

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-02121A

LIVCO WATER COMPANY
P.O. BOX 659
CONCHO, AZ 85924

RECEIVED

MAR 28 2014

AZ CORP COMM
Director - Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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3-31-14

Statutory Agent:

S.A.1, Ltd
(Name)

235 E. Rhea Road
(Street)

Tempe

(City)

AZ

85284

(State)

(Zip)

602 522-8126
Telephone No. (Include Area Code)

602 522-8145
Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney

S.A.1, Ltd
(Name)

235 E. Rhea Road
(Street)

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Cell No. (Include Area Code)

Email Address jfb@jbyrnelaw.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

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

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME**LIVCO WATER COMPANY****UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,882		1,882
302	Franchises	8,054		8,054
303	Land and Land Rights	5,460		5,460
304	Structures and Improvements	15,988	9,312	6,676
307	Wells and Springs	52,845	43,536	9,309
311	Pumping Equipment	86,962	80,819	6,143
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	65,020	50,195	14,825
331	Transmission and Distribution Mains	237,789	177,017	60,772
333	Services			
334	Meters and Meter Installations	148,773	114,996	33,777
335	Hydrants	10,236	6,889	3,347
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	29,107	4,208	24,899
340	Office Furniture and Equipment	11,419	5,886	5,533
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	16,760	6,167	10,593
344	Laboratory Equipment	569	114	455
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	1,863	1,250	613
348	Other Tangible Plant	74,341	11,459	62,882
	TOTALS	767,068	511,848	255,220

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

COMPANY NAME
LIVCO WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,882		
302	Franchises	8,054		
303	Land and Land Rights	5,460		
304	Structures and Improvements	15,988	3.33%	532
307	Wells and Springs	52,845	3.33%	1,760
311	Pumping Equipment	86,962	12.50%	13,911
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	65,020	2.22%	1,443
331	Transmission and Distribution Mains	237,789	2.00%	4,756
333	Services			
334	Meters and Meter Installations	148,773	8.33%	12,393
335	Hydrants	10,236	2.00%	205
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	29,107	6.67%	1,941
340	Office Furniture and Equipment	11,419	6.67%	762
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	16,760	5.00%	838
344	Laboratory Equipment	569	10.00%	57
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	1,863	10.00%	186
348	Other Tangible Plant	74,341	5.00%	3,717
	SUBTOTALS	767,068		42,501
	CIAC Amortization			(6,266)
	TOTALS	767,068		36,235

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

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To The Board of Directors of
Livco Water Company
Concho, Arizona

We have compiled the balance sheets of Livco Water Company (a corporation) as of December 31, 2013 and 2012, and the related comparative statements of income and expense for the years then ended included in the accompanying prescribed form. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Arizona Corporation Commission.

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the Arizona Corporation Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the Arizona Corporation Commission, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Arizona Corporation Commission and is not intended to be and should not be used by anyone other than this specified party.

All other information contained in the accompanying prescribed form has been presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Arizona Corporation Commission, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information included on pages 4-5, 9, and 14-18 has been compiled by us without audit or review and accordingly, we do not express an opinion or provide any assurance on it. The supplementary information included on pages 2-3 and 10-13 was not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any assurance on it.

Ullmann & Company

ULLMANN & COMPANY, P.C.
Certified Public Accountants

February 28, 2014

COMPANY NAME LIVCO WATER COMPANY

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 13,866	\$ 4,414
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	10,367	13,219
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	5,694	2,961
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 29,927	\$ 20,594
	FIXED ASSETS		
101	Utility Plant in Service	\$ 767,607	\$ 767,068
103	Property Held for Future Use		
105	Construction Work in Progress	8,123	8,123
108	Accumulated Depreciation - Utility Plant	493,675	511,848
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 282,055	\$ 263,343
	TOTAL ASSETS	\$ 311,982	\$ 283,937

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

COMPANY NAME
LIVCO WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 39,438	\$ 37,206
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	8,945	10,125
236	Accrued Taxes	1,077	1,203
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 49,460	\$ 48,534
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 98,496	\$ 91,915
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	24,310	19,713
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	147,653	150,933
272	Less: Amortization of Contributions	144,667	150,933
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 27,296	\$ 19,713
	TOTAL LIABILITIES	\$ 175,252	\$ 160,162
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 82,000	\$ 82,000
211	Paid in Capital in Excess of Par Value	299,140	299,140
215	Retained Earnings	(244,410)	(257,365)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 136,730	\$ 123,775
	TOTAL LIABILITIES AND CAPITAL	\$ 311,982	\$ 283,937

COMPANY NAME**LIVCO WATER COMPANY****COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 182,664	\$ 173,878
460	Unmetered Water Revenue		
474	Other Water Revenues	2,207	2,420
	TOTAL REVENUES	\$ 184,871	\$ 176,298
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 58,724	\$ 58,514
610	Purchased Water		
615	Purchased Power	18,928	19,807
618	Chemicals	0	1,427
620	Repairs and Maintenance	3,795	2,466
621	Office Supplies and Expense	12,808	12,815
630	Outside Services	2,106	1,435
635	Water Testing	2,134	0
641	Rents	10,010	9,370
650	Transportation Expenses	6,724	4,514
657	Insurance - General Liability	6,526	5,029
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case	4,413	2,733
675	Miscellaneous Expense	650	1,374
403	Depreciation Expense	21,371	36,235
408	Taxes Other Than Income	5,914	5,034
408.11	Property Taxes	4,744	4,968
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 158,847	\$ 165,721
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income	206	130
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	4,651	5,639
	TOTAL OTHER INCOME/EXP	\$ (4,445)	\$ (5,509)
	NET INCOME/(LOSS)	\$ 21,579	\$ 5,068

COMPANY NAME	LIVCO WATER COMPANY
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	VARIES	VARIES		
Source of Loan	WIFA	WIFA		
ACC Decision No.				
Reason for Loan	Capital Improvements	Capital Improvements		
Dollar Amount Issued	\$88,579	\$29,798	\$	\$
Amount Outstanding	\$63,344	\$28,571	\$	\$
Date of Maturity	7/1/2028	9/1/2032		
Interest Rate	4.9%	4.2%	%	%
Current Year Interest	\$3,685	\$1,401	\$	\$
Current Year Principle	\$5,354	\$1,227	\$	\$

Meter Deposit Balance at Test Year End	\$ 19,713
Meter Deposits Refunded During the Test Year	\$ 2,128

COMPANY NAME Livco Water Co

Name of System: Livco Water Co

ADEQ Public Water System Number:01-018

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-600014	60	225	833	10	3	1970
55-508133	5	60	74	6	2	1984

* 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
5	2		15
1	1		
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	1	40	1
24,00	1	250	4
		3000	1

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

• **COMPANY NAME** Livco Water Co

Name of System: Livco Water Co

ADEQ Public Water System Number: 01-018

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	5,100
2.5	PVC	2,275
3	PVC	3,238
4	PVC	75,758
6	PVC	94,820
8	PVC	1,400
8	Asbestos	1,950

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	411
3/4	18
1	25
1 1/2	2
2	4
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

Portable chlorination tank and pressure pump

STRUCTURES:

3 pump pressure stations, 1 well house, fencing around 2 tanks and 1 well, 2 water tanks

OTHER:

Generator, compressor, portable water evacuation pump

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

COMPANY NAME: Livco Water Co

Name of System: Livco Water Co

ADEQ Public Water System Number: 01-018

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2012

Month	# of customers	Gallons Sold (thousands)	Gallons Unmetered (thousands)	Unmetered Comments	Gallons Pumped (thousands)	Gallons Purchased
Jan	366	1,900	200	Car accident broke valve, & flushing	2,251	
Feb	366	1,469	1100	Major leaks from freezing temps & flushing	2,964	
Mar	366	1,453	25	flushing	1,681	
Apr	368	1,667	25	flushing	1,990	
May	373	3,027	25	flushing	3,349	
June	374	4,206	25	flushing	4,682	
July	380	3,591	25	flushing	4,079	
Aug	379	3,073	100	Tank overflows from bad controls & flushing	3,543	
Sept	377	1,997	100	Tank overflows from bad controls & flushing	2,356	
Oct	375	1,896	200	Fire Dept overtested all hydrants which also caused extra flushing of system	2,318	
Nov	375	1,514	400	Main well pump failed. Tank overflows until controls could be adjusted after repairs	1,732	395
Dec	372	1,782	500	Large leaks from damaged valves & flushing	2,514	
	Totals	27,575	2,725		33,459	395

What is the level of arsenic for each well on your system? POE1: .006mg/l & POE2: <.001mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? No requirements

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

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

COMPANY NAME: Livco Water Co

Name of System: Livco Water Co

ADEQ Public Water System Number: 01-018

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL		1	
MAY		1	
JUNE			
JULY		1	
AUGUST		1	
SEPTEMBER		1	
OCTOBER		1	
NOVEMBER		2	
DECEMBER		2	
TOTALS →		10	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 4,856

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**

RECEIVED

MAR 28 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME) APACHE
NAME (OWNER OR OFFICIAL) TITLE RICK KAUTZ, PRESIDENT
COMPANY NAME LIVCO WATER COMPANY

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

FOR THE YEAR ENDING

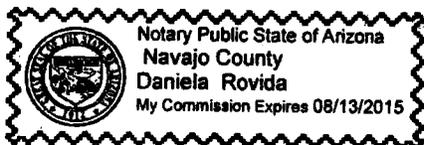
MONTH	DAY	YEAR
12	31	2013

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.



Rick Kautz

SIGNATURE OF OWNER OR OFFICIAL

928 337-3578

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18th DAY OF

COUNTY NAME	<i>Apache</i>	
MONTH	<i>March</i>	<i>2014</i>

(SEAL)

Daniela Rovida

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 08/13/2015

COMPANY NAME LIVCO WATER COMPANY YEAR ENDING 12/31/2013

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 5,068
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 5,068
Estimated or Actual State Tax Liability 0

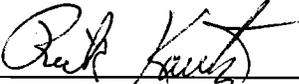
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3-18-14
DATE

RICK KAUTZ
PRINTED NAME

PRES.
TITLE

RECEIVED

MAR 28 2014

AZ CORP COMM
Director - Utilities

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) APACHE
NAME (OWNER OR OFFICIAL) TITLE RICK KAUTZ, PRESIDENT
COMPANY NAME LIVCO WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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

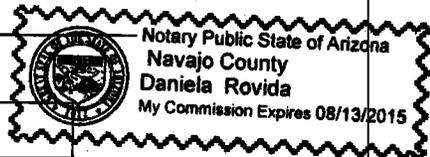
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>186,833</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 10,535
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)

Rick Kautz
SIGNATURE OF OWNER OR OFFICIAL
928 337-2578
TELEPHONE NUMBER



SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 18th DAY OF

COUNTY NAME	<u>Apache</u>	
MONTH	<u>March</u>	<u>2014</u>

(SEAL)

Daniela Rovida
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 08/13/2015

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

RECEIVED

MAR 28 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) APACHE	
NAME (OWNER OR OFFICIAL) RICK KAUTZ	TITLE PRESIDENT
COMPANY NAME LIVCO WATER COMPANY	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

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 2013 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 186,833

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 10,535
IN SALES TAXES BILLED, OR COLLECTED)

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


SIGNATURE OF OWNER OR OFFICIAL

928 337-3578
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

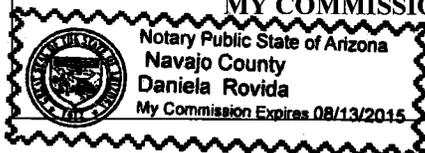
THIS 18th DAY OF

NOTARY PUBLIC NAME	Daniela Rovida	
COUNTY NAME	Apache	
MONTH	March	, 20 <u>14</u>

(SEAL)

MY COMMISSION EXPIRES 08/13/2015


SIGNATURE OF NOTARY PUBLIC



See Independent Accountants' Compilation Report