

**ORIGINAL** NEW APPLICATION



0000145595

BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP  
CHAIRMAN

2013 MAY 17 P 1:46

GARY PIERCE  
COMMISSIONER

AZ CORP COMMISSION  
DOCKET CONTROL

BRENDA BURNS  
COMMISSIONER

Arizona Corporation Commission  
**DOCKETED**

SUSAN BITTER SMITH  
COMMISSIONER

MAY 17 2013

BOB BURNS  
COMMISSIONER

DOCKETED BY  
*WJ* *NR*

IN THE MATTER OF THE JOINT  
APPLICATION OF NORTH MOHAVE  
VALLEY CORPORATION AND EPCOR  
WATER ARIZONA INC. FOR APPROVAL OF  
THE SALE OF ASSETS AND TRANSFER OF  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY

DOCKET NO. W-02259A-13-0138

DOCKET NO. W-01303A-13-0138

**APPLICATION**

North Mohave Valley Corporation ("NMVC") and EPCOR Water Arizona Inc. ("EWAZ") (together, the "Applicants") request approval from the Arizona Corporation Commission ("Commission"), pursuant to A.R.S. § 40-285 and A.A.C. R14-2-402, of the sale of NMVC's utility system, including the transfer of NMVC's Certificate of Convenience and Necessity ("CC&N") and its customers to EWAZ.

**I. Introduction**

Approval of this Application is in the public interest – it will benefit the Applicants' customers in several ways and will have no adverse effects. NMVC is a small water utility located adjacent to EWAZ's Mohave Water District. See Exhibit A. NMVC's owners have been operating the water company for more than 30 years, but are now ready to divest. NMVC's owners would like to see its customers continue to be served by a well-managed water utility with continued good water quality, service reliability, and customer service.

1 Due to its adjacency and size in the area, EWAZ is in the best position to serve NMVC's  
2 customers efficiently and reliably. Immediately following the closing of the acquisition by  
3 EWAZ, NMVC's former customers will continue to receive water utility service at rates  
4 equal to NMVC's current tariffed rates and EWAZ will serve the former NMVC customers  
5 as part of a separate North Mohave water district similar to EWAZ's other eight water  
6 districts.

## 7 **II. Background**

8 NMVC is an Arizona public service corporation, authorized to provide water utility  
9 service within Bullhead City, Arizona under a CC&N granted in Commission Decisions  
10 Nos. 46690, 54285, 57989, and 57992. NMVC currently serves 2,000 connections and  
11 approximately 5,000 users in its existing service area of approximately six square miles.  
12 NMVC's current water system consists of eight wells, with a total capacity of 1,572 gallons  
13 per minute; seven storage tanks, with a combined capacity of 2.5 million gallons; three  
14 booster pump stations; and a distribution system. NMVC's contact information is as  
15 follows:

16 Address: 3640 Highway 95, Suite 130  
17 Bullhead City, AZ 86442-4335

18 Telephone number: (928) 763-5655

19 Management Contact: John McCormick

20 NMVC's Annual Report to the Commission for 2012 is attached as Exhibit B. A copy of  
21 NMVC's Certificate of Good Standing is attached as Exhibit C. There are no customer  
22 complaints against NMVC pending with the Commission and no water quality issues with  
23 the Arizona Department of Environmental Quality.

24 EWAZ is an Arizona public service corporation, authorized to provide water service  
25 in eight districts in Arizona. Among the water districts operated by EWAZ is the Mohave  
26 Water District, located primarily just south of NMVC's certificated service area. A map  
showing EWAZ's Mohave Water District in relation to NMVC's service area is attached as

1 Exhibit A. EWAZ currently serves over 123,000 water customers throughout Arizona,  
2 including approximately 17,000 in its Mohave Water District. For this Application,  
3 EWAZ's contact information is as follows:

4 Address: 2355 W. Pinnacle Peak Road; Suite 300  
5 Phoenix, AZ 85027

6 Telephone number: (623) 445-2427

7 Management Contact: Troy Day/Martin Stanek/Tom Broderick

8 Portions of EWAZ's Annual Report to the Commission for 2012, including the Balance  
9 Sheet and Comparative Statement of Income and Expense, are<sup>3</sup> attached as Exhibit D. A  
10 copy of EWAZ's Certificate of Good Standing is attached as Exhibit E.

11 NMVC has agreed to sell, and EWAZ has agreed to buy, all of NMVC's assets  
12 necessary for the operation of NMVC's utility system (the "Transaction"). NMVC's most  
13 significant assets are its water system, associated real property, and the permits, certificates,  
14 and other approvals which grant NMVC the authority to operate its system, including its  
15 CC&N. All customer security deposits, developer deposits, and prepayments under any  
16 line extension agreements held by NMVC will be transferred to EWAZ as part of the  
17 Transaction. In addition, EWAZ will assume the refunding obligations, if any, for these  
18 deposits and prepayments.

19 The Applicants signed their agreement on April 19, 2013, and plan to close the  
20 Transaction within 30 days after the Commission's approval of this Application. EWAZ  
21 will pay the full purchase price in cash. At close of the transaction, NMVC will receive a  
22 payment in excess of rate base by ten percent. EWAZ requests that the Commission find  
23 this payment to be in the public interest for the reason that it causes and supports necessary  
24 Arizona water industry consolidation. EWAZ requests the Commission approve, in  
25 principle, in this application, recovery of the ten percent payment and a return on the  
26 payment in future rates for EWAZ's North Mohave District. The exact quantification of

1 the ten percent payment for ratemaking purposes would occur in the new North Mohave  
2 District's next rate case.

3 The proposed Transaction is not expected to affect any other utility.

### 4 **III. Benefits of the Transaction**

5 Approval of this Application will benefit the customers of both companies. The  
6 proximity of the two water systems presents the opportunity for present and future  
7 customers within those service areas to benefit from operational synergies. NMVC's  
8 owners are determined to sell, and no other buyer would be able to provide this type of  
9 synergistic opportunity for the region.

10 The Transaction will provide additional benefits to NMVC's customers that are  
11 unrelated to the proximity of the two water systems. NMVC's customers will also benefit  
12 from in-house water utility expertise and resources afforded by EWAZ ownership.  
13 EWAZ's much larger size naturally affords it access to broader in-house utility expertise  
14 and greater resources than are available to NMVC. For example, EWAZ intends to  
15 implement various industry best operating practices not currently economically feasible for  
16 the smaller NMVC. EWAZ also uses various sophisticated maintenance and management  
17 systems such as maintenance management, environmental and water quality compliance  
18 management, hydraulic modeling, and GIS systems. All these support resources will be  
19 deployed in support of the NMVC system to provide reliable and high quality service to  
20 customers. These customers will also be integrated into EWAZ's customer service, billing,  
21 and other systems.

22 NMVC's customers will also benefit from EWAZ's financial strength. EWAZ's  
23 financial strength will be a significant benefit, in part, because its cost of long-term debt is  
24 relatively low. EWAZ also has the financial resources to finance future capital and expense  
25 requirements including those that may be required by governmental entities to comply with  
26 environmental laws and regulations.

1 The Transaction will benefit customers in EWAZ's Mohave Water District as well.  
2 In addition to the existing, small capacity emergency interconnect between the two systems,  
3 EWAZ expects to construct a more robust interconnection between them. As a result,  
4 customers in EWAZ's Mohave Water District are expected to benefit from the deferral or  
5 avoidance of water production capital improvement costs that otherwise will be incurred to  
6 provide redundant water supply that can be provided by NMVC's system. NMVC's  
7 customers may also benefit from the new interconnection in emergency situations.

8 NMVC has not had a rate increase since 1997 and EWAZ is not seeking, as part of  
9 this application, to change any of the rates paid by NMVC's customers. Currently, EWAZ  
10 does not expect to file a rate case for NMVC for at least twelve months after the close of  
11 the Transaction. However, NMVC has represented to EWAZ that, as of December 31,  
12 2012, its regulatory rate base was \$2,137,020. For purposes of establishing a baseline for  
13 NMVC's rate base in future rate cases, the Applicants ask the Commission to confirm that  
14 NMVC's rate base as of December 31, 2012, was \$2,137,020.

#### 15 **IV. Prayer for Relief**

16 The Applicants respectfully request that the Commission approve the sale of  
17 NMVC's assets to EWAZ and the transfer of NMVC's CC&N to EWAZ pursuant to  
18 A.R.S. § 40-285 and A.A.C. R14-2-402.

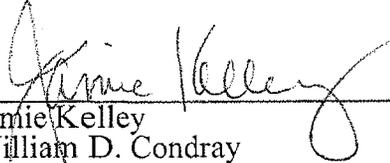
19 The Applicants also respectfully request that the Commission confirm that NMVC's  
20 rate base as of December 31, 2012 was \$2,137,020.

21 Finally, EWAZ respectfully requests that the Commission find the additional ten  
22 percent of rate base payment to be in the public interest and to approve, in principle, rate  
23 recovery of and on this payment to occur in North Mohave's next rate case.  
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RESPECTFULLY SUBMITTED this 17<sup>th</sup> day of May, 2013.

KELLEY MOSS PLLC

  
\_\_\_\_\_  
Jamie Kelley  
William D. Condray  
2031 Highway 95  
Bullhead City, AZ 86442  
P: (928) 763-6969

Attorneys for North Mohave Valley Corporation

and

LEWIS AND ROCA LLP

  
\_\_\_\_\_  
Thomas H. Campbell  
Matthew Bingham  
40 North Central Avenue  
Phoenix, AZ 85004  
P: (602) 262-5311

Attorneys for EPCOR Water Arizona Inc.

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ORIGINAL and thirteen (13) copies  
of the foregoing filed this 17<sup>th</sup> day  
of May, 2013, with:

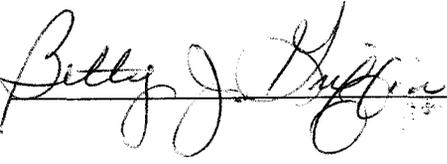
The Arizona Corporation Commission  
Utilities Division – Docket Control  
1200 W. Washington Street  
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered  
this 17<sup>th</sup> day of May, 2013, to:

Lyn Farmer, Esq.  
Chief Administrative Law Judge  
Hearing Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

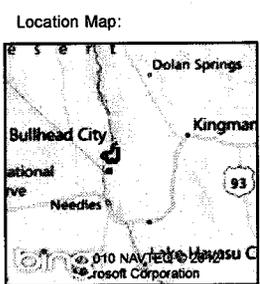
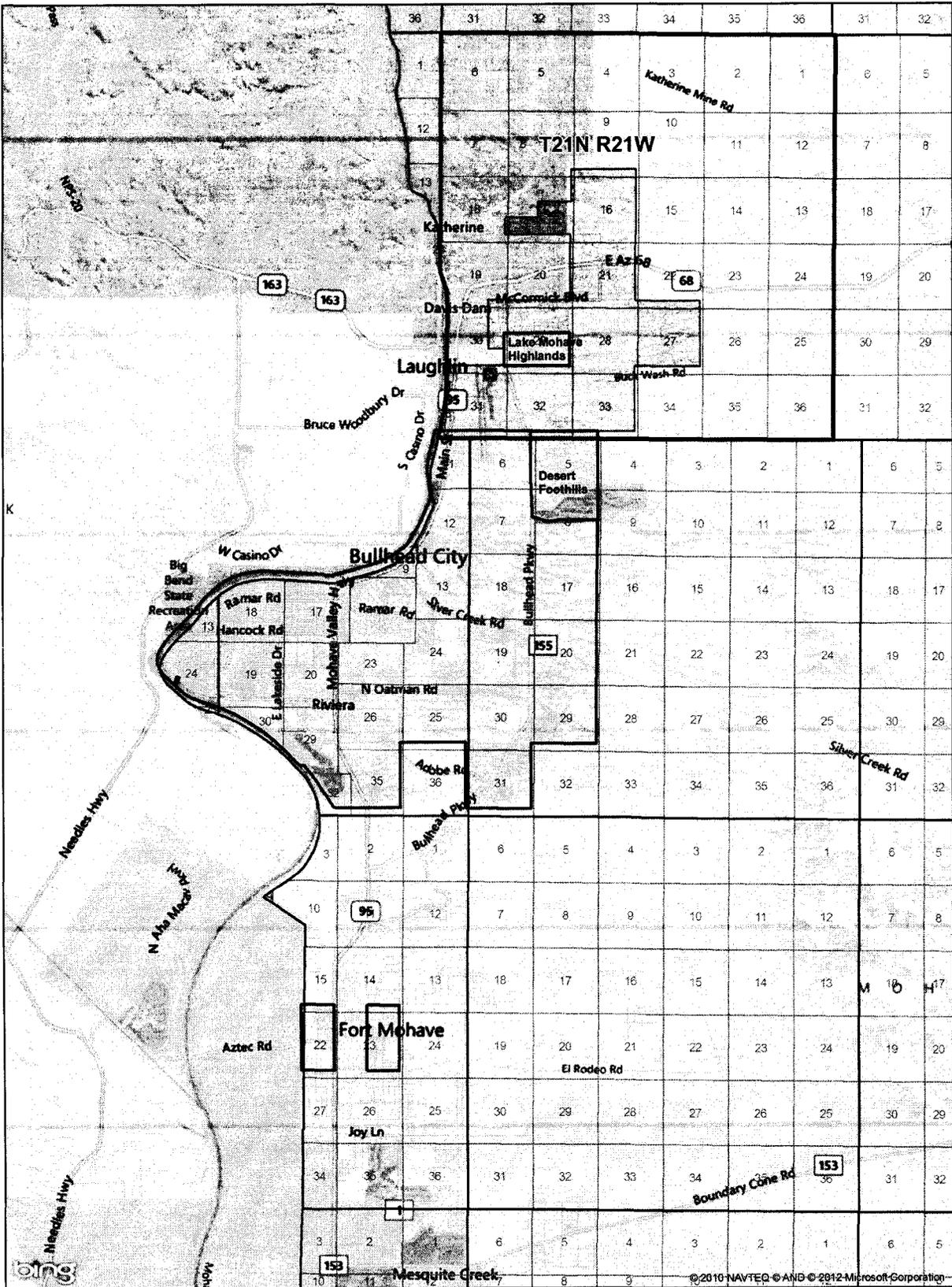
Janice Alward, Esq.  
Chief Counsel, Legal Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

Mr. Steven M. Olea, Director  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007



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# **EXHIBIT A**



1 in = 1.5 miles  
 Revised: 9/12/2012  
 Data sources: EPCOR Water;  
 Arizona Department of  
 Water Resources; Arizona Corporation  
 Commission; Bing Maps

- Legend:
- EPCOR Water
  - North Mohave Valley Corporation
  - T21N R21W
  - Township/Range
  - Section

**North Mohave  
Valley Corporation**

2355 W. Pinnacle Peak Rd.  
 Suite 300  
 Phoenix, AZ 85027

## **EXHIBIT B**

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL -- MAKE CHANGES AS NECESSARY

W-02259A  
NORTH MOHAVE VALLEY CORP.  
PO BOX 22495  
BULLHEAD CITY, AZ 86439-2495

**ANNUAL REPORT**  
**Water**

FOR YEAR ENDING

12	31	2012
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FOR COMMISSION USE

ANN 04	12
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**COMPANY INFORMATION**

Company Name (Business Name) <u>North Mohave Valley Corp.</u>		
Mailing Address <u>PO Box 22495</u>		
<u>Bullhead City</u> (City)	<u>Arizona</u> (State)	<u>86439</u> (Zip)
<u>928-763-5655</u> Telephone No. (Include Area Code)	<u>928-763-1047</u> Fax No. (Include Area Code)	<u>928-716-1143</u> Cell No. (Include Area Code)
Email Address <u>jomreal_jm@frontiernet.net</u>		
Local Office Mailing Address <u>Same as above</u>		
<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>Same as above</u>		
<u>Local Office Telephone No. (Include Area Code)</u>	<u>Fax No. (Include Area Code)</u>	<u>Cell No. (Include Area Code)</u>
Email Address <u>Same as above</u>		

**MANAGEMENT INFORMATION**

<input checked="" type="checkbox"/> Regulatory Contact: <u>John McCormick</u>			
<input checked="" type="checkbox"/> Management Contact: <u>John McCormick</u>		<u>Secretary-Treasurer</u>	
<u>3640 Hwy 95, Suite 130</u> (Street)	<u>Bullhead City</u> (City)	<u>AZ</u> (State)	<u>86442</u> (Zip)
<u>928-763-5655</u> Telephone No. (Include Area Code)	<u>928-763-1047</u> Fax No. (Include Area Code)	<u>928-716-1143</u> Cell No. (Include Area Code)	
Email Address <u>jomreal_jm@frontiernet.net</u>			
On Site Manager: <u>Same as management contact</u>			
<u>(Street)</u>	<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>Telephone No. (Include Area Code)</u>	<u>Fax No. (Include Area Code)</u>	<u>Cell No. (Include Area Code)</u>	
Email Address _____			

**Statutory Agent:** Terrence S. Leek  
(Name)

126 N. Marina Street                      Prescott                      AZ                      86301  
(Street)                      (City)                      (State)                      (Zip)

928-778-7700                      928-778-4337                      \_\_\_\_\_  
Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Attorney:** Same as Statutory Agent  
(Name)

\_\_\_\_\_  
(Street)                      (City)                      (State)                      (Zip)

\_\_\_\_\_  
Telephone No. (Include Area Code)                      Fax No. (Include Area Code)                      Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

Sole Proprietor (S)                       C Corporation (C) (Other than Association/Co-op)

Partnership (P)                       Subchapter S Corporation (Z)

Bankruptcy (B)                       Association/Co-op (A)

Receivership (R)                       Limited Liability Company

Other (Describe) \_\_\_\_\_

**COUNTIES SERVED**

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

APACHE                       COCHISE                       COCONINO

GILA                       GRAHAM                       GREENLEE

LA PAZ                       MARICOPA                       MOHAVE

NAVAJO                       PIMA                       PINAL

SANTA CRUZ                       YAVAPAI                       YUMA

STATEWIDE

COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	9,700		9,700
304	Structures and Improvements	82,642	51,260	31,382
307	Wells and Springs	846,217	314,042	532,175
311	Pumping Equipment	263,691	12,018	251,673
320	Water Treatment Equipment	47,595	38,544	9,051
330	Distribution Reservoirs and Standpipes	1,184,922	438,824	746,098
331	Transmission and Distribution Mains	5,838,588	2,791,266	3,047,322
333	Services	125,281	58,287	66,994
334	Meters and Meter Installations	429,924	(71,133)	501,057
335	Hydrants	325,734	175,857	149,877
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment		(524)	524
340	Office Furniture and Equipment	29,267	8,972	20,295
341	Transportation Equipment	141,098	(29,325)	170,423
343	Tools, Shop and Garage Equipment	36,217	11,278	24,939
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	190,409	67,075	123,334
347	Miscellaneous Equipment			
348	Other Tangible Plant			
1974 RATE CASE (AD) ADJUSTMENT			129,634	(129,634)
<b>TOTALS</b>		<b>9,551,285</b>	<b>3,996,075</b>	<b>5,555,210</b>

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

COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	9,700		
304	Structures and Improvements	82,642	3	2,479
307	Wells and Springs	846,217	3	25,387
311	Pumping Equipment	263,691	3	7,911
320	Water Treatment Equipment	47,595	3	1,428
330	Distribution Reservoirs and Standpipes	1,184,922	3	35,548
331	Transmission and Distribution Mains	5,838,588	3	175,158
333	Services	125,281	3	3,758
334	Meters and Meter Installations	429,924	3	12,898
335	Hydrants	325,734	3	9,772
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	29,267	3	878
341	Transportation Equipment	141,098	3	4,233
343	Tools, Shop and Garage Equipment	36,217	3	1,086
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	190,409	3	5,712
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>9,551,285</b>		<b>286,248</b>

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



COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 549,511	\$ 603,551
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	79,642	67,793
146	Notes/Receivables from Associated Companies	357	380
151	Plant Material and Supplies	57,565	57,340
162	Prepayments	29,941	30,259
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 717,017</b>	<b>\$ 759,323</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 8,725,973	\$ 9,551,285
103	Property Held for Future Use		
105	Construction Work in Progress	14,223	28,918
108	Accumulated Depreciation – Utility Plant	(3,754,231)	(3,996,075)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 4,985,965</b>	<b>\$ 5,584,128</b>
	<b>TOTAL ASSETS</b>	<b>\$ 5,702,982</b>	<b>\$ 6,343,451</b>

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

COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 13,063	\$ 5,971
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	25,960	27,510
236	Accrued Taxes	53,865	55,002
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	4,143	813
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 97,031	\$ 89,296
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1,272,592	2,032,535
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	2,521,089	2,521,089
272	Less: Amortization of Contributions	(973,543)	(1,049,176)
281	Accumulated Deferred Income Tax	107,011	99,828
	<b>TOTAL DEFERRED CREDITS</b>	\$ 2,927,149	\$3,604,276
	<b>TOTAL LIABILITIES</b>	\$ 3,024,180	\$3,693,572
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 119,767	\$ 119,767
211	Paid in Capital in Excess of Par Value	2,297,474	2,297,474
215	Retained Earnings	261,561	232,638
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 2,678,802	\$2,649,879
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 5,702,982	\$6,343,451

COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,010,558	\$ 996,336
460	Unmetered Water Revenue		
474	Other Water Revenues	11,895	11,620
	<b>TOTAL REVENUES</b>	<b>\$ 1,022,453</b>	<b>\$ 1,007,956</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 204,456	\$ 216,077
610	Purchased Water		
615	Purchased Power	157,403	154,650
618	Chemicals		
620	Repairs and Maintenance	127,453	64,855
621	Office Supplies and Expense	26,961	26,652
630	Outside Services	95,159	125,188
635	Water Testing	8,986	7,208
641	Rents	12,571	12,266
650	Transportation Expenses	17,565	22,406
657	Insurance – General Liability	31,584	35,186
659	Insurance - Health and Life	19,020	19,069
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	2,278	1,581
403	Depreciation Expense	261,488	286,248
408	Taxes Other Than Income	21,810	22,311
408.11	Property Taxes	41,931	43,849
409	Income Tax	(26,358)	(7,138)
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,002,307</b>	<b>\$ 1,030,408</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 20,146</b>	<b>\$ (22,452)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 2,400	\$ 1,748
421	Non-Utility Income	75,633	77,133
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(6,818)	(1,514)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 71,215</b>	<b>\$ 77,367</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 91,361</b>	<b>\$ 54,915</b>

COMPANY NAME NORTH MOHAVE VALLEY CORPORATION

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 41,509
Meter Deposits Refunded During the Test Year	\$ 14,266

COMPANY NAME North Mohave Valley Corp.

Name of System: North Mohave Valley Corp ADEQ Public Water System Number: 08-068

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

	ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
1	55-608740	30	128	380	8"	3"	1970
2	55-608741	30	145	440	8"	3"	1970
3	55-620581	30	125	340	8"	3"	1975
4	55-507876	30	105	588	12"	3"	1984
7	55-805519	60	100	1030	8"	4"	1970
8	55-519603	30	150	300	8"	4"	1988
9	55-589061	100	440	675	12"	6"	2001
10	55-211751	100	488	656	12"	6"	2007

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

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

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	4	194 estimate	
50	2		
20	2		
40	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
300,000	5	3000 Surge	1
500,000	2	250	1

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

<b>COMPANY NAME</b>	NORTH MOHAVE VALLEY CORPORATION		
<b>Name of System:</b>	SAME AS ABOVE	<b>ADEQ Public Water System Number:</b>	08-068

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	4,250
3	PVC	18,097
4	PVC	54,072
<del>8</del> 6	C900	1,343
6	PVC	103,073
8	PVC	55,656
10	PVC	30
12	PVC	51,869
1-1/2"	PVC	560
12"	DIP	2,674
8"	DIP	120
6"	DIP	39
12"	C900	11,406
8"	C900	5,322

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	1895
3/4	
1	45
1 1/2	27
2	52
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	
	2019

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

**TREATMENT EQUIPMENT:**

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DESCRIPTION	DATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>WATER TREATMENT EQ.</b>					
CHLORINATOR	11/84	2400.00	0.00		2400.00
4 WELL CHLORINATORS	12/85	26000.00	0.00		26000.00
CHLORINATOR PANEL	12/85	6800.00	0.00		5800.00
DIGISTRIP	12/85	10000.00	0.00		10000.00
4LP 3000 CHLORINATORS	12/87	2468.28	0.00		2468.28
2 AUTOTROL CHLORINATORS	8/84	1287.34	0.00		1287.34
PELLET CHLORINATOR	8/02		641.70		641.70
<b>TOTAL WATER TREATMENT EQ.</b>		<b>48853.62</b>	<b>641.70</b>	<b>0.00</b>	<b>47565.32 CF</b>

**STRUCTURES:**

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DESCRIPTION	DATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT
<b>STRUCTURES &amp; IMPROVEMENTS</b>					
BLDG	7/84	2000.00	0.00		2000.00
PUMP HOUSE SUNRIDGE	12/85	22500.00	0.00		22500.00
FENCES SUNRIDGE	12/85	13600.00	0.00		13600.00
CHAIN LINK FENCE-WELL #4	8/90	2558.75	0.00		2558.75
RETAINING WALL-WELL #1	12/91	4346.31	0.00		4346.31
BLOCK WALL	12/94	2584.00	0.00		2584.00
FENCE AT WELL #3	12/94	9690.75	-0.06		9690.69
BLOCK WALL	9/98		2800.00		2800.00
BLOCK WALL - SITE 2	9/97		5100.00		5100.00
CONTROL HOUSE A/C	11/02		3512.48		3512.48
FENCE AT WELL #3	8/05		5380.00		5380.00
FENCE AT WELL #3	10/05		1270.00		1270.00
ADDITION 24x28	09/06		7300.00		7300.00
<b>TOTAL FENCES &amp; STRUCT</b>		<b>57279.81</b>	<b>25362.42</b>	<b>0.00</b>	<b>82642.23 CF</b>

**OTHER:**

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DESCRIPTION	DATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
<b>TRUCKS &amp; EQUIPMENT</b>						
1997 DODGE TRUCK	8/97		0.00		0.00	
UTILITY BED & PIPE RACK	5/97		1190.33		1190.33	
BACKHOE	8/97		0.00		0.00	
1987 SUZUKI SAMARAI	1/98		0.00		0.00	
2000 NISSAN TRUCK	7/00		0.00		0.00	
2002 FORD EXPLORER	9/02		30231.67	-30231.67	0.00	
2005 FORD S-DTY-F-35	11/05		44902.86		44902.86	
2002 NISSAN TRUCK	02/06		10200.00		10200.00	
BACKHOE/LOADER	4/08		34512.00		34512.00	
BOBCAT MODEL 325	08/11		17865.87		17865.87	
TOWMASTER TILT BED	08/11		5066.87		5066.87	
2010 FORD EDGE	04/12			27560.45	27560.45	
<b>TOTAL TRUCKS</b>			<b>0.00</b>	<b>143769.20</b>	<b>-2871.22</b>	<b>141087.98</b>

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



FN:ARSENIC

NORTH MOHAVE VALLEY CORP.

4/3/2013

**WELL #1 - ARSENIC**

SAMPLE DATE	RESULT
7/17/84	< 0.01 mg/L
9/15/87	< 0.01 mg/L
4/4/88	< 0.01 mg/L
11/15/90	0.008 mg/L
9/21/95	0.0061 mg/L
10/25/00	0.0092 mg/L
2/12/01	0.0054 mg/L
4/21/05	0.0050 mg/L
1/16/2013	0.0059 mg/L

**WELL #2 - ARSENIC**

SAMPLE DATE	RESULT
3/14/84	< 0.01 mg/L
11/15/90	<0.005 mg/L
8/8/95	0.0057 mg/L
10/25/00	0.0184 mg/L
2/12/01	0.0081 mg/L
4/21/05	0.0056 mg/L
1/16/2013	0.0066 mg/L

**WELL #3 - ARSENIC**

SAMPLE DATE	RESULT
4/13/75	<0.01 mg/L
11/7/83	<0.01 mg/L
3/2/84	<0.01 mg/L
8/8/95	<.0030 mg/L
2/12/01	<0.0025 mg/L
4/21/05	<0.003 mg/L
1/16/2013	<0.0030 mg/L

**WELL #4 - ARSENIC**

SAMPLE DATE	RESULT
1/28/85	0.033 mg/L
7/9/86	0.051 mg/L
8/25/86	0.044 mg/L
11/15/90	0.037 mg/L
10/6/92	0.032 mg/L
6/14/94	0.115 mg/L
8/8/95	0.0864 mg/L
3/29/96	0.059 mg/L
10/25/00	0.0630 mg/L
2/12/01	0.0776 mg/L
4/21/05	0.089 mg/L
1/16/2013	0.027 mg/L

**WELL #7 - ARSENIC**

SAMPLE DATE	RESULT
10/25/00	0.0155 mg/L
2/12/01	0.0182 mg/L
4/23/03	0.025 mg/L
4/21/05	0.020 mg/L
1/16/2013	0.018 mg/L

**WELL #8 - ARSENIC**

SAMPLE DATE	RESULT
9/3/87	0.014 mg/L
10/25/00	0.0078 mg/L
4/21/05	0.006 mg/L
6/18/10	<0.0030 mg/L

**WELL #9 - ARSENIC**

SAMPLE DATE	RESULT
1/9/03	<0.005 mg/L
4/21/05	<0.003 mg/L
1/16/2013	<0.0030 mg/L

**WELL #10 - ARSENIC**

SAMPLE DATE	RESULT
3/20/07	<0.003 mg/L
1/16/13	<0.0030 mg/L

**WELL #1 - FLUORIDE**

SAMPLE DATE	RESULT
05/26/70	0.61 mg/L
07/17/84	0.6 mg/L
09/15/87	0.6 mg/L
04/04/88	0.6 mg/L
11/15/90	0.8 mg/L
09/21/95	0.62 mg/L
04/21/05	0.56 mg/L
1/16/2013	0.47 mg/L

**WELL #2 - FLUORIDE**

SAMPLE DATE	RESULT
03/14/84	0.3 mg/L
11/15/90	0.7 mg/L
08/08/95	0.41 mg/L
04/23/03	0.45 mg/L
04/21/05	0.59 mg/L
1/16/2013	0.42 mg/L

**WELL #3 - FLUORIDE**

SAMPLE DATE	RESULT
12/12/74	0.5 mg/L
11/07/83	0.5 mg/L
03/02/84	0.6 mg/L
08/08/95	1.08 mg/L
04/21/05	1.3 mg/L
1/16/2013	1.1 mg/L

**WELL #4 - FLUORIDE**

SAMPLE DATE	RESULT
01/28/85	4.8 mg/L
07/09/86	4.4 mg/L
08/25/86	4.4 mg/L
11/15/90	3.9 mg/L
10/16/92	3.7 mg/L
08/08/95	5.07 mg/L
04/21/05	5.5 mg/L
1/16/2013	2.4 mg/L

**WELL #7 - FLUORIDE**

SAMPLE DATE	RESULT
04/23/03	3.5 mg/L
04/21/05	4.3 mg/L
1/16/2013	3.3 mg/L

**WELL #8 - FLUORIDE**

SAMPLE DATE	RESULT
09/03/87	0.4 mg/L
04/21/05	0.61 mg/L

**WELL #9 - FLUORIDE**

SAMPLE DATE	RESULT
01/09/03	1.5 mg/L
06/09/04	1.2 mg/L
04/21/05	1.5 mg/L
1/16/2013	1.2 mg/L

**WELL #10 - FLUORIDE**

SAMPLE DATE	RESULT
3/12/2007	1.5 mg/L
1/16/2013	1.4 mg/L

<b>COMPANY NAME:</b> NORTH MOHAVE VALLEY CORPORATION
<b>Name of System:</b> SAME AS ABOVE <b>ADEQ Public Water System Number:</b> 08-068

**UTILITY SHUTOFFS / DISCONNECTS**

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		22	
FEBRUARY		5	
MARCH		6	
APRIL		6	
MAY		2	
JUNE		2	
JULY		9	
AUGUST		6	
SEPTEMBER		7	
OCTOBER		10	
NOVEMBER		5	
DECEMBER		3	
<b>TOTALS →</b>		83	

OTHER (description):

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COMPANY NAME NORTH MOHAVE VALLEY CORPORATION YEAR ENDING 12/31/2012

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2012 was: \$ 42,769.05

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7458

**NORTH MOHAVE VALLEY CORPORATION**  
P.O. BOX 22495  
BULLHEAD CITY, AZ 86439-2495  
PH. (928) 763-5655

**Mohave State Bank**  
0851 HIGHWAY 86  
BULLHEAD CITY, ARIZONA 86442  
91-547-1221

4/3/2012

PAY TO THE ORDER OF **Mohave County Treasurer** \$ **\*\*20,792.78**

Twenty Thousand Seven Hundred Ninety-Two and 78/100 DOLLARS

Mohave County Treasurer  
**MELISSA HAVATONE**  
PO BOX 712  
KINGMAN, AZ 86402

MEMO **Parcel Number 91851533**

*[Signature]*  
AUTHORIZED SIGNATURE

Security Features Detailed on Back.

(Check) - 04/10/2012

**DEPOSIT TO THE ACCT OF THE**  
**ENDORSE HEREON PAYEE'S/O. PASSIDUCE**  
**WELLS FARGO BANK S.A.**  
**PHOENIX AZ 85044**  
**BOX Num: 153078**  
**Date: 20120909**

**DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE**  
**VOID FOR FUTURE BANK USE**

(Check) - 04/10/2012

THIS WATERMARK PAPER HELD TO THE LIGHT WILL REVEAL THE WORDS "MONEY" AND "FEDERAL RESERVE NOTE"

Rec'd 10-10-12 LBR

6313067 7853

**NORTH MOHAVE VALLEY CORPORATION**  
 P.O. BOX 22495  
 BULLHEAD CITY, AZ 86439-2495  
 PH. (928) 763-5655

**Mohave State Bank**  
 3061 HIGHWAY 95  
 BULLHEAD CITY, ARIZONA, 86442  
 91-547-1221

10/2/2012

PAY TO THE ORDER OF **Mohave County Treasurer** \$ \*\*21,976.27

Twenty-One Thousand Nine Hundred Seventy-Six and 27/100\*\*\*\*\* DOLLARS

Mohave County Treasurer  
 MELISSA HAVATONE  
 PO BOX 712  
 KINGMAN, AZ 86402

  
 AUTHORIZED SIGNATURE

MEMO

Security features. Details on back.

(Check) - 10/12/2012

ELECTRONICALLY PRESENTED 10/12/2012

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

ENDORSE HERE

(Check) - 10/12/2012

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

**VERIFICATION**

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <b>Mohave</b>
NAME (OWNER OR OFFICIAL) TITLE <b>John L. McCormick III, Secretary-Treasurer</b>
COMPANY NAME <b>NORTH MOHAVE VALLEY CORPORATION</b>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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.

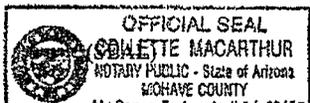
*John McCormick*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
928-763-5655  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 8th DAY OF

COUNTY NAME <b>Mohave</b>
MONTH <b>April</b> <b>.20_13</b>



MY COMMISSION EXPIRES April 14, 2015

*Colette MacArthur*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave
NAME (OWNER OR OFFICIAL) TITLE	John L. McCormick III, Secretary-Treasurer
COMPANY NAME	NORTH MOHAVE VALLEY CORPORATION

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

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2012

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

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2012 WAS:**

Gross Revenue on Page 8 does not include sales tax billed or collected.

Revenue per page 8	\$1,007,956
Sales Tax Billed	109,898
	\$1,117,854

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>1,117,854</u>

**(THE AMOUNT IN BOX ABOVE INCLUDES \$ 109,898 IN SALES TAXES BILLED, OR COLLECTED)**

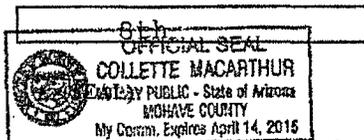
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*John L. McCormick III*  
 \_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
 928-763-5655  
 \_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS \_\_\_\_\_ DAY OF



COUNTY NAME	Mohave	
MONTH	April	2013

*Collette MacArthur*  
 \_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES April 14, 2015

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

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME) Mohave	
NAME (OWNER OR OFFICIAL) John L. McCormick III	TITLE Secretary-Treasurer
COMPANY NAME NORTH MOHAVE VALLEY CORPORATION	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2012

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

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2012 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 931,739

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 92,554  
(IN SALES TAXES BILLED, OR COLLECTED)

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

*John L. McCormick*  
SIGNATURE OF OWNER OR OFFICIAL

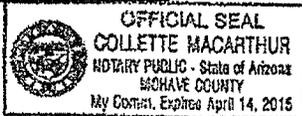
928-763-5655  
TELEPHONE NUMBER

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

THIS 8th DAY OF

NOTARY PUBLIC NAME Collette MacArthur	
COUNTY NAME Mohave	
MONTH April	2013

(SEAL)



**MY COMMISSION EXPIRES  
April 14, 2015**

*Collette MacArthur*  
SIGNATURE OF NOTARY PUBLIC

# **EXHIBIT C**

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*NORTH MOHAVE VALLEY CORPORATION\*\*\***

a domestic corporation organized under the laws of the State of Arizona, did incorporate on February 4, 1974.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 1st Day of May, 2013, A. D.



  
\_\_\_\_\_  
Jodi A. Jerich, Executive Director

By: \_\_\_\_\_ 905421

## **EXHIBIT D**

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

<input type="checkbox"/>
W-01303A Arizona American Water Company 2355 W. Pinnacle Peak Road, Suite 300 Phoenix, AZ 85027

**ANNUAL REPORT**  
**Water - Sewer**

FOR YEAR ENDING

12 31 2012
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FOR COMMISSION USE

ANN 04 12
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processed by:

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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>EPCOR Water Arizona, Inc. f/k/a/ Arizona-American Water Company</u>		
Mailing Address <u>2355 W. Pinnacle Peak Road, Suite 300</u>		
(Street)		
<u>Phoenix</u>	<u>AZ</u>	<u>85027</u>
(City)	(State)	(Zip)
<u>(623) 445-2400</u>	<u>(623) 445-2451</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>2355 W. Pinnacle Peak Road, Suite 300</u>		
(Street)		
<u>Phoenix</u>	<u>AZ</u>	<u>85027</u>
(City)	(State)	(Zip)
<u>(623) 445-2400</u>	<u>(623) 587-1044</u>	<u>N/A</u>
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

<b>Regulatory Contact:</b>		
<b>Management Contact:</b> <u>Thomas Broderick</u> <u>Director, Rates</u>		
(Name) (Title)		
<u>2355 W. Pinnacle Peak Road, Suite 300</u>	<u>Phoenix</u>	<u>AZ</u> <u>85027</u>
(Street)	(City)	(State) (Zip)
<u>(623) 445-2420</u>	<u>(623) 587-1044</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address <u>tbroderick@epcor.com</u>		
<b>On Site Manager:</b> <u>Thomas Broderick</u> <u>Director, Rates</u>		
(Name) (Title)		
<u>2355 W. Pinnacle Peak Road, Suite 300</u>	<u>Phoenix</u>	<u>AZ</u> <u>85027</u>
(Street)	(City)	(State) (Zip)
<u>(623) 445-2420</u>	<u>(623) 587-1044</u>	<u>N/A</u>
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address <u>tbroderick@epcor.com</u>		

<b>Statutory Agent:</b> <u>Corporate Service Company</u>			
(Name)			
2355 W. Pinnacle Peak Road, Suite 300	Phoenix	AZ	85027
(Street)	(City)	(State)	(Zip)
(624) 445-2400	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
<b>Attorney:</b> <u>Martin Stanek</u>			
(Name)			
2355 W. Pinnacle Peak Road, Suite 300	Phoenix	AZ	85027
(Street)	(City)	(State)	(Zip)
(623) 445-2427	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

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

### COUNTIES SERVED

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

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

**COMPANY NAME**

Epcor Water Arizona, Inc.

**WATER UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	68,331	0	68,331
302	Franchises	5,123,396	0	5,123,396
303	Land and Land Rights	10,877,238	111,464	10,765,774
304	Structures and Improvements	93,711,679	12,279,884	81,431,794
305	Collecting and Impounding	1,930,102	451,062	1,479,040
306	Lake, River & Other Intake	1,255,153	209,566	1,045,587
307	Wells and Springs	28,509,366	7,559,496	20,949,870
308	Infiltration Galleries	245,768	50,812	194,956
309	Supply Mains	3,379,655	182,525	3,197,131
310	Power Production Equipment	4,613,964	716,846	3,897,118
311	Pumping Equipment	71,422,795	30,222,479	41,200,316
320	Water Treatment Equipment	70,107,957	22,447,437	47,660,520
330	Distribution Reservoirs and Standpipes	33,696,108	4,866,634	28,829,473
331	Transmission and Distribution Mains	230,618,484	45,309,821	185,308,663
332	Fire Mains	170	61	109
333	Services	40,703,659	13,087,576	27,616,084
334	Meters and Meter Installations	23,601,631	6,382,871	17,218,760
335	Hydrants	22,731,367	5,244,165	17,487,201
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1,985,789	207,519	1,778,270
340	Office Furniture and Equipment	6,052,855	6,217,330	-164,475
341	Transportation Equipment	2,612,903	6,075,499	-3,462,596
342	Stores Equipment	30,784	15,250	15,533
343	Tools, Shop and Garage Equipment	1,041,456	448,503	592,954
344	Laboratory Equipment	630,514	119,505	511,008
345	Power Operated Equipment	656,210	338,733	317,478
346	Communication Equipment	8,500,492	3,679,324	4,821,169
347	Miscellaneous Equipment	254,429	23,019	231,410
348	Other Tangible Plant	0	0	0
	Reg Asset AFUDC Debt	1,778	1,338	440
	<b>TOTALS</b>	<b>664,364,034</b>	<b>166,248,720</b>	<b>498,115,314</b>

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



**COMPANY NAME**

Epcor Water Arizona, Inc.

**WATER CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	68,331	*	0
302	Franchises	5,123,396	*	0
303	Land and Land Rights	10,877,238	*	0
304	Structures and Improvements	93,711,679	*	1,529,087
305	Collecting and Impounding	1,930,102	*	25,685
306	Lake, River & Other Intake	1,255,153	*	3,650
307	Wells and Springs	28,509,366	*	737,382
308	Infiltration Galleries and Tunnels	245,768	*	4,915
309	Supply Mains	3,379,655	*	61,074
310	Power Production Equipment	4,613,964	*	159,242
311	Pumping Equipment	71,422,795	*	2,923,638
320	Water Treatment Equipment	70,107,957	*	1,183,267
330	Distribution Reservoirs and Standpipes	33,696,108	*	511,894
331	Transmission and Distribution Mains	230,618,484	*	3,803,653
332	Fire Mains	170	*	3
333	Services	40,703,659	*	1,049,106
334	Meters and Meter Installations	23,601,631	*	1,328,531
335	Hydrants	22,731,367	*	438,023
336	Backflow Prevention Devices	0	*	0
339	Other Plant and Misc. Equipment	1,985,789	*	60,058
340	Office Furniture and Equipment	6,052,855	*	718,863
341	Transportation Equipment	2,612,903	*	476,191
342	Stores Equipment	30,784	*	1,213
343	Tools, Shop and Garage Equipment	1,041,456	*	34,933
344	Laboratory Equipment	630,514	*	18,854
345	Power Operated Equipment	656,210	*	25,774
346	Communication Equipment	8,500,492	*	619,994
347	Miscellaneous Equipment	254,429	*	9,940
348	Other Tangible Plant	0	*	0
	Reg Asset AFUDC Debt	1,778	*	0
	<b>TOTALS</b>	<b>664,364,034</b>	<b>0</b>	<b>15,724,968</b>

\* See Attached for depreciation rates

**COMPANY NAME**

Epcor Water Arizona, Inc.

**SEWER UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	126,451	-	126,451
352	Franchises	502,925	-	502,925
353	Land and Land Rights	974,694	28,339	946,354
354	Structures and Improvements	25,921,277	6,243,342	19,677,935
355	Power Generation Equipment	1,113,427	134,674	978,752
360	Collection Sewers - Force	5,932,331	1,289,760	4,642,571
361	Collection Sewers - Gravity	80,647,801	22,897,706	57,750,096
362	Special Collecting Structures	3,120,757	4,121,930	-1,001,173
363	Services to Customers	12,031,672	4,082,432	7,949,240
364	Flow Measuring Devices	748,215	296,924	451,290
365	Flow Measuring Installations		-	0
370	Receiving Wells	2,126,089	416,314	1,709,775
371	Pumping Equip	3,896,818	1,369,110	2,527,708
380	Treatment and Disposal Equip.	57,718,808	30,832,660	26,886,148
381	Plant Sewer	813,165	279,270	533,896
382	Outfall Sewer Lines	843,190	358,409	484,781
389	Other Plant and Misc. Equipment	1,058,123	462,677	595,446
390	Office Furniture and Equipment	367,366	221,173	146,193
391	Transportation Equipment	243,240	695,844	-452,604
392	Stores Equipment	62,557	7,618	54,939
393	Tools, Shop and Garage Equipment	288,163	119,672	168,491
394	Laboratory Equipment	191,840	73,662	118,178
395	Power Operated Equipment	1,060,032	477,790	582,242
396	Communication Equipment	2,619,531	2,029,269	590,262
397	Misc Equipment	111,315	75,039	36,277
398	Other Tangible Plant	3,487	2,034	1,453
	<b>TOTALS</b>	<b>202,523,273</b>	<b>76,515,648</b>	<b>126,007,626</b>

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



**COMPANY NAME**

Epcor Water Arizona, Inc.

**SEWER CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	126,451	*	0
352	Franchises	502,925	*	0
353	Land and Land Rights	974,694	*	0
354	Structures and Improvements	25,921,277	*	570,686
355	Power Generation Equipment	1,113,427	*	47,905
360	Collection Sewers - Force	5,932,331	*	122,309
361	Collection Sewers - Gravity	80,647,801	*	1,672,766
362	Special Collecting Structures	3,120,757	*	227,470
363	Services to Customers	12,031,672	*	244,380
364	Flow Measuring Devices	748,215	*	62,166
365	Flow Measuring Installations	0	*	0
370	Receiving Wells	2,126,089	*	70,799
371	Pumping Equip	3,896,818	*	233,801
380	Treatment and Disposal Equip.	57,718,808	*	2,788,396
381	Plant Sewer	813,165	*	40,658
382	Outfall Sewer Lines	843,190	*	42,151
389	Other Plant and Misc. Equipment	1,058,123	*	52,694
390	Office Furniture and Equipment	367,366	*	34,353
391	Transportation Equipment	243,240	*	48,648
392	Stores Equipment	62,557	*	2,477
393	Tools, Shop and Garage Equipment	288,163	*	12,536
394	Laboratory Equipment	191,840	*	12,404
395	Power Operated Equipment	1,060,032	*	53,210
396	Communication Equipment	2,619,531	*	269,799
397	Misc Equipment	111,315	*	5,677
398	Other Tangible Plant	3,487	*	178
	<b>TOTALS</b>	<b>202,523,273</b>	<b>0</b>	<b>6,615,463</b>

This amount goes on the Comparative Statement of Income and Expense Acct. 403 

**COMPANY NAME**

Epcor Water Arizona, Inc.

**BALANCE SHEET**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 149,435.05	\$ 181,048.84
134	Working Funds	\$ 17.54	\$ 550.00
135	Temporary Cash Investments	\$ -	\$ -
141	Customer Accounts Receivable	\$ 4,591,214.46	\$ 6,977,551.56
146	Notes/Receivables from Associated Companies	\$ 405,914.96	\$ -
151	Plant Material and Supplies	\$ 317,091.96	\$ 1,043,294.26
162	Prepayments	\$ 515,234.53	\$ 760,246.90
174	Miscellaneous Current and Accrued Assets	\$ 62,997,897.10	\$ 59,812,097.73
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 68,976,806</b>	<b>\$ 68,774,789</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 850,899,824.72	\$ 866,887,307.45
103	Property Held for Future Use	\$ 443,048.57	\$ 443,048.57
105	Construction Work in Progress	\$ 7,557,201.27	\$ 8,499,959.79
108	Accumulated Depreciation - Utility Plant	\$ (217,267,592.51)	\$ (242,764,367.98)
121	Non-Utility Property	\$ -	\$ -
122	Accumulated Depreciation - Non Utility	\$ -	\$ -
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 641,632,482</b>	<b>\$ 633,065,948</b>
	<b>TOTAL ASSETS</b>	<b>\$ 710,609,288</b>	<b>\$ 701,840,737</b>

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

**COMPANY NAME** Epcor Water Arizona, Inc.

Breakdown of Certain Balance Sheet Accounts

	<b>FIXED ASSETS</b>	2012 Total
101	Utility Plant in Service	\$866,887,307
103	Property Held for Future Use	\$443,049
105	Construction Work in Progress	\$8,499,960
108	Accumulated Depreciation - Utility Plant	-\$242,764,368
121	Non-Utility Property	\$0
122	Accumulated Depreciation - Non Utility	\$0
	<b>TOTAL FIXED ASSETS</b>	<b>\$633,065,948</b>

**COMPANY NAME**

Epcor Water Arizona, Inc.

**BALANCE SHEET (CONTINUED)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 1,942,307.18	\$ 2,884,511.95
232	Notes Payable (Current Portion)	\$ 8,591,730.28	\$ 8,593,003.21
234	Notes/Accounts Payable to Associated Companies	\$ 49,090,022.66	\$ (17,816,300.04)
235	Customer Deposits	\$ 19,699.39	\$ 229,971.11
236	Accrued Taxes	\$ 5,534,764.95	\$ 1,810,763.75
237	Accrued Interest	\$ 636,617.03	\$ 9,058,685.51
241	Miscellaneous Current and Accrued Liabilities	\$ 6,325,835.62	\$ 13,438,206.38
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 72,140,977</b>	<b>\$ 18,198,842</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 186,862,488.77	\$ 231,744,470.40
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	\$ 199,328,867.79	\$ 200,236,831.42
255	Accumulated Deferred Investment Tax Credits	\$ 45,226.00	\$ -
271	Contributions in Aid of Construction	\$ 114,356,729.62	\$ 118,020,278.35
272	Less: Amortization of Contributions	\$ (21,828,371.50)	\$ (26,190,403.63)
281	Accumulated Deferred Income Tax	\$ (1,000,934.01)	\$ 7,582,527.00
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 290,901,518</b>	<b>\$ 299,649,233</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 549,904,984</b>	<b>\$ 549,592,545</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 522,880.00	\$ 522,880.00
211	Paid in Capital in Excess of Par Value	\$ 184,926,690.58	\$ 184,882,920.36
215	Retained Earnings	\$ (24,745,266.71)	\$ (33,157,608.65)
218	Proprietary Capital (Sole Props and Partnerships)	\$ -	\$ -
	<b>TOTAL CAPITAL</b>	<b>\$ 160,704,304</b>	<b>\$ 152,248,192</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 710,609,288</b>	<b>\$ 701,840,737</b>

**WATER COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 67,332,424.44	\$ 74,210,748.38
460	Unmetered Water Revenue	-	0
474	Other Water Revenues	2,648,036.22	2,460,534.71
	<b>TOTAL REVENUES</b>	<b>\$ 69,980,460.66</b>	<b>\$ 76,671,283.09</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 10,226,340.34	\$ 9,581,353.73
604	Employee Pensions and Benefits		\$ 2,209,243.24
610	Purchased Water	2,939,469.66	2,153,542.56
615	Purchased Power	6,683,416.69	6,655,428.90
618	Chemicals	617,566.14	652,700.02
620	Repairs and Maintenance	2,245,885.14	1,068,009.40
621	Office Supplies and Expense	34,395.06	6,437.26
630	Outside Services	10,262,446.14	7,563,239.72
635	Water Testing	-	0
641	Rents	338,475.27	279,613.69
650	Transportation Expenses	929,938.47	889,182.90
655	Insurance		836,119.34
657	Insurance - General Liability	706,185.78	-
659	Insurance - Health and Life	2,696,253.48	-
666	Regulatory Commission Expense - Rate Case	455,379.95	688,658.53
675	Miscellaneous Expense	5,342,347.76	3,336,075.65
403	Depreciation Expense	14,763,332.69	15,885,339.97
408	Taxes Other Than Income	768,232.55	1,027,597.44
408.11	Property Taxes	2,055,022.26	2,455,030.28
409	Income Tax	2,093,453.68	5,125,349.27
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 63,158,141.06</b>	<b>\$ 60,412,921.91</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 6,822,319.60</b>	<b>\$ 16,258,361.18</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 3,542.59	\$ 353.40
421	Non-Utility Income	1,345,170.38	467,311.54
426	Miscellaneous Non-Utility Expenses	(872,690.10)	(497,019.53)
427	Interest Expense	(3,297,550.47)	(6,231,129.58)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (2,821,527.60)</b>	<b>\$ (6,260,484.16)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 4,000,792.00</b>	<b>\$ 9,997,877.01</b>

Note: All corporate amounts are included in the Water Comparative Statement of Income and Expense. We have allocated only the income taxes and interest expense to sewer. A corresponding adjustment was made to 2010 to be consistent with 2011.

**COMPANY NAME**

Epcor Water Arizona, Inc.

**SEWER COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Fiat Rate Revenues	\$ 28,682,104.55	\$ 28,636,574.72
522	Measured Revenues	-	0
536	Other Wastewater Revenues	30,824.24	16,714.18
	<b>TOTAL REVENUES</b>	<b>28,712,928.79</b>	<b>28,653,288.90</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$ 1,691,825.60	\$ 3,832,425.37
704	Employee Pensions and Benefits		\$ 916,646.31
710	Purchased Wasterwater Treatment	6,841.82	6,845.01
711	Sludge Removal Expense	2,869,518.38	2,492,283.58
715	Purchased Power	1,064,027.62	1,125,134.79
716	Fuel for Power Production	-	-
718	Chemicals	401,623.04	641,716.76
720	Materials and Supplies	235,390.04	582,293.79
721	Office Supplies and Expense		1,910.74
730	Contractual Services		3,560,081.40
731	Contractual Services - Professional	18,020.93	-
735	Contractual Services - Testing	32,227.90	-
740	Contractual Services - Other	54,530.37	-
741	Rents		119,205.53
750	Transportation Expenses	120,772.53	333,346.70
755	Insurance Expense	31,070.97	160,095.68
757	Insurance - General Liability		-
759	Insurance - Health and Life		-
766	Regulatory Commission Expense - Rate Case	9,137.28	102,979.79
775	Miscellaneous Expense	(425,837.18)	1,178,763.45
403	Depreciation Expense	6,002,649.51	6,490,946.16
408	Taxes Other Than Income	130,732.93	213,230.26
408.11	Property Taxes	868,070.53	886,541.77
409	Income Tax	3,662,652.83	2,459,913
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 16,773,255</b>	<b>\$ 25,104,360</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 11,939,674</b>	<b>\$ 3,548,929</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ -	170
421	Non-Utility Income	-	15,509.11
426	Miscellaneous Non-Utility Expenses	-	(18,889)
427	Interest Expense	(5,758,523.31)	(3,221,452)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (5,758,523.31)</b>	<b>\$ (3,224,663)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 6,181,150</b>	<b>\$ 324,266</b>



COMPANY NAME

EPCOR Water Arizona Inc.

YEAR ENDING 12/31/2012

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2012 was: \$3,562,142.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME)  
Maricopa  
NAME (OWNER OR OFFICIAL) TITLE  
Gregory Barber, Controller  
COMPANY NAME  
EPCOR Water Arizona Inc.

I, THE UNDERSIGNED  
OF THE

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 CORRECT AND PAID IN FULL.

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

*Gregory Barber - controller*  
SIGNATURE OF OWNER OR OFFICIAL

623 - 445 - 2414  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME	<i>maricopa</i>
MONTH	2013
<i>April</i>	

(SEAL)

*Courtney Appelhans*  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 6/22/14



COMPANY NAME

EPCOR Water Arizona Inc.

YEAR ENDING 12/31/2012

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 10,304,902

Estimated or Actual Federal Tax Liability (3,606,716)

State Taxable Income Reported 10,304,902

Estimated or Actual State Tax Liability (404,467)

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -

Amount of Gross-Up Tax Collected -

Total Grossed-Up Contributions/Advances -

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

**CERTIFICATION**

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

  
SIGNATURE

DATE

Greg Barber  
PRINTED NAME

Controller  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT (SEWER)  
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF(COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) Gregory Barber	TITLE Controller
COMPANY NAME EPCOR Water Arizona Inc.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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 CALENDAR YEAR 2012 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>28,677,857</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 24,568  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAX BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE DIFFERENCE. (EXPLAIN IN DETAIL)

*Gregory Barber - Controller*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623 - 445 - 2414  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30<sup>th</sup>

DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> 2013

(SEAL)

MY COMMISSION EXPIRES 6/22/14

*Courtney Appelhans*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC  
**COURTNEY APPELHANS**  
Notary Public - Arizona  
Maricopa County  
My Comm. Expires Jun 22, 2014

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE (SEWER)  
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

COUNTY OF (COUNTY NAME)

Maricopa

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL)

Gregory Barber

TITLE

Controller

OF THE

COMPANY NAME

EPCOR Water Arizona Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2012 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)  
\$ 25,340,500

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 17,539 IN SALES TAXES BILLED, OR COLLECTED)

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

*Gregory Barber - Controller*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623 - 445 - 2414  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

NOTARY PUBLIC NAME Courtney Appelhans  
COUNTY NAME Maricopa  
MONTH April 2013

(SEAL)

MY COMMISSION EXPIRES 6/22/14

*Courtney Appelhans*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC  
**COURTNEY APPELHANS**  
Notary Public - Arizona  
Maricopa County  
My Comm. Expires Jun 22, 2014

**VERIFICATION  
AND  
SWORN STATEMENT (WATER)  
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) Gregory Barber	TITLE Controller
COMPANY NAME EPCOR Water Arizona Inc.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2012
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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 CALENDAR YEAR 2012 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>84,089,148</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 7,417,865  
IN SALES TAXES BILLED, OR COLLECTED

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAX BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE DIFFERENCE. (EXPLAIN IN DETAIL)

*Gregory Barber - Controller*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623 - 445 - 2414  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

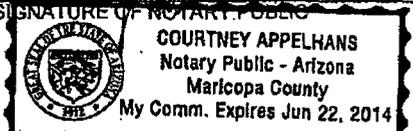
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30<sup>th</sup> DAY OF

COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u> 2013

(SEAL)

MY COMMISSION EXPIRES 6/22/14

*Courtney Appelans*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC  


**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE (WATER)  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF ARIZONA

COUNTY OF (COUNTY NAME)

Maricopa

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL) | TITLE

Gregory Barber | Controller

OF THE

COMPANY NAME

EPCOR Water Arizona Inc.

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2012

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

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2012 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)   
 \$ 62,549,859

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5,622,805 IN SALES TAXES BILLED, OR COLLECTED

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

*Gregory Barber - Controller*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
623 - 445 - 2414  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

30th

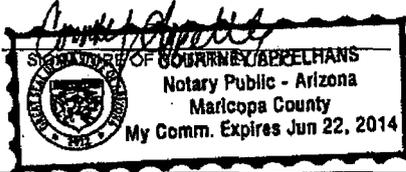
DAY OF

NOTARY PUBLIC NAME Courtney Appelhaus  
COUNTY NAME Maricopa  
MONTH April | 2013

(SEAL)

MY COMMISSION EXPIRES

6/22/14



# **EXHIBIT E**

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*EPCOR WATER ARIZONA INC.\*\*\***

a domestic corporation organized under the laws of the State of Arizona, did incorporate on December 30, 1949.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 1st Day of May, 2013, A. D.



  
\_\_\_\_\_  
Jodi A. Jerich, Executive Director

By: \_\_\_\_\_ 905419