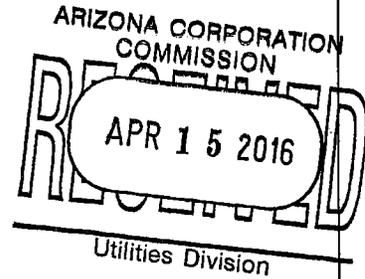


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03476A
BN Leasing Corporation
d/b/a Aubrey Water Company
P.O. Box 961050
Ft Worth, TX 76161



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 | 2015 |
|----|----|------|

FOR COMMISSION USE

| | |
|--------|----|
| ANN 04 | 15 |
|--------|----|

4-26-16

COMPANY INFORMATION

| | | |
|--|--|---|
| Company Name (Business Name) <u>BN Leasing d/b/a Aubrey Water Company</u> | | |
| Mailing Address <u>2301 Lou Menk Drive, GOB G3W</u> | | |
| <u>Fort Worth</u> <small>(City)</small> | <u>Texas</u> <small>(State)</small> | <u>76131</u> <small>(Zip)</small> |
| <u>817-352-6461</u> | <u>817-352-7797</u> | <u>817-313-4785</u> |
| <small>Telephone No. (Include Area Code)</small> | <small>Fax No. (Include Area Code)</small> | <small>Cell No. (Include Area Code)</small> |
| Email Address <u>blaine.bilderback@bnsf.com</u> | | |
| Local Office Mailing Address <u>P.O. Box 85160</u> | | |
| <u>Tuscon</u> <small>(City)</small> | <u>Arizona</u> <small>(State)</small> | <u>85754</u> <small>(Zip)</small> |
| <u>520-623-5172</u> | | |
| <small>Local Customer Service Phone No. (Include Area Code)</small> | <small>(1-800 or other long distance Customer Service Phone No.)</small> | |
| Email Address <u>swungmt@aol.com</u> | Website address _____ | |

MANAGEMENT INFORMATION

| | | |
|--|--|---|
| <input type="checkbox"/> Regulatory Contact: | | |
| <input checked="" type="checkbox"/> Management Contact: | | |
| <u>Blaine Bilderback</u> <small>(Name)</small> | <u>Director Corporate Facilities</u> <small>(Title)</small> | |
| <u>2301 Lou Menk Drive, GOB G3W</u> <small>(Street)</small> | <u>Fort Worth</u> <small>(City)</small> | <u>Texas</u> <small>(State)</small> |
| <u>817-352-6461</u> | <u>817-352-7797</u> | <u>817-313-4785</u> |
| <small>Telephone No. (Include Area Code)</small> | <small>Fax No. (Include Area Code)</small> | <small>Cell No. (Include Area Code)</small> |
| Email Address <u>blaine.bilderback@bnsf.com</u> | | |
| On Site Manager: | | |
| <u>John Kennedy</u> <small>(Name)</small> | | |
| <u>P.O. Box 416</u> <small>(Street)</small> | <u>Seligman</u> <small>(City)</small> | <u>Arizona</u> <small>(State)</small> |
| <u>928-422-3242</u> | <u>928-422-3242</u> | <u>86337</u> <small>(Zip)</small> |
| <small>Telephone No. (Include Area Code)</small> | <small>Fax No. (Include Area Code)</small> | <small>Cell No. (Include Area Code)</small> |
| Email Address <u>kennedy@tabletoptelephone.com</u> | | |

| | | | |
|-----------------------------------|-----------------------------|---------------------------------------|-------|
| Statutory Agent: _____ | | CT Corporation | |
| | | (Name) | |
| 3225 North Central Avenue | Pheonix | Arizona | 85012 |
| (Street) | (City) | (State) | (Zip) |
| 602-277-4792 | | | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Attorney: _____ | | Patrick Black (Fennemore Craig, P.C.) | |
| | | (Name) | |
| 2394 Camelback Road, Suite 600 | Pheonix | Arizona | 85016 |
| (Street) | (City) | (State) | (Zip) |
| 602-916-5117 | | 602-916-5999 | |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) | |
| Email Address _____ | | | |

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 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 checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Aubrey Water Company

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 | 23,793 | 13,951 | 9,842 |
| 305 | Collecting & Impounding Reservoirs | | | |
| 306 | Lake, River, Canal Intakes | | | |
| 307 | Wells and Springs | 104,563 | 60,021 | 44,542 |
| 308 | Infiltration Galleries | | | |
| 309 | Raw Water Supply Mains | | | |
| 310 | Power Generation Equipment | | | |
| 311 | Pumping Equipment | 1,632,259 | 1,125,507 | 506,752 |
| 320 | Water Treatment Equipment | | | |
| 320.1 | Water Treatment Plants | 1,055 | 619 | 436 |
| 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 | 23,980 | 8,174 | 15,806 |
| 330.2 | Pressure Tanks | | | |
| 331 | Transmission and Distribution Mains | 9,934 | 1,931 | 8,003 |
| 333 | Services | 8,802 | 2,607 | 6,195 |
| 334 | Meters and Meter Installations | 61,387 | 17,321 | 44,066 |
| 335 | Hydrants | 1,872 | 214 | 1,658 |
| 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 | 2,906 | 975 | 1,931 |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | |
| | TOTALS | 1,870,551 | 1,231,320 | 639,231 |

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

COMPANY NAME Aubrey Water Company

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 | 23,793 | 3.33% | 792 |
| 305 | Collecting & Impounding Reservoirs | | | |
| 306 | Lake, River, Canal Intakes | | | |
| 307 | Wells and Springs | 104,563 | 3.33% | 3,482 |
| 308 | Infiltration Galleries | | | |
| 309 | Raw Water Supply Mains | | | |
| 310 | Power Generation Equipment | | | |
| 311 | Pumping Equipment | 1,632,259 | 12.50% | 202,101 |
| 320 | Water Treatment Equipment | | | |
| 320.1 | Water Treatment Plants | 1,055 | 3.33% | 35 |
| 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 | 23,980 | 2.22% | 532 |
| 330.2 | Pressure Tanks | | | |
| 331 | Transmission and Distribution Mains | 9,934 | 2.00% | 199 |
| 333 | Services | 8,802 | 3.33% | 277 |
| 334 | Meters and Meter Installations | 61,387 | 8.33% | 4,082 |
| 335 | Hydrants | 1,872 | 2.00% | 38 |
| 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 | 2,906 | 5.00% | 146 |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | |
| | SUBTOTAL | | | 211,684 |
| | LESS CIAC Amortization | | | (201) |
| | TOTALS * | | | 211,483 |

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

COMPANY NAME Aubrey Water Company

WATER UTILITY BALANCE SHEET

| Acct No. | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|----------|---|------------------------------|------------------------|
| | ASSETS | | |
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ 44,558 | \$ 93,057 |
| 134 | Working Funds | | |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | 7,781 | |
| 146 | Notes/Receivables from Associated Companies | | |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | 2,258 | 2,116 |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 54,597 | \$ 95,173 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$ 1,856,001 | \$ 1,870,551 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation – Utility Plant | (1,019,636) | (1,231,320) |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation – Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 836,365 | \$ 639,231 |
| | TOTAL ASSETS | \$ 890,962 | \$ 734,404 |

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

COMPANY NAME Aubrey Water Company

WATER UTILITY BALANCE SHEET (CONTINUED)

| Acct. No. | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
|-----------|---|------------------------------|------------------------|
| | LIABILITIES | | |
| | CURRENT LIABILITES | | |
| 231 | Accounts Payable | \$ 1,017 | \$ 2,372 |
| 232 | Notes Payable (Current Portion) | | |
| 234 | Notes/Accounts Payable to Associated Companies | 1,892,870 | 1,995,477 |
| 235 | Customer Deposits | 5,395 | 8,001 |
| 236 | Accrued Taxes | 592 | 576 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | 12,964 | 3,867 |
| | TOTAL CURRENT LIABILITIES | \$ 1,912,838 | \$ 2,010,293 |
| | 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 | 6,046 | 6,046 |
| 272 | Less: Amortization of Contributions | (1,066) | (1,267) |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$ 4,980 | \$ 4,779 |
| | TOTAL LIABILITIES | \$ 1,917,818 | \$ 2,015,072 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ | \$ |
| 211 | Paid in Capital in Excess of Par Value | | |
| 215 | Retained Earnings | (1,026,856) | (1,280,668) |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ (1,026,856) | \$ (1,280,668) |
| | TOTAL LIABILITIES AND CAPITAL | \$ 890,962 | \$ 734,404 |

COMPANY NAME Aubrey Water Company

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|-----------|---|---------------------|---------------------|
| 461 | Metered Water Revenue | \$ 164,247 | \$ 154,577 |
| 460 | Unmetered Water Revenue | | |
| 474 | Other Water Revenues | 1,125 | 975 |
| | TOTAL REVENUES | \$ 165,372 | \$ 155,552 |
| | OPERATING EXPENSES | | |
| 601 | Salaries and Wages | \$ | \$ |
| 610 | Purchased Water | | |
| 615 | Purchased Power | 30,469 | 27,577 |
| 618 | Chemicals | | 915 |
| 620 | Repairs and Maintenance | 13,944 | 9,232 |
| 621 | Office Supplies and Expense | 2,641 | 3,022 |
| 630 | Outside Services | 82,324 | 78,592 |
| 635 | Water Testing | 3,099 | 3,084 |
| 641 | Rents | | |
| 650 | Transportation Expenses | 5,253 | 5,128 |
| 657 | Insurance – General Liability | 2,826 | 3,316 |
| 659 | Insurance - Health and Life | | |
| 666 | Regulatory Commission Expense – Rate Case | 1,980 | 50,267 |
| 675 | Miscellaneous Expense | 5,743 | 8,777 |
| 403 | Depreciation Expense | 209,752 | 211,482 |
| 408 | Taxes Other Than Income | | |
| 408.11 | Property Taxes | 8,090 | 7,912 |
| 409 | Income Tax | | |
| | TOTAL OPERATING EXPENSES | \$ 366,121 | \$ 409,304 |
| | OPERATING INCOME/(LOSS) | \$ (200,749) | \$ (253,752) |
| | OTHER INCOME/(EXPENSE) | | |
| 419 | Interest and Dividend Income | \$ | \$ |
| 421 | Non-Utility Income | 100 | 86 |
| 426 | Miscellaneous Non-Utility Expenses | | |
| 427 | Interest Expense | (113) | (146) |
| | TOTAL OTHER INCOME/(EXPENSE) | \$ (13) | \$ (60) |
| | NET INCOME/(LOSS) | \$ (200,762) | \$ (253,812) |

COMPANY NAME Aubrey Water Company

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 | Aubrey Water Company |
| Name of System: | ADEQ Public Water System Number: 13-010 |

WATER UTILITY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|------------------------|------------------------|-------------------------|----------------------------|---------------------------------|----------------------------|---------------------|
| 55-627275 | 30 | 160 | 488 | 16 & 12 | 3 | 1947 |
| 55-627276 | 30 | 160 | 509 | 16 & 12 | 3 | 1947 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

* 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 |
| 25 | 2 | 22 | |
| 2 | 1 | | |
| | | | |
| | | | |

| STORAGE TANKS | | PRESSURE TANKS | |
|----------------------|-----------------|-----------------------|-----------------|
| Capacity | Quantity | Capacity | Quantity |
| 281,480 | 1 | | |
| | | | |
| | | | |

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

| | |
|------------------------|---|
| COMPANY NAME | Aubrey Water Company |
| Name of System: | ADEQ Public Water System Number: 13-010 |

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

| Size (in inches) | Material | Length (in feet) |
|------------------|----------|------------------|
| 2 | PVC | 3,560 |
| 3 | | |
| 4 | PVC | 9,820 |
| 5 | | |
| 6 | PVC | 4,800 |
| 8 | | |
| 10 | | |
| 12 | | |
| 2 | GALV | 14,580 |
| 6 | CIP | 15,600 |
| | | |
| | | |
| | | |

CUSTOMER METERS

| Size (in inches) | Quantity |
|------------------|----------|
| 5/8 X 3/4 | 275 |
| 3/4 | 1 |
| 1 | 11 |
| 1 1/2 | 7 |
| 2 | 15 |
| Comp. 3 | 3 |
| Turbo 3 | |
| Comp. 4 | |
| Turbo 4 | |
| Comp. 6 | 3 |
| Turbo 6 | |
| | |
| | |
| | |

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

TREATMENT EQUIPMENT:

Two Chlorinators

STRUCTURES:

One 20 Foot Storage Container and One 8 x12 Pump House

OTHER:

Transmission Main - Canyon Mouth to Town of Seligman (1,508' 6" HDPE & 34,100' 8" CIP)

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

| | |
|------------------------|---|
| COMPANY NAME: | Aubrey Water Company |
| Name of System: | ADEQ Public Water System Number: 13-010 |

UTILITY SHUTOFFS / DISCONNECTS

| MONTH | Termination without Notice R14-2-410.B | Termination with Notice R14-2-410.C | OTHER |
|-----------------|---|--|-------|
| JANUARY | | 2 | |
| FEBRUARY | | 0 | |
| MARCH | | 1 | |
| APRIL | | 1 | |
| MAY | | 1 | |
| JUNE | | 0 | |
| JULY | | 3 | |
| AUGUST | | 2 | |
| SEPTEMBER | | 5 | |
| OCTOBER | | 3 | |
| NOVEMBER | | 1 | |
| DECEMBER | | 0 | |
| TOTALS → | | 19 | |

OTHER (description):

COMPANY NAME Aubrey Water Company YEAR ENDING 12/31/2015

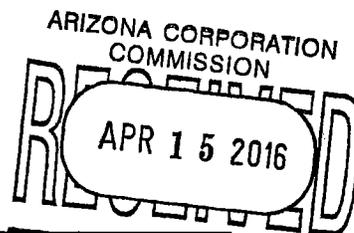
PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 7,912.41

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. Property taxes are paid electronically. As such, no cancelled check is available.

**VERIFICATION
AND
SWORN STATEMENT**
Taxes



VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

| | |
|---|--------------------|
| COUNTY OF (COUNTY NAME) <u>Yavapai</u> | Utilities Division |
| NAME (OWNER OR OFFICIAL) TITLE <u>Mark Ude, Vice President and Assistant Secretary</u> | |
| COMPANY NAME <u>BN Leasing Corporation d/b/a Aubrey Water Company</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 | 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

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.

[Handwritten Signature]

SIGNATURE OF OWNER OR OFFICIAL

817-352-6470

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

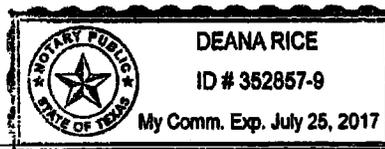
| | | |
|-------------|----------------|-------------|
| COUNTY NAME | <u>TARRANT</u> | |
| MONTH | <u>April</u> | <u>2016</u> |

(SEAL)

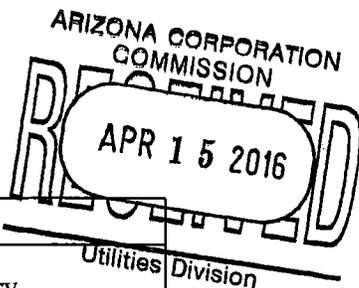
[Handwritten Signature]

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES July 25 2017



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF Arizona

| | |
|--------------------------------|--|
| COUNTY OF (COUNTY NAME) | <u>Yavapai</u> |
| NAME (OWNER OR OFFICIAL) TITLE | <u>Mark Ude, Vice President and Assistant Secretary</u> |
| COMPANY NAME | <u>BN Leasing Corporation d/b/a Aubrey Water Company</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 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>165,684.43</u> |

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 10,047.37
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
817-352-6470
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

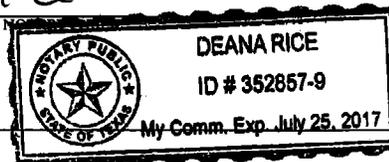
THIS 15th DAY OF

| | | |
|-------------|----------------|--------------|
| COUNTY NAME | <u>TARRANT</u> | |
| MONTH | <u>April</u> | <u>.2016</u> |

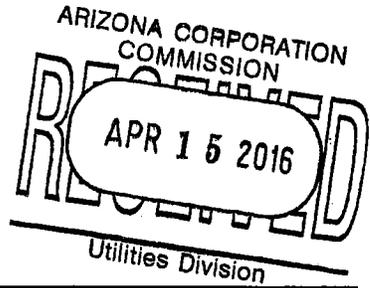
(SEAL)

MY COMMISSION EXPIRES July 25, 2017

SIGNATURE OF



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



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

| | |
|---|-------------------------------------|
| COUNTY OF (COUNTY NAME) Yavapai | |
| NAME (OWNER OR OFFICIAL) Mark Ude | TITLE VP and Assistant Secretary |
| COMPANY NAME BN Leasing Corporation d/b/a Aubrey Water Company | |

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 |
| \$ 92,389.70 |

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5,626.53 IN SALES TAXES BILLED, OR COLLECTED)

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

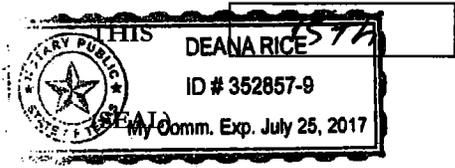
SIGNATURE OF OWNER OR OFFICIAL
817-352-6470

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

| | |
|--------------------|-------------|
| NOTARY PUBLIC NAME | |
| COUNTY NAME | TARRANT |
| MONTH | April, 2016 |



DAY OF

MY COMMISSION EXPIRES

July 25, 2017

SIGNATURE OF NOTARY PUBLIC