

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

MAR 10 2015

AZ CORP COMM
Director - Utilities

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02886A

Kohl's Ranch Water Company
PO Box 206
Payson, AZ 85547

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
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FOR COMMISSION USE

ANN 04	14
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3-11-15

COMPANY NAME

KOHLL'S RANCH WATER COMPANY INC

2014

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	—	—	—
304	Structures and Improvements	—	—	—
307	Wells and Springs	2,000.70	2,000.70	0.00
311	Pumping Equipment	34,081.58	33,551.70	529.88
320	Water Treatment Equipment	6,199.25	6,199.25	0.00
320.1	Water Treatment Plants	—	—	—
320.2	Solution Chemical Feeders	—	—	—
330	Distribution Reservoirs and Standpipes	—	—	—
330.1	Storage Tanks	—	—	—
330.2	Pressure Tanks	—	—	—
331	Transmission and Distribution Mains	12,658.00	12,658.00	0.00
333	Services	—	—	—
334	Meters and Meter Installations	18,767.75	13,832.09	4,935.66
335	Hydrants	—	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	—	—	—
340	Office Furniture and Equipment	150.00	150.00	0.00
340.1	Computers & Software	—	—	—
341	Transportation Equipment	1,000.00	1,000.00	0.00
343	Tools, Shop and Garage Equipment	3,133.19	3,133.19	0.00
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	—	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	6,875.17	6,875.17	0.00
348	Other Tangible Plant	300.00	300.00	0.00
	TOTALS	85,165.74	79,700.10	5,465.54

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

COMPANY NAME

KOHLE'S RANCH WATER COMPANY INC 2011

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			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	605.58	12.5	75.70
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	5384.16	8.33	448.50
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL	5989.74		524.20
	LESS CIAC Amortization			
	TOTALS *	5989.74		524.20

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

COMPANY NAME KOHL'S RANCH WATER COMPANY INC. 2014

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 1,170.01	\$ 245.12
134	Working Funds	0.00	0.00
135	Temporary Cash Investments	0.00	0.00
141	Customer Accounts Receivable	0.00	0.00
146	Notes/Receivables from Associated Companies	0.00	0.00
151	Plant Material and Supplies	0.00	0.00
162	Prepayments	0.00	0.00
174	Miscellaneous Current and Accrued Assets	0.00	0.00
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,170.01	\$ 245.12
FIXED ASSETS			
101	Utility Plant in Service	\$ 79,175.90	\$ 85,165.74
103	Property Held for Future Use	0.00	0.00
105	Construction Work in Progress	0.00	0.00
108	Accumulated Depreciation - Utility Plant	<79,175.90	<79,700.10>
121	Non-Utility Property	0.00	0.00
122	Accumulated Depreciation - Non Utility		0.00
	TOTAL FIXED ASSETS	\$ 0.00	\$ 5,465.64
	TOTAL ASSETS	\$ 1,170.01	\$ 5,710.76

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

COMPANY NAME KOHL'S RANCA WATER COMPANY INC. 2014

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT LIABILITES			
231	Accounts Payable	\$ 1,338.19	\$ 1,959.15
232	Notes Payable (Current Portion)	0.00	0.00
234	Notes/Accounts Payable to Associated Companies	0.00	0.00
235	Customer Deposits	0.00	0.00
236	Accrued Taxes / PAYROLL	2,065.22	1,554.62
237	Accrued Interest	0.00	0.00
241	Miscellaneous Current and Accrued Liabilities	0.00	0.00
	TOTAL CURRENT LIABILITIES	\$ 3,403.41	\$ 3,513.77
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 0.00	\$ 0.00
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$ 0.00	\$ 0.00
252	Advances in Aid of Construction	0.00	0.00
255	Accumulated Deferred Investment Tax Credits	0.00	0.00
271	Contributions in Aid of Construction	0.00	0.00
272	Less: Amortization of Contributions	0.00	0.00
281	Accumulated Deferred Income Tax	0.00	0.00
	TOTAL DEFERRED CREDITS	\$ 0.00	\$ 0.00
	TOTAL LIABILITIES	\$ 3,403.41	\$ 3,513.77
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 0.00	\$ 0.00
211	Paid in Capital in Excess of Par Value	0.00	0.00
215	Retained Earnings	2,233.40	2,196.99
218	Proprietary Capital (Sole Props and Partnerships)	0.00	
	TOTAL CAPITAL	\$ 2,233.40	\$ 2,196.99
	TOTAL LIABILITIES AND CAPITAL	\$ 1,170.01	\$ 5,710.76

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 113,293.01	\$ 115,959.33
460	Unmetered Water Revenue	0.00	0.00
474	Other Water Revenues	0.00	0.00
	TOTAL REVENUES	\$ 113,293.01	\$ 115,959.33
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 21,803.00	\$ 24,000.00
610	Purchased Water	0.00	0.00
615	Purchased Power	8,115.39	5,540.16
618	Chemicals	690.17	565.53
620	Repairs and Maintenance	7,161.12	5,130.84
621	Office Supplies and Expense	8,490.32	11,184.81
630	Outside Services	44,170.34	43,485.40
635	Water Testing	3,240.00	2,317.00
641	Rents	0.00	0.00
650	Transportation Expenses	5,375.22	1,125.00
657	Insurance - General Liability	2,058.63	1,887.49
659	Insurance - Health and Life	0.00	0.00
666	Regulatory Commission Expense - Rate Case	0.00	0.00
675	Miscellaneous Expense	749.50	0.00
403	Depreciation Expense	0.00	735.00
408	Taxes Other Than Income	7,924.91	12,867.04
408.11	Property Taxes	1,885.02	3,339.02
409	Income Tax	0.00	569.00
	TOTAL OPERATING EXPENSES	\$ 111,664.12	\$ 112,746.29
	OPERATING INCOME/(LOSS)	\$ 1,628.89	\$ 3,213.04
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0.01	\$ 0.00
421	Non-Utility Income	0.00	0.00
426	Miscellaneous Non-Utility Expenses	0.00	0.00
427	Interest Expense	0.00	0.00
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0.01	\$ 0.00
	NET INCOME/(LOSS)	\$ 1,628.90	\$ 3,213.04

COMPANY NAME KOHL'S RANCHA WATER COMPANY INC. 2014

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
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	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ N/A

Meter Deposits Refunded During the Test Year

\$ N/A

COMPANY NAME	KOHL'S RANCH WATER COMPANY	INC,	2014
Name of System:	WELL	ADEQ Public Water System Number:	04-089

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-508295	(5) 3	37	185	8" to 21"	(1 1/2) 2	1984
				5" to 185"		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15 HP	1	2	
30 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	10,000 Gal.	1

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

KOHL'S RANCH WATER COMPANY INC.

Company Name: **KRWC** WELL 04-089 Year Ended: **2014**

WATER COMPANY PLANT DESCRIPTION CONTINUED

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC	1,385
3	PVC	400
4		
5		
6		
8	PVC	1,050
10		
12		
3	Galvanized Iron	275
1	Galvanized Iron	550

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 x 1/2	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	
8 inch*	1

* at 12/31/2009

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

TREATMENT EQUIPMENT:

(1 ea) Chlorinating Pump

(1 ea) Chlorine Tank

STRUCTURES:

Pump Building - Block 1,280 SF (64' X 20')

Water Storage Tank - 38' Diameter X 24' High

OTHER:

11(A)

COMPANY NAME KOHL'S RANCH WATER COMPANY INC. YEAR ENDED 2014
 Name of System: SPRING ADEQ Public Water System Number: 04-013

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Galvanized	3,280 FT
3	Cement	5,320 FT
4	Cement	2,240 FT
5		
6	Cast Iron	100 FT
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	90
3/4	
1	32
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	1
Turbo 6	

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

TREATMENT EQUIPMENT:

(1 each) CHLORINATING PUMP
 (1 each) CHLORINE TANK
 (4 ea) FILTER TANKS & BACKWASH VALVES

STRUCTURES:

CHLORINATION BUILDING FRAME
 FILTER BUILDING - FRAME

OTHER:

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

COMPANY NAME:	KOHL'S RANCH WATER COMPANY INC. YEAR ENDED 2014
Name of System:	SPRING ADEQ Public Water System Number: 04-013

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY 2015	122	186,984	289,900	N/A
FEBRUARY 2014	"	44,807	125,800	N/A
MARCH 2014	"	66,384	157,300	
APRIL "	"	125,683	251,000	
MAY "	"	288,360	486,400	
JUNE "	"	449,485	689,600	
JULY "	"	418,334	680,900	
AUGUST "	"	246,998	375,700	
SEPTEMBER "	"	174,350	292,000	
OCTOBER "	"	133,604	244,200	
NOVEMBER "	"	148,289	262,100	
DECEMBER 2014	122	155,855	277,600	
* TOTALS →		2,439,133	4,132,500	

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

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ 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: _____

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

COMPANY NAME: KOHL'S RANCH WATER COMPANY INC. YEAR ENDED 2014
 Name of System: WELL ADEQ Public Water System Number: 04-089

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY 2015	1	235,110	213,480	N/A
FEBRUARY 2014	1	209,639	197,366	
MARCH "	1	344,481	344,486	
APRIL "	1	366,811	355,225	
MAY "	1	521,249	521,249	
JUNE "	1	694,920	685,994	
JULY "	1	541,703	530,223	
AUGUST "	1	413,920	401,606	
SEPTEMBER "	1	402,774	369,568	
OCTOBER "	1	468,789	464,980	
NOVEMBER "	1	273,394	259,822	
DECEMBER 2014	1	278,740	273,284	
TOTALS →		4,751,530	4,617,283	N/A

What is the level of arsenic for each well on your system? 0 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 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: _____

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

COMPANY NAME: KOHL'S RANCH WATER COMPANY INC. YEAR ENDED: 2014
 Name of System: ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	N/A		
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →	N/A		

OTHER (description):

COMPANY NAME KOHL'S RANCH WATER COMPANY INC. YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 3,339.02

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 10 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>GILA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>EVELYN R. THORNE PRESIDENT/OWNER</u>
COMPANY NAME	<u>KOHL'S RANCH WATER COMPANY INC.</u>

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.

E. Castillo

SIGNATURE OF OWNER OR OFFICIAL

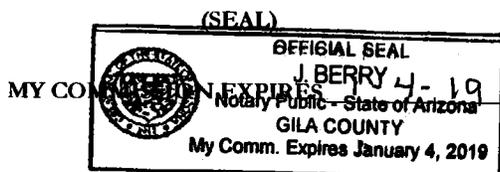
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 6th DAY OF march

COUNTY NAME <u>Gila.</u>
MONTH <u>march</u> <u>2015</u>



Berry

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME KOHL'S RANCH WATER COMPANY INC. YEAR ENDING 12/31/2014

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 3,732.00
Estimated or Actual Federal Tax Liability 519.00

State Taxable Income Reported 3,732.00
Estimated or Actual State Tax Liability 243.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0.00
Amount of Gross-Up Tax Collected 0.00
Total Grossed-Up Contributions/Advances 0.00

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.

Evelyn Thorne
SIGNATURE

3-6-2015
DATE

EVELYN THORNE
PRINTED NAME

3 PRESIDENTS
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
MAR 10 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>GILA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>EVELYN K. THORNE PRESIDENT/OWNER</u>
COMPANY NAME	<u>KOHL'S RANCH WATER COMPANY INC.</u>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2014</u>

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>115,959.33</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 8,246.95 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)**

E. Castillo
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

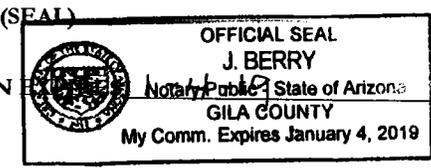
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 6th DAY OF

COUNTY NAME	<u>Gila</u>
MONTH	<u>March</u>
YEAR	<u>2015</u>

MY COMMISSION



J. Berry
SIGNATURE OF NOTARY PUBLIC

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

RECEIVED
MAR 10 2015
AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

**I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) <p style="text-align: center;">GILA</p>	
NAME (OWNER OR OFFICIAL) <p style="text-align: center;">EVELYN R. THORNE</p>	TITLE <p style="text-align: center;">PRESIDENT / OWNER</p>
COMPANY NAME <p style="text-align: center;">KOHLS RANCH WATER COMPANY INC.</p>	

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 <p style="text-align: center; font-size: 1.2em;">\$ 115,959.33</p>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 8246.95 IN SALES TAXES BILLED, OR COLLECTED)

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

E. Thorne

SIGNATURE OF OWNER OR OFFICIAL

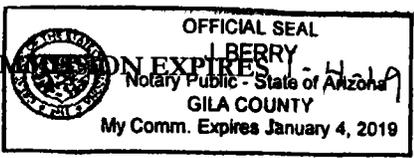
TELEPHONE NUMBER

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

NOTARY PUBLIC NAME <p style="text-align: center;">J Berry</p>	
COUNTY NAME <p style="text-align: center;">Gila</p>	
MONTH <p style="text-align: center;">march</p>	2015

(SEAL)

MY COMMISSION EXPIRES



J. Berry

SIGNATURE OF NOTARY PUBLIC