

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-03945A

Francesca Water Company, Inc.
PO Box 85160
Tucson, AZ 85754

RECEIVED

APR 13 2015

ACC UTILITIES DIRECTOR

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

Water

FOR YEAR ENDING

12 31 2014

FOR COMMISSION USE

ANN 04 14

4-14-15

COMPANY INFORMATION

Company Name (Business Name) <u>Francesca Water Company, Inc.</u>			
Mailing Address <u>PO Box 85160</u> (Street)			
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85754</u> (Zip)	
<u>(520) 623-5172</u> Telephone No. (Include Area Code)	<u>(520) 792-0377</u> Fax No. (Include Area Code)	<u>Cell No. (Include Area Code)</u>	
Email Address <u>info@southwesternutility.com</u>			
Local Office Mailing Address <u>PO Box 85160</u> (Street)			
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85754</u> (Zip)	
<u>(520) 623-5172</u> Local Office Telephone No. (Incl Area Code)	<u>(520) 792-0377</u> Fax No. (Include Area Code)	<u>Cell No. (Include Area Code)</u>	
Email Address <u>info@southwesternutility.com</u>			

MANAGEMENT INFORMATION

<input checked="" type="checkbox"/> Management Contact:	<u>Southwestern Utility Management, Inc</u> <u>Manager</u> (Name) (Title)		
<u>PO Box 85160</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85754</u> (Zip)
<u>(520) 623-5172</u> Telephone No. (Include Area Code)	<u>(520) 792-0377</u> Fax No. (Include Area Code)	<u>Cell No. (Include Area Code)</u>	
Email Address <u>info@southwesternutility.com</u>			
On Site Manager: <u>Keith Dojaquez</u> (Name)			
<u>PO Box 85160</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85754</u> (Zip)
<u>(520) 623-5172</u> Telephone No. (Include Area Code)	<u>(520) 792-0377</u> Fax No. (Include Area Code)	<u>Cell No. (Include Area Code)</u>	
Email Address <u>info@southwesternutility.com</u>			

COMPANY NAME: Francesca Water Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$ 1,015		\$ 1,015
302	Franchises			-
303	Land & Land Rights	10,000		10,000
304	Structures & Improvements	2,612	1,318	1,294
307	Wells & Springs	38,669	38,669	-
311	Pumping Equipment	31,413	23,916	7,497
320	Water Treatment Equipment	1,456	188	1,268
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			-
330.1	Storage Tanks	71,342	40,983	30,359
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	137,091	104,266	32,825
333	Services	23,759	23,759	-
334	Meters and Meter Installations	7,073	7,073	-
335	Hydrants			-
336	Backflow Prevention Devices			-
339	Other Plant and Misc. Equipment			-
340	Office Furniture and Equipment	4,000	4,000	-
340.1	Computers & Software	791	53	738
341	Transportation Equipment			-
343	Tools, Shop and Garage Equipment	3,000	1,062	1,938
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communications Equipment	500	500	-
347	Miscellaneous Equipment			-
348	Other Tangible Plant			-
	TOTALS	\$ 332,721	\$ 245,787	\$ 86,934

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

COMPANY NAME: Francesca Water Company, Inc.

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 X 2)
301	Organization	\$ 1,015		\$ -
302	Franchises	-		-
303	Land & Land Rights	10,000	N/A	-
304	Structures & Improvements	2,612	3.33%	87
307	Wells & Springs	38,669	0.00%	-
311	Pumping Equipment	31,413	12.50%	3,927
320	Water Treatment Equipment	1,456	3.33%	48
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes	-		
330.1	Storage Tanks	71,342	2.22%	1,584
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	137,091	2.00%	2,742
333	Services	23,759	0.00%	-
334	Meters and Meter Installations	7,073	8.33%	89
335	Hydrants	-		
336	Backflow Prevention Devices	-		
339	Other Plant and Misc. Equipment	-		
340	Office Furniture and Equipment	4,000	6.67%	231
340.1	Computers & Software	791	20.00%	158
341	Transportation Equipment	-		
343	Tools, Shop and Garage Equipment	3,000	5.00%	150
344	Laboratory Equipment	-		-
345	Power Operated Equipment	-		-
346	Communications Equipment	500	0.00%	-
347	Miscellaneous Equipment	-		-
348	Other Tangible Plant	-		-
	SUBTOTAL	332,721		9,016
	LESS CIAC Amortization			(486)
	TOTALS *	\$ 332,721		\$ 8,530

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

COMPANY NAME: Francesca Water Company, Inc.

WATER UTILITY BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 2,062	\$ 3,765
134	Working Funds		
135	Temporary Cash Investments	7,845	7,845
141	Customer Accounts Receivable	5,085	4,959
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 14,992	\$ 16,569
	FIXED ASSETS		
101	Utility Plant in Service	\$ 340,302	\$ 332,721
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	(234,776)	(245,787)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 105,526	\$ 86,934
	TOTAL ASSETS	\$ 120,518	\$ 103,503

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

COMPANY NAME: Francesca Water Company, Inc.

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 29,374	\$ 28,952
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	4,673	5,428
236	Accrued Taxes		249
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 34,047	\$ 34,629
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 49,568	\$ 44,112
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 6,370	\$ 6,143
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	12,300	12,300
272	Less: Amortization of contributions	(3,334)	(3,793)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 15,336	\$ 14,650
	TOTAL LIABILITIES	\$ 98,951	\$ 93,391
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	35,112	35,112
215	Retained Earnings	(13,645)	(25,100)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 21,567	\$ 10,112
	TOTAL LIABILITIES AND CAPITAL	\$ 120,518	\$ 103,503

COMPANY NAME: Francesca Water Company, Inc.

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 48,450	\$ 53,580
460	Unmetered Water Revenue		
474	Other Water Revenues	1,492	3,780
	TOTAL REVENUES	\$ 49,942	\$ 57,360
	OPERATING EXPENSES		
601	Salaries and Wages	\$ -	\$ -
610	Purchased Water		
615	Purchased Power	9,767	10,320
618	Chemicals	119	580
620	Repairs and Maintenance	1,402	3,655
621	Office Supplies and Expense	3,750	1,861
630	Outside Services	16,319	18,410
635	Water Testing	2,033	1,857
641	Rents		
650	Transportation Expenses	1,467	2,222
657	Insurance - General Liability	1,406	1,406
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		1,175
675	Miscellaneous Expense	1,542	2,849
403	Depreciation Expense	6,287	8,530
408	Taxes Other Than Income		
408.11	Property Taxes	4,298	3,094
409	Income Tax	157	
427.1	Customer Security Deposit Interest		117
	TOTAL OPERATING EXPENSES	\$ 48,547	\$ 56,076
	OPERATING INCOME/(LOSS)	\$ 1,395	\$ 1,284
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ -	\$ 10
421	Non-Utility Income		
426	Miscellaneous Non-Utility Exp		
427	Interest Expense	\$ (3,277)	(3,096)
434	Extraordinary Deductions		
	TOTAL OTHER INCOME/(EXPENSE)	\$ (3,277)	\$ (3,086)
	NET INCOME/(LOSS)	\$ (1,882)	\$ (1,802)

COMPANY NAME: Francesca Water Company, Inc.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	8/24/2001			
Source of Loan	WIFA			
ACC Decision No.	63660			
Reason for Loan	storage and upgrades			
Dollar Amount Issued	\$ 97,000	\$ -	\$ -	\$ -
Amount Outstanding	\$ 44,112	\$ -	\$ -	\$ -
Date of Maturity	8/1/2021			
Interest Rate	5.08%	%	%	%
Current Year Interest	\$ 2,388	\$ -	\$ -	\$ -
Current Year Principal	\$ 5,457	\$ -	\$ -	\$ -

Meter Deposit Balance at Test Year End \$ 6,143

Meter Deposits Refunded During the Test Year \$ 228

COMPANY NAME: Francesca Water Company, Inc.

Name of System: Amber Ann

ADEQ Public Water System Number: 10-317

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-535748	10	25	805	8	1.5	1992

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS

Horsepower	Quantity
3.0	2

FIRE HYDRANTS

Quantity Standard	Quantity Other
None	

STORAGE TANKS

Capacity	Quantity
25,000	1

PRESSURE TANKS

Capacity	Quantity
2,000	1

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

COMPANY NAME: Francesca Water Company, Inc.

Name of System: Amber Ann

ADEQ Public Water System Number:

10-317

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1,250
3		
4	PVC	2,200
5		
6	PVC	1,500
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	40
3/4	
1	
1 1/2	
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:

Chlorinator

STRUCTURES:

500 feet of chain link fence

OTHER:

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

COMPANY NAME: Francesca Water Company, Inc.

Name of System: Talaway

ADEQ Public Water System Number: 10-283

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-508617	10	25	550	8	2	1984

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS

Horsepower	Quantity
3.0	1
5.0	1

FIRE HYDRANTS

Quantity Standard	Quantity Other
None	

STORAGE TANKS

Capacity	Quantity
40,000	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: Francesca Water Company, Inc.

Name of System: Talaway

ADEQ Public Water System Number:

10-283

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1,917
3	PVC	329
4	PVC	4,596
5		
6	PVC	2,987
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	89
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:

Chlorinator

STRUCTURES:

510 feet of chain link fence

OTHER:

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

COMPANY NAME: Francesca Water Company, Inc.
 Name of System: Amber Ann ADEQ Public Water System Number: 10-317

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	32	152	157	-
FEBRUARY	34	195	205	-
MARCH	34	218	243	-
APRIL	34	208	213	-
MAY	34	219	234	-
JUNE	34	328	345	-
JULY	34	255	276	-
AUGUST	33	245	261	-
SEPTEMBER	33	185	198	-
OCTOBER	33	186	201	-
NOVEMBER	33	204	215	-
DECEMBER	33	143	155	-
TOTALS		2,538	2,703	-

What is the level of arsenic for each well on your system? 0.0059 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 _____ hours

If system has chlorination treatment, does this treatment system chlorinate continuously?

YES NO

Is the Water Utility located in an ADWR Active Management Area (AMA)?

YES NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

YES NO

If yes, provide the GPCPD amount: N/A

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

COMPANY NAME: Francesca Water Company, Inc.
 Name of System: Talaway ADEQ Public Water System Number: 10-283

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	68	335	359	-
FEBRUARY	68	337	362	-
MARCH	67	394	432	-
APRIL	67	449	464	-
MAY	69	408	445	-
JUNE	69	742	760	-
JULY	71	577	656	-
AUGUST	73	584	594	-
SEPTEMBER	73	493	500	-
OCTOBER	74	433	455	-
NOVEMBER	72	428	594	-
DECEMBER	71	327	329	-
TOTALS		5,507	5,950	-

What is the level of arsenic for each well on your system? 0.0063 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 _____ hours

If system has chlorination treatment, does this treatment system chlorinate continuously?

YES NO

Is the Water Utility located in an ADWR Active Management Area (AMA)?

YES NO

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

YES NO

If yes, provide the GPCPD amount: N/A

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

COMPANY NAME: Francesca Water Company, Inc.

Name of System: Amber Ann

ADEQ Public Water System Number:

10-317

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	-	-	-
FEBRUARY	-	-	-
MARCH	-	2	-
APRIL	-	-	-
MAY	-	2	-
JUNE	-	-	-
JULY	-	-	-
AUGUST	-	3	-
SEPTEMBER	-	-	-
OCTOBER	-	1	-
NOVEMBER	-	-	-
DECEMBER	-	1	-
TOTALS	-	9	-

OTHER (description):

COMPANY NAME Francesca Water Company, Inc.

YEAR ENDING 12/31/14

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2014 was: \$ 3,701

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 13 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima
NAME (OWNER OR OFFICIAL) TITLE Bonnie O'Connor, Manager
COMPANY NAME Francesca Water Company, 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	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

520-624-1460

TELEPHONE NUMBER

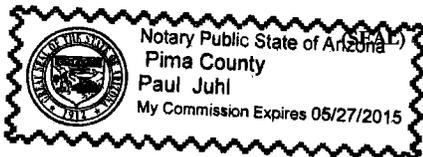
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME Pima
MONTH/YEAR April, 2015

THIS 10th

DAY OF





SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/15

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED
APR 13 2015
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Pima
NAME (OWNER OR OFFICIAL) TITLE
Bonnie O'Connor, Manager
COMPANY NAME
Francesca Water Company, Inc.

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.

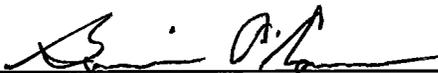
SWORN STATEMENT

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 (\$)
\$ <u>60,872</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 3,512 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)**



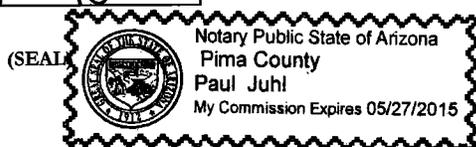
 SIGNATURE OF OWNER OR OFFICIAL

 570-624-1460

 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 10th DAY OF

COUNTY NAME
Pima
MONTH/YEAR
April, 2015





 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 5/27/15

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

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Francesca Water Company, Inc.	

RECEIVED
APR 13 2015
ACC UTILITIES DIRECTOR

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.

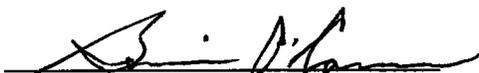
SWORN STATEMENT

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
\$ 59,113

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3,409
IN SALES TAXES BILLED, OR COLLECTED

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

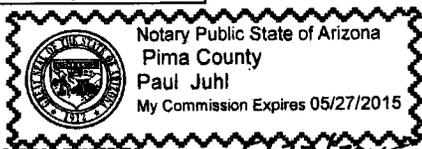

SIGNATURE OF OWNER OR OFFICIAL

520-624-1460
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 10th DAY OF

(SEAL)



MY COMMISSION EXPIRES 5/27/2015

NOTARY PUBLIC NAME Paul Juhl
COUNTY NAME Pima
MONTH/YEAR April, 2015


SIGNATURE OF NOTARY PUBLIC