

# ANNUAL REPORT

Of

Company Name: Liberty Utilities (Bella Vista Water) Corp  
12725 W. Indian School Rd., Ste. D101

Mailing Address: Avondale AZ  
85392

Docket No.: W-02465A  
For the Year Ended: 12/31/16

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JUN 06 2017

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

## WATER UTILITY

To

Arizona Corporation Commission

### Due on April 15th

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

Application Type:  
Application Date:

Original Filing

5/19/17

6-6-17

ARIZONA CORPORATION COMMISSION  
WATER UTILITY ANNUAL REPORT  
Liberty Utilities (Bella Vista Water) Corp  
A Class  Utility

1. For the Calendar Year Ended: 12/31/16

2. Address: 

12725 W. Indian School, Ste D101					
City:	Avondale	State:	Arizona	Zip Code:	85392

3. Telephone Number: 623-935-9367

4. Date of Original Organization of Utility: 12/18/1979

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

Name: Gerry Becker  
Telephone No. : 623-935-9367  
Address: 12725 W. Indian School, Ste D101  
City: Avondale State: Arizona Zip Code: 85392  
Email: gerry.becker@libertyutilities.com

6. On-Site Manager:

Name: Adolfo Garcia  
Telephone No. : 520-417-4465  
Address: 4055 Campus Drive  
City: Sierra Vista State: Arizona Zip Code: 85635  
Email: Adolfo.Garcia@libertyutilities.com

7. Ownership: "C" Corporation

8. Counties Served: Cochise

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	98,989	30,286	0	129,275	0	129,275
303	Land and Land Rights	740,152	0	0	740,152	0	740,152
304	Structures and Improvements	4,096,672	38,651	8,097	4,127,225	1,595,628	2,531,597
305	Collecting & Improving Reservoirs	51,378	0	0	51,378	11,833	39,545
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	1,693,876	71,863	519	1,765,220	829,978	935,242
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	434,230	0	0	434,230	17,913	416,317
310	Power Generation Equipment	193,841	0	0	193,841	19,384	174,457
311	Pumping Equipment	3,249,423	393,948	79,753	3,563,618	2,404,659	1,158,959
320	Water Treatment Equipment	112,132	10,483	0	122,615	75,610	47,005
320.1	Water Treatment Plants	0	0	0	0	0	0
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0
330	Distribution Reservoirs and Standpipes	3,191,349	0	0	3,191,349	1,328,680	1,862,669
330.1	Storage Tanks	0	352,396	0	352,396	28,029	324,366
330.2	Pressure Tanks	0	49,200	0	49,200	8,200	41,000
331	Transmission and Distribution Mains	14,835,431	2,133,605	5,470	16,963,567	5,778,780	11,184,787
333	Services	2,115,739	224,492	24,097	2,316,134	908,298	1,407,836
334	Meters and Meter Installations	1,626,978	155,292	47,089	1,735,181	1,209,542	525,639
335	Hydrants	1,164,016	167,211	111	1,331,116	485,574	845,542
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	192,879	0	0	192,879	80,064	112,815
340	Office Furniture and Equipment	255,207	734	0	255,941	257,222	(1,281)
340.1	Computer & Software	190,917	5,819	0	196,736	63,275	133,461
341	Transportation Equipment	557,964	56,459	0	614,423	349,652	264,772
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	284,617	30,819	9,240	306,196	154,531	151,666
344	Laboratory Equipment	3,285	0	0	3,285	737	2,548
345	Power Operated Equipment	102,644	0	0	102,644	21,571	81,073
346	Communication Equipment	883,829	14,214	537	897,506	473,697	423,809
347	Miscellaneous Equipment	111,764	456,709	0	568,473	115,995	452,478
348	Other Tangible Plant	264,358	0	0	264,358	180,299	84,059
	<b>Totals</b>	<b>\$36,451,670</b>	<b>\$4,192,180</b>	<b>\$174,911</b>	<b>\$40,468,939</b>	<b>\$16,399,151</b>	<b>\$24,069,788</b>

**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.

Liberty Utilities (Bella Vista Water) Corp  
 Annual Report  
 Depreciation Expense for the Current Year (Water)  
 12/31/16

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	98,989	30,286	0	129,275	129,275	0.00%	0
303	Land and Land Rights	740,152	0	0	740,152	740,152	0.00%	0
304	Structures and Improvements	4,096,672	38,651	8,097	4,127,225	0	3.33%	112,860
305	Collecting & Improving Reservoirs	51,378	0	0	51,378	0	2.50%	1,284
306	Lake, River, Canal Intakes	0	0	0	0	0	2.50%	0
307	Wells and Springs	1,693,876	71,863	519	1,765,220	0	3.33%	52,452
308	Infiltration Galleries	0	0	0	0	0	6.67%	0
309	Supply Mains	434,230	0	0	434,230	0	2.00%	8,685
310	Power Generation Equipment	193,841	0	0	193,841	0	5.00%	9,692
311	Pumping Equipment	3,249,423	393,948	79,753	3,563,618	1,504,289	12.50%	305,062
320	Water Treatment Equipment	112,132	10,483	0	122,615	11,336	-	7,628
320.1	Water Treatment Plants	0	0	0	0	0	3.33%	0
320.2	Solution Chemical Feeders	0	0	0	0	0	20.00%	0
320.3	Point-of-Use Treatment Devices	0	0	0	0	0	0.00%	0
330	Distribution Reservoirs and Standpipes	3,191,349	0	0	3,191,349	0	-	77,358
330.1	Storage Tanks	0	352,396	0	352,396	0	2.22%	28,029
330.2	Pressure Tanks	0	49,200	0	49,200	0	5.00%	8,200
331	Transmission and Distribution Mains	14,835,431	2,133,605	5,470	16,963,567	10	2.00%	436,724
333	Services	2,115,739	224,492	24,097	2,316,134	681,500	3.33%	51,003
334	Meters and Meter Installations	1,626,978	155,292	47,089	1,735,181	922,437	8.33%	78,064
335	Hydrants	1,164,016	167,211	111	1,331,116	0	2.00%	38,027
336	Backflow Prevention Devices	0	0	0	0	0	6.67%	0
339	Other Plant and Misc. Equipment	192,879	0	0	192,879	0	6.67%	12,543
340	Office Furniture and Equipment	255,207	734	0	255,941	207,775	6.67%	15,819
340.1	Computer & Software	190,917	5,819	0	196,736	0	20.00%	1,132
341	Transportation Equipment	557,964	56,459	0	614,423	198,933	20.00%	78,422
342	Stores Equipment	0	0	0	0	0	4.00%	0
343	Tools, Shop and Garage Equipment	284,617	30,819	9,240	306,196	84,609	5.00%	17,820
344	Laboratory Equipment	3,285	0	0	3,285	0	10.00%	329
345	Power Operated Equipment	102,644	0	0	102,644	0	5.00%	5,132
346	Communication Equipment	883,829	14,214	537	897,506	228,151	10.00%	73,327
347	Miscellaneous Equipment	111,764	456,709	0	568,473	91,836	10.00%	16,456
348	Other Tangible Plant	264,358	0	0	264,358	0	10.00%	10,898
	<b>Subtotal</b>	<b>\$36,451,670</b>	<b>\$4,192,180</b>	<b>\$174,911</b>	<b>\$40,468,939</b>	<b>\$4,800,302</b>		<b>\$1,446,946</b>

Contribution(s) in Aid of Construction (Gross)	\$4,779,323
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	<u>\$4,779,323</u>
Times: Proposed Amortization Rate	4.06%
Amortization of CIAC	97191.57
Less: Amortization of CIAC	<u>97191.57</u>
<b>DEPRECIATION EXPENSE</b>	<b>\$1,349,754</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.

Liberty Utilities (Bella Vista Water) Corp  
 Annual Report  
 Balance Sheet Assets  
 12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	<b>Current and Accrued Assets</b>			
131	Cash		(\$6,543)	\$41,602
134	Working Funds		901,683	967,298
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		527,539	617,104
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		1,043	6,216
174	Miscellaneous Current and Accrued Assets		0	0
	<b>Total Current and Accrued Assets</b>		<b>\$1,423,722</b>	<b>\$1,632,219</b>
Account No.	<b>Fixed Assets</b>			
101	Utility Plant in Service*		\$36,451,670	\$40,468,939
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,091,060	753,997
108	Accumulated Depreciation (enter as negative)*		(15,426,947)	(16,399,151)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	<b>Total Fixed Assets</b>		<b>\$22,115,782</b>	<b>\$24,823,785</b>
	<b>Total Assets</b>		<b>\$23,539,504</b>	<b>\$26,456,004</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

Liberty Utilities (Bella Vista Water) Corp  
Annual Report  
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current Liabilities			
231	Accounts Payable		(\$6,503)	(\$6,061)
232	Notes Payable (Current Portion)		151,175	160,376
234	Notes Payable to Associated Companies		2,695,213	2,157,803
235	Customer Deposits		1,840	40,817
236	Accrued Taxes		40,118	0
237	Accrued Interest		11,814	0
242	Miscellaneous Current and Accrued Liabilities		179,462	207,926
	<b>Total Current Liabilities</b>		<b>\$3,073,119</b>	<b>\$2,560,861</b>
	<b>Long Term Debt</b>			
224	Long Term Debt (Notes and Bonds)		\$725,453	\$546,849
	<b>Deferred Credits</b>			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		9,703,816	8,399,016
253	Other Deferred Credits		592,559	656,559
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		691,325	4,779,323
272	Less: Amortization of Contributions		(357,394)	(454,585)
281	Accumulated Deferred Income Tax		426,432	426,432
	<b>Total Deferred Credits</b>		<b>\$11,056,738</b>	<b>\$13,806,745</b>
	<b>Total Liabilities</b>		<b>\$14,855,310</b>	<b>\$16,914,454</b>
	<b>Capital Accounts</b>			
201	Common Stock Issued		\$3,501,832	\$3,501,832
211	Other Paid-In Capital		377,948	377,948
215	Retained Earnings		4,804,414	5,661,769
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	<b>Total Capital</b>		<b>\$8,684,194</b>	<b>\$9,541,549</b>
	<b>Total Liabilities and Capital</b>		<b>\$23,539,504</b>	<b>\$26,456,004</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!

Liberty Utilities (Bella Vista Water) Corp  
Annual Report  
Water Comparative Income Statement  
12/31/16

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year	Last Year
		01/01/2016 - 12/31/2016	01/01/2015 - 12/31/2015
	<b>Operating Revenue</b>		
461	Metered Water Revenue	\$2,592,810	\$4,256,758
460	Unmetered Water Revenue	2,321,833	0
462	Fire Protection Revenue	27,355	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	0	0
474	Other Water Revenue	88,718	91,154
420	AFUDC Revenue	0	0
	<b>Total Revenues</b>	<b>\$5,030,716</b>	<b>\$4,347,912</b>
	<b>Operating Expenses</b>		
601	Salaries and Wages	\$0	\$0
604	Employee Pensions and Benefits	0	0
610	Purchased Water	2,089	1,799
615	Purchased Power	570,934	523,440
616	Fuel for Power Production	0	0
618	Chemicals	14,135	14,257
620	Materials and Supplies	40,074	30,255
620.1	Repairs and Maintenance	0	0
620.2	Office Supplies and Expense	43,103	43,398
630	Contractual Services	0	0
631	Contractual Services -Engineering	9,438	0
632	Contractual Services - Accounting	255	0
633	Contractual Services - Legal	0	0
634	Contractual Services - Management Fees	1,220,772	996,167
635	Contractual Services - Water Testing	11,694	39,532
636	Contractual Services - Other	756,111	861,830
635	Water Testing	0	0
640	Rents	0	4,258
641	Rental of Building/Real Property	0	0
642	Rental of Equipment	3,509	0
650	Transportation Expenses	68,628	80,698
657	Insurance - General Liability	41,051	43,534
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	26,876
667	Regulatory Commission Expense - Other	(299,831)	0
675	Miscellaneous Expense	77,885	136,334
403	Depreciation Expense (From Schedule AR4)	1,349,754	1,185,184
408	Taxes Other Than Income	0	0
408.11	Property Taxes	205,406	217,880
409	Income Taxes	0	0
	<b>Total Operating Expenses</b>	<b>\$4,115,008</b>	<b>\$4,205,443</b>
	<b>Operating Income / (Loss)</b>	<b>\$915,708</b>	<b>\$142,469</b>
	<b>Other Income / (Expense)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(58,097)	(68,551)
	<b>Total Other Income / (Expense)</b>	<b>(\$58,097)</b>	<b>(\$68,551)</b>
	<b>Net Income / (Loss)</b>	<b>\$857,611</b>	<b>\$73,918</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.

Liberty Utilities (Bella Vista Water) Corp  
 Annual Report  
 Supplemental Financial Data (Long-Term Debt)  
 12/31/16

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	7/1/2001	3/1/2019	None	None
Source of Loan	WIFA #2	WIFA #1	None	None
ACC Decision No.	0	0	None	None
Reason for Loan	0	0	None	None
Dollar Amt. Issued	\$2,100,000	\$173,526	None	None
Amount Outstanding	\$697,864	\$24,440	None	None
Date of Maturity	6/1/2021	9/1/2018	None	None
Interest Rate	6.26%	6.10%	None	None
Current Year Interest	\$25,072	\$1,016	None	None
Current Year Principal	\$130,206	\$131,063	None	None

Meter Deposit Balance at Test Year End:	\$276,437
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Meter Deposits Refunded During the Test Year:	\$52,540
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***List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.***

**Water Utility Plant Description**

Name of the System: Liberty Utilities (Bella Vista Water) Corp. - BV South  
 ADEQ Public Water System Number: 02-007

**WELLS**

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-610119 STUMP	5	50	250	6	submersible	2	1,982	<0.001
55-805652 ASH	5	50	80	8	submersible	2	1,982	<0.001
55-536074 RO#1	1	5	160	8	submersible	1	1,992	<0.001
55-553209 WHORSE	7.5	25	608	12	submersible	4	1,997	0.00180
55-597128 RO#2	1.5	14	305	6	submersible	2	2,003	<0.001
55-583389 RO#3	5	25	500	8	submersible	1	2,001	<0.001
55-508962 NV16	5	30	215	6	submersible	2	1,984	<0.001
55-507217 NV15	5	40	205	6	submersible	2	1,984	<0.001
55-642087 NV 3	3	20	243	6	submersible	2	1,958	<0.001
55-624091 NV 9	3	12	287	6	submersible	2	1,959	<0.001
55-200-402 NV17	7.5	17	790	8	submersible	3	2,004	<0.001
55-203881 FAIRFIELD	15	80	800	8	submersible	3	2,004	<0.001
55-641821 NV10	2	17	154	4	submersible	1	unknown	<0.001
55-204088 KR	25	170	900	8	submersible	6	2,007	<0.001

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None	0	0
None	0	0

**FIRE HYDRANTS**

Type	Quantity
Standard ***	35
Other	8

**BOOSTER PUMPS**

Horsepower	GPM	Quantity
2	22	8
5	42	6
7.5	90	2
10	42	2
15	320	4
25	250	4
40	300	4
75	1,150	1

**PRESSURE/BLADDER TANKS**

Capacity	Quantity
30	1
80	4
1,000	4
1,500	1
2,000	1
5,000	5
6,000	1
7,000	1

**STORAGE TANKS**

Capacity	Material	Quantity
3,000	steel	1
5,000	plastic	2
7,000	steel	1
7,100	steel	1
10,000	steel	1
16,000	steel	1
16,500	steel	3
20,000	steel	1
49,700	steel	1
50,000	steel	1
80,000	steel	2
100,000	steel	3
200,000	steel	2
500,000	steel	1
429,000	steel	1
1,500,000	steel	2

\* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

\*\* Pump motor type, turbine or submersible.

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

Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
Unknown	ACP/DIP/PVC/GALV/POLY	0	5/8 X 3/4	844
1	ACP/DIP/PVC/GALV/POLY	0	3/4	5
1.25	ACP/DIP/PVC/GALV/POLY	0	1	13
2	ACP/DIP/PVC/GALV/POLY	2,390	1 1/2	0
3	ACP/DIP/PVC/GALV/POLY	3,235	Compound 2	1
4	ACP/DIP/PVC/GALV/POLY	17,566	Turbine 2	0
6	ACP/DIP/PVC/GALV/POLY	37,131	Compound 3	0
8	ACP/DIP/PVC/GALV/POLY	2,052	Turbine 3	0
10	ACP/DIP/PVC/GALV/POLY	0	Compound 4	0
12	ACP/DIP/PVC/GALV/POLY	25,000	Turbine 5	0
			Compound 6	0
			Turbine 6	0
			6+	0
				0
				0
				0
				0
				0
				0

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

<b>TREATMENT EQUIPMENT:</b>	9 Chlorinators
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<b>STRUCTURES:</b>	Wall at Apache Booster Station, Fences (around wells & tanks), Two small pump sheds, Well House NV #9, 4x6 Chlorinator Bldg
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<b>OTHER:</b>	None
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**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.



Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
1	PVC/GALV/ACP	607	5/8 X 3/4	352
1	PVC/GALV/ACP	678	3/4	0
2	PVC/GALV/ACP	48,810	1	2
3	PVC/GALV/ACP	1,751	1 1/2	0
4	PVC/GALV/ACP	4,405	Compound 2	1
6	PVC/GALV/ACP	29,990	Turbine 2	0
10	PVC/GALV/ACP	0	Compound 3	0
12	PVC/GALV/ACP	0	Turbine 3	0
			Compound 4	0
			Turbine 5	0
			Compound 6	0
			Turbine 6	0
			6+	0

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

<b>TREATMENT EQUIPMENT:</b>	4 Sodium Hydrochlorite Chlorinators, Injection Pumps
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<b>STRUCTURES:</b>	All well sites have 6 foot chainlink fence
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<b>OTHER:</b>	None
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**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.

**Water Utility Plant Description**

Name of the System: Liberty Utilities (Bella Vista Water) Corp - South  
 ADEQ Public Water System Number: 02011 and 02023

**WELLS**

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-563118	5	75	150	8	submersible	2	1997	<0.001
55-550951	5	45	144	10	submersible	2	1,995	<0.001
55-563117	5	45	145	6	submersible	2	1,997	<0.001
55-805546	5	25	458	8	submersible	1 and 1/2	1,973	<0.001
55-630018	40	150	524	16	submersible	6	1,959	0.00180
55-527262	10	110	298	6	submersible	2	1,990	0.00180

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None	None	None
None	None	None

**BOOSTER PUMPS**

Horsepower	GPM	Quantity
5	80	2
10	158	2
15	140	2
20	200	3

**FIRE HYDRANTS**

Type	Quantity
Standard ***	0
Other	0

**STORAGE TANKS**

Capacity	Material	Quantity
10,000	steel	1
16,000	steel	2
100,000	steel	1
170,000	steel	1

**PRESSURE/BLADDER TANKS**

Capacity	Quantity
81	1
100	1
1,000	2
3,000	1

**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.

\* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

\*\* Pump motor type, turbine or submersible.

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

Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
2	PVC/GALV/ACP	83,538	5/8 X 3/4	856
3	PVC/GALV/ACP	1,362	3/4	0
4	PVC/GALV/ACP	39,175	1	3
5	PVC/GALV/ACP	0	1 1/2	0
6	PVC/GALV/ACP	27,419	Compound 2	1
8	PVC/GALV/ACP	0	Turbine 2	0
10	PVC/GALV/ACP	0	Compound 3	0
12	PVC/GALV/ACP	0	Turbine 3	0
			Compound 4	0
			Turbine 5	0
			Compound 6	0
			Turbine 6	0
			6+	0

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

<b>TREATMENT EQUIPMENT:</b>	3 Chlorinator Injector Pumps & 4 Gallon Tank
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<b>STRUCTURES:</b>	Small Sheds, building at Horseshoe, 6" chainlink fences at Jaxel, 6" chainlink fences at Jaxel, Horseshoe, Naranja, & Miracle Valley
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<b>OTHER:</b>	None
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**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.

**Water Utility Plant Description**

Name of the System: Liberty Utilities (Bella Vista Water) Corp. - BV C  
 ADEQ Public Water System Number: 02-010

**WELLS**

ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-610120	40	240	640	12	submersible	4	1,956	<0.0005
55-610121	50	220	649	12	submersible	4	1,958	0.00060
55-610122	50	240	605	12	submersible	6	1,968	<0.0005
55-610123	50	300	620	14	submersible	4	1,972	0.00094
55-610125	100	470	475	16	submersible	6	1,968	0.00059
55-610126	60	300	645	12	submersible	6	1,954	0.00053
55-610127	15	47	618	8	submersible	3	1,954	0.00059
55-610128	15	40	630	10	submersible	3	1,956	0.00059
55-610129	60	300	696	12	submersible	4	1,956	<0.0005
55-610130	60	220	805	16	submersible	4	1,972	<0.0005
55-610131	75	230	867	16	submersible	6	1,978	<0.0005
55-610132	75	450	600	16	submersible	6	1,972	<0.0005
55-610133	50	300	700	16	submersible	4	1,972	0.00051
55-610134	50	300	501	12	submersible	4	1,960	0.00071
55-518083	250	1,200	1,000	16	turbine	10	1,987	0.00068
55-519004	125	600	1,000	16	turbine	8	1,987	0.00059
55-560741	15	110	400	8	submersible	4	1,997	<0.0005
55-567042	15	160	385	8	submersible	4	1,997	<0.0005

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
0	0	0
0	0	0

**BOOSTER PUMPS**

Horsepower	GPM	Quantity
15	130	4
20	350	20
25	320	2
30	475	10

**FIRE HYDRANTS**

Type	Quantity
Standard ***	641
Other	0

**STORAGE TANKS**

Capacity	Material	Quantity
32,000	steel	1
100,000	steel	1
200,000	steel	10
285,000	steel	1
400,000	steel	2
1,500,000	steel	2

**PRESSURE/BLADDER TANKS**

Capacity	Quantity
80	1
100	2
5,000	14
0	0
0	0
0	0

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

\* Arizona Department of Water Resources ("ADWR") well identification number. For example 55-XXXXXX.

\*\* Pump motor type, turbine or submersible.

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

Water Utility Plant Description (Continued)				
MAINS			CUSTOMER METERS	
Sizes (inches)	Material	Length (feet)	Size (inches)	Quantity
Unknown	ACP/DIP/PVC/GALV/POLY	25,492	5/8 X 3/4	7,795
1	ACP/DIP/PVC/GALV/POLY	2,368	3/4	113
1.25	ACP/DIP/PVC/GALV/POLY	416	1	183
2	ACP/DIP/PVC/GALV/POLY	51,762	1 1/2	120
3	ACP/DIP/PVC/GALV/POLY	28,107	Compound 2	308
4	ACP/DIP/PVC/GALV/POLY	116,175	Turbine 2	0
6	ACP/DIP/PVC/GALV/POLY	255,121	Compound 3	27
8	ACP/DIP/PVC/GALV/POLY	333,192	Turbine 3	0
10	ACP/DIP/PVC/GALV/POLY	5,666	Compound 4	7
12	ACP/DIP/PVC/GALV/POLY	45,069	Turbine 5	0
			Compound 6	2
			Turbine 6	0
			6+	1

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

<b>TREATMENT EQUIPMENT:</b>	15 chlorination and injectors
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<b>STRUCTURES:</b>	Well #18 Site Building, Well #13 Site Building, Wall at Well #5 and Two Site Buildings, Well #8 Site Building, Well #19 Building, Fences (around wells & tanks),
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<b>OTHER:</b>	Two Generators, Two back hoe, air compressor, trailer, dumptruck, water tank, dump trailer, 8 Standpipes, Ditch Witch Vector potholing machine
---------------	--

**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.

Water Use Data Sheet					
Name of the System:		Liberty Utilities (Bella Vista Water) Corp. - BV			
ADEQ Public Water System Number:		02-007			
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	703	3,689	4,441	0	2
February	705	3,686	4,354	0	75
March	717	4,152	5,502	0	110
April	717	5,077	5,725	0	25
May	714	6,077	7,169	0	5
June	717	6,833	7,276	0	10
July	717	6,328	6,013	0	25
August	715	4,500	5,111	0	43
September	712	4,928	5,212	0	151
October	718	4,638	5,194	0	0
November	716	4,216	4,579	0	12
December	711	3,711	4,013	0	1
<b>Totals</b>		<b>57,836</b>	<b>64,587</b>	<b>0</b>	<b>458</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:**  
 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.

- 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:		Liberty Utilities (Bella Vista Water) Corp -			
ADEQ Public Water System Number:		02013 and 02054			
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	335	1,335	1,591	0	3
February	335	1,567	1,656	0	1
March	337	1,516	2,156	0	17
April	337	1,932	2,294	0	75
May	336	2,203	2,783	0	8
June	340	2,574	3,151	0	3
July	338	2,874	2,731	0	30
August	334	2,481	2,240	0	37
September	337	1,942	2,208	0	110
October	336	1,880	2,306	0	60
November	338	1,927	1,947	0	13
December	341	1,659	1,953	0	25
	<b>Totals</b>	<b>23,888</b>	<b>27,016</b>	<b>0</b>	<b>381</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.

Water Use Data Sheet					
Name of the System:		Liberty Utilities (Bella Vista Water) Corp -			
ADEQ Public Water System Number:		02011 and 02023			
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	793	3,407	4,883	0	1
February	795	3,315	5,098	0	66
March	791	4,301	6,366	0	115
April	791	4,969	6,542	0	14
May	797	5,091	7,541	0	50
June	798	6,717	7,517	0	114
July	805	6,053	6,860	0	5
August	817	4,951	6,008	0	23
September	801	6,123	5,887	0	23
October	802	4,853	5,979	0	23
November	799	5,462	5,103	0	3
December	798	3,616	4,678	0	1
	<b>Totals</b>	<b>58,858</b>	<b>72,462</b>	<b>0</b>	<b>439</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:**  
 None

**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:		Liberty Utilities (Bella Vista Water) Corp. - BV			
ADEQ Public Water System Number:		02-010			
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	8,184	57,849	65,738	0	28
February	8,189	59,112	64,454	0	25
March	8,189	60,253	78,845	0	75
April	8,204	78,983	83,226	0	51
May	8,191	76,042	96,500	0	261
June	8,199	93,671	103,046	0	75
July	8,212	96,500	92,352	0	18
August	8,203	81,292	87,010	0	19
September	8,211	83,871	79,210	0	19
October	8,210	71,464	81,929	0	37
November	8,196	70,076	71,842	0	41
December	8,196	65,364	64,925	0	33
<b>Totals</b>		<b>894,477</b>	<b>969,076</b>	<b>0</b>	<b>681</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.

Liberty Utilities (Bella Vista Water) Corp  
 Annual Report  
 Utility Shutoffs / Disconnects  
 12/31/16

ADEQ System No. :	02-007
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Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	51	0
February	0	58	0
March	0	58	0
April	0	35	0
May	0	37	0
June	0	56	0
July	0	20	0
August	0	48	0
September	0	17	0
October	0	44	0
November	0	41	0
December	0	58	0
<b>Total</b>	<b>0</b>	<b>523</b>	<b>0</b>

Other (description):

None
------

**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.

Liberty Utilities (Bella Vista Water) Corp  
Annual Report  
Property Taxes  
12/31/16

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2016 was	\$206,544

If no property taxes paid, explain why.  
None

**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.

Liberty Utilities (Bella Vista Water) Corp  
Annual Report  
Verification and Statement (Taxes)  
12/31/16

RECEIVED  
JUN 06 2017  
ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Statement (Taxes)

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

County of (county name): Cochise  
Name (owner or official) title: Matthew Garlick, President  
Company name: Liberty Utilities (Bella Vista Water) Corp

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

FOR THE YEAR ENDING: 12/31/16

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.

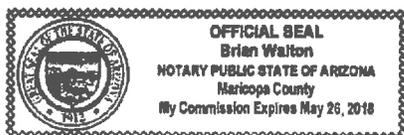
Matthew Garlick  
signature of owner/official

623-935-9367  
telephone no.

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

THIS 2ND DAY OF JUNE 2017  
(month) and (year)

MY COMMISSION EXPIRES 5-26-18  
(date)



Brian Walton  
(signature of notary public)

Verification and Statement

Verification:

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

County of (county name): Cochise

Name (owner or official) title: Matthew Garlick, President

Company name: Liberty Utilities (Bella Vista Water) Corp

RECEIVED

JUN 06 2017

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)

\$5,030,716

(The amount in the box above includes

\$0 in sales taxes

billed or collected)

Matthew Garlick

signature of owner/official

623-935-9367

telephone no.

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

THIS 2ND DAY OF

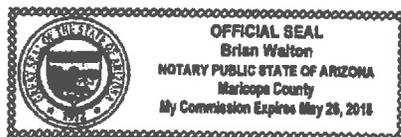
MARICOPA  
(county name)

JUNE 2017  
(month) and (year)

MY COMMISSION EXPIRES

5-26-18

(date)



Brian Walton  
(signature of notary public)

**Verification and Statement (Residential Revenue)**

**Verification:**

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

County of (county name): Cochise  
Name (owner or official) title: Matthew Garlick, President  
Company name: Liberty Utilities (Bella Vista Water) Corp

RECEIVED

JUN 06 2017

ARIZONA CORP COMMISSION  
UTILITIES DIVISION - DIRECTOR'S OFFICE

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

FOR THE YEAR ENDING: 12/31/16

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 (\$)

\$2,996,980

(The amount in the box above includes

\$0 in sales taxes  
billed or collected)

*Matthew Garlick*

signature of owner/official

623-935-9367

telephone no.

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

MARICOPA  
(county name)

THIS 2ND DAY OF JUNE 2017  
(month) and (year)

MY COMMISSION EXPIRES 5-26-18  
(date)



*Brian Walton*

(signature of notary public)