

ANNUAL REPORT

Of

Company Name: **Seven Canyons Water Treatment Company**
755 Golf Club Way

Mailing Address: Sedona AZ
86336

RECEIVED BY EMAIL

4/15/2024, 4:42 PM

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

Docket No.: **SW-03389A**
For the Year Ended: **12/31/2022**

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: **Original Filing**
Application Date: **4/11/2024**

ARIZONA CORPORATION COMMISSION
WASTEWATER UTILITY ANNUAL REPORT
Seven Canyons Water Treatment Company
A Class ☐ Utility

For the Calendar Year Ended: 12/31/2022

Primary Address: 755 Golf Club Way
City: Sedona State: Arizona Zip Code: 86336

Telephone Number: (928) 203-2054

Date of Original Organization of Utility: 6/10/1977

Person to whom correspondence should be addressed concerning this report:

Name: Michael Hofmann
Telephone No. :
Address: 625 Golf Club Way
City: Sedona State: Arizona Zip Code: 86336
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

Ownership: "C" Corporation

Counties Served: Yavapai

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Seven Canyons Water Treatment Company

Important changes during the year
--

Yes	<p>For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?</p> <p>If yes, please provide specific details in the box below.</p> <p>Effective March 1, 2022, 100% of the Stock of the Company was sold to The New Seven Canyons LLC, an entity owned by Seven Canyons homeowners. This coincided with the sale of the golf course and related assets by the reorganized developer to The New Seven Canyons LLC. Accordingly, new officers were appointed for the utility but the Operator SOS Water & Wastewater Services remains unchanged.</p>
-----	---

No	<p>Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?</p> <p>If yes, please provide specific details in the box below.</p> <p>N/A</p>
----	--

Seven Canyons Water Treatment Company
Annual Report
Utility Plant in Service (Wastewater)
12/31/2022

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
351	Organization	\$0	\$0	\$0	\$0	\$0	\$0
352	Franchises	0			0		0
353	Land and Land Rights	0			0		0
354	Structures and Improvements	7,900			7,900	658	7,242
355	Power Generation Equipment	0			0		0
360	Collections Wastewater - Force	0			0		0
361	Collections Wastewater - Gravity	890,585			890,585	520,630	369,955
362	Special Collecting Structures	0			0		0
363	Services to Customers	95,680			95,680	4,784	90,896
364	Flow Measuring Devices	0			0		0
365	Flow Measuring Installations	0			0		0
366	Reuse Services	0			0		0
367	Reuse Meters & Meter Installations	0			0		0
370	Receiving Wells	153,310			153,310	12,763	140,547
371	Pumping Equipment	0			0		0
374	Reuse Distribution Reservoirs	0			0		0
375	Reuse Trans. And Distr. Equipment	0			0		0
380	Treatment and Disposal Equipment	2,076,081			2,076,081	1,432,496	643,585
381	Plant Sewers	0			0		0
382	Outfall Sewer Lines	0			0		0
389	Other Plant and Misc. Equipment	0			0		0
390	Office Furniture and Equipment	2,335			2,335	2,335	0
390.1	Computer & Software	0			0		0
391	Transportation Equipment	0			0		0
392	Stores Equipment	0			0		0
393	Tools, Shop and Garage Equipment	3,688			3,688	3,688	0
394	Laboratory Equipment	4,813			4,813	4,813	0
395	Power Operated Equipment	0			0		0
396	Communication Equipment	0			0		0
397	Miscellaneous Equipment	0			0		0
398	Other Tangible Plant	0			0		0
	Totals	\$3,234,392	\$0	\$0	\$3,234,392	\$1,982,167	\$1,252,225

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Seven Canyons Water Treatment Company
Annual Report
Depreciation Expense for the Current Year (Wastewater)
12/31/2022

Depreciation Expense for the Current Year (Wastewater)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non- depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	\$0	\$0	\$0	\$0		\$0		\$0
352	Franchises	0	0	0	0		0		0
353	Land and Land Rights	0	0	0	0		0		0
354	Structures and Improvements	7,900	0	0	7,900		7,900	3.33%	263
355	Power Generation Equipment	0	0	0	0		0		0
360	Collections Wastewater - Force	0	0	0	0		0		0
361	Collections Wastewater - Gravity	890,585	0	0	890,585		890,585	4.00%/2.00%	30,796
362	Special Collecting Structures	0	0	0	0		0		0
363	Services to Customers	95,680	0	0	95,680		95,680	2.00%	1,914
364	Flow Measuring Devices	0	0	0	0		0		0
365	Flow Measuring Installations	0	0	0	0		0		0
366	Reuse Services	0	0	0	0		0		0
367	Reuse Meters & Meter Installations	0	0	0	0		0		0
370	Receiving Wells	153,310	0	0	153,310		153,310	3.33%	5,105
371	Pumping Equipment	0	0	0	0		0		0
374	Reuse Distribution Reservoirs	0	0	0	0		0		0
375	Reuse Trans. And Distr. Equipment	0	0	0	0		0		0
380	Treatment and Disposal Equipment	2,076,081	0	0	2,076,081		2,076,081	4.00%	83,043
381	Plant Sewers	0	0	0	0		0		0
382	Outfall Sewer Lines	0	0	0	0		0		0
389	Other Plant and Misc. Equipment	0	0	0	0		0		0
390	Office Furniture and Equipment	2,335	0	0	2,335	2,335	0		0
390.1	Computer & Software	0	0	0	0		0		0
391	Transportation Equipment	0	0	0	0		0		0
392	Stores Equipment	0	0	0	0		0		0
393	Tools, Shop and Garage Equipment	3,688	0	0	3,688	3,688	0		0
394	Laboratory Equipment	4,813	0	0	4,813	4,813	0		0
395	Power Operated Equipment	0	0	0	0		0		0
396	Communication Equipment	0	0	0	0		0		0
397	Miscellaneous Equipment	0	0	0	0		0		0
398	Other Tangible Plant	0	0	0	0		0		0
	Subtotal	\$3,234,392	\$0	\$0	\$3,234,392	\$10,836	\$3,223,556		\$121,121

Contribution(s) in Aid of Construction (Gross)	\$0
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$0
Times: Proposed Amortization Rate	0.00%
Amortization of CIAC	\$0

Less: Amortization of CIAC **\$0**

DEPRECIATION EXPENSE \$121,121

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Seven Canyons Water Treatment Company
Annual Report
Balance Sheet Assets
12/31/2022

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current and Accrued Assets			
131	Cash		\$5,722	\$7,066
132	Special Deposits			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		6,908	14,653
142	Other Accounts Receivable			
143	Accumulated Provision for Uncollectable Accounts			
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments		0	0
173	Accrued Utility Revenue			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$12,630	\$21,719
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$0	\$0
	Total Deferred Debits		\$0	\$0
	Fixed Assets			
101	Utility Plant in Service*		\$3,234,392	\$3,234,392
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation (enter as negative)*		(1,861,046)	(1,982,167)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$1,373,346	\$1,252,225
	Total Assets		\$1,385,976	\$1,273,944

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note these items feed automatically from the adjusted end of year balance from AR4.

Seven Canyons Water Treatment Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2022)	Balance at End of Year (2022)
Account No.	Current Liabilities			
231	Accounts Payable		\$7,215	\$0
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies		0	17,000
235	Customer Deposits			
236	Accrued Taxes		957	0
237	Accrued Interest			
241	Miscellaneous Current and Accrued Liabilities			13,150
253	Other Deferred Credits		0	0
	Total Current Liabilities		\$8,172	\$30,150
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction		\$0	\$0
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		\$0	\$0
	Total Liabilities		\$8,172	\$30,150
	Capital Accounts			
201	Common Stock Issued		\$1,000	\$1,000
211	Other Paid-In Capital		4,108,500	4,108,500
215	Retained Earnings		(2,731,696)	(2,865,706)
218	Proprietary Capital (Sole Props and Partnerships)			
	Total Capital		\$1,377,804	\$1,243,794
	Total Liabilities and Capital		\$1,385,976	\$1,273,944

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Seven Canyons Water Treatment Company
Annual Report
Wastewater Comparative Income Statement
12/31/2022

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2022 - 12/31/2022	Last Year 01/01/2021 - 12/31/2021
	Operating Revenue		
521	Flat Rate Revenues	\$62,856	\$62,250
522	Measured Revenues	16,124	15,236
534	Rents from Wastewater Property		
536	Other Wastewater Revenues	35	140
	Total Revenues	\$79,015	\$77,626
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits		
710	Purchased Wastewater Treatment	965	
711	Sludge Removal Expense		0
715	Purchased Power	0	13,149
716	Fuel for Power Production		
718	Chemicals	0	2,711
720	Materials and Supplies	3,759	1,602
720.1	Repairs and Maintenance	15,673	7,258
720.2	Office Supplies and Expense	2,097	516
721	Office Expense		
731	Contractual Services -Engineering		
732	Contractual Services - Accounting	50	3,297
733	Contractual Services - Legal		0
734	Contractual Services - Management Fees	53,020	27,580
735	Contractual Services - Testing	3,108	8,920
736	Contractual Services - Other	0	6,000
740	Rents - Building	3,000	
742	Rents - Equipment		
750	Transportation Expenses		
757	Insurance - General Liability	8,327	12,762
758	Insurance - Worker's Compensation		
759	Insurance - Other		
760	Advertising Expense		
766	Regulatory Commission Expense - Rate Case		
767	Regulatory Commission Expense - Other		
770	Bad Debt Expense		
775	Miscellaneous Expense		1,495
403	Depreciation Expense (From Schedule AR4)	121,121	121,121
408	Taxes Other Than Income		
408.11	Property Taxes	1,905	3,925
408.12	Payroll Taxes		
409	Income Taxes		50
	Total Operating Expenses	\$213,026	\$210,386
	Operating Income / (Loss)	(\$134,011)	(\$132,760)
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	(\$134,011)	(\$132,760)

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Seven Canyons Water Treatment Company
Annual Report
Full time equivalent employees
12/31/2022

Full time equivalent employees

	Direct Company	Allocated	Outside service	Total
President				0.0
Vice-president				0.0
Manager				0.0
Engineering Staff				0.0
System Operator(s)			0.7	0.7
Customer Service			0.3	0.3
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	1.0	1.0

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. A full-time employee is based on 2080 total hours per year. Please calculate partial employees using 2080 hours.

Seven Canyons Water Treatment Company
Annual Report
Supplemental Financial Data (Long-Term Debt)
12/31/2022

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	No loans			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amt. Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End:	SEWER
---	-------

Meter Deposits Refunded During the Test Year:	N/A
---	-----

List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Seven Canyons Water Treatment Company
Annual Report
Wastewater Utility Plant Description
12/31/2022

Wastewater Utility Plant Description

Name of System:

Seven Canyons Water Treatment

Wastewater Inventory Number (if applicable):

N/a

Type of Treatment

Extended Aeration

Design Capacity of Plant (Gallons per day)

64000

LIFT STATION FACILITIES

[illegible]

FORCE MAINS

Size	Material	Length (Feet)
6 inch	PVC	1,727

MANHOLES

Type	Quantity
Standard	71
Drop	15

CLEANOUTS

Quantity
2 2-way force main
16

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

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Seven Canyons Water Treatment Company
Annual Report
Wastewater Utility Plant Description (Continued)

[illegible]

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

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Chlorinator
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences, Etc.)	Aeration/Blower building Locked fence on wastewater plant, chlorination shed, and privacy fence around plant
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Sensaphone, telemetry computer, various tools, locator, various lab equipment, turbidimeter, centrifuge, generator, odor control unit

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

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Seven Canyons Water Treatment Company
Annual Report
Wastewater Flows
12/31/2022

Wastewater Flows					
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day	Purchased Power Expense ¹	Purchased Power (kWh) ²
January	89	349,523	21,692	\$0	0
February	89	376,766	20,862	0	0
March	90	489,246	22,103	0	0
April	90	438,462	20,624	0	0
May	90	338,039	23,554	0	0
June	90	359,523	17,489	0	0
July	90	407,004	31,020	0	0
August	90	394,845	20,450	0	0
September	90	402,556	18,505	0	0
October	90	482,827	22,074	0	0
November	90	521,644	23,913	0	0
December	90	476,229	25,923	0	0
	Totals	5,036,664	268,209	\$0	0

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit ("APP") Number	103334
ADEQ Reuse Permit Number	R103334
EPA NPDES Permil Number	N/A
APP Effluent Treatment Requirement (Class)?	B+
Permitted Flow Rate	32,000
Permitted Organic Capacity	N/A
Hydraulic Capacity	N/A
Type of Biological Treatment	Upflow Anaerobic Sludge Blanket (UASB)

In the space below, list all violations within the past 12 months:

N/A

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

1 Enter the total purchased power costs for the power meters associated with this system.

2 Enter the total purchased kWh used by the power meters associated with this system.

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Other Wastewater System Information

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
$$\text{ERC} = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated. Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC

238

Method used:

(a)

What is the present system connection capacity (in ERCs *) using existing lines?

--

What is the future system connection capacity (in ERCs *) upon service area buildout?

--

Describe any plans and estimated completion dates for any enlargements or improvements of this system.

Homes are being added. Completion date unknown

If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.

A golf course purchased 5,036,664 gallons of effluent for reuse.

If the utility does not engage in reuse, has a reuse feasibility study been completed?

N/A

If so, when?

N/A

Seven Canyons Water Treatment Company
Annual Report
Utility Shutoffs / Disconnects
12/31/2022

Utility Shutoffs / Disconnects	
Name of System:	Seven Canyons Water Treatment
Wastewater Inventory Number (if applicable):	N/a

Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2- 609.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

N/A

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Seven Canyons Water Treatment Company
Annual Report
Property Taxes
12/31/2022

Property Taxes	
----------------	--

Amount of actual property taxes paid during Calendar Year 2021 was
--

\$1,905

If no property taxes paid, explain why.

N/A

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Yavapai
Name (owner or official) title: Michael Hofmann, President
Company name: Seven Canyons Water Treatment Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/2022

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, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$79,015

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

[Signature]
signature of owner/official

0
telephone no.

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

THIS 15th DAY OF

Yavapai
(county name)
April, 2024
(month) and (year)

MY COMMISSION EXPIRES

8/11/2024
(date)



[Signature]
(signature of notary public)

for Income Tax Statement of Certification

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Yavapai
Name (owner or official) title: Michael Hofmann, President
Company name: Seven Canyons Water Treatment Company

FOR THE YEAR ENDING: 12/31/2022

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF DECISION NO. 77084, BECAUSE THE UTILITY REQUIRES THE GROSS UP OF ADVANCES AND CONTRIBUTIONS, I HEREBY STATE THAT THE UTILITY A NET INCREASE IN CURRENT INCOME TAX EXPENSE OR A DECREASE IN DEFERRED TAX ASSET FOR A CARRY FORWARD ACCORDING TO GAAP IN AN AMOUNT EQUAL TO OR GREATER THAN THE AMOUNT OF THE REQUIRED GROSS UP PAID BY DEVELOPERS IN THE PERIOD COVERED BY THIS ANNUAL REPORT.

[Signature]
signature of owner/official

0
telephone no.

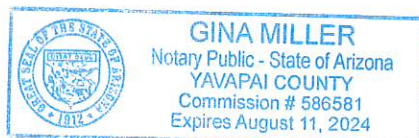
SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Yavapai
(county name)

THIS 15th DAY OF April, 2024
(month) and (year)

MY COMMISSION EXPIRES

8/11/2024
(date)



[Signature]
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Arizona I, the undersigned of the
(state name)

County of (county name): Yavapai
Name (owner or official) title: Michael Hofmann, President
Company name: Seven Canyons Water Treatment Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/2022

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, 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 THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$46,056

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

[Signature]
signature of owner/official

0
telephone no.

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

Yavapai
(county name)

THIS

15th

DAY OF

April, 2024
(month) and (year)

MY COMMISSION EXPIRES

8/11/2024
(date)



[Signature]
(signature of notary public)