

ORIGINAL



0000160873

BEFORE THE ARIZONA CORPORATI

RECEIVED

2015 MAY 18 P 2:34

AZ CORP COMMISSION
DOCKET CONTROL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

IN THE MATTER OF THE APPLICATION OF
LAKE VERDE WATER COMPANY, INC.
FOR APPROVAL OF AN EMERGENCY
RATE INCREASE.

DOCKET NO. W-01557A-15-0079

IN THE MATTER OF THE APPLICATION OF
LAKE VERDE WATER COMPANY, INC.
FOR APPROVAL OF AN ORDER
AUTHORIZING THE COMPANY TO ISSUE
\$500,000.00 OF DEBT.

DOCKET NO. W-01557A-15-0080

STAFF'S NOTICE OF FILING

Staff of the Arizona Corporation Commission ("Staff") hereby files the Annual Report for
Year Ending December 31, 2014 on behalf of Lake Verde Water Company, Inc.

RESPECTFULLY SUBMITTED this 18th day of May, 2015.

Matthew Laudone, Attorney
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and thirteen (13) copies
of the foregoing filed this
18th day of May, 2015 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

MAY 18 2015

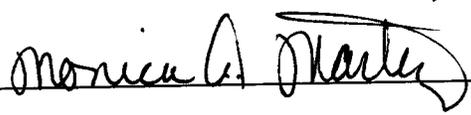
Copy of the foregoing mailed this
18th day of May, 2015 to:

DOCKETED BY TV

...
...

1 Dugan Lee McDonald, President
Lake Verde Water Company, Inc.
2 PO Box 2777
738 South Parks Drive
3 Camp Verde, AZ 86322
Dbmcdonald78@gmail.com

4 Rick Zeise
5 Arizona Office of Attorney General
1275 W. Washington St.
6 Phoenix, AZ 85007

7 
8 _____

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

MAY 04 2015

AZ CORP COMM
Director - Utilities

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-01557A

Lake Verde Water Company, Inc.
PO Box 2777
Camp Verde, AZ 86322

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT

Water

FOR YEAR ENDING

12	31	2014
----	----	------

FOR COMMISSION USE

ANN 04	14
--------	----

5-4-15

COMPANY INFORMATION

Company Name (Business Name) LAKE VERDE WATER COMPANY, INC

Mailing Address P.O. Box 2777
Camp Verde (Street) AZ (State) 86322 (Zip)

928-567-9170 Telephone No. (Include Area Code) 928-567-6351 Fax No. (Include Area Code) 928-301-5964 Cell No. (Include Area Code)

Email Address BMANCOS@gmail.com

Local Office Mailing Address 738 S. PARKS DRIVE
Camp Verde (Street) AZ (State) 86322 (Zip)

928-567-9170 Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address BMANCOS@gmail.com Website address NONE

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: DUGAN McDONALD - PRES
(Name) (Title)

738 S. PARKS DRIVE (Street) Camp Verde (City) AZ (State) 86322 (Zip)

928-567-9170 Telephone No. (Include Area Code) 928-567-6351 Fax No. (Include Area Code) 928-301-5964 Cell No. (Include Area Code)

Email Address BMANCOS@gmail.com

On Site Manager: Same as above
(Name)

(Street) (City) (State) (Zip)

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

Email Address _____

Statutory Agent: DUGAN L. McDONALD
 (Name)

738 S. PARKS DRIVE CAMP VERDE AZ 86302
 (Street) (City) (State) (Zip)

928-569-9170 928-569-6351 928-301-5964
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: _____
 (Name)

N/A
 (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:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input checked="" 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 type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input checked="" type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

LAKE VERDE WATER Company, Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7590.	7590.	—
302	Franchises			
303	Land and Land Rights	10,000	—	10,000
304	Structures and Improvements			
307	Wells and Springs	5016.	5016.	—
311	Pumping Equipment	24804.00	24283.00	2521.00
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	19032.00	19032.00	—
333	Services			
334	Meters and Meter Installations	955.00	955.00	—
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	380.00	380.00	—
340.1	Computers & Software	1925.00	1925.00	—
341	Transportation Equipment	1894.00	1894.00	—
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1263.00	1263.00	—
346	Communication Equipment	461.00	461.00	—
347	Miscellaneous Equipment	312.00	312.00	—
348	Other Tangible Plant			
	TOTALS	73632.00	61111.00	12521.00

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

COMPANY NAME

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *			

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

COMPANY NAME

LAKE VERDE WATER Company, Inc.

WATER UTILITY BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 2986.00	\$ 3966.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1321.00	1489.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 4307.00	\$ 5448.00
	FIXED ASSETS		
101	Utility Plant in Service	\$ 69632.00	\$ 73632.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(56866.00)	(61111.00)
121	Non-Utility Property <i>Intangible Assets</i>	55090.00	55090.00
122	Accumulated Depreciation - Non Utility <i>Amortization</i>	(51928.00)	(55090.00)
	TOTAL FIXED ASSETS	\$ 928.00	\$ 2521.00
	TOTAL ASSETS	\$ 14235.00	\$ 17969.00

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

COMPANY NAME

LAKE VERDE WATER COMPANY, Inc.

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
LIABILITIES			
CURRENT LIABILITES			
231	Accounts Payable	\$ 690.00	\$ —
232	Notes Payable (Current Portion)	2749.00	14356.00
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	1435.00	261.
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4852.00	\$ 14616.00
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$	\$
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 4852.00	\$ 14616.00
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 90,000	\$ 90,000
211	Paid in Capital in Excess of Par Value	19,200	19,200
215	Retained Earnings	(99,819.00)	(105,849.00)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 14235.00	\$ 17969.00

COMPANY NAME LAKE VERDE WATER COMPANY Inc

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 16709.00	\$ 18265.00
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 16709.00	\$ 18265.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	1948.88	2089.00
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense	1464.19	598.00
630	Outside Services	4259.33	3578.00
635	Water Testing	1668.59	1167.00
641	Rents	2100.00	2950.00
650	Transportation Expenses	1583.45	1058.00
657	Insurance - General Liability	671.00	746.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	8211.03	6810.00
403	Depreciation Expense	4303.00	4245.00
408	Taxes Other Than Income		
408.11	Property Taxes	846.53	1052.00
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 27056.00	\$ 24296.00
	OPERATING INCOME/(LOSS)	\$ <10347.00>	\$ <6030.00>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <10347.00>	\$ <6030.00>

COMPANY NAME

LAKE VERDE WATER COMPANY Inc

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

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

N/A

COMPANY NAME	LAKE VERDE WATER COMPANY Inc		
Name of System:	Same	ADEQ Public Water System Number:	13038

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
643828	2	22		8	15"	

* 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

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
5000	1	2000	2

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

COMPANY NAME	LAKE VERDE WATER COMPANY INC		
Name of System:	LAKE VERDE WATER	ADEQ Public Water System Number:	13038

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Galv	680
3	"	240
4	"	4800
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	68
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

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

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

2 wells, 2 tanks, 2 set o electric controls

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

COMPANY NAME: LAKE VERDE WATER COMPANY Inc
 Name of System: ADEQ Public Water System Number: 13038

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	68	335,059	467,200	Ø
FEBRUARY	68	255,112	302,000	Ø
MARCH	68	304,418	331,500	Ø
APRIL	68	425,860	453,100	Ø
MAY	68	690,266	666,900	Ø
JUNE	68	807,904	868,400	Ø
JULY	68	744,080	943,000	Ø
AUGUST	68	760,500	806,990	Ø
SEPTEMBER	68	441,500	459,600	Ø
OCTOBER	68	385,218	402,000	Ø
NOVEMBER	68	386,500	393,100	Ø
DECEMBER	68	278,200	201,600	Ø
TOTALS →		5,814,417	6,295,192	480,995

What is the level of arsenic for each well on your system? .24 mg/l
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

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

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

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

If yes, provide the GPCPD amount: _____

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

COMPANY NAME: LAKE VERDE WATER COMPANY Inc

Name of System: ADEQ Public Water System Number: 13038

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	/
FEBRUARY	0	0	
MARCH	0	0	
APRIL	0	0	
MAY	0	0	
JUNE	0	0	
JULY	0	0	
AUGUST	0	0	
SEPTEMBER	0	0	
OCTOBER	0	0	
NOVEMBER	0	0	
DECEMBER	0	0	
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME LAKE VERDE WATER COMPANY YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 1052.00

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

RECEIVED

MAY 04 2015

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai County</u>
NAME (OWNER OR OFFICIAL) <u>JUDITH Mc DONALD</u>
COMPANY NAME <u>Lake Verde Water Co.</u>

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	2014

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.

Judith McDonald
SIGNATURE OF OWNER OR OFFICIAL
928-301-5964
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

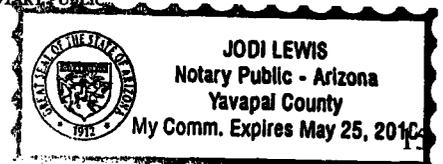
THIS 23 DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>April</u> 20 <u>15</u>

(SEAL)

MY COMMISSION EXPIRES May 25, 2018

Jodi Lewis
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 04 2015

VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai County</u>	AZ CORP COMM Director - Utilities
NAME (OWNER OR OFFICIAL) TITLE <u>Walter Mc Donald</u>	
COMPANY NAME <u>Lake Verde Water - Co</u>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

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 2014 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) <u>\$ 1,826,500</u>
--

(THE AMOUNT IN BOX ABOVE INCLUDES \$ _____ 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)**

[Signature]
SIGNATURE OF OWNER OR OFFICIAL

928-301-5964
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

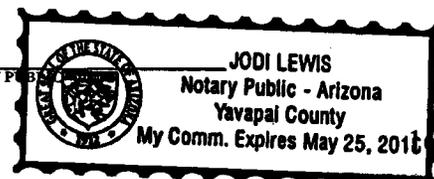
THIS 23 DAY OF

COUNTY NAME <u>Yavapai</u>		
MONTH <u>April</u>	20 <u>15</u>	

(SEAL)

MY COMMISSION EXPIRES May 25, 2018

[Signature]
SIGNATURE OF NOTARY PUBLIC



RECEIVED

MAY 04 2015

AZ CORP COMM
Director - Utilities

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <i>Yavapai County</i>	
NAME (OWNER OR OFFICIAL) <i>Dugan McDonald</i>	TITLE <i>President</i>
COMPANY NAME <i>Lake Verde Water</i>	

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<i>12</i>	<i>31</i>	<i>2014</i>

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 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <i>18265.00</i>

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

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

Dugan McDonald
SIGNATURE OF OWNER OR OFFICIAL

928-301-5964
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS *23* DAY OF

NOTARY PUBLIC NAME <i>Jodi Lewis</i>	
COUNTY NAME <i>Yavapai</i>	
MONTH <i>April</i>	YEAR <i>2015</i>

(SEAL)
MY COMMISSION EXPIRES

