

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

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

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W-01578A  
Aguila Water Services, Inc.  
PO Box 1086  
Sun City, AZ 85372

RECEIVED

MAY 13 2009

ARIZONA COMM  
UTILITIES

**ANNUAL REPORT**  
**WATER**

**FOR YEAR ENDING**

12	31	2008
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FOR COMMISSION USE

ANN 04	08
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PROCESSED BY:

S-14-09

SCANNED



**Statutory Agent:** Victoria Bonnet  
(Name)

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7820 W. Pinnacle Peak Rd.      Peoria      AZ      85383  
(Street)      (City)      (State)      (Zip)

---

(623) 566-0167      (623) 376-6256      (602) 527-6335  
Telephone No. (Include Area Code)      Fax No. (Include Area Code)      Cell No. (Include Area Code)

**Attorney:** Norman D. James and Jay Shapiro with Fennemore Craig  
(Name)

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3003 N Central Ave Ste 2600      Phoenix      AZ      85012-2913  
(Street)      (City)      (State)      (Zip)

---

(602) 916-5000      (602) 916-5566      \_\_\_\_\_  
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 checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

**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	600		600
304	Structures and Improvements	25,873	20,234	5,639
307	Wells and Springs	112,063	60,926	51,137
311	Pumping Equipment	68,695	53,692	15,003
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	98,495	55,657	43,838
331	Transmission and Distribution Mains	274,533	230,051	44,482
333	Services	40,275	32,915	7,360
334	Meters and Meter Installations	48,990	35,630	13,360
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	17,267	17,074	193
340	Office Furniture and Equipment	18,431	18,431	00
341	Transportation Equipment	123,507	86,924	36,583
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	828,728	611,534	218,195

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

**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	600		
304	Structures and Improvements	25.873	3.56	920
307	Wells and Springs	112.063	3.56	3,989
311	Pumping Equipment	68.695	3.56	2,446
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	94.495	3.56	3,506
331	Transmission and Distribution Mains	274.533	3.56	7,773
333	Services	40.275	3.56	1,434
334	Meters and Meter Installations	48.990	3.56	1,744
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	17.267	3.56	317
340	Office Furniture and Equipment	18.431		00
341	Transportation Equipment	123.507	3.56	4,397
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	828.728		26,526

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_

COMPANY NAME AGUILA WATER SERVICES

**BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 875.29	4,403.71
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	17,690.28	20,814.57
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	2901.54	2,901.54
162	Prepayments	26,234.01	34,021.33
174	Miscellaneous Current and Accrued Assets	251.00	251.00
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 47,952.12	\$ 62,392.15
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 681,549.12	\$ 686,789.64
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(480,849.53)	(502,978.72)
121	Non-Utility Property	141,938.36	141,938.36
122	Accumulated Depreciation – Non Utility	(100,958.00)	(105,354.85)
	<b>TOTAL FIXED ASSETS</b>	\$ 241,679.95	\$ 220,396.38
	<b>TOTAL ASSETS</b>	<b>\$ 289,632.07</b>	<b>\$ 282,788.53</b>

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

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 21,427.88	\$ 46,700.90
232	Notes Payable (Current Portion)	25,097.85	25,097.85
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	27,276.20	30,689.54
236	Accrued Taxes	1,601.25	4,787.24
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 75,403.18	\$ 107,275.53
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 327,556.60	\$ 270,644.27
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	33,344.15	50,009.28
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 33,344.15	\$ 50,009.28
	<b>TOTAL LIABILITIES</b>	\$ 436,303.93	\$ 427,929.08
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 29,365.00	\$ 29,365.00
211	Paid in Capital in Excess of Par Value	48,005.70	48,005.70
215	Retained Earnings	(224,042.56)	(222,511.25)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ (146,671.86)	\$ (145,140.55)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 289,632.07</b>	<b>\$288,788.53</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 221,100.71	\$ 211,875.06
460	Unmetered Water Revenue		
474	Other Water Revenues	1,430.56	1,566.13
	<b>TOTAL REVENUES</b>	\$ 222,531.27	\$ 213,441.19
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 92,287.40	\$ 81,180.72
610	Purchased Water		
615	Purchased Power	17,350.78	17,655.73
618	Chemicals	2,322.32	1,895.24
620	Repairs and Maintenance	499.02	987.29
621	Office Supplies and Expense	5,307.97	4,663.26
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses	7,388.82	6,416.58
657	Insurance – General Liability	12,310.00	5,323.32
659	Insurance - Health and Life	9,617.80	12,039.00
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	22,093.26	19,051.87
403	Depreciation Expense	34,904.00	26,526.04
408	Taxes Other Than Income	8,646.17	8,230.78
408.11	Property Taxes	7,555.02	10,016.53
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 220,282.56	\$ 193,986.36
	<b>OPERATING INCOME/(LOSS)</b>	\$ 2,248.71	\$ 19,454.83
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 2.61	\$ 3.96
421	Non-Utility Income	0.00	.00
426	Miscellaneous Non-Utility Expenses	(550.00)	.00
427	Interest Expense	(21,495.09)	(17,927.48)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (22,042.48)	\$ (17,923.52)
	<b>NET INCOME/(LOSS)</b>	\$ (19,793.37)	\$ 1,531.31

COMPANY NAME

Aguila Water Services Inc

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

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	03/23/01			
Source of Loan	WIFA			
ACC Decision No.	63333			
Reason for Loan	system improvements			
Dollar Amount Issued	\$ 250,000	\$	\$	\$
Amount Outstanding	\$ 169,218.88	\$	\$	\$
Date of Maturity	2/08/18			
Interest Rate	6.38 %	%	%	%
Current Year Interest	\$ 11,179.18	\$	\$	\$
Current Year Principle	\$ 10,976.54	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 11,921.50

Meter Deposits Refunded During the Test Year

\$ 1,477.50

<b>COMPANY NAME</b>	Aguila Water Services, In.c
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-086985	50	220	800	12	4	1969
55-592364	50	250	900	10	6	2002

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
NONE		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
25	2	- 0 -	- 0 -
5	2		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
100,000	1	5000	2
15,000	2	2000	1

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

<b>COMPANY NAME</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	29405
3	PVC	4147
4	PVC	16684
5	N/A	
6	PVC	24495
8		
10	N/A	
12	N/A	
3	AC	2600
4	AC	2250
6	AC	4680

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	216
3/4	
1	95
1 1/2	2
2	1
<b>Comp. 3</b>	
<b>Turbo 3</b>	
<b>Comp. 4</b>	
<b>Turbo 4</b>	
<b>Comp. 6</b>	
<b>Turbo 6</b>	
Standpipe	2

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

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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

<b>COMPANY NAME:</b>	Aguila Water Services, Inc.
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2008**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	316	2181100	2167400	NONE
FEBRUARY	315	2163100	2054100	PURCHASED
MARCH	316	2472800	2727500	
APRIL	316	2758000	3039300	
MAY	316	3346100	3653100	
JUNE	316	4326100	4671600	
JULY	314	3278000	3923200	
AUGUST	313	3213600	3319300	
SEPTEMBER	312	3350800	3448600	
OCTOBER	316	3095900	3147700	
NOVEMBER	316	2201700	2371600	
DECEMBER	316	2244100	2354400	
<b>TOTALS →</b>		34,631,800	36,877,800	

6.5% Differential

What is the level of arsenic for each well on your system? .0035 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 N/A

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

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.***

<b>COMPANY NAME:</b>	Aguila Water Services, Inc.
<b>Name of System:</b>	<b>ADEQ Public Water System Number:</b>

**UTILITY SHUTOFFS / DISCONNECTS**

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		2	
FEBRUARY		- 0 -	
MARCH		3	
APRIL		- 0 -	
MAY		6	
JUNE		4	
JULY		3	
AUGUST		4	
SEPTEMBER		4	
OCTOBER		1	
NOVEMBER		3	
DECEMBER		14	
<b>TOTALS →</b>		44	

OTHER (description):

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COMPANY NAME AGUILA WATER SERVICES INC YEAR ENDING 12/31/2008

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2008 was: \$ 6,519.75

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**

APR 28 2009  
DIRECTOR OF TAXES

**VERIFICATION**

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>MARICOPA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>VICTORIA BONNET</u>
COMPANY NAME	<u>AGUILA WATER SERVICES INC</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
<u>12</u>	<u>31</u>	<u>2008</u>

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.

Victoria Bonnet  
SIGNATURE OF OWNER OR OFFICIAL  
(623) 566-0167  
TELEPHONE NUMBER

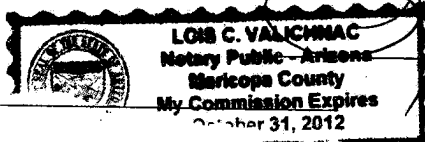
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28 DAY OF

COUNTY NAME	<u>MARICOPA</u>
MONTH	<u>APRIL 2009</u>

(SEAL)



MY COMMISSION EXPIRES

Lois C. Valichnac  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME AGUILA WATER SERVICES INC YEAR ENDING 12/31/2008

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_  
Estimated or Actual Federal Tax Liability N/A

State Taxable Income Reported \_\_\_\_\_  
Estimated or Actual State Tax Liability N/A

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances NONE  
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.

Victoria Bennett  
SIGNATURE

4/28/09  
DATE

VICTORIA DONNET  
PRINTED NAME

PRESIDENT  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

*Handwritten:* APR 28 2009  
*Handwritten:* VICTORIA BONNET  
*Handwritten:* DIRECTOR GENERAL

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>VICTORIA BONNET</b>
COMPANY NAME	<b>AGUILA WATER SERVICES INC</b>

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

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

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 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ 225,337.46

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 13,462.40 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)

*Handwritten Signature: Victoria Bonnet*  
 \_\_\_\_\_  
 SIGNATURE OF OWNER OR OFFICIAL  
*Handwritten:* (623) 566-9167  
 \_\_\_\_\_  
 TELEPHONE NUMBER

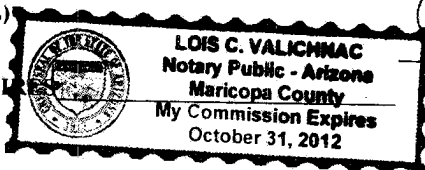
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28 DAY OF

COUNTY NAME	<b>MARICOPA</b>
MONTH	<b>April 2009</b>

(SEAL)



*Handwritten Signature: Lois C. Valichnac*  
 \_\_\_\_\_  
 SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

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

APR 28 2009  
DIRECTOR UTILITIES

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED  
OF THE**

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

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

MONTH	DAY	YEAR
12	31	2008

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 2008 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 181395.38

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 10750.62  
IN SALES TAXES BILLED, OR COLLECTED)

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

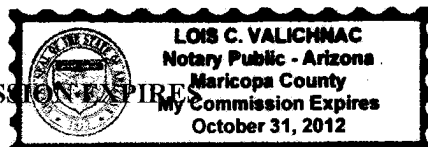
*Victoria Bennett*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
  
(602) 570-0167  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 28 DAY OF

NOTARY PUBLIC NAME <i>LOIS C VALICHNAC</i>	
COUNTY NAME <i>MARICOPA</i>	
MONTH <i>APRIL</i>	YEAR <i>2009</i>

(SEAL)

MY COMMISSION EXPIRES



*Lois C. Valichnac*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC