### ANNUAL REPORT

Of

Company Name:

Cloud Nine Water Company, Inc.

96 Bel Aire Pl., Ste 140

Mailing Address:

Sierra Vista

AZ

**RECEIVED BY EMAIL** 

85635

4/12/2022 1:47 PM

ARIZONA CORPORATION COMMISSION

**UTILITIES DIVISION** 

Docket No.:

WS-02672A

For the Year Ended:

12/31/21

### **WATER 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: 4/11/2022

# ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Cloud Nine Water Company, Inc. A Class E Utility

For the Calendar Year I	Ended: <u>12/31/21</u>			
Primary Address:	96 Bel Aire Place Ste 140			
	: Sierra Vista	T	Stata: Ari	7: 0 1
	Sterra Vista		State: Arizona	Zip Code: 85635
Telephone Number:	520-458-1311			
Date of Original Organi	zation of Utility:	9/30	0/1991	
Person to whom corresp	oondence should be addre	essed conc	erning this report.	
Name:	Andrew Stokes	based colle	T thing this report.	
Telephone No.:				
Address:				
City:			State:	Zin Codo
Email:			State.	Zip Code:
Owner				
	Nichlas J Novasic		T	
Telephone No.:	520-458-1311			
	96 Bel Aire Place Ste 140			
	Sierra Vista	T	State: Arizona	7: C-1 105000
Email:			State. Alizona	Zip Code: 85098
On-Site Manager				
Name:	Robert Jongeward			
Telephone No.:	520-458-1311			
Address:	96 Bel Aire Pl Se 140			
City:	Sierra Vista		State: Arizona	Zip Code:   85098
Email:			State. Thizona	Zip Code. 85098
Name:				
Telephone No.:				
Address:				
City:			State:	Zip Code:
Email:				
3.7				
Name:				
Telephone No.:				
Address:				
_City:			State:	Zip Code:
Email:				
Ownership:	"C" Company			
ownership.	"S" Corporation			
Counties Served:	Cochise		1	
_			_	

## ARIZONA CORPORATION COMMISSION WATER UTILITY ANNUAL REPORT Cloud Nine Water Company, Inc.

	Important changes during the year
Joan.	
If yes	, please provide specific details in the box below.
No Has th	ne company been notified by any other regulatory authorities during the year, that they are out of compliance?
If yes,	please provide specific details in the box below.

Cloud Nine Water Company, Inc. Annual Report Utility Plant in Service (Water) 12/31/21

302 Fra 303 Lar 304 Stru 305 Col 306 Lak 307 We 308 Infi 309 Sup 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	Description  rganization anchises and and Land Rights ructures and Improvements ollecting & Improving Reservoirs ke, River, Canal Intakes ells and Springs filtration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment ater Treatment Plants	Beginning Year Original Cost \$50,000 8,135 66,727	Current Year Additions	Current Year Retirements	Adjusted Original  Cost \$50,000  0  0  8,135  0  0  66,727	Accumulated Depreciation \$37,604	OCLD (OC less AD) \$12,39
302 Fra 303 Lar 304 Stru 305 Col 306 Lak 307 We 308 Infi 309 Supp 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	anchises and and Land Rights ructures and Improvements allecting & Improving Reservoirs and Rights ructures and Improvements and Springs and Springs altration Galleries apply Mains are Generation Equipment ater Treatment Equipment	\$50,000 8,135 66,727	- NAME OF THE PARTY OF THE PART	ACTIONETIS	\$50,000 0 0 8,135 0	\$37,604	\$12,39
303 Lars 304 Stru 305 Col 306 Lak 307 We 308 Infi 309 Sup 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 330. Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	and and Land Rights ructures and Improvements bllecting & Improving Reservoirs ke, River, Canal Intakes ells and Springs filtration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment	8,135			0 0 8,135 0		6,30
304 Srn 305 Col 306 Lak 307 We 308 Infi 309 Sup 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 330.1 Stor 330.1 Stor 330.2 Pres 331 Trat 333 Serv	ructures and Improvements ollecting & Improving Reservoirs ke, River, Canal Intakes ells and Springs filtration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment	66,727			8,135 0 0	1,831	6,30
305 Col 306 Lak 307 We 308 Infi 309 Sup 310 Pow 311 Pun 320 Wat 320.1 Wat 320.2 Solu 320.3 Doist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	bllecting & Improving Reservoirs ke, River, Canal Intakes ells and Springs filtration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment	66,727			8,135 0 0	1,831	6,30
306 Lak 307 We 308 Infi 309 Supp 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 320.3 Poin 330 Dist3 330.1 Stor 330.2 Pres 331 Trat 333 Serv	ke, River, Canal Intakes ells and Springs iltration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment				0 0	1,831	
306 Lak 307 We 308 Infi 309 Sup 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	ke, River, Canal Intakes ells and Springs iltration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment				0		
308 Infi 309 Sup 310 Pov 311 Pun 320 Wat 320.1 Wat 320.2 Solo 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	iltration Galleries pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment				-		
309 Supp 310 Pow 311 Pun 320 Wat 320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	pply Mains wer Generation Equipment mping Equipment ater Treatment Equipment	77 283			00,727	22.969	12.05
310 Pow 311 Punn 320 Wat 320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	wer Generation Equipment mping Equipment ater Treatment Equipment	77.283			0	22,868	43,85
311 Pun 320 Wat 320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	mping Equipment ater Treatment Equipment	77.283			0		
320 Wat 320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv	ater Treatment Equipment	77.283					
320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv					77,283	22.012	
320.1 Wat 320.2 Solu 320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trat 333 Serv		11,500				32,910	44,37
320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trar 333 Serv	L. Catallelle I Italità				0		
320.3 Poir 330 Dist 330.1 Stor 330.2 Pres 331 Trar 333 Serv	lution Chemical Feeders				0		(
330 Dist 330.1 Stor 330.2 Pres 331 Trar 333 Serv	int-of-Use Treatment Devices				0		(
330.1 Stor 330.2 Pres 331 Trar 333 Serv	stribution Reservoirs and Standpipes				0		(
331 Tran 333 Serv	orage Tanks	18,471			0	10.545	(
333 Serv	essure Tanks	0			18,471	10,715	7,756
333 Serv	ansmission and Distribution Mains				0		(
334 Met	vices				0		(
	ters and Meter Installations				0		(
335 Hyd	drants				0		(
336 Bacl	ckflow Prevention Devices				0		(
	ner Plant and Misc. Equipment				0		(
340 Offi	ice Furniture and Equipment				0		(
340.1 Com	mputer & Software				0		C
341 Tran	nsportation Equipment				0		C
	res Equipment				0		(
	ols, Shop and Garage Equipment				0		0
344 Labo	poratory Equipment				0		0
345 Pow	ver Operated Equipment				0		0
	nmunication Equipment				0		0
347 Misc	scellaneous Equipment				0		0
348 Othe	er Tangible Plant				0		0
Tota		\$220,616	\$0	S0	\$220,616	\$105,928	\$114,688

Cloud Nine Water Company, Inc. Annual Report Depreciation Expense for the Current Year (Water) 12/31/21

Account No	2	Dep.	reciation Expense	e for the Current	Year (Water)				
301	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
301	Organization	\$50,000	\$0	\$0	\$50,000		\$50,000	2.50%	\$1,25
	Franchises	0	0	0	0		0	2.5070	\$1,23
303	Land and Land Rights	0	0	0	0		0		
304	Structures and Improvements	8,135	0	0	8,135		8,135	5.00%	
305	Collecting & Improving Reservoirs	0	0	0	0		0,133	3.0070	40
306	Lake, River, Canal Intakes	0	0	0	0		0		
307	Wells and Springs	66,727	0	0	66,727		66,727	4.67%	2.1
308	Infiltration Galleries	0	0	0	0		00,727	4.0770	3,11
309	Supply Mains	0	0	0	0		0		
	Power Generation Equipment	0	0	0	0		0		
	Pumping Equipment	77,283	0	0	77,283		77,283	4.72%	2.6
320	Water Treatment Equipment	0	0	0	0		0	4.1270	3,64
	Water Treatment Plants	0	0	0	0		0		
320.2	Solution Chemical Feeders	0	0	0	0		0		
320.3	Point-of-Use Treatment Devices	0	0	0	0				
330	Distribution Reservoirs and Standpipes	0	0	0	0		0		
330.1	Storage Tanks	18,471	0	0	18,471			1.000/	
	Pressure Tanks	0	0	0	10,4/1		18,471	4.00%	73
	Transmission and Distribution Mains	0	0	0	0		0	0.00%	
	Services	0	0	0	0		0		
334	Meters and Meter Installations	0	0	0	0		0		
335	Hydrants	0	0	0	0		0		
336	Backflow Prevention Devices	0	0	0	0		0		
339	Other Plant and Misc. Equipment	0	0	0			0		
340	Office Furniture and Equipment	0	0	0	0		0		
	Computer & Software	0	0	0			0		
	Transportation Equipment	0	0	0	0		0		
	Stores Equipment	0	0	0			0		
	Tools, Shop and Garage Equipment	0	0	0	0		0		
344	Laboratory Equipment	0	0	0	0		0		
	Power Operated Equipment	0	0		0		0		
	Communication Equipment	0	0	0	0		0		
	Miscellaneous Equipment	0	0	0	0		0		
	Other Tangible Plant	0		0	0		0		-
	Subtotal	\$220,616	0	0	0		0		
U	Subtotal	\$220,010	\$0	\$0	\$220,616	\$0	\$220,616		\$9,1

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



Less: Amortization of CIAC	\$0
DEPRECIATION EXPENSE	\$9,153

Cloud Nine Water Company, Inc. Annual Report Balance Sheet Assets 12/31/21

	Balance Sheet Assets		
	Assets	Balance at Beginning of Year (2021)	Balance at End of Year (2021)
Account No.	The area free and fre		
131	Cash	\$3,259	\$3,246
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,285	1,433
146	Notes Receivable from Associated Companies		1,133
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	Total Current and Accrued Assets	\$4,544	\$4,679
Account No.	Timed Hissels		
101	Utility Plant in Service*	\$220,616	\$220,616
103	Property Held for Future Use		+==0,010
105	Construction Work in Progress		
108	Accumulated Depreciation (enter as negative)*	(96,774)	(105,928)
121	Non-Utility Property	(5 3,1 1)	(103,720)
122	Accumulated Depreciation - Non Utility		
	Total Fixed Assets	\$123,842	\$114,688
	Total Assets	\$128,386	\$119,367

\*Note these items feed automatically from AR3 UPIS Page 4

Cloud Nine Water Company, Inc. Annual Report Balance Sheet Liabilities and Owners Equity

	Balance Sheet Liabilities and Ov	wners Equity	
	Liabilities	Balance at Beginning of Year (2021)	Balance at End o Year (2021)
Account No.	Current Liabilities		
231	Accounts Payable		
232	Notes Payable (Current Portion)		
234	Notes Payable to Associated Companies	44,467	38,675
235	Customer Deposits	11,107	36,073
236	Accrued Taxes	82	60
237	Accrued Interest	02	00
242	Miscellaneous Current and Accrued Liabilities		
	Total Current Liabilities	\$44,549	\$38,735
	Long Term Debt		
224	Long Term Debt (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	\$0	\$0
	Total Liabilites	\$44,549	\$38,735
	Capital Accounts		
201	Common Stock Issued	\$200,000	\$200,000
211	Other Paid-In Capital	236,721	246,031
	Retained Earnings	(352,884)	(365,399)
218	Proprietary Capital (Sole Props and Partnerships)	(332,004)	(303,399)
	Total Capital	\$83,837	\$90.622
	Total Liabilities and Capital	\$128,386	\$80,632 \$119,367

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

Account No.	Calendar Year	Income Statement	<b>*</b>
	Carcildar 1 ear	Current Year	Last Year
	Operating Revenue	01/01/2021 - 12/31/2021	01/01/2020 - 12/31/2020
461	Metered Water Revenue	\$10,131	\$12,08
460	Unmetered Water Revenue	96	912,08
462	Fire Protection Revenue	70	9
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	1,045	93
474	Other Water Revenue	1,045	93
	<b>Total Revenues</b>	\$11,272	\$13,11
		\$11,2,72	\$13,11
	Operating Expenses		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	9,895	10,75
618	Chemicals	2,033	10,73
	Materials and Supplies		
620.1	Repairs and Maintenance	690	14
620.2	Office Supplies and Expense		14
630	Contractual Services		
631	Contractual Services - Engineering		
	Contractual Services - Accounting	1,340	1,310
	Contractual Services - Legal	1,5 10	1,31
	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	3,465	3,959
636	Contractual Services - Other	2,102	3,93.
	Rents		
641	Rental of Building/Real Property		
	Rental of Equipment		
650	Transportation Expenses		
	Insurance - General Liability	918	1.00
657.1	Insurance - Health and Life	710	1,021
	Regulatory Commission Expense - Rate		
670	Bad Debt Expense	171	
	Miscellaneous Expense	828	10/
403	Depreciation Expense (From Schedule AR4)	9,153	486
408	Taxes Other Than Income	9,133	16,287
	Property Taxes	1,602	1 70/
	Income Taxes	1,002	1,706
	Customer Security Deposit Interest		
	Total Operating Expenses	\$28,062	P25 (51
	pointing England	\$28,002	\$35,671
	Operating Income / (Loss)	(\$16,790)	(000 == 1
	-F	(\$10,790)	(\$22,554
	Other Income / (Expense)		
419	Interest and Dividend Income		
	Non-Utility Income		
	Miscellaneous Non-Utility (Expense)		
	Interest (Expense)		
	Total Other Income / (Expense)	00	
	- Moome / (Papense)	\$0	\$0
N	Net Income / (Loss)	(\$16,790)	

Cloud Nine Water Company, Inc. Annual Report Full time equivalent employees 12/31/21

### 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)				0.0
Meter reader				0.0
Customer Service				0.0
Accounting				0.0
Business Office				0.0
Rates Department				0.0
Administrative Staff				0.0
Other				0.0
Total	0.0	0.0	0.0	0.0

Cloud Nine Water Company, Inc. Annual Report Supplemental Financial Data (Long-Term Debt) 12/31/21

	Supplemental F	inancial Data (Long	-Term Debt)	
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued			Eddi WS	Loan #4
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				

eter Deposit Balance at Test Year End:		
reter Deposit Barance at Test Year End:		
Meter Deposits Refunded During the Test Year:		

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 <u>not</u> be listed. Input 0 or none if there is nothing to report for that cell.

Cloud Nine Water Company, Inc. Annual Report
Well and Water Usage 12/31/21

Name of the System:		1		Well and Wate	er Usage						
ADEO D. LE. VIV.		CLOUD NINE WA									
ADEQ Public Water Sys	tem Number:		AZ0402009								
ADWR PCC Number:			91-000030.0000								
Well registry 55# (55- XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	V D. II. 1		Water level	Meter Size	How	T
55-551938	3	160		8		Year Drilled	2011	2021	(inches)	measured:	Active
55-807101	40	250	554	10	Submersible Submersible						
				10	Submersible						
			Secretary VC								
										-	
											-
										-	

Name of system water delivered to:	
ADWR PCC Number:	
Source of water delivered to another system	

Name of system water received from:	
ADWR PCC Number:	
Source of water received	
Well registry 55# (55-XXXXXX):	

Month	Water withdrawn (gallons)1	Water sold (gallons)2	Water delivered (sold) to other systems (gallons)3	Water received (purchased) from other systems (gallons)4	Estimated authorized use (gallons)5	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	2,482,900,00		0.00	0.00	(ganons)5		_ ' /
February	1,593,400.00		0,00			\$514	9,480
March	1,584,800,00			0.00		1,175	8,803
April	1,612,600.00		0.00	0.00		793	5,643
May			0.00	0.00		829	4,080
June	2,016,000.00		0.00	0.00		896	4,429
July	1,336,500.00		0.00	0.00		904	4,777
	1,526,400.00		0.00	0.00		860	4,532
August	1,699,300.00		0.00	0.00		777	4,237
September	1,633,400.00		0.00	0.00		921	
October	1,574,700.00		0.00	0.00			5,667
November	1,587,700.00		0.00			877	4,393
December	1,428,700.00		0.00	0.00		692	4,544
Totals	20,076,400.00	0.00		0.00		658	4,285
	20,070,400.00	0.00	0.00	0.00	0.00	\$9,896	64,870

e, in the space below please pi	rovide a description for al	l un-metered water use along w	ith amounts:	

1 Water withdrawn - Total gallons of water withdrawn from pumped sources.
2 Water sold - Total gallons from customer meters, and other sales such as construction water.
3 Water delivered (sold) to other systems - Total gallons of water delivered to other systems.
4 Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.
5 Estimated authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
6 Enter the total purchased power costs for the power meters associated with this system.
7 Enter the total purchased kWh used by the power meters associated with this system.

Cloud Nine Water Company, Inc. Annual Report Water Utility Plant Description 12/31/21

N. C.I. C.	Water Utility Plant Description	
Name of the System:	CLOUD NINE WATER CO INC	
ADEQ Public Water System Number: ADWR PCC Number:	AZ0402009	
ADWK PCC Number:	91-000030.0000	

	MAINS	
Sizes (inches)	Material	Length (feet)
6.00	Transite	unknown

SERVIC	CE LINES	
Material PEX	Percent of system unkown	Year installed
Galvanized steel	unkown	

CUSTOMER METERS				
Size (inches)	Quantity	Percent over 1,000,000 gallons	Percent over 10 years old	
0.75	45			
1	9			

BOOSTER PUMPS			
Horsepower	GPM	Quantity	
15	unknown	- Comments	
10	unknown		

	STORAGE TANKS			
Capacity (gallons)	Material		Quantity	Year installed
300,000		iron		

FIRE HYDRANTS		
Type	Quantity	
Standard *	4	
Other		

Capacity (gallons)	PRESSURE/BL Material	Quantity	Year installed
5,000	iron	Qualitity 2	1 car mstanec

Cloud Nine Water Company, Inc. Annual Report Water Utility Plant Description (Continued) 12/31/21

	Water Utility Plant Description (Continued)			
For the following three items, list the utility owned assets in each category for each system.				
TREATMENT EQUIPMENT:	Auto-chlorinators (2)			
STRUCTURES:	Area fencing			
OTHER:				
(a)	tion used to determine the value of one water equivalent residential connection (ERC). owing methods:  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 If no historical flow data are available, use:  ERC = ( Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day )			
ERC Method used:				

Cloud Nine Water Company, Inc. Annual Report Customer and Other Information 12/31/21

	Customer and Other Information	
Name of the System:	CLOUD NINE WATER CO INC	
ADEQ Public Water System Number:	AZ0402009	
ADWR PCC Number:	91-000030.0000	

		N	Jumber of Customer	S	
Month	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non- Residential
January	37		10	8	residential
February	36		11		
March	37		11		
April	37		11		
May	37		11		
June	37		11		
July	37		11		
August	37		11		
September	37		11		
October	38		11		
November	38		11		
December	38		11		

If the system has fire hydrants, what is the fire flow requirements?  GPM for hrs.
Does the system have chlorination treatment?  Yes
Does the Company have an ADWR Gallons Per Capita Per Day (GCPCPD) requirement?  No  No
Is the Water Utility located in an ADWR Active Management Area (AMA)?  No  No
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.

 $<sup>\</sup>ensuremath{^*}$  an ERC is based on the calculation on the bottom of AR9 page 12.

Cloud Nine Water Company, Inc. Annual Report Utility Shutoffs / Disconnects 12/31/21

Utility Shutoffs / Disconnects				
Name of the System:	CLOUD NINE WATER CO INC			
ADEQ Public Water S		AZ0402009		
ADWR PCC Number:		91-000030.0000		

		Termination with	
Month	Termination without	Notice R14-2-	
	Notice R14-2-410.B	410.C	Other
January			0
February			1
March			0
April			0
May			0
June			0
July			0
August			
September			0
October			0
November			0
December			1
Total	0	0	0 2

Other (description):	Other is customer requested shut-offs				

**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.

Cloud Nine Water Company, Inc. Annual Report Property Taxes 12/31/21

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2021 was	\$1,602
If no property taxes paid, explain why.	
1 1 1 James parca, explain willy.	

**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.

Cloud Nine Water Company, Inc. Annual Report Verification and Sworn Statement (Taxes) 12/31/21

		V	erification and Sv	vorn Statement	t (Taxes)		
Verification	: State of	California (state nam	I, the	undersigned of		,	
		county name): er or official) title: eme: Cloud	Other Andr d Nine Water Com	ew Stokes, Cont	troller		
	DO SAY TH COMMISSI	IAT THIS ANNUAL U	JTILITY PROPER	TY TAX AND	SALES TAX I	REPORT TO TH	IE ARIZONA CORPORATIO
	FOR THE Y	EAR ENDING:		12/31/21			
	CORRECT S REPORT IN	STATEMENT OF BUS	ULLY EXAMINEI SINESS AND AFF.	D THE SAME, A AIRS OF SAID	AND DECLA UTILITY FO	RE THE SAME	AND RECORDS OF SAID TO BE A COMPLETE AND COVERED BY THIS BEST OF MY KNOWLEDGE,
S 04 4	T						
Sworn Statement:	I HEREBY A	ATTEST THAT ALL P	ROPERTY TAXE	S FOR SAID CO	OMPANY AR	E CURRENT A	ND PAID IN FULL.
	I HEREBY A	ATTEST THAT ALL S	ALES TAXES FO	R SAID COMPA	ANY ARE CL	RRENT AND P	AID IN FULL
					X	re of owner/offic	<b>S</b>
						or owner, offic	Tal
						20-458-1311	
		SUBS IN AN	CRIBED AND SWID FOR THE COU	ORN TO BEFO		elephone no. OTARY PUBLIC	2
		THIS				DAY OF	(county name)
		МҮС	OMMISSION EXP	PIRES		(date)	(month) and (year)
		SET	EQUENT	X -		(signature of no	otary public)

A notary public or other officer completing this certificate verifies	only the identity of the individual who signed the
document to which this certificate is attached, and not the truthf	ulness, accuracy, or validity of that document.
State of California	)
County of Marin	S.S.
obtaining of	)
Subscribed and sworn to (or affirmed) before me or	this 12 <sup>th</sup> day of April Month
2022, by Andrew Stokes	
Name of Sig	ner (1)
Name of Signer (2)	, proved to me on the basis of
satisfactory evidence to be the person(s) who appear	ared before me.
	ANNA RUTH HEMMERICH
Signature of Notary Public	Notary Public - California Marin County
Olgitatio of Notally Public	Commission # 2369974 My Comm. Expires Aug 6, 2025
For other required information (Notary Name, Commission No. etc.)	
Table Month (Notally Name, Commission No. etc.)	Seal
OPTIONAL INFORMA	ATION ———————————
Although the information in this section is not required by law it could	d proyent fraudulant re-
Although the information in this section is not required by law, it cou this jurat to an unauthorized document and may prove useful to per	d proyent fraudulant re-
Although the information in this section is not required by law, it couthis jurat to an unauthorized document and may prove useful to personate to personate of Attached Document	d prevent fraudulent removal and reattachment of sons relying on the attached document.  Additional Information
Although the information in this section is not required by law it could	d prevent fraudulent removal and reattachment of cons relying on the attached document.
Although the information in this section is not required by law, it couthis jurat to an unauthorized document and may prove useful to personate in the personate of Attached Document	Additional Information  Method of Affiant Identification  Proved to me on the basis of satisfactory evidence:
Although the information in this section is not required by law, it couthis jurat to an unauthorized document and may prove useful to personate to personate of Attached Document	Additional Information  Method of Affiant Identification
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Although the information in this section is not required by law, it couthis jurat to an unauthorized document and may prove useful to personal description of Attached Document  The certificate is attached to a document titled/for the purpose of	Additional Information  Method of Affiant Identification  Proved to me on the basis of satisfactory evidence:  of form(s) of identification or credible witness(es)  Notarial event is detailed in notary journal on:
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Cloud Nine Water Company, Inc. Annual Report Verification and Sworn Statement 12/31/21

			Verificat	tion and Sworn Stat	tement	
Verification						
	State of	Califo	ornia	I, the undersigned	of the	
		(state r	name)			
	County of (co	ounty name):		Other		
	Company nai	r or official) title:	GL 137	Andrew Stokes, C	ontroller	
	Company nai	me:	Cloud Nine	Water Company, Inc.		
	DO SAY TH	AT THIS ANNI IA	I IITH ITV D	DODEDTV TAV A	AID CALECTAY AND	
	CORPORAT	TON COMMISSIC	N	KOPEKI I IAX AI	ND SALES TAX REPORT	TO THE ARIZONA
			711.			
	FOR THE Y	EAR ENDING:	12/31/2	1		
	THAS BEEN	DDEDADED UNID		AWAYA		
	LITH ITY: THE	HATIHAVE CAR	ER MY DIRE	TION, FROM THE	ORIGINAL BOOKS, PAP	ERS AND RECORDS OF SAID
	AND CORRI	FCT STATEMENT	CFULLY EX.	AMINED THE SAM	IE, AND DECLARE THE S	SAME TO BE A COMPLETE
	REPORT IN	RESPECT TO EA	CH AND EVE	SO AND AFFAIRS	OF SAID UTILITY FOR T THING SET FORTH, TO	HE PERIOD COVERED BY THE
	KNOWLEDO	GE, INFORMATIC	N AND BELL	FF	THING SET FORTH, TO	THE BEST OF MY
		,	THE BEET	Li.		
Sworn Statement	IN ACCORD	ANCE WITH THE	PEOLIDEM	ENITED OF THE TAX		
on orn statement.	STATUTES	IT IS HEREIN DE	POPTED TH	AT THE CROSS OF	, ARTICLE 8, SECTION 4	0-401, ARIZONA REVISED
	FROM ARIZ	ONA INTRASTAT	TE HTH ITV (	DED ATIONS DUE	PERATING REVENUE OF ING THE CALENDAR YE	SAID UTILITY DERIVED
			IL CHEITT (	DI EKATIONS DUK	ING THE CALENDAR YE	EAR WAS:
				Arizona Intrastate	Gross Operating Revenues	Only (\$)
					\$11,055	
				(The amount in the	box above includes	
				1 111	\$828 in sales tax	res
				billed or collected)		
						7
				_		5 / 00 11
					signature	of owner/official
					520	-458-1311
						phone no.
			SUBSCRIBEI	O AND SWORN TO	BEFORE ME A NOTARY	PUBLIC
			IN AND FOR	THE COUNTY		
			THIS			(county name)
			THIS		DAY OF	
						(month) and (year)
			MY COMMIS	SION EXPIRES		
			THE COLVERNING	PION EVLICE?	(1	
				1 1	(date)	
		SEE JU	PAT .	Ni		
			4111	7		
				and the same of th	(signature o	of notary public)
					(Signature (	notary public)

A notary public or other officer completing this certificate verificate document to which this certificate is attached, and not the truth	s only the identity of the individual who signed the fulness, accuracy, or validity of that document
State of California  County of Marin	s.s.
Subscribed and sworn to (or affirmed) before me o	n this 12th day of April Month
2022, by Andrew Stokes	
Name of S	igner (1)
Name of Signer (2) satisfactory evidence to be the person(s) who appe	proved to me on the basis of
Signature of Notary Public	ANNA RUTH HEMMERICH Notary Public - Caifornia Marin County Commission # 2369974 My Comm. Expires Aug 6, 2025
For other required information (Notary Name, Commission No. etc.)  OPTIONAL INFORM  Although the information in this section is not required by law, it cout this jurat to an unauthorized document and may prove useful to per	ald provo at family to
Description of Attached Document	Additional Information
The certificate is attached to a document titled/for the purpose of	Method of Affiant Identification
	Proved to me on the basis of satisfactory evidence:  form(s) of identification credible witness(es)
	Notarial event is detailed in notary journal on:  Page # Entry #
	Notary contact:
ontaining pages, and dated	Other
	Affiant(s) Thumbprint(s) Describe:

Cloud Nine Water Company, Inc. Annual Report Verification and Sworn Statement (Residential Revenue) 12/31/21

Verification:

	State of California I, the undersigned of the (state name)
	County of (county name):  Name (owner or official) title:  Company name:  Other  Andrew Stokes, Controller  Cloud Nine Water Company, Inc.
	DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.
	FOR THE YEAR ENDING: 12/31/21
	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 (\$)  S6,858  (The amount in the box above includes  \$514 in sales taxes billed or collected)  signature of owner/official  520-458-1311
	SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY (county name)
	THIS DAY OF (month) and (year)
	MY COMMISSION EXPIRES  (date)  (signature of notary public)

Verification and Sworn Statement (Residential Revenue)

A thotally public of other officer completing this certificate verifie	<b>Certificate</b> s only the identity of the individual who signed the
document to which this certificate is attached, and not the truth	fulness, accuracy, or validity of that document.
State of California	1
County of Marin	S.S.
County of I (AY)Y)	J
Subscribed and sworn to (or affirmed) before me of	n this 12th day of April
2022, by Andry Stokes	
Name of Si	gner (1)
Name of Signer (2)	proved to me on the basis of
satisfactory evidence to be the person(s) who appe	ared before me.
Signature of Notary Public	ANNA RUTH HEMMERICH Notary Public - California Marin County
	Commission + 2369974 My Comm. Expires Aug 6, 2025
	My Contin. Expires Aug 6, 2023
For other required information (Notary Name, Commission No. etc.)	
For other required information (Notary Name, Commission No. etc.)	Seal
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