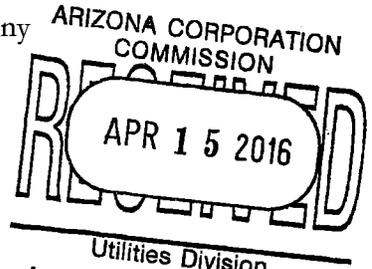


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01049A

The Morenci Water and Electric Company
PO Box 68
Morenci, AZ 85540



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
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FOR COMMISSION USE

ANN 04	15
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4-28-16

COMPANY INFORMATION

Company Name (Business Name) <u>The Morenci Water and Electric Company</u>			
Mailing Address <u>P.O. Box 68</u>			
(Street)			
<u>Morenci</u>	<u>Arizona</u>	<u>85540</u>	
(City)	(State)	(Zip)	
<u>(928) 865-2229</u>	<u>(928) 865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>jeff_kincaid@fmi.com</u>			
Local Office Mailing Address <u>Same as above</u>			
(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

<input type="checkbox"/> Regulatory Contact:			
<input type="checkbox"/> Management Contact: <u>Roy Archer</u> <u>President</u>			
(Name) (Title)			
<u>P. O. Box 68</u>	<u>Morenci</u>	<u>Arizona</u>	<u>85540</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 865-8222</u>	<u>(928) 865-5261</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Same as above</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)		Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: Mike McElrath
(Name)

P. O. Box 68 Morenci Arizona 85540
(Street) (City) (State) (Zip)

(928) 865-2229 (928) 865-5261 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Snell and Wilmer
(Name)

One Arizona Center 400 East Van Buren Street Suite 1900 Phoenix Arizona 85004
(Street) (City) (State) (Zip)

(602) 382-6000 (602) 382-6070 _____
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:

Sole Proprietor (S) C Corporation (C) (Other than Association/Co-op)

Partnership (P) Subchapter S Corporation (Z)

Bankruptcy (B) Association/Co-op (A)

Receivership (R) Limited Liability Company

Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

APACHE COCHISE COCONINO

GILA GRAHAM GREENLEE

LA PAZ MARICOPA MOHAVE

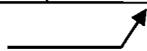
NAVAJO PIMA PINAL

SANTA CRUZ YAVAPAI YUMA

STATEWIDE

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	151,165		
304	Structures and Improvements	477,600	411,717	65,883
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs			
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	283,690	161,996	121,693
320	Water Treatment Equipment	66,669	23,636	43,033
320.1	Water Treatment Plants	1,360,596	1,353,676	6,920
320.2	Solution Chemical Feeders	80,179	51,180	28,999
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	2,725,453	876,917	1,848,535
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	3,302,686	868,931	2,433,755
333	Services	327,803	36,147	291,655
334	Meters and Meter Installations	454,477	234,068	220,410
335	Hydrants	28,990	487	28,503
336	Backflow Prevention Devices	776	776	0
339	Other Plant and Misc. Equipment	45,418	45,418	0
340	Office Furniture and Equipment	9,915	8,878	1,037
340.1	Computers & Software			
341	Transportation Equipment	403,691	335,960	67,731
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	49,107	21,246	27,861
344	Laboratory Equipment	915	915	0
345	Power Operated Equipment	111,180	31,809	79,370
346	Communication Equipment			
347	Miscellaneous Equipment	47,361	25,603	21,759
348	Other Tangible Plant	3,876	3,876	0
	TOTALS	9,931,548	4,493,237	5,287,146

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

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	151,165	0	0
304	Structures and Improvements	477,600	1.22	5,805
305	Collecting & Impounding Reservoirs			
306	Lake, River, Canal Intakes			
307	Wells and Springs			
308	Infiltration Galleries			
309	Raw Water Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	283,690	6.34	17,800
320	Water Treatment Equipment	66,669	4.39	2,928
320.1	Water Treatment Plants	1,360,596	0.06	814
320.2	Solution Chemical Feeders	80,179	1.66	1,334
320.3	Point-of-Use Treatment Devices			
320.4	Arsenic Media			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	2,725,453	3.12	85,136
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	3,302,686	1.63	53,722
333	Services	327,803	2.59	8,503
334	Meters and Meter Installations	454,477	6.99	31,778
335	Hydrants	28,990	.83	240
336	Backflow Prevention Devices	776	0	0
339	Other Plant and Misc. Equipment	45,418	0	0
340	Office Furniture and Equipment	9,915	6.61	655
340.1	Computers & Software			
341	Transportation Equipment	403,691	14.8	59,755
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	49,107	8.98	4,411
344	Laboratory Equipment	915	0	0
345	Power Operated Equipment	111,180	2.93	3,256
346	Communication Equipment			
347	Miscellaneous Equipment	47,361	5.7	2,698
348	Other Tangible Plant	3,876	0	0
	SUBTOTAL	9,931,548		279,035
	LESS CIAC Amortization	23,020	2.24	516
	TOTALS *	9,908,528		278,519

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

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 90,520	\$ 52,725
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	64,692	74,536
146	Notes/Receivables from Associated Companies	20,536	30,412
151	Plant Material and Supplies	49,732	65,642
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 225,480	\$ 223,315
	FIXED ASSETS		
101	Utility Plant in Service	\$ 9,581,740	\$ 9,931,548
103	Property Held for Future Use		
105	Construction Work in Progress	664,122	4,940,848
108	Accumulated Depreciation – Utility Plant	(4,297,650)	(4,493,237)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 5,948,212	\$ 10,379,159
	TOTAL ASSETS	\$ 6,173,692	\$ 10,602,474

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

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITES			
231	Accounts Payable	\$ 50,781	\$ 2,565,197
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	2,365,680	1,324,368
235	Customer Deposits	12,283	9,625
236	Accrued Taxes	6,389	10,352
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	22,615	5,666
	TOTAL CURRENT LIABILITIES	\$ 2,457,748	\$ 3,915,208
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	23,733	23,020
272	Less: Amortization of Contributions	(475)	(5,386)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 23,258	\$ 17,634
	TOTAL LIABILITIES	\$ 2,481,006	\$ 3,932,842
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 706,907	\$ 706,907
211	Paid in Capital in Excess of Par Value	6,555,778	6,555,778
215	Retained Earnings	(3,569,999)	(575,419)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3,692,687	\$ 6,687,266
	TOTAL LIABILITIES AND CAPITAL	\$ 6,173,692	\$ 10,602,474

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,002,887	\$ 1,026,979
460	Unmetered Water Revenue		
474	Other Water Revenues	45,996	79,960
	TOTAL REVENUES	\$ 1,048,883	\$ 1,106,939
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 1,066,943	\$ 1,045,534
610	Purchased Water	93,532	95,735
615	Purchased Power	33,965	30,421
618	Chemicals	76,110	54,998
620	Repairs and Maintenance	110,142	91,309
621	Office Supplies and Expense	23,930	63,282
630	Outside Services	473,167	386,551
635	Water Testing	4,867	15,279
641	Rents		
650	Transportation Expenses	28,639	23,972
657	Insurance – General Liability	18,561	14,260
659	Insurance - Health and Life	153,612	138,805
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	31,467	45,927
403	Depreciation Expense	220,610	278,519
408	Taxes Other Than Income		
408.11	Property Taxes	239	437
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 2,332,784	\$ 2,285,029
	OPERATING INCOME/(LOSS)	\$ (1,283,901)	\$ (1,178,090)
	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)	\$ (1,283,901)	\$ (1,178,090)

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 The Morenci Water and Electric Company

Name of System: ADEQ Public Water System Number: AZ04-06-002

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-624-247	60	500	148'	20"	8"	1972
55-624-246	60	500	148'	20"	8"	1972

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	2	60	
25	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
750,000	1	N/A	
10,000	1		
5,000	1		

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

COMPANY NAME The Morenci Water and Electric Company

Name of System: ADEQ Public Water System Number: AZ04-06-002

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Steel, PVC	3,981
3	Steel, PVC	9,671
4	Steel, PVC	7,026
5		
6	Steel, PVC	17,066
8	Steel, PVC	12,891
10	Steel, PVC	11,476
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	622
3/4	6
1	19
1 1/2	1
2	11
Comp. 3	
Turbo 3	3
Comp. 4	
Turbo 4	1
Comp. 6	
Turbo 6	
	663

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

TREATMENT EQUIPMENT:

Clorinator

STRUCTURES:

Pumping Station

Chlorination Building

Pump House

OTHER:

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

COMPANY NAME The Morenci Water and Electric Company

Name of System: ADEQ Public Water System Number: AZ04-06-003

WATER UTILITY PLANT DESCRIPTION

WELLS

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

* 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
1	1	240	
20	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
500,000	4		
7,500	1		
355,000	1		
101,000	1		
228,000	1		

COMPANY NAME The Morenci Water and Electric Company

Name of System: ADEQ Public Water System Number: AZ04-06-003

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Steel, AC, PVC	3,720
3	Steel, AC, PVC	1,672
4	Steel, AC, PVC	21,363
5		
6	Steel, AC, PVC	11,230
8	Steel, AC, PVC	48,752
10	Steel, AC, PVC	10,012
12	Steel, AC, PVC	27,790
14	AC	7,810

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	1,589
3/4	3
1	16
1 1/2	1
2	57
Comp. 3	
Turbo 3	8
Comp. 4	
Turbo 4	2
Comp. 6	
Turbo 6	1
	1,677

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

TREATMENT EQUIPMENT:

- Calcium Hypochlorinator
- Turbidity Analyzer
- Alum Polymer Metering Pumps
- Chlorine Analyzer
- Floc Mixer

STRUCTURES:

- Water Treatment Plant Control Building

OTHER:

-
-
-

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

COMPANY NAME: The Morenci Water and Electric Company	
Name of System:	ADEQ Public Water System Number: AZ04-06-002

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		1	
FEBRUARY		1	
MARCH		6	
APRIL		1	
MAY		5	
JUNE		1	
JULY		1	
AUGUST		3	
SEPTEMBER		4	
OCTOBER		1	
NOVEMBER			
DECEMBER		4	
TOTALS →		28	

OTHER (description):

COMPANY NAME: The Morenci Water and Electric Company
Name of System: ADEQ Public Water System Number: AZ04-06-003

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		1	
FEBRUARY			
MARCH		1	
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER		2	
NOVEMBER		1	
DECEMBER		4	
TOTALS →		9	

OTHER (description):

COMPANY NAME The Morenci Water and Electric Company YEAR ENDING 12/31/2015

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2015 was: \$ 478.64

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**

ARIZONA CORPORATION
COMMISSION
RECEIVED
APR 15 2016
Utilities Division

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <p style="text-align: center;"><u>Greenlee</u></p>
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME <p style="text-align: center;"><u>The Morenci Water and Electric Company</u></p>

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.



SIGNATURE OF OWNER OR OFFICIAL
520-955-4988

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

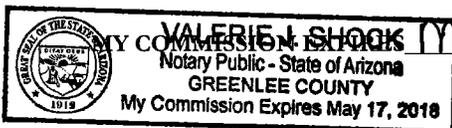
THIS 8 DAY OF

COUNTY NAME <u>Greenlee</u>
MONTH <u>April 8</u> .20 <u>16</u>

(SEAL)

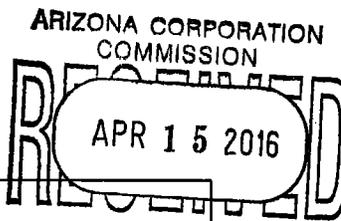


SIGNATURE OF NOTARY PUBLIC



May 17, 2018

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Greenlee
NAME (OWNER OR OFFICIAL) TITLE	Roy Archer, President Utilities Division
COMPANY NAME	The Morenci Water and Electric 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.

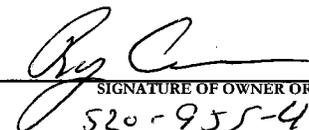
SWORN STATEMENT

IN ACCORDANCE WITH THE 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>1,173,800</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 66,861 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
520-955-4988

 TELEPHONE NUMBER

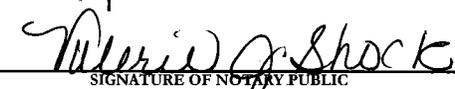
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

COUNTY NAME	<u>Greenlee</u>	
MONTH	<u>April</u>	<u>.2016</u>

THIS 8th DAY OF

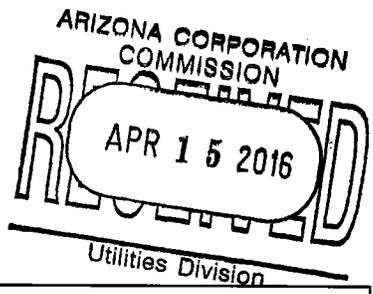
 VALERIE J. SHOCK Notary Public - State of Arizona GREENLEE COUNTY My Commission Expires May 17, 2018
--



 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 17, 2018

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



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Greenlee	
NAME (OWNER OR OFFICIAL) Roy Archer	TITLE President
COMPANY NAME The Morenci Water and Electric 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 \$ 673,986
--

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 38,391 IN SALES TAXES BILLED, OR COLLECTED)

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

SIGNATURE OF OWNER OR OFFICIAL
520-955-4958

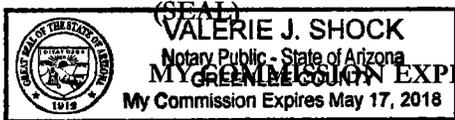
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 8 DAY OF

NOTARY PUBLIC NAME Valerie Shock	
COUNTY NAME Greenlee	
MONTH April	.20 16



MY COMMISSION EXPIRES May 17, 2018

SIGNATURE OF NOTARY PUBLIC