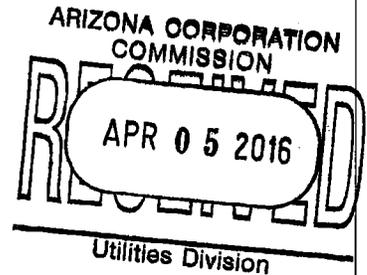


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

WS-02672A

Cloud Nine Water Company, Inc.
96 Bel Aire Place, Ste. 140
Sierra Vista, AZ 85635



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 & Wastewater

FOR YEAR ENDING

12	31	2015
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FOR COMMISSION USE

ANN 04-05	15
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45-16

COMPANY INFORMATION

Company Name (Business Name) CLOUD NINE WATER COMPANY, INC.

Mailing Address 96 BEL AIRE PL, #140

(Street)

SIERRA VISTA

(City)

AZ

(State)

85635

(Zip)

520-458 1311

Telephone No. (Include Area Code)

520-458 4532

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address -

Local Office Mailing Address as above

(Street)

(City)

(State)

(Zip)

Local Customer Service Phone No. (Include Area Code)

(1-800 or other long distance Customer Service Phone No.)

Email Address _____ Website address _____

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: ANDREW STOKES SECRETARY

(Name)

(Title)

as above

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address -

On Site Manager: BOB JONNEWARD

(Name)

as above

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address -

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

WATER UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	50,000	30,104	19,896
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	41,062	27,213	13,849
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	138,741	71,068	67,673
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	58,755	58,755	-
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	23,805	23,805	-
333	Services			
334	Meters and Meter Installations	315	315	-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	312,678	211,260	101,418

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

COMPANY NAME CLOUD NINE 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	50,000	2.5%	1,250
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs	41,062	4.5%	894
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	138,741	Varies	4,163
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	58,755	FULLY DEPRECIATED	-
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	23,805	"	-
333	Services			
334	Meters and Meter Installations	315	"	-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
342	Stores 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			
	LESS CIAC Amortization			
	TOTALS *			6,307

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

COMPANY NAME

CLOUD NINE 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	\$ 5,401	\$ 5,710
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,019	2,169
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7,420	\$ 7,879
	FIXED ASSETS		
101	Utility Plant in Service	\$ 311,253	\$ 312,678
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(206,176)	(211,260)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 105,077	\$ 101,418
	TOTAL ASSETS	\$ 112,497	\$ 109,297

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

COMPANY NAME CLOUD NINE WATER COMPANY, INC

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	292,868	309,864
235	Customer Deposits		
236	Accrued Taxes	73	74
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	30	-
	TOTAL CURRENT LIABILITIES	\$ 292,971	\$ 309,938
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 200,000	\$ 200,000
211	Paid in Capital in Excess of Par Value	3,503	3,503
215	Retained Earnings	(383,977)	(404,144)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (180,474)	\$ (200,641)
	TOTAL LIABILITIES AND CAPITAL	\$ 112,497	\$ 109,297

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 13,074	\$ 12,157
460	Unmetered Water Revenue		
474	Other Water Revenues	515	655
	TOTAL REVENUES	\$ 13,589	\$ 12,812
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	11,212	11,541
618	Chemicals		
620	Repairs and Maintenance	744	724
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing	4,113	4,605
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1,850	1,356
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,647	1,775
403	Depreciation Expense	9,141	6,307
408	Taxes Other Than Income		
408.11	Property Taxes	1,661	1,656
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 31,368	\$ 27,964
	OPERATING INCOME/(LOSS)	\$ (17,779)	\$ (15,152)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses <small>LOSS ON DISPOSAL</small>	<14,744>	(204)
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ <14,744>	\$ (204)
	NET INCOME/(LOSS)	\$ (32,523)	\$ (15,356)

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

WASTEWATER UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Wastewaters – Force			
361	Collection Wastewaters – Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters & Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
374	Reuse Distribution Reservoir			
375	Reuse Transmission & Distribution System			
380	Treatment and Disposal Equip.			
381	Plant Wastewaters			
382	Outfall Wastewater Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
390.1	Computers & Software			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equip.			
394.1	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
	TOTALS	—	—	—

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



COMPANY NAME

CLOUD NINE WATER COMPANY, INC

WASTEWATER UTILITY CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Wastewaters – Force			
361	Collection Wastewaters – Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters & Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
374	Reuse Distribution Reservoir			
375	Reuse Transmission & Distribution System			
380	Treatment and Disposal Equip.			
381	Plant Wastewaters			
382	Outfall Wastewater Lines			
389	Other Plant and Misc. Equipment			
390	Office Furniture and Equipment			
390.1	Computers & Software			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equip.			
394.1	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *			

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

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

WASTEWATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$ —	\$ —

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

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

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)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$	\$
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Other Paid in Capital		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$	\$

COMPANY NAME

CLOUD NINE WATER COMPANY, INC

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

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$ 6,751	\$ 6,584
522	Measured Revenues		
536	Other Wastewater Revenues		
	TOTAL REVENUES	\$ 6,751	\$ 6,584
	OPERATING EXPENSES		
701	Salaries and Wages	\$	\$
710	Purchased Wastewater Treatment	11,041	11,395
711	Sludge Removal Expense		
715	Purchased Power		
716	Fuel for Power Production		
718	Chemicals		
720	Materials and Supplies		
731	Contractual Services – Professional		
735	Contractual Services – Testing		
736	Contractual Services – Other		
740	Rents		
750	Transportation Expense		
755	Insurance Expense		
765	Regulatory Commission Expense		
775	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Taxes		
	TOTAL OPERATING EXPENSES	\$ 11,041	\$ 11,395
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXPENSE	\$ -	\$
	NET INCOME/(LOSS)	\$ <4,290>	\$ <4,811>

COMPANY NAME CLOUD NINE WATER COMPANY, INC

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	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	CLOUD NINE WATER COMPANY INC
Name of System:	ADEQ Public Water System Number:

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
	30			4"		
	40			4"		

* 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
5	1		
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
300,000	1	5,000	2

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

COMPANY NAME CLOUD NINE WATER COMPANY INC

Name of System: _____ ADEQ Public Water System Number: _____

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	4'	400
3		500
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	44
3/4	
1	
1 1/2	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:

AUTO CHLORINATOR

STRUCTURES:

OTHER:

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

COMPANY NAME: CLOUD NINE WATER COMPANY, INC
 Name of System: CLOUD NINE WATER ADEQ Public Water System Number: A2 04 02 009

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2015

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY			1003.1	
FEBRUARY			1151.4	
MARCH			575.6	
APRIL			1313.9	
MAY			1297.2	
JUNE			1295.9	
JULY			1655.3	
AUGUST			1357.1	
SEPTEMBER			1328.6	
OCTOBER			1370.5	
NOVEMBER			1188.8	
DECEMBER			2195.4	
TOTALS →			15,732.8	

What is the level of arsenic for each well on your system? < 0.001 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: CLOUD NINE WATER COMPANY, INC

Name of System: CLOUD NINE WATER ADEQ Public Water System Number: A20402009

WATER UTILITY SHUTOFFS / DISCONNECTS

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

OTHER (description):

CUSTOMER REQUESTED SHUT-OFFS.

COMPANY NAME	CLOUD NINE WATER COMPANY, INC
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)

FORCE MAINS

Size	Material	Length (Feet)
4-inch		
6-inch		

MANHOLES

Type	Quantity
Standard	
Drop	

CLEANOUTS

Quantity

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

COMPANY NAME	
CLOUD NINE WATER COMPANY, INC	
Name of System:	Wastewater Inventory Number (if applicable):

WASTEWATER UTILITY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4		
6		
8		
10		
12		
15		
18		
21		
24		
30		

SERVICES

Size (in inches)	Material	Quantity
4		
6		
8		
12		
15		

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

SOLIDS PROCESSING AND HANDLING FACILITIES	
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	
STRUCTURES (Buildings, Fences, Etc.)	
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	

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

COMPANY NAME	CLOUD NINE WATER COMPANY, INC
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			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			

**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.)	
Groundwater Permit Number	
ADEQ Aquifer Protection Permit Number	
ADEQ Reuse Permit Number	
EPA NPDES Permit Number	

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

COMPANY NAME:	CLOUD NINE WATER COMPANY, INC
Name of System:	Wastewater Inventory Number (if applicable):

WASTEWATER UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2- 609.B	Termination with Notice R14-2- 609.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

PROPERTY TAXES

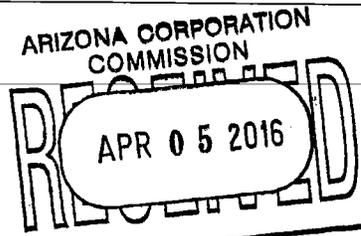
Amount of actual property taxes paid during Calendar Year 2015 was: \$ 1,656

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. _____

5

VERIFICATION
AND
SWORN STATEMENT
Taxes



VERIFICATION

STATE OF CALIFORNIA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>MARIN</u>
NAME (OWNER OR OFFICIAL) TITLE <u>ANDREW STOKES, SECRETARY</u>
COMPANY NAME <u>CLOUD NINE 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
<u>12</u>	<u>31</u>	<u>2015</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

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

415-497 2619

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

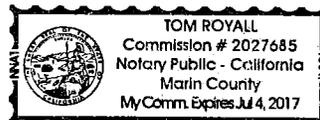
THIS 30th DAY OF

COUNTY NAME	<u>Marin</u>	
MONTH	<u>March</u>	<u>2016</u>

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES July 4th, 2017



**VERIFICATION
AND
SWORN STATEMENT (WATER)
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION
RECEIVED
APR 05 2016

VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small>	<u>MARIN</u>
<small>NAME (OWNER OR OFFICIAL), TITLE</small>	<u>ANDREW STOILES</u>
<small>COMPANY NAME</small>	<u>CLOUD NINE WATER COMPANY, INC</u>

Utilities Division

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>13,128</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 971
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
415-497 2619

TELEPHONE NUMBER

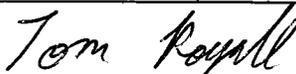
SUBSCRIBED AND SWORN TO BEFORE ME, Tom Royall

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

(SEAL)

<small>COUNTY NAME</small>	<u>Marin</u>	
<small>MONTH</small>	<u>March</u>	<u>2016</u>

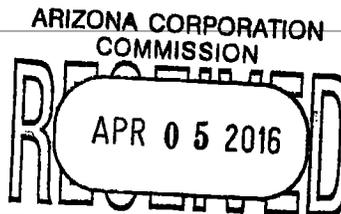


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES July 4th, 2017



**VERIFICATION
AND
SWORN STATEMENT (SEWER)
Intrastate Revenues Only**



VERIFICATION

STATE OF CALIFORNIA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>MARIN</u>
NAME (OWNER OR OFFICIAL) TITLE <u>ANDREW STOICES</u>
COMPANY NAME <u>CLOUD WINE WATER COMPANY, INC</u>

Utilities Division

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ <u>6,584</u>
--

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ —
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
415 497 2619
TELEPHONE NUMBER

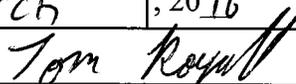
SUBSCRIBED AND SWORN TO BEFORE ME, Tom Royall

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME	<u>Marin</u>
MONTH	<u>March</u> , 20 <u>16</u>

(SEAL)
MY COMMISSION EXPIRES July 4th, 2017


SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE (WATER)
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION
RECEIVED
APR 05 2016
Utilities Division

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>COCHISE</i>	
NAME (OWNER OR OFFICIAL) <i>ANDREW SPILES</i>	TITLE <i>SECRETARY</i>
COMPANY NAME <i>CLOUD NINE WATER COMPANY, INC</i>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2015

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 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <i>\$ 6,598</i>
--

THE AMOUNT IN BOX AT LEFT INCLUDES \$ *494* IN SALES TAXES BILLED, OR COLLECTED)

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

[Signature]

SIGNATURE OF OWNER OR OFFICIAL

415 497 2619

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

<i>30th</i>

DAY OF

NOTARY PUBLIC NAME <i>Tom Royall</i>	
COUNTY NAME <i>Marin</i>	
MONTH <i>March</i>	.20 <i>16</i>

(SEAL)

MY COMMISSION EXPIRES

July 4th, 2017

[Signature]

SIGNATURE OF NOTARY PUBLIC

TOM ROYALL
Commission # 2027685
Notary Public - California
Marin County
My Comm. Expires Jul 4, 2017

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE (SEWER)
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION
RECEIVED
APR 05 2016

VERIFICATION
STATE OF CALIFORNIA

COUNTY OF (COUNTY NAME) <u>MARIN</u>		Utilities Division
NAME (OWNER OR OFFICIAL) <u>ANDREW STOILES</u>	TITLE <u>SECRETARY</u>	
COMPANY NAME <u>CLOUD NINE WATER COMPANY, INC</u>		

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	2015

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 2015 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>3,429.</u>

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

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



SIGNATURE OF OWNER OR OFFICIAL

415 497 2611

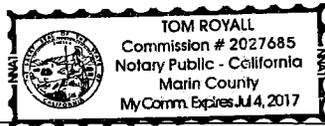
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 30th DAY OF

NOTARY PUBLIC NAME <u>Tom Royall</u>	
COUNTY NAME <u>Marin</u>	
MONTH <u>March</u>	<u>2016</u>

(SEAL)

MY COMMISSION EXPIRES
July 4th, 2017





SIGNATURE OF NOTARY PUBLIC