

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:)	CASE NO. <u>13-16126 (MCW)</u>
Electric Transportation Engineering Corporation)	
)	BUSINESS AND INDUSTRY
)	MONTHLY OPERATING REPORT
)	
)	MONTH OF <u>July 2014</u>
)	
)	DATE PETITION FILED: <u>SEPTEMBER 16, 2013</u>
Debtor)	
)	TAX PAYER ID NO. : <u>#86-0834755</u>

Nature of Debtor's Business: Transitioning assets to buyers and winding down the entity

DATE DISCLOSURE STATEMENT FILED 7/1/2014 TO BE FILED _____

DATE PLAN OF REORGANIZATION FILED 7/1/2014 TO BE FILED _____

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOLLOWING MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

RESPONSIBLE PARTY:

Susie Herrmann
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

CFO
TITLE

Susie Herrmann, CFO
PRINTED NAME OF RESPONSIBLE PARTY

8/21/2014
DATE

PREPARER:

ORIGINAL SIGNATURE OF PREPARER

TITLE

PRINTED NAME OF PREPARER

DATE

PERSON TO CONTACT REGARDING THIS REPORT: Susie Herrmann

PHONE NUMBER: 602-686-6270

ADDRESS: PO Box 20336 Phoenix, AZ 85036-0336

FILE ORIGINAL REPORT ELECTRONICALLY WITH THE COURT, FILE PAPER COPY WITH U.S. TRUSTEE'S OFFICE



Case Number: 13-16126 (MCW)

CURRENT MONTH'S RECEIPTS AND DISBURSEMENTS

	BANK ACCOUNTS				Total
	Operating				
	#6400				

Balance at Beginning of Period	980,498				980,498
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RECEIPTS					
Cash Sales					
Accounts Receivable					
Loans and Advances					
Sale of Assets					
Transfers from Other DIP Accounts					
Collection of sales tax payable on pre-petition sales					
Utility Refund					
Other - Void O/S checks					
TOTAL RECEIPTS					

DISBURSEMENTS					
Business - Ordinary Operations					
Capitol Improvements					
Pre-Petition Debt					
Transfers to Other DIP Accounts	100,000				100,000
Other					
Pay back other purchasing Entity for rec collected on their behalf					
Reorganization Expenses:					
Attorney Fees					
Accountant Fees					
Other Professional Fees					
U. S. Trustee Quarterly Fee	975				975
Court Costs					
TOTAL DISBURSEMENTS	100,975				100,975

Balance at End of Month	879,523				879,524
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*Information provided above should reconcile with balance sheet and income statement amounts

DISBURSEMENTS FOR CALCULATING QUARTERLY FEES:	
Total Disbursements From Above	100,975
Less: Transfers to Other DIP Accounts	100,000
Plus: Estate Disbursements Made by Outside Sources (payments from escrow; 2-party check; etc.)	
Total Disbursements for Calculating Quarterly Fees	975

Case Number: 13-16126 (MCW)

INCOME STATEMENT

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals, (2) year-to-date and filing-to-date information is provided, and (3) if reorganization expenses are segregated in the statement.

7/31/2014

REVENUES	Current Month	Year to Date	Total Since Filing
Gross Revenue	0	0	483,432
Less: Returns & Discounts	0	0	0
Net Revenue	0	0	483,432
COST OF GOODS SOLD			
Material	0	0	142,675
Direct Labor	0	0	21,446
Direct Overhead (Sprint & Utility for charger connectivity to network)	0	-259	62,667
Blink Cost of Revenue Share	0	0	16,860
Depreciation in COGs - Project Assets	0	0	2,310,569
Total Cost of Goods Sold	0	-259	2,554,217
GROSS PROFIT	0	259	-2,070,785
OPERATING EXPENSES			
Officer/Insider Compensation	0	0	0
Selling & Marketing (attach detail)	0	0	6,005
General & Administrative (attach detail)	658	83,584	631,797
Other Expenses (attach detail)	0	24,960	167,103
Total Operating Expenses	658	108,543	804,904
Income Before Non-operating Income and Expense	-658	-108,284	-2,875,689
OTHER INCOME & EXPENSE			
Other Income - Asset Sales Normal Course	0	0	-1,200
Other Expense (attach list)	0	0	-1,072
Interest Expense	0	0	269
Depreciation/Depletion	0	0	0
Amortization	0	0	0
Net Other Income & Expense	0	0	-2,003
Income Before Reorganization Expense	-658	-108,284	-2,873,686
REORGANIZATION EXPENSES			
Professional Fees	0	0	0
U.S. Trustee Fees	325	975	975
Other - Impairment Loss	0	0	14,269,095
Gain / Loss on Sale of Assets	0	-207,544	-93,017
Total Reorganization Expenses	325	-206,569	14,177,053
Income Tax	0	0	0
NET PROFIT OR (LOSS)	-983	98,284	-17,050,739

Operating Expense Detail

(Accrual Basis)

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	7/31/2014		
	Current Month	Year to Date	Total Since Filing
Selling & Marketing			
G&A Labor and employee related	0	0	4,530
Telephone	0	0	86
Travel and Meals	0	0	0
Office / Postage	0	0	0
Professional	0	0	0
Marketing	0	0	715
Web Development	0	0	0
License and Dues	0	0	475
Other	0	0	199
Total Selling and Marketing	0	0	6,005
General and Administrative			
G&A Labor and employee related	0	7,757	237,893
Telephone	0	1,161	19,080
Travel and Meals	0	0	3,167
Recruiting	0	0	0
Office / Postage	0	1,769	4,257
Professional Fees	0	1,082	22,009
Vehicles	0	0	3,659
Computer and IT (For April- Cisco lease, post-petition, pre-asset sale now in A/P)	0	5,290	57,637
Marketing	0	0	36,119
Cobra (Credit for Prev. Emp. Pymts Rec'd in June '14)	0	-5,665	-5,665
Certification Expense	0	0	30,779
Dues and Subscriptions	0	10	2,563
Rent, Utilities and Maintenance (Utility Refund in June '14)	0	5,445	46,266
Business Insurance	0	51,910	153,123
Sales Tax	0	0	0
Other - Bank Fees, Record Storage etc.	658	14,825	20,910
Total General & Administrative	658	83,584	631,797
Other Expenses			
Depreciation Expense	0	0	145,452
Logicalis - Call Center post-petition, pre-asset sale, final recon, now in A/P	0	24,960	24,960
R&D Travel	0	0	0
R&D expense	0	0	-3,309
R&D Development	0	0	0
Total Other Expenses	0	24,960	167,103

COMPARATIVE BALANCE SHEET

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals, (2) current and prior period information is provided, and (3) if pre-petition and post-petition liabilities are segregated.

	7/31/2014	
	CURRENT MONTH	PRIOR MONTH
ASSETS		
Unrestricted Cash	879,524	980,499
Restricted Cash		
Total Cash	879,524	980,499
Accounts Receivable (net)	61,189	61,189
Inventory		
Notes Receivable		
Prepaid Expenses - Deposit	0	0
Other Receivables from CCGI for expenses passed on	591,408	591,408
Total Current Assets	1,532,121	1,633,096
Property, Plant & Equipment		
Less: Accumulated Depreciation		
Net Property, Plant & Equip.		
Due From Insider(s)		
Other Assets - Inter Company Receivable (4A)	4,294,049	4,194,049
Other- Asset held for sale		
TOTAL ASSETS	5,826,170	5,827,145
POST-PETITION LIABILITIES		
Accounts Payable	258,873	258,940
Taxes Payable		
Notes Payable		
Professional Fees		
Secured Debt		
Inter Company Payable (attach list - 4A)	336,873	336,797
Other - Liabilities passed on to CCGI	591,408	591,408
Other - Accrual Vacation and Wages		
Total Post-Petition Liabilities	1,187,153	1,187,145
PRE-PETITION LIABILITIES		
Secured Debt	129,458	129,458
Priority Debt		
Unsecured Debt		
Inter Company Payable (attach list - 4A)	87,537,638	87,537,638
Other (attach list - 4B)	8,500,104	8,500,104
Total Pre-Petition Liabilities	96,167,200	96,167,200
TOTAL LIABILITIES	97,354,353	97,354,345
EQUITY		
Pre-petition Owner's Equity	-74,477,445	-74,477,445
Post-Petition Cumulative Profit/Loss	-17,050,738	-17,049,755
Direct Charges to Equity	0	0
Total Equity	-91,528,183	-91,527,200
TOTAL LIABILITIES & OWNER'S EQUITY	5,826,170	5,827,145

Inter Company Receivables / Payables

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals, (2) current and prior period information is provided, and (3) if pre-petition and post-petition liabilities are segregated.

	7/31/2014	
	CURRENT MONTH	PRIOR MONTH
Pre Petition Inter Company Payable		
Due to The Clarity Group	-1,669,318	-1,669,318
Due to Ecotality Inc.	-85,868,320	-85,868,320
Due To Ecotality Australia Pty Ltd.	0	0
Total Pre Petition Intercompany	-87,537,638	-87,537,638
 Post Petition Inter Company Payable		
Due to The Clarity Group	0	0
Due To Ecotality Inc.	-336,873	-336,797
Due To Ecotality Australia Pty Ltd.	0	0
Total Post Petition Payable	-336,873	-336,797
 Post Petition Inter Company Receivable		
Due to The Clarity Group	0	0
Due to Ecotality Inc.	4,294,049	4,194,049
Due To Ecotality Australia Pty Ltd.	0	0
Total Post Petition Receivable	4,294,049	4,194,049
 Total Inter Company Receivables / Payables		
	CURRENT MONTH	CURRENT MONTH
Due to The Clarity Group	-1,669,318	-1,669,318
Due to Ecotality Inc.	-81,911,143	-82,011,068
Due To Ecotality Australia Pty Ltd.	0	0
TOTAL Inter Company	-83,580,461	-83,680,386

Note - Inter company balances are a net of payables and receivables by entity

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Other Liabilities

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals, (2) current and prior period information is provided, and (3) if pre-petition and post-petition liabilities are segregated.

Other Liabilities - Pre Petition	7/31/2014	
	CURRENT MONTH	PRIOR MONTH
Accounts Payable	6,700,616	6,700,616
Blink Hosts	90,843	90,843
Accrued Payroll		
Accrued Liabilities	1,508,179	1,508,179
Sales Tax payable	200,467	200,467
	<u>8,500,104</u>	<u>8,500,104</u>
	0	0

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STATUS OF ASSETS

*Information provided on this page should reconcile with balance sheet amounts

ACCOUNTS RECEIVABLE	TOTAL	0-30 Days	As of 7/31/2014	
			31-60 Days	60+ Days
Total Accounts Receivable	105,240			105,240
Less Amount Considered Uncollectible	-44,050			-44,050
Net Accounts Receivable	61,189			61,189

DUE FROM INSIDER

Schedule Amount	
Plus: Amount Loaned Since Filing Date	
Less: Amount Collected Since Filing Date	
Less: Amount Considered Uncollectible	
Net Due From Insiders	

INVENTORY

Beginning Inventory	13,924,258
Plus: Purchases	
Less: Cost of Goods Sold/ Assets sold	-13,924,258
Ending Inventory	0

Date Last Inventory was taken: All inventory sold as of 10/15/13

FIXED ASSETS	SCHEDULE AMOUNT	ADDITIONS	DELETIONS	Book Value
Real Property				
Buildings				
Accumulated Depreciation				
Net Buildings				
Equipment	49,629,451	144,248	-49,773,699	0
Accumulated Depreciation	31,933,619	2,559,156	-34,492,776	0
Net Equipment	17,695,832	-2,414,908	-15,280,924	0
Autos/Vehicles	1,835,624		-1,835,624	0
Accumulated Depreciation	634,011	39,511	-673,523	0
Net Autos/Vehicles	1,201,613	-39,511	-1,162,102	0

Provide a description of fixed assets added or deleted during the reporting period; include the date of Court order:

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STATUS OF LIABILITIES AND SENSITIVE PAYMENTS

*Information provided on this page should reconcile with balance sheet and disbursement detail amounts

As of 7/31/2014

POST-PETITION LIABILITIES	TOTAL	0-30 Days	31-60 Days	+ 60 Days	+ 90 Days
Accounts Payable * (SCHED 6A)	258,873	993	0	5,322	252,557
Taxes Payable					
Notes Payable					
Professional Fees Payable					
Secured Debt					
Other (SCHED 6B) - Aging Estimated	928,281	40,741	141,073	200,000	546,467
Total Post-Petition Liabilities	1,187,153	41,734	141,073	205,322	799,024

*DEBTOR MUST ATTACH AN AGED ACCOUNTS PAYABLE LISTING

PAYMENTS TO INSIDERS AND PROFESSIONALS

Insiders			
Name	Reason for Payment	Amount Paid this Month	Total Paid to Date
Total Payments to Insiders			

Professionals				
Name	Date of Court Order Authorizing Payment	Amount Approved	Amount Paid this Month	Total Paid to Date
Total Payments to Professionals				

AP Listing

(Accrual Basis)

Detail of Accounts Payable - Post Petition

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
8X8INC01	0.00	0.00	0.00	0.00	2,987.70	2,987.70
AT&TMOBI01	0.00	0.00	0.00	0.00	9,151.28	9,151.28
BOXNETIN01	0.00	0.00	0.00	0.00	1,813.88	1,813.88
CISCOCAP01	0.00	0.00	0.00	5,289.96	4,783.21	10,073.17
CISCOWEB01	0.00	0.00	0.00	0.00	325.72	325.72
City of Phoenix	0.00	0.00	0.00	32.34	127.39	159.73
CITYTREA02	0.00	0.00	0.00	0.00	149.42	149.42
CORVENER01	0.00	0.00	0.00	0.00	4,657.80	4,657.80
DIGITFRU01	0.00	0.00	0.00	0.00	342.10	342.10
Eide Bailly	0.00	0.00	0.00	0.00	7,256.00	7,256.00
Employment Security Dept.	0.00	0.00	0.00	0.00	75.02	75.02
FP Mailing Solutions	0.00	0.00	0.00	0.00	204.87	204.87
GUARDOMA01	0.00	0.00	0.00	0.00	141.34	141.34
HOMEDEPO01	0.00	0.00	0.00	0.00	61.47	61.47
Iron Mountain	446.47	0.00	0.00	0.00	0.00	446.47
Logicalis	0.00	0.00	0.00	0.00	24,959.62	24,959.62
NISSMOTO01	0.00	0.00	0.00	0.00	351.78	351.78
PGE01	0.00	0.00	0.00	0.00	6.51	6.51
RKL eSolutions LLC	0.00	0.00	0.00	0.00	87.50	87.50
SDG&E01	0.00	0.00	0.00	0.00	132.10	132.10
SILVUNIQ01	0.00	0.00	0.00	0.00	3,150.00	3,150.00
SOUTCALI01	0.00	0.00	0.00	0.00	178.78	178.78
SPRINT01	0.00	0.00	0.00	0.00	7,858.29	7,858.29
STATE COMPROLLER	0.00	0.00	0.00	0.00	100.44	100.44
TECHPROF01	0.00	0.00	0.00	0.00	8,105.70	8,105.70
UNDERWRI01	0.00	0.00	0.00	0.00	468.00	468.00
UNITPARC01	0.00	0.00	0.00	0.00	179.04	179.04
TOTAL XOCOMMUN01	0.00	0.00	0.00	0.00	4,073.81	4,073.81
	<u>446.47</u>	<u>0.00</u>	<u>0.00</u>	<u>5,322.30</u>	<u>81,728.77</u>	<u>87,497.54</u>
Due to CCGI			0.00	0.00	115,521.77	115,521.77
Trustee Filing Fees	325.00					325.00
Bank Fees	221.53					221.53
Blink Customer Payables					55,306.85	55,306.85
	<u>993.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,322.30</u>	<u>252,557.39</u>	<u>258,872.69</u>

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Other Post-Petition Liabilities

(Accrual Basis)

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Other Liabilities - Post Petition	CURRENT MONTH	PRIOR MONTH
*Other Liabilites passed on to CCGI	591,408	591,408
Intercompany Payable	336,873	336,797
	<u>928,281</u>	<u>928,205</u>

* Includes outstanding invoices billed to ETEC for services provided by vendors to CCGI during the transition following the sale of certain assets to CCGI. Please see the offsetting asset "Other Receivables from CCGI for expenses passed on" as these invoices are anticipated to be paid direct by CCGI to the vendors.

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CASE STATUS

QUESTIONNAIRE

	YES	NO
Have any funds been disbursed from any accounts other than a Debtor-in-Possession account?		X
Are any post-petition receivables (accounts, notes or loans) due from related parties?	X	
Are any wages past due?		X
Are any U. S. Trustee quarterly fees delinquent?		X

Provide a detailed explanation of any "YES" answers to the above questions: (attach additional sheets if needed)

Business expenses received/paid by related party passed to company through intercompany receivable/payable accounts.

Current number of employees: 0

INSURANCE

Carrier & Policy Number	Type of Policy	Period Covered	Payment Amount & Frequency

What steps have been taken to remedy the problems which brought on the chapter 11 filing?

The Company has sold all assets as of 10/15/13 and is in the process of winding down operations

Identify any matters that are delaying the filing of a plan of reorganization:

None



FD-15284
Washington, DE 19530

ELECTRIC TRANSPORTATION ENGINEERING CORP
DEBTOR-IN-POSSESSION CASE# BK-16126RJH
DBA ECOTALITY NORTH AMERICA
PO BOX 20336E
PHOENIX, AZ 85036-0336

Customer service information

Customer service: 1.888.400.9009

bankofamerica.com

Bank of America, N.A.
P.O. Box 25118
Tampa, FL 33622-5118

Your Full Analysis Business Checking

for July 1, 2014 to July 31, 2014

Account number: 6400

ELECTRIC TRANSPORTATION ENGINEERING CORP DEBTOR-IN-POSSESSION CASE# BK-16126RJH DBA
ECOTALITY NORTH AMERICA

Account summary

Beginning balance on July 1, 2014	\$984,201.67
Deposits and other credits	0.00
Withdrawals and other debits	-100,000.00
Checks	-0.00
Service fees	-0.00
Ending balance on July 31, 2014	\$884,201.67

of deposits/credits: 0

of withdrawals/debits: 1

of days in cycle: 31

Average ledger balance: \$890,653.28

IMPORTANT INFORMATION: BANK DEPOSIT ACCOUNTS

Change of address - Please call us at the telephone number listed on the front of this statement to tell us about a change of address.

Deposit agreement - When you opened your account, you received a deposit agreement and fee schedule and agreed that your account would be governed by the terms of these documents, as we may amend them from time to time. These documents are part of the contract for your deposit account and govern all transactions relating to your account, including all deposits and withdrawals. Copies of both the deposit agreement and fee schedule which contain the current version of the terms and conditions of your account relationship may be obtained at our banking centers.

Electronic transfers. In case of errors or questions about your electronic transfers - If you think your statement or receipt is wrong or you need more information about an electronic transfer (e.g., ATM transactions, direct deposits or withdrawals, point-of-sale transactions) on the statement or receipt, telephone or write us at the address and number listed on the front of this statement as soon as you can. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

- Tell us your name and account number.
- Describe the error or transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

For consumer accounts used primarily for personal, family or household purposes, we will investigate your complaint and will correct any error promptly. If we take more than 10 business days (10 calendar days if you are a Massachusetts customer) (20 business days if you are a new customer, for electronic transfers occurring during the first 30 days after the first deposit is made to your account) to do this, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it will take to complete our investigation.

For other accounts, we investigate, and if we find we have made an error, we credit your account at the conclusion of our investigation.

Reporting other problems - You must examine your statement carefully and promptly. You are in the best position to discover errors and unauthorized transactions on your account. If you fail to notify us in writing of suspected problems or an unauthorized transaction within the time period specified in the deposit agreement (which periods are no more than 60 days after we make the statement available to you and in some cases are 30 days or less), we are not liable to you for, and you agree to not make a claim against us for the problems or unauthorized transactions.

Direct deposits - If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you may call us at the telephone number listed on the front of this statement to find out if the deposit was made as scheduled. You may also review your activity online or visit a banking center for information.

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Withdrawals and other debits

Date	Transaction description	Customer reference	Bank reference	Amount
07/03/14	WIRE TYPE:BOOK OUT DATE:140703 TIME:1621 ET TRN: RELATED REF: BNF:ECOTALITY, INC ID:			-100,000.00

Total withdrawals and other debits **-5100,000.00**

Daily ledger balances

Date	Balance (\$)	Date	Balance(\$)
07/01	984,201.67	07/03	884,201.67

✓ To help you BALANCE YOUR CHECKING ACCOUNT, print a copy of the "How to Balance Your Bank of America Merrill Lynch Account" page by visiting CashPro[®] University at cashproonline.bankofamerica.com.

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