

**ANNUAL REPORT**

Of

Company Name:   
96 Bel Aire Pl., Ste 140

Mailing Address: Sierra Vista AZ  
85635

Docket No.: WS-02672A  
For the Year Ended:

**RECEIVED  
BY EMAIL**

4/30/2020, 12:08 PM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: rdelafuente@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:

Application Date:

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

For the Calendar Year Ended: 12/31/19

Primary Address:   
City:  State:  Zip Code:

Telephone Number:

Date of Original Organization of Utility:

Person to whom correspondence should be addressed concerning this report:

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:

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

Ownership:

Counties Served:

<b>Important changes during the year</b>
--

No	For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the year?
	If yes, please provide specific details in the box below.

No	Has the 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.

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$50,000			\$50,000	\$35,104	\$14,896
302	Franchises				0		0
303	Land and Land Rights				0		0
304	Structures and Improvements	8,135			8,135	1,017	7,118
305	Collecting & Improving Reservoirs				0		0
306	Lake, River, Canal Intakes				0		0
307	Wells and Springs	66,727			66,727	16,642	50,085
308	Infiltration Galleries				0		0
309	Supply Mains				0		0
310	Power Generation Equipment				0		0
311	Pumping Equipment	64,677	5,474		70,151	18,488	51,663
320	Water Treatment Equipment				0		0
320.1	Water Treatment Plants				0		0
320.2	Solution Chemical Feeders				0		0
320.3	Point-of-Use Treatment Devices				0		0
330	Distribution Reservoirs and Standpipes				0		0
330.1	Storage Tanks				0		0
330.2	Pressure Tanks	18,471			18,471	9,237	9,234
331	Transmission and Distribution Mains				0		0
333	Services				0		0
334	Meters and Meter Installations				0		0
335	Hydrants				0		0
336	Backflow Prevention Devices				0		0
339	Other Plant and Misc. Equipment				0		0
340	Office Furniture and Equipment				0		0
340.1	Computer & Software				0		0
341	Transportation Equipment				0		0
342	Stores Equipment				0		0
343	Tools, Shop and Garage Equipment				0		0
344	Laboratory Equipment				0		0
345	Power Operated Equipment				0		0
346	Communication Equipment				0		0
347	Miscellaneous Equipment				0		0
348	Other Tangible Plant				0		0
	<b>Totals</b>	<b>\$208,010</b>	<b>\$5,474</b>	<b>\$0</b>	<b>\$213,484</b>	<b>\$80,488</b>	<b>\$132,996</b>

Cloud Nine Water Company, Inc.  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/19

Depreciation Expense for the Current Year (Water)									
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
301	Organization	\$50,000	\$0	\$0	\$50,000		\$50,000	2.50%	\$1,250
302	Franchises	0	0	0	0		0		0
303	Land and Land Rights	0	0	0	0		0		0
304	Structures and Improvements	8,135	0	0	8,135		8,135	5.00%	407
305	Collecting & Improving Reservoirs	0	0	0	0		0		0
306	Lake, River, Canal Intakes	0	0	0	0		0		0
307	Wells and Springs	66,727	0	0	66,727		66,727	4.67%	3,116
308	Infiltration Galleries	0	0	0	0		0		0
309	Supply Mains	0	0	0	0		0		0
310	Power Generation Equipment	0	0	0	0		0		0
311	Pumping Equipment	64,677	5,474	0	70,151		70,151	13.52%	9,114
320	Water Treatment Equipment	0	0	0	0		0		0
320.1	Water Treatment Plants	0	0	0	0		0		0
320.2	Solution Chemical Feeders	0	0	0	0		0		0
320.3	Point-of-Use Treatment Devices	0	0	0	0		0		0
330	Distribution Reservoirs and Standpipes	0	0	0	0		0		0
330.1	Storage Tanks	0	0	0	0		0		0
330.2	Pressure Tanks	18,471	0	0	18,471		18,471	4.00%	739
331	Transmission and Distribution Mains	0	0	0	0		0		0
333	Services	0	0	0	0		0		0
334	Meters and Meter Installations	0	0	0	0		0		0
335	Hydrants	0	0	0	0		0		0
336	Backflow Prevention Devices	0	0	0	0		0		0
339	Other Plant and Misc. Equipment	0	0	0	0		0		0
340	Office Furniture and Equipment	0	0	0	0		0		0
340.1	Computer & Software	0	0	0	0		0		0
341	Transportation Equipment	0	0	0	0		0		0
342	Stores Equipment	0	0	0	0		0		0
343	Tools, Shop and Garage Equipment	0	0	0	0		0		0
344	Laboratory Equipment	0	0	0	0		0		0
345	Power Operated Equipment	0	0	0	0		0		0
346	Communication Equipment	0	0	0	0		0		0
347	Miscellaneous Equipment	0	0	0	0		0		0
348	Other Tangible Plant	0	0	0	0		0		0
	<b>Subtotal</b>	\$208,010	\$5,474	\$0	\$213,484	\$0	\$213,484		\$14,626

Contribution(s) in Aid of Construction (Gross) █  
Less: Non Amortizable Contribution(s) █  
Fully Amortized Contribution(s) █  
Amortizable Contribution(s) \$0  
Times: Proposed Amortization Rate 6.85%  
**Amortization of CIAC** \$0

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

**DEPRECIATION EXPENSE** \$14,626

Cloud Nine Water Company, Inc.  
Annual Report  
Balance Sheet Assets  
12/31/19

<b>Balance Sheet Assets</b>				
	<b>Assets</b>		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		\$1,754	\$1,673
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		1,360	1,506
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	<b>Total Current and Accrued Assets</b>		<b>\$3,114</b>	<b>\$3,179</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$208,010	\$213,484
103	Property Held for Future Use			
105	Construction Work in Progress			
108	Accumulated Depreciation ( <b>enter as negative</b> )*		(65,860)	(80,488)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	<b>Total Fixed Assets</b>		<b>\$142,150</b>	<b>\$132,996</b>
	<b>Total Assets</b>		<b>\$145,264</b>	<b>\$136,175</b>

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

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

<b>Balance Sheet Liabilities and Owners Equity</b>				
	<b>Liabilities</b>		Balance at Beginning of Year (2019)	Balance at End of Year (2019)
<b>Account No.</b>	<b>Current Liabilities</b>			
231	Accounts Payable			
232	Notes Payable (Current Portion)			
234	Notes Payable to Associated Companies		37,335	37,335
235	Customer Deposits			
236	Accrued Taxes		66	98
237	Accrued Interest			
242	Miscellaneous Current and Accrued Liabilities			
	<b>Total Current Liabilities</b>		<b>\$37,401</b>	<b>\$37,433</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)			
	<b>Deferred Credits</b>			
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			
	<b>Total Deferred Credits</b>		<b>\$0</b>	<b>\$0</b>
	<b>Total Liabilities</b>		<b>\$37,401</b>	<b>\$37,433</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$200,000	\$200,000
211	Other Paid-In Capital		221,797	234,693
215	Retained Earnings		(313,934)	(335,951)
218	Proprietary Capital (Sole Props and Partnerships)			
	<b>Total Capital</b>		<b>\$107,863</b>	<b>\$98,742</b>
	<b>Total Liabilities and Capital</b>		<b>\$145,264</b>	<b>\$136,175</b>

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

Cloud Nine Water Company, Inc.  
Annual Report  
Water Comparative Income Statement  
12/31/19

<b>Water Comparative Income Statement</b>			
Account No.	Calendar Year	Current Year 01/01/2019 - 12/31/2019	Last Year 01/01/2018 - 12/31/2018
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$12,071	\$10,961
460	Unmetered Water Revenue	96	96
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues	1,226	805
474	Other Water Revenue		158
	<b>Total Revenues</b>	<b>\$13,393</b>	<b>\$12,020</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages		
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	13,033	11,024
618	Chemicals		
620	Materials and Supplies		
620.1	Repairs and Maintenance	4,712	291
620.2	Office Supplies and Expense	0	
630	Contractual Services		
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	1,260	1,210
633	Contractual Services - Legal		
634	Contractual Services - Management Fees		
635	Contractual Services - Water Testing	3,946	4,712
636	Contractual Services - Other		
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses		
657	Insurance - General Liability	1,196	1,358
657.1	Insurance - Health and Life		
665	Regulatory Commission Expense - Rate		
670	Bad Debt Expense		127
675	Miscellaneous Expense	774	572
403	Depreciation Expense (From Schedule AR4)	14,626	9,015
408	Taxes Other Than Income		
408.11	Property Taxes	1,695	1,627
409	Income Taxes		
427.1	Customer Security Deposit Interest		
	<b>Total Operating Expenses</b>	<b>\$41,242</b>	<b>\$29,936</b>
	<b>Operating Income / (Loss)</b>	<b>(\$27,849)</b>	<b>(\$17,916)</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		
	<b>Total Other Income / (Expense)</b>	<b>\$0</b>	<b>\$0</b>
	<b>Net Income / (Loss)</b>	<b>(\$27,849)</b>	<b>(\$17,916)</b>



Cloud Nine Water Company, Inc.  
Annual Report  
Full time equivalent employees  
12/31/19

**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
<b>Total</b>	0.0	0.0	0.0	0.0

<b>Supplemental Financial Data (Long-Term Debt)</b>				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued				
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:	
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Meter Deposits Refunded During the Test Year:	
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***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.***

Well and Water Usage											
Name of the System:		CLOUD NINE WATER CO INC									
ADEQ Public Water System 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 **	Year Drilled	Water level 2010	Water level 2019	Meter Size (inches)	How measured:	Active
55-519938	3	160	368	8	Electric Submersible					Estimated	No
55-807101	40	250	554	10	6" submersible					Metered	Yes

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) <sup>1</sup>	Water sold (gallons) <sup>2</sup>	Water delivered (sold) to other systems (gallons) <sup>3</sup>	Water received (purchased) from other systems (gallons) <sup>4</sup>	Estimated authorized use (gallons) <sup>5</sup>	Purchased Power Expense <sup>6</sup>	Purchased Power (kWh) <sup>7</sup>
January	1,484,100.00	1,484,100.00	0.00	0.00		\$692	4,697
February	1,404,900.00	1,404,900.00	0.00	0.00		587	3,908
March	1,375,600.00	1,375,600.00	0.00	0.00		643	4,321
April	1,428,200.00	1,428,200.00	0.00	0.00		960	4,220
May	1,598,700.00	1,598,700.00	0.00	0.00		964	4,326
June	2,303,900.00	2,303,900.00	0.00	0.00		1,011	4,704
July	2,012,700.00	2,012,700.00	0.00	0.00		1,306	7,545
August	1,582,100.00	1,582,100.00	0.00	0.00		1,042	4,946
September	1,563,800.00	1,563,800.00	0.00	0.00		961	4,341
October	1,902,600.00	1,902,600.00	0.00	0.00		1,117	5,248
November	1,406,900.00	1,406,900.00	0.00	0.00		665	4,690
December	1,727,900.00	1,727,900.00	0.00	0.00		656	4,614
<b>Totals</b>	<b>19,791,400.00</b>	<b>19,791,400.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$10,604</b>	<b>57,560</b>

**If applicable, in the space below please provide a description for all un-metered water use along with amounts:**

<sup>1</sup> Water withdrawn - Total gallons of water withdrawn from pumped sources.  
<sup>2</sup> Water sold - Total gallons from customer meters, and other sales such as construction water.  
<sup>3</sup> Water delivered (sold) to other systems - Total gallons of water delivered to other systems.  
<sup>4</sup> Water received (purchased) from other systems - Total gallons of water purchased/received from other systems.  
<sup>5</sup> 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.  
<sup>6</sup> Enter the total purchased power costs for the power meters associated with this system.  
<sup>7</sup> Enter the total purchased kWh used by the power meters associated with this system.

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

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

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

SERVICE LINES		
Material	Percent of system	Year installed
PEX	unknown	
Galvanized steel	unknown	

BOOSTER PUMPS		
Horsepower	GPM	Quantity
15	unknown	1
10	unknown	1

FIRE HYDRANTS	
Type	Quantity
Standard *	4
Other	

STORAGE TANKS			
Capacity (gallons)	Material	Quantity	Year installed
300,000	Iron	1	

PRESSURE/BLADDER TANKS			
Capacity (gallons)	Material	Quantity	Year installed
5,000	iron	2	

\* A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

<b>Water Utility Plant Description (Continued)</b>
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For the following three items, list the utility owned assets in each category for each system.

<b>TREATMENT EQUIPMENT:</b>	Auto- chlorinators (2)
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<b>STRUCTURES:</b>	Area fencing
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<b>OTHER:</b>	
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Provide a calculation used to determine the value of one water 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
- (b) If no historical flow data are available, use:  
 $ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day} )$

ERC

Method used:

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

Month	Number of Customers				Other Non-Residential
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	
January	41		11		
February	42		11		
March	42		11		
April	41		11		
May	41		11		
June	41		11		
July	40		11		
August	41		11		
September	42		11		
October	42		11		
November	42		11		
December	42		11		

If the system has fire hydrants, what is the fire flow requirements?  GPM for  hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?   
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?   
 If yes, which AMA?

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.

\* an ERC is based on the calculation on the bottom of AR9 page 12.

Cloud Nine Water Company, Inc.  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/19

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

Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January			
February			
March			1
April			
May			
June			
July			
August			1
September			
October			2
November			
December			1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>5</b>

**Other (description):**

Other is customer requested shutoffs

**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.

**Property Taxes**

Amount of actual property taxes paid during Calendar Year 2019 was

\$1,695

If no property taxes paid, explain why.

Grey cell for explanation of no property taxes paid.

**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.



**Verification and Sworn Statement (Taxes)**

**Verification:** State of California I, the undersigned of the  
(state name)

County of (county name): Other  
Name (owner or official) title: Andrew Stokes, Controller  
Company name: 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: 12/31/19

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.

**RECEIVED  
BY EMAIL**

4/30/2020, 12:08 PM  
ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

[Signature]  
signature of owner/official

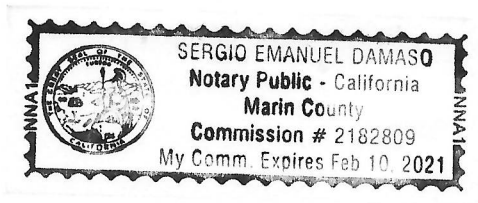
520-458-1311  
telephone no.

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

MARIN  
(county name)

THIS 30 DAY OF APRIL 2020  
(month) and (year)

MY COMMISSION EXPIRES 02/10/2021  
(date)



[Signature]  
(signature of notary public)

**Verification and Sworn Statement**

**Verification:**

State of California I, the undersigned of the  
(state name)  
County of (county name): Other  
Name (owner or official) title: Andrew Stokes, Controller  
Company name: 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: 12/31/19

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 (\$)

\$14,209

(The amount in the box above includes

\$816 in sales taxes

billed or collected)

  
signature of owner/official

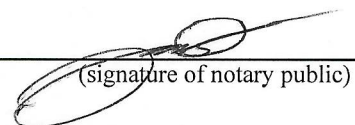
520-458-1311  
telephone no.

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

THIS 30 DAY OF MARIN  
(county name)  
APRIL 2020  
(month) and (year)

MY COMMISSION EXPIRES 02/10/2021  
(date)



  
(signature of notary public)

**Verification and Sworn Statement (Residential Revenue)**

**Verification:**

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

County of (county name): Other  
Name (owner or official) title: Andrew Stokes, Controller  
Company name: 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: 12/31/19

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 (\$)

\$9,324

(The amount in the box above includes  
\$607 in sales taxes  
billed or collected)

**RECEIVED  
BY EMAIL**

4/30/2020, 12:08 PM

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

[Signature]  
signature of owner/official

520-458-1311  
telephone no.

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

MARIN  
(county name)

THIS 30 DAY OF APRIL 2020  
(month) and (year)

MY COMMISSION EXPIRES 02/10/2021  
(date)



[Signature]  
(signature of notary public)