies	\$6,120,635	
151	Plant Material and Supplies		
162	Prepayments	\$30,500	
174	Miscellaneous Current and Accrued Assets	\$284,962	
	TOTAL CURRENT AND ACCRUED ASSETS	\$10,046,344	\$1,882,694
FIXED ASSETS			
101	Utility Plant in Service	\$76,282,231	\$77,858,634
103	Property Held for Future Use		
105	Construction Work in Progress	\$357,041	\$1,793,339
108	Accumulated Depreciation – Utility Plant	\$16,405,407	-\$17,802,627
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$60,233,865	\$61,849,346
	TOTAL ASSETS	\$70,280,209	\$63,732,040

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page. The total value of assets for LPSCO Water plus LPSCO Sewer equals the total value of liabilities and equity for LPSCO Water plus LPSCO Sewer. The values reported here are the result of an accounting system conversion that does not currently allocate percentages of certain accounts to the water division and to the sewer division.

Litchfield Park Service Company (Sewer)

WASTEWATER UTILITY BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
CURRENT LIABILITES			
231	Accounts Payable		
232	Notes Payable (Current Portion)	\$150,400	
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	\$34,644	
237	Accrued Interest	\$77,628	
241	Miscellaneous Current and Accrued Liabilities	\$44,665	\$1,082,059
	TOTAL CURRENT LIABILITIES	\$307,337	\$1,082,059
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$4,453,218	
DEFERRED CREDITS			
252	Advances in Aid of Construction	\$12,110,401	\$6,160,061
253	Other Deferred Credits		\$1,893,783
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$35,077,436	\$4,791,275
272	Less: Amortization of Contributions	\$5,957,420	\$10,220
281	Accumulated Deferred Income Tax	\$2,395,960	
	TOTAL DEFERRED CREDITS	\$43,626,377	\$12,834,900
	TOTAL LIABILITIES	\$48,386,932	\$13,916,959
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$33,626	\$33,626
211	Other Paid in Capital	\$13,728,278	\$13,728,278
215	Retained Earnings	\$8,131,373	\$9,868,101
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$21,893,277	\$23,630,005
	TOTAL LIABILITIES AND CAPITAL	\$70,280,209	\$37,546,964

**WASTEWATER UTILITY COMPARATIVE STATEMENT OF INCOME
AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$8,624,304	\$11,008,894
522	Measured Revenues	\$861,147	
536	Other Wastewater Revenues	\$374,767	\$3,365
	TOTAL REVENUES	\$9,860,219	\$11,012,259
	OPERATING EXPENSES		
701	Salaries and Wages	\$1,201,594	\$209,525
710	Purchased Wastewater Treatment	\$39,395	\$26,008
711	Sludge Removal Expense	\$246,971	\$251,738
715	Purchased Power	\$628,493	\$629,688
716	Fuel for Power Production		\$3,114
718	Chemicals	\$295,100	\$359,790
720	Materials and Supplies	\$119,214	\$74,361
731	Contractual Services – Professional	-\$40,983	\$2,291,460
735	Contractual Services – Testing	\$36,144	\$33,337
736	Contractual Services – Other	\$2,439,628	\$1,265,238
740	Rents	\$2,472	\$5,696
750	Transportation Expense	\$18,856	\$16,827
755	Insurance Expense	\$84,335	\$48,329
765	Regulatory Commission Expense		
775	Miscellaneous Expense	\$122,361	\$217,820
403	Depreciation Expense	\$1,648,570	\$1,487,913
408	Taxes Other Than Income		
408.11	Property Taxes	\$752,647	\$856,251
409	Income Taxes		
	TOTAL OPERATING EXPENSES	\$7,594,797	\$7,777,094
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$24,550	
420	AFUDC Income	\$15,996	\$12,367
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	\$339,090	(\$12,001)
	TOTAL OTHER INCOME/EXPENSE	-\$298,544	\$366
	NET INCOME/(LOSS)	\$1,966,878	\$3,235,532

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principle				

Litchfield Park Service Company (Sewer)

Name of System:

Wastewater Inventory Number (if applicable):

WASTEWATER UTILITY PLANT DESCRIPTION
TREATMENT FACILITY

TYPE OF TREATMENT

(Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)

DESIGN CAPACITY OF PLANT

(Gallons Per Day)

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
LPSCO Lift Station No. 2	2	20	350	25,000
LPSCO Lift Station No. 3	3	33	1050	30,000

FORCE MAINS

Size	Material	Length (Feet)
10"	PVC	17,550
12"	PVC	5,103
8"	DIP	2,685
10"	DIP	3,925
12"	DIP	327
16"	DIP	6,566
24"	DIP	6,484

MANHOLES

Type	Quantity
Standard	4,307
Drop	61

CLEANOUTS

Quantity
173

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

Litchfield Park Service Company (Sewer)

Name of System:

Wastewater Inventory Number (if applicable):

WASTEWATER UTILITY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

SERVICES

Size (in inches)	Material	Length (in feet)
4"	VCP;DIP;PVC	208,097
6"	VCP;DIP;PVC	4,667
8"	VCP;DIP;PVC	1,165,969
10"	VCP;DIP;PVC	70,196
12"	VCP;DIP;PVC	53,213
15"	VCP;DIP;PVC	85,886
18"	VCP;DIP;PVC	22,180
21"	VCP;DIP;PVC	23,016
24"	VCP;DIP;PVC	12,188
30"	VCP;DIP;PVC	3,663

Size (in inches)	Material	Quantity
4"	VCP;DIP;PVC	17,906
6"	VCP;DIP;PVC	700
8"	VCP;DIP;PVC	2
10"	VCP;DIP;PVC	4

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM

SOLIDS PROCESSING AND HANDLING FACILITIES	3 Holding Tanks/ Centrifuge
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Ultra-Violet
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Aqua Disk-Filter Disk
STRUCTURES (Buildings, Fences, Etc.)	The facility currently contains 4 steel frame buildings w/ concrete masonry unit (CMU) facia on enclosed concrete tank structures. The facility is bordered by aluminum fencing and gates.
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	1 Standby Generator, Tools, Lab Equipment, 22 Vehicles, 2 golf carts, 3 trailers

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

Litchfield Park Service Company (Sewer)

Name of System:

Wastewater Inventory Number (if applicable):

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
January	20,252	3,781,000	4,186,000
February	20,309	3,763,000	4,199,000
March	20,395	4,034,000	4,528,000
April	20,438	3,855,000	4,299,000
May	20,503	3,699,000	4,590,000
June	20,605	3,335,000	3,802,000
July	20,713	3,244,000	3,678,000
August	20,720	3,272,000	3,568,000
September	20,812	3,420,000	4,396,000
October	20,833	3,376,000	3,751,000
November	20,856	3,584,000	4,115,000
December	21,043	3,516,000	4,025,000

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE
PER WASTEWATER SYSTEM**

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse, Surface Water Discharge
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100310
ADEQ Reuse Permit Number	R105930, R105221, R105669, R105706, R106256, R105981, R105644, R1511162, R106215
EPA NPDES Permit Number	AZ0025712

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

Litchfield Park Service Company (Sewer)

Name of System:

Wastewater Inventory Number (if applicable):

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2- 609.B	Termination with Notice R14-2- 609.C	OTHER
JANUARY		45	
FEBRUARY		33	
MARCH		47	
APRIL		48	
MAY		29	
JUNE		30	
JULY		57	
AUGUST		29	
SEPTEMBER		43	
OCTOBER		72	
NOVEMBER		52	
DECEMBER		63	
TOTALS →		519	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$856,251

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 15 2015

AZ CORP COMM
Director - Utilities

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF MARICOPA
GREG SORENSEN, PRESIDENT
Litchfield Park Service Company (Sewer)

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	2014

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.

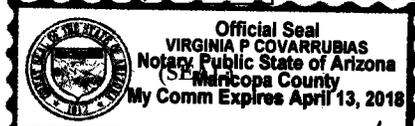

SIGNATURE OF OWNER OR OFFICIAL
(623) 935-9367
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

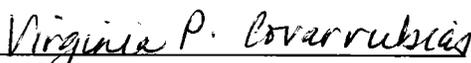
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

COUNTY NAME	Maricopa	
MONTH	April	2015



MY COMMISSION EXPIRES April 13, 2018


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 15 2015

AZ CORP COMM
Director - Utilities

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF MARICOPA
GREG SORENSEN, PRESIDENT
Litchfield Park Service Company (Sewer)

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$11,024,627

(THE AMOUNT IN BOX ABOVE INCLUDES \$0 IN SALES TAXES BILLED, OR COLLECTED)
The company collects sales taxes, but they are accounted for as liabilities and are not included in revenue accounts.

****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)**

Greg Sorenson

SIGNATURE OF SUPPLIER OR OFFICIAL

(623) 935-9367

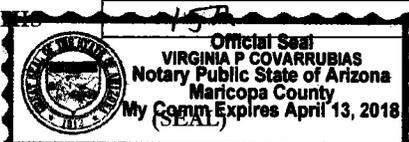
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	<i>Maricopa</i>
MONTH	<i>April</i> , 20 <i>15</i>

THIS _____ DAY OF



MY COMMISSION EXPIRES

April 13, 2018

Virginia P. Covarrubias

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

APR 15 2015

AZ CORP COMM
Director - Utilities

VERIFICATION
STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF MARICOPA	
GREG SORENSEN	PRESIDENT
Litchfield Park Service Company (Sewer)	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$9,752,394

(THE AMOUNT IN BOX AT LEFT INCLUDES \$0 IN SALES TAXES BILLED, OR COLLECTED. The company collects sales taxes, but they are accounted for as liabilities and are not included in revenue accounts.)

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

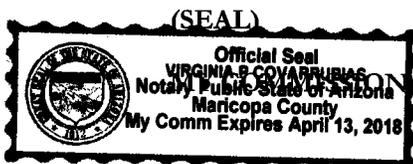
Greg Sorensen
SIGNATURE OF OWNER OR OFFICIAL
(623) 935-9367
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

NOTARY PUBLIC NAME <i>Virginia P. Covarrubias</i>
COUNTY NAME <i>Maricopa</i>
MONTH <i>April</i> <i>2015</i>



EXPIRES *April 13, 2018*

Virginia P. Covarrubias
SIGNATURE OF NOTARY PUBLIC