

**ANNUAL REPORT**

Of

Company Name: Johnson Utilities L.L.C. DBA Johnson Utilities Company  
5230 E. Shea Blvd., Ste. 200

Mailing Address: Scottsdale AZ  
85254

Docket No.: WS-02987A  
For the Year Ended: 12/31/17

RECEIVED

MAY 14 2018

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

**WATER UTILITY**

To

Arizona Corporation Commission

**Due on April 15th**

Email: [rdefafuente@azcc.gov](mailto:rdefafuente@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: 5/8/2018

5-25-18

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Johnson Utilities L.L.C. DBA Johnson Utilities Company  
A Class  Utility

1. For the Calendar Year Ended:

2. Address:   
City:  State:  Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

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

6. On-Site Manager:

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

7. Ownership:

8. Counties Served:

| 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                           | \$0                          | \$0                    | \$0                      | \$0                    | \$0                      | \$0                 |
| 302                              | Franchises                             | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 303                              | Land and Land Rights                   | 474,452                      | 0                      | 0                        | 474,452                | 0                        | 474,452             |
| 304                              | Structures and Improvements            | 5,190,323                    | 0                      | 0                        | 5,190,323              | 1,289,082                | 3,901,241           |
| 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                      | 4,967,783                    | 2,149                  | 0                        | 4,969,932              | 1,330,353                | 3,639,579           |
| 308                              | Infiltration Galleries                 | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 309                              | Supply Mains                           | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 310                              | Power Generation Equipment             | 483,638                      | 420                    | 0                        | 484,058                | 204,139                  | 279,919             |
| 311                              | Pumping Equipment                      | 3,198,398                    | 16,441                 | 0                        | 3,214,839              | 1,835,364                | 1,379,475           |
| 320                              | Water Treatment Equipment              | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 320.1                            | Water Treatment Plants                 | 998,115                      | 24,537                 | 0                        | 1,022,652              | 417,820                  | 604,832             |
| 320.2                            | Solution Chemical Feeders              | 11,595                       | 0                      | 0                        | 11,595                 | 1,351                    | 10,244              |
| 320.3                            | Point-of-Use Treatment Devices         | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 330                              | Distribution Reservoirs and Standpipes | 7,915,271                    | 0                      | 0                        | 7,915,271              | 2,043,079                | 5,872,192           |
| 330.1                            | Storage Tanks                          | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 330.2                            | Pressure Tanks                         | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 331                              | Transmission and Distribution Mains    | 55,648,700                   | 5,575,614              | 0                        | 61,224,314             | 15,575,322               | 45,648,992          |
| 333                              | Services                               | 3,264,866                    | 0                      | 0                        | 3,264,866              | 947,445                  | 2,317,421           |
| 334                              | Meters and Meter Installations         | 8,470,027                    | 418,824                | 0                        | 8,888,851              | 5,614,029                | 3,274,822           |
| 335                              | Hydants                                | 5,508,536                    | 25,659                 | 0                        | 5,534,195              | 1,233,954                | 4,300,241           |
| 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         | 11,719                       | 548                    | 0                        | 12,267                 | 1,396                    | 10,871              |
| 340.1                            | Computer & Software                    | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 341                              | Transportation Equipment               | 63,245                       | 0                      | 0                        | 63,245                 | 33,417                   | 29,828              |
| 342                              | Stores Equipment                       | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 343                              | Tools, Shop and Garage Equipment       | 46,433                       | 0                      | 0                        | 46,433                 | 7,960                    | 38,473              |
| 344                              | Laboratory Equipment                   | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 345                              | Power Operated Equipment               | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 346                              | Communication Equipment                | 218,081                      | 0                      | 0                        | 218,081                | 125,958                  | 92,123              |
| 347                              | Miscellaneous Equipment                | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
| 348                              | Other Tangible Plant                   | 0                            | 0                      | 0                        | 0                      | 0                        | 0                   |
|                                  | <b>Totals</b>                          | <b>\$96,471,182</b>          | <b>\$6,064,192</b>     | <b>\$0</b>               | <b>\$102,535,374</b>   | <b>\$30,660,669</b>      | <b>\$71,874,705</b> |

**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.

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
Annual Report  
Depreciation Expense for the Current Year (Water)  
12/31/17

| 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 | Depreciation Percentages | Depreciation Expense |
| 301   | Organization                           | \$0                          | \$0                    | \$0                      | \$0                    | \$0                                     | 0.00%                    | \$0                  |
| 302   | Franchises                             | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 303   | Land and Land Rights                   | 474,452                      | 0                      | 0                        | 474,452                | 474,452                                 | 0.00%                    | 0                    |
| 304   | Structures and Improvements            | 5,190,323                    | 0                      | 0                        | 5,190,323              | 0                                       | 3.33%                    | 172,838              |
| 305   | Collecting & Improving Reservoirs      | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 306   | Lake, River, Canal Intakes             | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 307   | Wells and Springs                      | 4,967,783                    | 2,149                  | 0                        | 4,969,932              | 0                                       | 3.33%                    | 165,463              |
| 308   | Infiltration Galleries                 | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 309   | Supply Mains                           | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 310   | Power Generation Equipment             | 483,638                      | 420                    | 0                        | 484,058                | 0                                       | 5.00%                    | 24,192               |
| 311   | Pumping Equipment                      | 3,198,398                    | 16,441                 | 0                        | 3,214,839              | 0                                       | 12.50%                   | 400,827              |
| 320   | Water Treatment Equipment              | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 320.1   | Water Treatment Plants                 | 998,115                      | 24,537                 | 0                        | 1,022,652              | 0                                       | 3.33%                    | 33,646               |
| 320.2   | Solution Chemical Feeders              | 11,595                       | 0                      | 0                        | 11,595                 | 0                                       | 3.33%                    | 386                  |
| 320.3   | Point-of-Use Treatment Devices         | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 330   | Distribution Reservoirs and Standpipes | 7,915,271                    | 0                      | 0                        | 7,915,271              | 0                                       | 2.22%                    | 175,719              |
| 330.1   | Storage Tanks                          | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 330.2   | Pressure Tanks                         | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 331   | Transmission and Distribution Mains    | 55,648,700                   | 5,575,614              | 0                        | 61,224,314             | 0                                       | 2.00%                    | 1,168,730            |
| 333   | Services                               | 3,264,866                    | 0                      | 0                        | 3,264,866              | 0                                       | 3.33%                    | 108,720              |
| 334   | Meters and Meter Installations         | 8,470,027                    | 418,824                | 0                        | 8,888,851              | 0                                       | 8.33%                    | 722,997              |
| 335   | Hydrants                               | 5,508,536                    | 25,659                 | 0                        | 5,534,195              | 0                                       | 2.00%                    | 110,427              |
| 336   | Backflow Prevention Devices            | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 339   | Other Plant and Misc. Equipment        | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 340   | Office Furniture and Equipment         | 11,719                       | 548                    | 0                        | 12,267                 | 0                                       | 6.67%                    | 800                  |
| 340.1   | Computer & Software                    | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 341   | Transportation Equipment               | 63,245                       | 0                      | 0                        | 63,245                 | 0                                       | 20.00%                   | 12,649               |
| 342   | Stores Equipment                       | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 343   | Tools, Shop and Garage Equipment       | 46,433                       | 0                      | 0                        | 46,433                 | 0                                       | 5.00%                    | 2,322                |
| 344   | Laboratory Equipment                   | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 345   | Power Operated Equipment               | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 346   | Communication Equipment                | 218,081                      | 0                      | 0                        | 218,081                | 0                                       | 10.00%                   | 21,808               |
| 347   | Miscellaneous Equipment                | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
| 348   | Other Tangible Plant                   | 0                            | 0                      | 0                        | 0                      | 0                                       | 0.00%                    | 0                    |
|   | <b>Subtotal</b>                        | <b>\$96,471,182</b>          | <b>\$6,064,192</b>     | <b>\$0</b>               | <b>\$102,535,374</b>   | <b>\$474,452</b>                        |                          | <b>\$3,121,525</b>   |

Contribution(s) in Aid of Construction (Gross) \$37,613,764  
Less: Non Amortizable Contribution(s) 0  
Fully Amortized Contribution(s) 9,456,879  
Amortizable Contribution(s) **\$28,156,885**  
Times: Proposed Amortization Rate 3.06%  
**Amortization of CIAC** \$861,176

Less: Amortization of CIAC

**DEPRECIATION EXPENSE**

**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.

 **ULLMANN**  
**& COMPANY P.C.**  
Certified Public Accountants

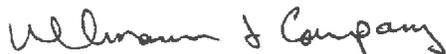
To the Shareholders of  
Johnson Utilities, LLC  
Water Utility  
Scottsdale, Arizona

Management is responsible for the accompanying financial statements of Johnson Utilities, LLC, Water Utility, which comprise the balance sheets as of December 31, 2017 and 2016, and the related water comparative income statements for the years then ended included in the accompanying prescribed form in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

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.

The supplementary information contained in pages 2-4 and 8-16 of the prescribed form is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information contained in pages 2-4, 8, and 13-16 was subject to our compilation engagement. We have not audited or reviewed this supplementary information. The supplementary information contained in pages 9-12 was not subject to our compilation engagement. We do not express an opinion, a conclusion, nor provide any assurance on any supplementary information.

This report is intended solely for the information and use of Johnson Utilities, LLC and the Arizona Corporation Commission, and is not intended to be and should not be used by anyone other than these specified parties.



ULLMANN & COMPANY, P.C.  
Certified Public Accountants

May 11, 2018

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
 Annual Report  
 Balance Sheet Assets  
 12/31/17

| Balance Sheet Assets |   |  |  |                                  |
|----------------------|---|--|--|----------------------------------|
|                      | Assets  |  | Balance at Beginning<br>of Year (2017) | Balance at End of<br>Year (2017) |
| Account No.          | <b>Current and Accrued Assets</b>             |  |  |                                  |
| 131                  | Cash  |  | \$6,897,197                            | \$11,038,823                     |
| 134                  | Working Funds                                 |  | 0                                      | 0                                |
| 135                  | Temporary Cash Investments                    |  | 0                                      | 0                                |
| 141                  | Customer Accounts Receivable                  |  | 1,234,113                              | 1,643,422                        |
| 146                  | Notes Receivable from Associated Companies    |  | 36                                     | 296,194                          |
| 151                  | Plant Material and Supplies                   |  | 88,578                                 | 122,092                          |
| 162                  | Prepayments                                   |  | 4,889,879                              | 4,886,168                        |
| 174                  | Miscellaneous Current and Accrued Assets      |  | 24,978                                 | 1,304,383                        |
|                      | <b>Total Current and Accrued Assets</b>       |  | <b>\$13,134,781</b>                    | <b>\$19,291,082</b>              |
| Account No.          | <b>Fixed Assets</b>                           |  |  |                                  |
| 101                  | Utility Plant in Service*                     |  | \$96,471,182                           | \$102,535,374                    |
| 103                  | Property Held for Future Use                  |  | 1,284,561                              | 1,284,561                        |
| 105                  | Construction Work in Progress                 |  | 671,287                                | 1,384,406                        |
| 108                  | Accumulated Depreciation (enter as negative)* |  | (27,539,145)                           | (30,660,669)                     |
| 121                  | Non-Utility Property                          |  | 0                                      | 0                                |
| 122                  | Accumulated Depreciation - Non Utility        |  | 0                                      | 0                                |
|                      | <b>Total Fixed Assets</b>                     |  | <b>\$70,887,885</b>                    | <b>\$74,543,672</b>              |
|                      | <b>Total Assets</b>                           |  | <b>\$84,022,666</b>                    | <b>\$93,834,754</b>              |

**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 AR3 UPIS Page 3

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
Annual Report  
Balance Sheet Liabilities and Owners Equity

| Balance Sheet Liabilities and Owners Equity |   |  |  |                                  |
|---|---|--|--|----------------------------------|
|   | Liabilities                                       |  | Balance at Beginning<br>of Year (2017) | Balance at End of<br>Year (2017) |
| Account No.                                 | Current Liabilities                               |  |  |                                  |
| 231   | Accounts Payable                                  |  | \$611,745                              | \$1,682,945                      |
| 232   | Notes Payable (Current Portion)                   |  | 0                                      | 0                                |
| 234   | Notes Payable to Associated Companies             |  | 0                                      | 69,976                           |
| 235   | Customer Deposits                                 |  | 500,948                                | 516,462                          |
| 236   | Accrued Taxes                                     |  | 6,133,968                              | 10,934,648                       |
| 237   | Accrued Interest                                  |  | 0                                      | 0                                |
| 242   | Miscellaneous Current and Accrued Liabilities     |  | 0                                      | 0                                |
|   | <b>Total Current Liabilities</b>                  |  | <b>\$7,246,661</b>                     | <b>\$13,204,031</b>              |
|   | <b>Long Term Debt</b>                             |  |  |                                  |
| 224   | Long Term Debt (Notes and Bonds)                  |  | \$234,000                              | \$234,000                        |
|   | <b>Deferred Credits</b>                           |  |  |                                  |
| 251   | Unamortized Premium on Debt                       |  | \$0                                    | \$0                              |
| 252   | Advances in Aid of Construction                   |  | 45,379,455                             | 50,973,306                       |
| 255   | Accumulated Deferred Investment Tax Credits       |  | 0                                      | 0                                |
| 271   | Contributions in Aid of Construction              |  | 36,436,197                             | 37,613,764                       |
| 272   | Less: Amortization of Contributions               |  | (9,456,879)                            | (10,318,055)                     |
| 281   | Accumulated Deferred Income Tax                   |  | 0                                      | 0                                |
|   | <b>Total Deferred Credits</b>                     |  | <b>\$72,358,773</b>                    | <b>\$78,269,015</b>              |
|   | <b>Total Liabilities</b>                          |  | <b>\$79,839,434</b>                    | <b>\$91,707,046</b>              |
|   | <b>Capital Accounts</b>                           |  |  |                                  |
| 201   | Common Stock Issued                               |  | \$0                                    | \$0                              |
| 211   | Other Paid-In Capital                             |  | 0                                      | 0                                |
| 215   | Retained Earnings                                 |  | 0                                      | 0                                |
| 218   | Proprietary Capital (Sole Props and Partnerships) |  | 4,183,232                              | 2,127,708                        |
|   | <b>Total Capital</b>                              |  | <b>\$4,183,232</b>                     | <b>\$2,127,708</b>               |
|   | <b>Total Liabilities and Capital</b>              |  | <b>\$84,022,666</b>                    | <b>\$93,834,754</b>              |

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

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
Annual Report  
Water Comparative Income Statement  
12/31/17

| Water Comparative Income Statement |  |   |                                      |
|------------------------------------|--|---|--------------------------------------|
| Account No.                        | Calendar Year                            | Current Year<br>01/01/2017 - 12/31/2017 | Last Year<br>01/01/2016 - 12/31/2016 |
|                                    | <b>Operating Revenue</b>                 |   |                                      |
| 461                                | Metered Water Revenue                    | \$11,308,084                            | \$11,273,515                         |
| 460                                | Unmetered Water Revenue                  | 0                                       | 0                                    |
| 462                                | Fire Protection Revenue                  | 0                                       | 0                                    |
| 469                                | Guaranteed Revenues (Surcharges)         | 0                                       | 0                                    |
| 471                                | Miscellaneous Service Revenues           | 0                                       | 0                                    |
| 474                                | Other Water Revenue                      | 405,518                                 | 432,687                              |
|                                    | <b>Total Revenues</b>                    | <b>\$11,713,602</b>                     | <b>\$11,706,202</b>                  |
|                                    | <b>Operating Expenses</b>                |   |                                      |
| 601                                | Salaries and Wages                       | 50                                      | 578,000                              |
| 604                                | Employee Pensions and Benefits           | 0                                       | 0                                    |
| 610                                | Purchased Water                          | 0                                       | 24,933                               |
| 615                                | Purchased Power                          | 1,184,638                               | 1,121,566                            |
| 618                                | Chemicals                                | 66,724                                  | 28,235                               |
| 620                                | Materials and Supplies                   | 37,427                                  | 140,900                              |
| 620.1                              | Repairs and Maintenance                  | 347,874                                 | 225,919                              |
| 620.2                              | Office Supplies and Expense              | 89,842                                  | 87,430                               |
| 630                                | Contractual Services                     | 0                                       | 0                                    |
| 631                                | Contractual Services - Engineering       | 72,266                                  | 28,581                               |
| 632                                | Contractual Services - Accounting        | 19,364                                  | 38,812                               |
| 633                                | Contractual Services - Legal             | 195,719                                 | 168,499                              |
| 634                                | Contractual Services - Management Fees   | 7,093,812                               | 6,924,063                            |
| 635                                | Contractual Services - Water Testing     | 79,725                                  | 55,035                               |
| 636                                | Contractual Services - Other             | 24,761                                  | 51,465                               |
| 640                                | Rents                                    | 0                                       | 0                                    |
| 641                                | Rental of Building/Real Property         | 126,720                                 | 127,261                              |
| 642                                | Rental of Equipment                      | 0                                       | 52                                   |
| 650                                | Transportation Expenses                  | 2,506                                   | 2,881                                |
| 657                                | Insurance - General Liability            | 68,674                                  | 55,470                               |
| 657.1                              | Insurance - Health and Life              | 0                                       | 0                                    |
| 665                                | Regulatory Commission Expense - Rate     | 0                                       | 0                                    |
| 670                                | Bad Debt Expense                         | (10,080)                                | 43,879                               |
| 675                                | Miscellaneous Expense                    | 196,728                                 | 135,919                              |
| 403                                | Depreciation Expense (From Schedule AR4) | 2,260,349                               | 2,144,509                            |
| 408                                | Taxes Other Than Income                  | 0                                       | 4,270                                |
| 408.11                             | Property Taxes                           | 520,080                                 | 544,313                              |
| 409                                | Income Taxes                             | 0                                       | 0                                    |
| 427.1                              | Customer Security Deposit Interest       | 0                                       | 0                                    |
|                                    | <b>Total Operating Expenses</b>          | <b>\$12,377,129</b>                     | <b>\$12,031,992</b>                  |
|                                    | <b>Operating Income / (Loss)</b>         | <b>(\$663,527)</b>                      | <b>(\$325,790)</b>                   |
|                                    | <b>Other Income / (Expense)</b>          |   |                                      |
| 419                                | Interest and Dividend Income             | \$65,631                                | \$41,073                             |
| 421                                | Non-Utility Income                       | 10,961                                  | 8,620                                |
| 426                                | Miscellaneous Non-Utility (Expense)      | (10,414)                                | 0                                    |
| 427                                | Interest (Expense)                       | (50,758)                                | (49,086)                             |
|                                    | <b>Total Other Income / (Expense)</b>    | <b>\$15,420</b>                         | <b>\$607</b>                         |
|                                    | <b>Net Income / (Loss)</b>               | <b>(\$648,107)</b>                      | <b>(\$325,183)</b>                   |

**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.

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/17

| Supplemental Financial Data (Long-Term Debt) |               |         |         |         |
|--|---------------|---------|---------|---------|
|  | Loan #1       | Loan #2 | Loan #3 | Loan #4 |
| Date Issued                                  | 12/31/2009    | NONE    | NONE    | NONE    |
| Source of Loan                               | MEMBER        | NONE    | NONE    | NONE    |
| ACC Decision No.                             | 60223         | NONE    | NONE    | NONE    |
| Reason for Loan                              | CAPTIAL IMROV | NONE    | NONE    | NONE    |
| Dollar Amt. Issued                           | \$234,000     | NONE    | NONE    | NONE    |
| Amount Outstanding                           | \$234,000     | NONE    | NONE    | NONE    |
| Date of Maturity                             | DEMAND        | NONE    | NONE    | NONE    |
| Interest Rate                                | 10.00%        | NONE    | NONE    | NONE    |
| Current Year Interest                        | \$23,400      | NONE    | NONE    | NONE    |
| Current Year Principal                       | \$0           | NONE    | NONE    | NONE    |

|   |             |
|---|-------------|
| Meter Deposit Balance at Test Year End: | \$2,379,067 |
|---|-------------|

|   |           |
|---|-----------|
| Meter Deposits Refunded During the Test Year: | \$483,847 |
|---|-----------|

***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.***

JOHNSON UTILITIES, L.L.C. dba JOHNSON UTILITIES COMPANY

PUBLIC WATER SYSTEM 11-136

YE 12/31/2017



| Water Utility Plant Description (Continued) |              |               |                 |          |
|---|--------------|---------------|-----------------|----------|
| MAINS                                       |              |               | CUSTOMER METERS |          |
| Sizes (inches)                              | Material     | Length (feet) | Size (inches)   | Quantity |
| 2   |              |               | 5/8 X 3/4       |          |
| 3   | SEE ATTACHED |               | 3/4             |          |
| 4   |              |               | 1               |          |
| 5   |              |               | 1 1/2           |          |
| 6   |              |               | Compound 2      |          |
| 8   |              |               | Turbine 2       |          |
| 10  |              |               | Compound 3      |          |
| 12  |              |               | Turbine 3       |          |
|   |              |               | Compound 4      |          |
|   |              |               | Turbine 5       |          |
|   |              |               | Compound 6      |          |
|   |              |               | Turbine 6       |          |
|   |              |               | 6+              |          |

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

|                             |                  |
|-----------------------------|------------------|
| <b>TREATMENT EQUIPMENT:</b> | Chlorine Systems |
|-----------------------------|------------------|

|                    |               |
|--------------------|---------------|
| <b>STRUCTURES:</b> | Fences, Gates |
|--------------------|---------------|

|               |       |
|---------------|-------|
| <b>OTHER:</b> | SCADA |
|---------------|-------|

**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.

**JOHNSON UTILITIES, LLC**

**PLANT INVENTORY-PINAL AMA**

**ANTHEM SYSTEM**

**(SYSTEM 11-136)**

***For year 2017***

**JOHNSON UTILITIES, LLC-ANTHEM @ MERRILL RANCH**  
**PLANT INVENTORY**  
**WATER WELLS - SYSTEM 11-136**

| Item | Name                 | ADWR #    | ADDRESS  | In-Service | Lot Size              | Tax Parcel  | COMMENT | Well Depth | Casing Size | Casing Depth | Pump HP | Pump GPM | Decided to JUC? |
|------|----------------------|-----------|--|------------|-----------------------|-------------|---------|------------|-------------|--------------|---------|----------|-----------------|
| 1    | Rancho Sendero No. 1 | 55-569177 | 7124 -1 E Hunt Hwy, Florence, AZ 85232         | Yes        | 100x100               | 211-02-004B |         | 1000       | 10          | 280          | 50      | 600      | Yes             |
| 2    | Rancho Sendero No. 2 | 55-583151 | 7124-2 E. Hunt Hwy, Florence, AZ 85232         | Yes        | 200X200               | 211-02-006  |         | 400        | 8           | 380          | 50      | 300      | Yes             |
| 3    | Anthem No. 1         | 55-211602 | 4050 W. Spirit Way, Florence, AZ 85232         | Yes        | Drilled               | 104-22-008M |         | 950        | 16<br>12    | 740<br>950   | 200     | 1429     | Yes             |
| 4    | Anthem No. 2         | 55-216839 | 6100 E. Merrill Ranch Pkwy, Florence, AZ 85232 | no         | Drilled, not equipped | 211-01-008  |         | 700        | 12          | 700          | 0       | 0        | Yes             |
| 5    | Anthem No. 3         | 55-212514 | 6800 E. American Way, Florence, AZ 85232       | Yes        | Drilled               | 211-01-003  |         | 600        | 16          | 600          | 0       | 0        | yes             |
| 6    | Anthem No. 4         | 55-212512 | 5443 W Victory Way                             | no         | Drilled               | 211-01-004  |         | 950        | 16<br>12    | 740<br>950   | 0       | 0        | yes             |
| 7    |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 8    |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 9    |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 10   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 11   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 12   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 13   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 14   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |
| 15   |                      |           |  |            |                       |             |         |            |             |              |         |          |                 |







JOHNSON UTILITIES, L.L.C. dba JOHNSON UTILITIES COMPANY

PUBLIC WATER SYSTEM 11-128

YE 12/31/2017



| Water Utility Plant Description (Continued) |              |               |                 |          |
|---|--------------|---------------|-----------------|----------|
| MAINS                                       |              |               | CUSTOMER METERS |          |
| Sizes (inches)                              | Material     | Length (feet) | Size (inches)   | Quantity |
| 2   |              |               | 5/8 X 3/4       |          |
| 3   | SEE ATTACHED |               | 3/4             |          |
| 4   |              |               | 1               |          |
| 5   |              |               | 1 1/2           |          |
| 6   |              |               | Compound 2      |          |
| 8   |              |               | Turbine 2       |          |
| 10  |              |               | Compound 3      |          |
| 12  |              |               | Turbine 3       |          |
|   |              |               | Compound 4      |          |
|   |              |               | Turbine 5       |          |
|   |              |               | Compound 6      |          |
|   |              |               | Turbine 6       |          |
|   |              |               | 6+              |          |

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

|                             |                             |
|-----------------------------|-----------------------------|
| <b>TREATMENT EQUIPMENT:</b> | RO System, Chlorine Systems |
|-----------------------------|-----------------------------|

|                    |               |
|--------------------|---------------|
| <b>STRUCTURES:</b> | Fences, Gates |
|--------------------|---------------|

|               |       |
|---------------|-------|
| <b>OTHER:</b> | SCADA |
|---------------|-------|

**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.

**JOHNSON UTILITIES, LLC**

**PLANT INVENTORY-PHOENIX AMA**

**JOHNSON UTILITIES MAIN SYSTEM  
(SYSTEM # 11-128)  
*For year 2017***

NOTE: THE TOTAL LENGTH OF PIPE FOR SEWER AND WATER ARE LISTED ON THE ON-SITE (SUBDIVISION) SEWER AND WATER SHEETS.

**JOHNSON UTILITIES, LLC**  
**PLANT INVENTORY**  
**WATER WELLS - System 11-128**

| Item | Name                      | ADWR #    | In-Service | Lot Size | Tax Parcel   | Decided to JUC? | Address                    | City, State, Zip         | Well Depth | Casing Size | Casing Depth | Pump HP    | Pump GPM |
|------|---------------------------|-----------|------------|----------|--------------|-----------------|----------------------------|--------------------------|------------|-------------|--------------|------------|----------|
| 1    | Johnson Ranch 2 *         | 55-615284 | No         | 0.005    |              | Yes             | 101 E. Lockline Ave        | San Tan Valley, AZ 85143 |            |             |              | not in use |          |
| 2    | Johnson Ranch 3 *         | 55-627105 | Yes        | 0.1      | 210-21-004B1 | Yes             | 2041 E. Bella Vista Rd     | San Tan Valley, AZ 85143 | 800        | 8           | 760          | not in use | 500      |
| 3    | Johnson Ranch 4           | 55-558445 | Yes        | 0.054    | 210-20-004   | Yes             | 2029 E. Bella Vista Rd     | San Tan Valley, AZ 85143 | 900        | 10          | 665          |            | 100      |
| 4    | Johnson Ranch 5           | 55-559843 | Yes        | 0.055    | 210-20-005   | Yes             | 2035 E. Bella Vista Rd     | San Tan Valley, AZ 85143 | 1110       | 20          | 176          |            | 120      |
| 5    | Johnson Ranch 7*          | 55-563985 | Yes        | 0.1      | 210-20-001H  | Yes             | 1038 E. Hunt Highway       | San Tan Valley, AZ 85143 | 460        | 10          | 1000         |            | 200      |
| 6    | Oasis 1                   | 55-582085 | Yes        |          |              | Yes             | 2378 N. High Dunes Dr      | Florence, AZ 85132       | 520        | 6           | 460          |            | 30       |
| 7    | Oasis 2                   | 55-585088 | Yes        |          |              | Yes             | 6182 E. Hunt Highway       | Florence, AZ 85232       | 520        | 10          | 520          |            | 30       |
| 8    | Oasis 3                   | 55-582087 | Yes        |          |              | Yes             | 6238 E. Hunt Highway       | Florence, AZ 85232       | 815        | 8           | 380          |            | 1        |
| 9    | Sec 11 WWP Mon Well*      | 55-564304 | yes        |          | 200-24-091   | Yes             | Heritage road              | Florence, AZ 85232       |            |             |              | not in use |          |
| 10   | Edwards Road 2            | 55-586189 | Yes        |          | 210-28-018   | Yes             | 2793 N. Edwards Road       | San Tan Valley, AZ 85143 | 1125       | 10          | 1125         |            | 50       |
| 11   | Ricke 1                   | 55-570372 | Yes        |          | 210-36-002D  | Yes             | 11622 E. Bella vista Road  | San Tan Valley, AZ 85143 | 920        | 8           | 578          |            | 920      |
| 12   | Ricke 3                   | 55-594071 | YES        |          | 210-36-002A5 | Yes             | 11196 E. Bella Vista Road  | San Tan Valley, AZ 85143 | 840        | 10          | 175          |            | 60       |
| 13   | Wild Horse 1              | 55-571198 | Yes        |          | 200-74-085   | Yes             | 10075 Ponto Pony           | Florence, AZ 85232       | 995        | 16          | 995          | not in use | 1000     |
| 14   | Skyline 1                 | 55-621462 | Yes        |          | 509-02-028D6 | Yes             | 2000 W. Hunt Highway       | San Tan Valley, AZ 85143 | 1000       | 10          | 980          |            | 200      |
| 15   | Circle Cross 1            | 55-599026 | Yes        |          | 210-07-001H2 | Yes             | 35961 N. Charbray Drive    | San Tan Valley, AZ 85143 | 720        | 10          | 3/4          |            | 660      |
| 16   | San Tan Number 1          | 55-626147 | Yes        | 0.100    |              | Yes             | 33589 N. Village Lane      | San Tan Valley, AZ 85143 | 800        | 12          | 3/4          |            | 800      |
| 17   | San Tan Number 2          | 55-598836 | Yes        | 0.100    |              | Yes             | 33595 N. Village Lane      | San Tan Valley, AZ 85143 | 800        | 10          | 3/4          |            | 800      |
| 18   | Morning Sun Farms Well 1  | 55-201429 | yes        | 0.36     | 509-02-002L  | Yes             | 34287 N. Village Lane      | San Tan Valley, AZ 85143 | 800        | 10          | 800          |            | 200      |
| 19   | Morning Sun Farms Well 2  | 55-211012 | yes        |          | 509-03-002H  | Yes             | 1694 W. Skyline Dr.        | San Tan Valley, AZ 85143 | 700        | 12          | 3/4          |            | 700      |
| 20   | Hardison Well No. 1       | 55-209384 | yes        |          | 210-21-002D  | yes             | 3685 E. Bella Vista Road   | San Tan Valley, AZ 85143 | 800        | 10          | 5/8          |            | 780      |
| 21   | Magma well No. 1          | 55-215458 | No         |          | 210-40-019C  | yes             | E. Bella Vista Road        | San Tan Valley, AZ 85143 | 950        | 12          | 3/4          |            | 950      |
| 22   | Silverado Well No. 1      | 55-212850 | No         | 0.63     | 210-34-022C  | yes             | 14650 E. Skyline Drive     | San Tan Valley, AZ 85242 | 860        | 12          | 3/4          |            | 250      |
| 23   | Bella Vista Well No. 1    | 55-219579 | No         | 0.94     | 210-23-001J  | Yes             | 29591 N. Sierra Vista Road | San Tan Valley, AZ 85143 | 940        | 12          | 940          |            | 200      |
| 24   | Pecan WRP Monitor Well*   | 55-599386 | Yes        | 2.9      | 104-22-008D  | Yes             | 38539 N. Gantzel Road      | Queen Creek, AZ 85242    |            |             |              |            |          |
| 25   | San Tan WRP Monitor Well* | 55-214303 | Yes        | 3.72     | 509-02-062D3 | Yes             | 2603 W. Hunt Highway       | San Tan Valley, AZ 85143 | 340        | + 1/2       | 330          | N/A        | N/A      |
| 26   | Pecan WRP Monitor Well 2  | 55-221377 | yes        |          |              | Yes             | 29591 N. Sierra Vista Road | San Tan Valley, AZ 85143 | 1200       | 20          | 1200         |            | 450      |
| 27   | McRae Well                | 55-603380 | Yes        |          | 210-12-001D  | Yes             | 31624 N. Ataway Rd         | San Tan Valley, AZ 86143 | 700        | 9           | 640          | not in use |          |
| 28   |                           |           | No         | 0.06     | 509-02-927A  | Yes             |                            |                          |            |             |              |            |          |

\* - Not used for Domestic

**JOHNSON UTILITIES, LLC**  
**PLANT INVENTORY**  
**WATER PLANTS - System 11-128**

| Plant                     | Site #    | Size AC | Parcel       | ADDRESS                    | City, State, ZIP          | Tank      | Pneumatic Tank | Osmosis | Number | HORSE POWER | Decided to JU |
|---------------------------|-----------|---------|--------------|----------------------------|---------------------------|-----------|----------------|---------|--------|-------------|---------------|
| Johnson Ranch Water Plant | No        | 2.13    | 210-20-001J  | 968 E. Hunt Highway        | San Tan Valley, AZ, 85143 | 500,000   | 5,000          | 240gpm  | 1      | 40          | Yes           |
| RO system                 |           |         | 210-20-001J  | 968 E. Hunt Highway        | San Tan Valley, AZ, 85143 | 1,000,000 |                |         | 2      | 75          | Yes           |
| Oasis Water Plant         | No        |         |              | 6475 E. Hunt Highway       | Florence, AZ 85232        | 500,000   | 5,000          |         | 2      | 40          | Yes           |
| Wild Horse Water Plant    | WH # 1    | 0.53    | 200-74-085   | 10075 Pinto Pony           | Florence, AZ 85232        | 50,000    | 5,000          |         | 2      | 10          | Yes           |
| Edward Road Water Plant   | ER # 1    | 0.92    | 210-28-18    | 27931 N. Edwards Road      | San Tan Valley, AZ, 85143 | 50,000    | 5,000          |         | 2      | 10          | Yes           |
| Ricke Water Plant         | Ricke # 1 | 0.92    | 210-36-002D  | 11622 E. Bella vista Rd    | San Tan Valley, AZ, 85143 | 50,000    | 5,000          |         | 2      | 10          | Yes           |
| CAP Pump Station No. 1    |           | 0.015   |              | 833 E. Bella Vista Road    | San Tan Valley, AZ, 85143 | 500,000   |                |         | 1      | 30          | Yes           |
| CAP Pump Station No. 2    |           | 0.01    |              | 1036 E. hunt Highway       | San Tan Valley, AZ, 85143 | -         |                |         | 1      | 30          | Yes           |
| San Tan Water Storage     | SL 1      | 0.23    | 509-02-057B4 | 32036 N. Gary Road         | San Tan Valley, AZ, 85143 | 1,000,000 |                |         | 1      |             | Yes           |
| Circle Cross Water Plant  | CCI       | 0.52    | 210-07-001H2 | 35961 N. Charbray Drive    | San Tan Valley, AZ, 85143 | 500,000   | 5,000          |         | 2      | 40          | Yes           |
| Morning Sun Farms W. P.   | MSF 1     | 0.63    | 509-94-922   | 1624 W. Skyline Drive      | San Tan Valley, AZ, 85143 | 1,000,000 | 10,000         |         | 3      | 75          | Yes           |
| Silverado Water plant     | SRWP 1    | 0.63    | 210-34-022C  | 14650 E. Skyline Road      | San Tan Valley, AZ 85143  | 1,000,000 |                |         | 2      | 75          | Yes           |
| Bella Vista Water Plant   | BV 1      | 0.94    | 210-23-001J  | 29591 N. Sierra Vista Road | San Tan Valley, AZ 85143  | 1,000,000 | 10,000         |         | 2      | 50          | Yes           |
|                           |           |         |              |                            |                           |           |                |         | 1      | 75          |               |
| Total                     |           |         |              |                            |                           | 7,250,000 | 40,000         |         | 28     |             |               |







**JOHNSON UTILITIES, LLC  
PLANT INVENTORY  
SUBDIVISION WATER ON-SITE FACILITIES - SYSTEM 11-128**

| Subdivision                           | VALVES              |                     |                     |                    |                    |                    |        |       |    |    | Blowoff |   |   |   |               |               |                   |               |       |           |      |     |
|---------------------------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------|-------|----|----|---------|---|---|---|---------------|---------------|-------------------|---------------|-------|-----------|------|-----|
|                                       | 16" PIPE<br>PVC/DIP | 13" PIPE<br>PVC/DIP | 10" PIPE<br>PVC/DIP | 8" PIPE<br>PVC/DIP | 6" PIPE<br>PVC/DIP | 4" PIPE<br>PVC/DIP | 2" PVC | total | 16 | 12 |         | 8 | 6 | 4 | Irr 3"<br>S/C | Irr 2"<br>S/C | Irr 1 1/2"<br>S/C | Irr 1"<br>S/C | 1" ST | 3/4" S.T. | F.H. | ARV |
| Circle Cross Part 7                   | 4,045               |                     |                     |                    |                    | 1,767              |        |       |    |    |         |   |   |   |               |               |                   | 58            | 5     | 8         |      |     |
| Circle Cross Part 8                   | 4,389               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 34            | 9     | 7         |      |     |
| Circle Cross Part 9                   | 4,132               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 50            | 7     | 7         |      |     |
| Circle Cross Part 10                  | 6,238               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 67            | 10    | 10        |      |     |
| Circle Cross Part 11                  | 5,208               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 55            | 13    | 13        |      |     |
| Circle Cross Part 12                  | 3,922               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 10            | 1     | 8         |      |     |
| Circle Cross Part 13                  | 4,542               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 9             | 9     | 10        |      |     |
| Circle Cross Part 14                  | 4,362               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 11            | 5     | 8         |      |     |
| Circle Cross Part 15                  | 4,734               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 7             | 7     | 7         |      |     |
| Circle Cross Part 16                  | 3,900               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 9             | 4     | 9         |      |     |
| Circle Cross Part 17                  | 3,315               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 6             | 5     | 5         |      |     |
| Circle Cross Part 18                  | 2,425               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 13            | 6     | 6         |      |     |
| Circle Cross Part 19                  | 4,680               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 9             | 10    | 8         |      |     |
| Circle Cross Part 20                  | 3,802               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 9             | 3     | 8         |      |     |
| Circle Cross Part 21                  | 4,072               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 11            | 8     | 7         |      |     |
| Circle Cross Rained Retain Center     | 8,990               |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 23            | 13    | 13        |      |     |
| Circle Cross School                   |                     | 194                 |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1             | 1     | 1         |      |     |
| School                                |                     | 369                 |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 265           | 16    | 16        |      |     |
| Mountain Sun Farms MC                 |                     | 902                 |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 235           | 6     | 6         |      |     |
| Mountain Sun Farms Ph 1               |                     | 3,414               |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 875           | 1     | 1         |      |     |
| Mountain Sun Farms Ph 2               |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 235           | 5     | 12        |      |     |
| Mountain Sun Farms Ph 3               |                     | 2,579               |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 60            | 41    | 35        |      |     |
| Copper Basin Parcel A-98              |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,680         | 7     | 44        |      |     |
| Copper Basin Parcel B-85              |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,260         | 8     | 14        |      |     |
| Copper Basin Parcel C-118             |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,530         | 7     | 11        |      |     |
| Copper Basin Parcel D-194             |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,740         | 9     | 5         |      |     |
| Copper Basin Unit 2 154-L             |                     | 2,815               |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 7,222         | 6     | 10        |      |     |
| Copper Basin Unit 3A-522              |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 5,260         | 22    | 40        |      |     |
| Copper Basin Unit 3B-238              |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 4,860         | 16    | 16        |      |     |
| Copper Basin Unit 4                   |                     | 4,227               |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 5,410         | 20    | 24        |      |     |
| Copper Basin Unit 5A                  |                     | 681                 |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 10,455        | 12    | 14        |      |     |
| Copper Basin Unit 5B                  |                     | 2,438               |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 6,635         | 1     | 25        |      |     |
| Copper Basin Retail                   |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 194           | 3     | 26        |      |     |
| Copper Basin Market Place             |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 208           | 1     | 1         |      |     |
| Rancho Bella Vista North Parcel A-171 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 385           | 1     | 1         |      |     |
| Rancho Bella Vista North Parcel A-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,025         | 4     | 10        |      |     |
| Rancho Bella Vista North Parcel B-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,215         | 12    | 12        |      |     |
| Rancho Bella Vista North Parcel C-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,090         | 7     | 7         |      |     |
| Rancho Bella Vista North Parcel D-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,860         | 9     | 14        |      |     |
| Rancho Bella Vista North Parcel E-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,820         | 15    | 10        |      |     |
| Rancho Bella Vista North Parcel F-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,275         | 10    | 12        |      |     |
| Rancho Bella Vista North Parcel G-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,750         | 10    | 12        |      |     |
| Rancho Bella Vista North Parcel H-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,080         | 6     | 13        |      |     |
| Rancho Bella Vista North Parcel I-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,860         | 8     | 5         |      |     |
| Rancho Bella Vista North Parcel J-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 430           | 11    | 4         |      |     |
| Rancho Bella Vista North Parcel K-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 5,706         | 12    | 12        |      |     |
| Rancho Bella Vista North Parcel L-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 13,871        | 42    | 42        |      |     |
| Rancho Bella Vista North Parcel M-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 12,410        | 13    | 13        |      |     |
| Rancho Bella Vista North Parcel N-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,743         | 6     | 6         |      |     |
| Rancho Bella Vista North Parcel O-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,428         | 8     | 8         |      |     |
| Rancho Bella Vista North Parcel P-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,690         | 10    | 16        |      |     |
| Rancho Bella Vista North Parcel Q-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,728         | 8     | 10        |      |     |
| Rancho Bella Vista North Parcel R-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,248         | 7     | 7         |      |     |
| Rancho Bella Vista North Parcel S-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,535         | 14    | 14        |      |     |
| Rancho Bella Vista North Parcel T-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,824         | 7     | 7         |      |     |
| Rancho Bella Vista North Parcel U-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,056         | 4     | 12        |      |     |
| Rancho Bella Vista North Parcel V-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,265         | 7     | 7         |      |     |
| Rancho Bella Vista North Parcel W-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,810         | 14    | 14        |      |     |
| Rancho Bella Vista North Parcel X-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,522         | 7     | 7         |      |     |
| Rancho Bella Vista North Parcel Y-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,386         | 14    | 18        |      |     |
| Rancho Bella Vista North Parcel Z-150 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,820         | 7     | 11        |      |     |
| 801 Lumber at AZ Farms Rd             |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 4             | 4     | 4         |      |     |
| Crossfield Manor at AZ Farms          |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 28,404        | 6     | 87        |      |     |
| Minutia                               |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,173         | 3     | 3         |      |     |
| PJ Pedregal                           |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 1,650         | 4     | 5         |      |     |
| Quintana Lili Estates                 |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 3,704         | 8     | 8         |      |     |
| Bonanza Highlands-Panola Rd           |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,569         | 12    | 12        |      |     |
| Bonanza Highlands-N Brice Trail       |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,565         | 5     | 5         |      |     |
| Bonanza Highlands-Mylene Rd           |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 5,690         | 10    | 10        |      |     |
| Bonanza Highlands-Rhen Rd             |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 2,830         | 6     | 6         |      |     |
| Bonanza Highlands-W Josiah Trail      |                     |                     |                     |                    |                    |                    |        |       |    |    |         |   |   |   |               |               |                   | 4,730         | 12    | 12        |      |     |



| Water Use Data Sheet             |                     |                                       |   |  |   |
|----------------------------------|---------------------|---------------------------------------|---|--|---|
| Name of the System:              |                     | Phoenix AMA                           |   |  |   |
| ADEQ Public Water System Number: |                     | 11-128                                |   |  |   |
| Month                            | Number of Customers | Gallons Sold (thousands) <sup>1</sup> | Gallons Pumped (thousands) <sup>2</sup> | Gallons Purchased (thousands) <sup>3</sup> | Estimated Gallons Authorized Use (thousands) <sup>4</sup> |
| January                          |                     | 137,654                               | 180,417                                 |  |   |
| February                         |                     | 140,368                               | 160,310                                 |  |   |
| March                            |                     | 153,977                               | 188,897                                 |  |   |
| April                            |                     | 189,701                               | 215,468                                 |  |   |
| May                              |                     | 185,574                               | 258,864                                 |  |   |
| June                             |                     | 263,577                               | 270,811                                 |  |   |
| July                             |                     | 271,783                               | 284,963                                 |  |   |
| August                           |                     | 234,460                               | 272,076                                 |  |   |
| September                        |                     | 222,733                               | 265,037                                 |  |   |
| October                          |                     | 230,254                               | 248,744                                 |  |   |
| November                         |                     | 200,750                               | 218,804                                 |  |   |
| December                         |                     | 168,133                               | 191,349                                 |  |   |
| <b>Totals</b>                    |                     | <b>2,398,964</b>                      | <b>2,755,739</b>                        | <b>0</b>                                   | <b>0</b>  |

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

Does the system have chlorination treatment?

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

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

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

**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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

| Water Use Data Sheet             |                     |                                       |   |  |   |
|----------------------------------|---------------------|---------------------------------------|---|--|---|
| Name of the System:              |                     | Pinal AMA                             |   |  |   |
| ADEQ Public Water System Number: |                     | 11-136                                |   |  |   |
| Month                            | Number of Customers | Gallons Sold (thousands) <sup>1</sup> | Gallons Pumped (thousands) <sup>2</sup> | Gallons Purchased (thousands) <sup>3</sup> | Estimated Gallons Authorized Use (thousands) <sup>4</sup> |
| January                          |                     | 14,721                                | 21,553                                  |  |   |
| February                         |                     | 17,394                                | 22,623                                  |  |   |
| March                            |                     | 22,044                                | 24,778                                  |  |   |
| April                            |                     | 27,495                                | 30,367                                  |  |   |
| May                              |                     | 28,212                                | 35,752                                  |  |   |
| June                             |                     | 34,987                                | 40,619                                  |  |   |
| July                             |                     | 37,230                                | 36,913                                  |  |   |
| August                           |                     | 34,184                                | 38,099                                  |  |   |
| September                        |                     | 32,857                                | 30,783                                  |  |   |
| October                          |                     | 34,368                                | 43,333                                  |  |   |
| November                         |                     | 29,034                                | 28,049                                  |  |   |
| December                         |                     | 22,711                                | 25,853                                  |  |   |
| <b>Totals</b>                    |                     | <b>335,236</b>                        | <b>378,722</b>                          | <b>0</b>                                   | <b>0</b>  |

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

Does the system have chlorination treatment?

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

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

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

**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.

- 1 Gallons sold - Total gallons from customer meters.
- 2 Gallons pumped - Total gallons from pumped sources.
- 3 Gallons purchased - Total gallons purchased from other sources.
- 4 Estimated gallons authorized use - Total estimated gallons from authorized metered or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

0

Annual Report  
Utility Shutoffs / Disconnects  
12/31/17

|                   |        |
|-------------------|--------|
| ADEQ System No. : | 11-128 |
|-------------------|--------|

| Utility Shutoffs / Disconnects |  |                                     |          |
|--------------------------------|--|-------------------------------------|----------|
| Month                          | Termination without Notice R14-2-410.B | Termination with Notice R14-2-410.C | Other    |
| January                        |  | 392                                 |          |
| February                       |  | 519                                 |          |
| March                          |  | 383                                 |          |
| April                          |  | 513                                 |          |
| May                            |  | 490                                 |          |
| June                           |  | 638                                 |          |
| July                           |  | 628                                 |          |
| August                         |  | 289                                 |          |
| September                      |  | 699                                 |          |
| October                        |  | 793                                 |          |
| November                       |  | 357                                 |          |
| December                       |  | 448                                 |          |
| <b>Total</b>                   | <b>0</b>                               | <b>6,149</b>                        | <b>0</b> |

Other (description):

|  |
|--|
|  |
|--|

**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.

0

Annual Report  
Utility Shutoffs / Disconnects  
12/31/17

|                   |        |
|-------------------|--------|
| ADEQ System No. : | 11-136 |
|-------------------|--------|

| Utility Shutoffs / Disconnects |  |                                     |          |
|--------------------------------|--|-------------------------------------|----------|
| Month                          | Termination without Notice R14-2-410.B | Termination with Notice R14-2-410.C | Other    |
| January                        |  | 13                                  |          |
| February                       |  | 14                                  |          |
| March                          |  | 23                                  |          |
| April                          |  | 17                                  |          |
| May                            |  | 30                                  |          |
| June                           |  | 26                                  |          |
| July                           |  | 28                                  |          |
| August                         |  | 2                                   |          |
| September                      |  | 41                                  |          |
| October                        |  | 41                                  |          |
| November                       |  | 5                                   |          |
| December                       |  | 20                                  |          |
| <b>Total</b>                   | <b>0</b>                               | <b>260</b>                          | <b>0</b> |

Other (description):

|  |
|--|
|  |
|--|

|   |
|---|
| <b>Instructions:</b> 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. |
|---|

Johnson Utilities L.L.C. DBA Johnson Utilities Company  
Annual Report  
Property Taxes  
12/31/17

| Property Taxes   |           |
|--|-----------|
| Amount of actual property taxes paid during Calendar Year 2017 was | \$533,692 |

|   |
|---|
| If no property taxes paid, explain why.<br>NONE |
|---|

**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 (Taxes)

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

County of (county name): PINAL  
Name (owner or official) title: GARY DRUMMON, MANAGER  
Company name: Johnson Utilities L.L.C. DBA Johnson Utilities Company

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

FOR THE YEAR ENDING: 12/31/17

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



signature of owner/official

480-998-3300  
telephone no.

RECEIVED  
MAY 14 2019  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

THIS

30th

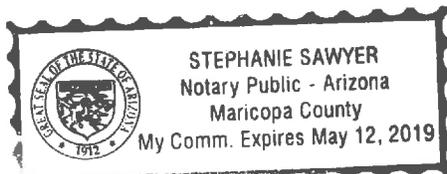
DAY OF

Maricopa  
(county name)

April, 2018  
(month) and (year)

MY COMMISSION EXPIRES

5-12-19  
(date)



Stephanie Sawyer  
(signature of notary public)

Verification and Sworn Statement

Verification:

State of ARIZONA I, the undersigned of the  
(state name)  
County of (county name): PINAL  
Name (owner or official) title: GARY DRUMMON, MANAGER  
Company name: Johnson Utilities L.L.C. DBA Johnson Utilities Company

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)  
\$12,517,583  
(The amount in the box above includes  
\$803,981 in sales taxes  
billed or collected)

RECEIVED  
MAY 14 2018  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]  
signature of owner/official  
480-998-3300  
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC  
IN AND FOR THE COUNTY  
THIS 30th DAY OF April, 2018  
(month) and (year)

STEPHANIE SAWYER  
Notary Public - Arizona  
Maricopa County  
My Comm. Expires May 12, 2019

MY COMMISSION EXPIRES 5-12-19  
(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): PINAL  
Name (owner or official) title: GARY DRUMMON, MANAGER  
Company name: Johnson Utilities L.L.C. DBA Johnson Utilities Company

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

FOR THE YEAR ENDING: 12/31/17

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 (\$)

\$9,582,924

(The amount in the box above includes

\$615,494 in sales taxes billed or collected)

RECEIVED  
MAY 14 2018  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

[Signature]  
signature of owner/official

480-998-3300  
telephone no.

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

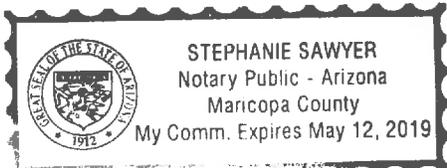
Maricopa  
(county name)

THIS 30<sup>th</sup>

DAY OF April, 2018  
(month) and (year)

MY COMMISSION EXPIRES

5-12-19  
(date)



[Signature]  
(signature of notary public)