

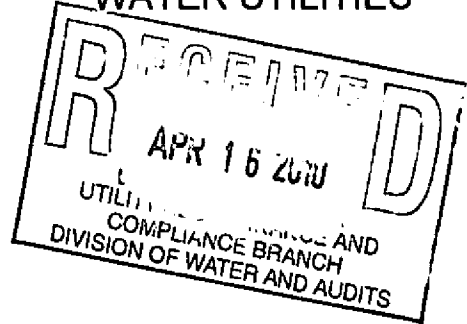
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CLASS A
WATER UTILITIES



2009
ANNUAL REPORT
OF

APPLE VALLEY RANCHOS WATER COMPANY
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. BOX #7005 APPLE VALLEY, CA 92307-7005
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2009

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2010
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed **NOT LATER THAN MARCH 31**, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath, on the last page, must be signed by an officer, partner or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report.
9. This report must cover a calander year, from January 1 through December 31. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR CLASS A, B, C AND D, WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Year 2009

NAME OF UTILITY APPLE VALLEY RANCHOS WATER COMPANY

PHONE (562) 923-0711

PERSON RESPONSIBLE FOR THIS REPORT LAWRENCE G. LEE

(Prepared from Information in the 2009 Annual Report)

	1/1/2009	12/31/2009	Average
BALANCE SHEET DATA			
1 Intangible Plant	273,443	273,443	273,443
2 Land and Land Rights	5,996,130	6,359,357	6,177,744
3 Depreciable Plant	89,897,711	92,544,393	91,221,052
4 Gross Plant in Service	96,167,284	99,177,193	97,672,239
5 Less: Accumulated Depreciation	(19,107,590)	(21,237,716)	(20,172,653)
6 Net Water Plant in Service	77,059,693	77,939,477	77,499,585
7 Water Plant Held for Future Use	202,348	202,348	202,348
8 Construction Work in Progress	834,614	194,233	514,424
9 Materials and Supplies	308,427	314,176	311,302
10 Less: Advances for Construction	(32,488,248)	(31,819,832)	(32,154,040)
11 Less: Contributions in Aid of Construction	(2,251,677)	(2,191,586)	(2,221,632)
12 Less: Accumulated Deferred Income and Investment Tax Credits	(8,360,455)	(8,881,595)	(8,621,025)
13 Net Plant Investment	35,304,702	35,757,220	35,530,962
CAPITALIZATION			
14 Common Stock	3,750	3,750	3,750
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,862,976	5,862,976	5,862,976
17 Retained Earnings	29,009,368	32,202,840	30,606,104
18 Common Stock and Equity (Lines 14 through 17)	34,876,094	38,069,566	36,472,830
19 Preferred Stock	0	0	0
20 Long-Term Debt	0	0	0
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	34,876,094	38,069,566	36,472,830

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

2009

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

	Annual Amount			
INCOME STATEMENT				
23	Unmetered Water Revenue	0		
24	Fire Protection Revenue	208,540		
25	Irrigation Revenue	1,381,182		
26	Metered Water Revenue	18,780,589		
27	Total Operating Revenue	<u>20,370,311</u>		
28	Operating Expenses	12,120,426		
29	Depreciation Expense (Composite Rate 2.83%)	2,284,316		
30	Amortization and Property Losses	56,949		
31	Property Taxes	366,408		
32	Taxes Other Than Income Taxes	225,081		
33	Total Operating Revenue Deduction Before Taxes	15,053,180		
34	California Corp. Franchise Tax	400,346		
35	Federal Corporate Income Tax	1,593,101		
36	Total Operating Revenue Deduction After Taxes	17,046,627		
37	Net Operating Income (Loss) - California Water Operations	3,323,684		
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	(13,599)		
39	Income Available for Fixed Charges	3,310,085		
40	Interest Expense	118,614		
41	Net Income (Loss) Before Dividends	3,193,472		
42	Preferred Stock Dividends	<u>0</u>		
43	Net Income (Loss) Available for Common Stock	3,193,472		
OTHER DATA				
44	Refunds of Advances for Construction	924,545		
45	Total Payroll Charged to Operating Expenses	997,771		
46	Purchased Water	0		
47	Power	1,228,788		
48	Class A Water Companies Only:			
a.	Pre-TRA 1986 Contributions in Aid of Construction	476,318		
b.	Pre-TRA 1986 Advances for Construction	16,472		
c.	Post TRA 1986 Contributions in Aid of Construction	1,715,268		
d.	Post TRA 1986 Advances for Construction	31,803,360		
	<u>Active Service Connections (Exc. Fire Protect.)</u>			
		<u>Jan. 1</u>	<u>Dec. 31</u>	<u>Annual Average</u>
49	Metered Service Connections	18,684	18,806	18,745
50	Flat Rate Service Connections	<u>0</u>	<u>0</u>	<u>0</u>
51	Total Active Service Connections	18,684	18,806	18,745

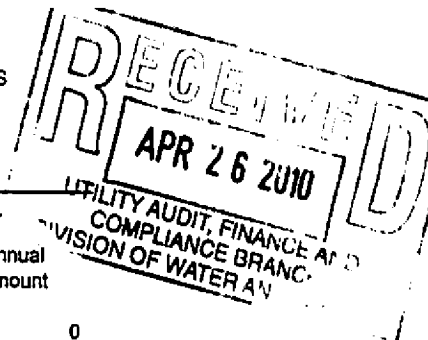
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Revised
 SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

2009

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711



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INCOME STATEMENT	
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	Jan. 1	Dec. 31	Annual Average
<u>Active Service Connections (Exc. Fire Protect.)</u>			
49 Metered Service Connections	18,684	18,805	18,745
50 Flat Rate Service Connections	0	0	0
51 Total Active Service Connections	<u>18,684</u>	<u>18,805</u>	<u>18,745</u>

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Adjusted to Exclude Non-Regulated Activity
Year 2009

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0711

PERSON RESPONSIBLE FOR THIS REPORT: LAWRENCE G. LEE

(Prepared from Information in the 2009 Annual Report)

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SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Adjusted to Exclude Non-Regulated Activity
2009

NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY PHONE: (562) 923-0711

INCOME STATEMENT		Annual Amount
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40	Interest Expense	116,614
41	Net Income (Loss) Before Dividends	3,207,071
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43	Net Income (Loss) Available for Common Stock	<u>3,207,071</u>

OTHER DATA		
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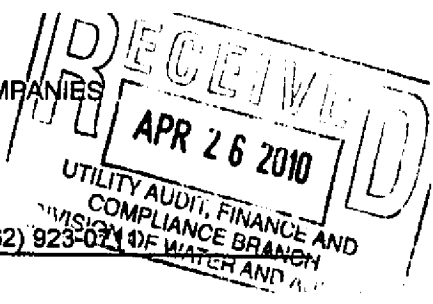
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SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES

Adjusted to Exclude Non-Regulated Activity
2009



NAME OF UTILITY: APPLE VALLEY RANCHOS WATER COMPANY

PHONE: (562) 923-0714

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	0
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50 Flat Rate Service Connections	0	0	0
51 Total Active Service Connections	<u>18,805</u>	<u>18,805</u>	<u>18,745</u>

Notes to Adjusted Selected Financial Data

Instructions: Provide reasons for each adjustment to the Selected Financial Data due to non-regulated activities. Detail this information by name of line item (Gross Plant, Operating Revenues, etc.), account number, dollar amount, and by point in time (end of year, beginning of year, or average).

1 Line 38 Nextel lease	10,998	Non-utility income
2 Line 38 Non Utility Property Taxes	(741)	Non-utility expense
3 Line 38 Water Association Dues	(40)	Non-utility expense
4 Line 38 Charitable Contributions	(12,613)	Non-utility expense
5 Line 38 Miscellaneous	(11,203)	Non-utility expense
Total	(13,599)	

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2008:

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Non-Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability incurred because of non-tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account).	Regulated Asset Account Number
	Communications Site-Lease Agreement with Nextel	Passive	15,711	5804	0	n/a		5,342	4102.9910		n/a

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

(A) Approval by Advice Letter was not required by CPUC.
 (B) No assets are exclusively involved in this activity.

GENERAL INFORMATION

1 Name under which utility is doing business:APPLE VALLEY RANCHOS WATER COMPANY

2 Official mailing address: P.O. BOX 7005
APPLE VALLEY, CA ZIP 92307-7005

3 Name and title of person to whom correspondence should be addressed:
SCOTT WELDY, VICE PRESIDENT & GENERAL MANAGER Telephone: (760) 247-6484

4 Address where accounting records are maintained:
21760 OTTAWA ROAD, APPLE VALLEY, CA 92308

5 Service Area (Refer to district reports if applicable):
APPLE VALLEY

6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)

Name: SCOTT WELDY

Address: SAME AS ABOVE

Telephone: (760) 247-6484

7 OWNERSHIP. Check and fill in appropriate line:

Individual (name of owner) _____

Partnership (name of partner) _____

Partnership (name of partner) _____

Partnership (name of partner) _____

X Corporation (corporate name) APPLE VALLEY RANCHOS WATER COMPANY
Organized under laws of (state) CALIFORNIA Date: 1947

Principal Officers:

(Name) HENRY H. WHEELER, PRESIDENT

(Name) NYRI WHEELER-LEWIS, SECRETARY

(Name) CHAYRE M. WHEELER-ASSISTANT SECRETARY

(Name) SCOTT WELDY, VICE PRESIDENT AND GENERAL MANAGER

(Name) LEIGH K. JORDAN, EXECUTIVE VICE PRESIDENT

8 Names of associated companies: PARK WATER COMPANY (PARENT)
MOUNTAIN WATER COMPANY
SANTA PAULA WATER COMPANY
SICC

9 Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:

Date:

Date:

Date:

Date:

Use the space below for supplementary information or explanations concerning this report:

NONE

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits**

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility plant	A-1	99,573,774	97,204,246
3	107	Utility plant adjustments			
4		Total utility plant		99,573,774	97,204,246
5	250	Reserve for depreciation of utility plant	A-3	(21,237,716)	(19,107,590)
6	251	Reserve for amortization of limited term utility investments	A-3	(120,551)	(112,062)
7	252	Reserve for amortization of utility plant acquisition adjustment	A-3	15,390	16,200
8		Total utility plant reserves		(21,342,877)	(19,203,452)
9		Total utility plant less reserves		78,230,898	78,000,794
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	A-2	10,459	10,459
13	253	Reserve for depreciation and amortization of other property	A-3		
14		Other physical property less reserve		10,459	10,459
15	111	Investments in associated companies	A-4		
16	112	Other investments	A-5		
17	113	Sinking funds	A-6		
18	114	Miscellaneous special funds	A-7		
19		Total investments and fund accounts		10,459	10,459
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash		(16,017)	52,601
23	121	Special deposits	A-8		
24	122	Working funds		2,300	78,300
25	123	Temporary cash investments			
26	124	Notes receivable	A-9		
27	125	Accounts receivable		1,049,892	711,190
28	126	Receivables from associated companies	A-10		
29	131	Materials and supplies		314,176	308,427
30	132	Prepayments	A-11	316,518	320,796
31	133	Other current and accrued assets	A-12		
32		Total current and accrued assets		1,666,869	1,471,314
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	A-13		
36	141	Extraordinary property losses	A-14	0	0
37	142	Preliminary survey and investigation charges		2,090	251,230
38	143	Clearing accounts			
39	145	Other work in progress			
40	146	Other deferred debits	A-15	8,338,068	5,770,551
41		Total deferred debits		8,340,158	6,021,781
42		Total assets and other debits		88,248,384	85,504,348
43					

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. CORPORATE CAPITAL AND SURPLUS			
2	200	Common capital stock	A-18	3,750	3,750
3	201	Preferred capital stock	A-18		
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	A-19		
6	150	Discount on capital stock	A-16	()	()
7	151	Capital stock expense	A-17	()	()
8	270	Capital surplus	A-20	5,862,976	5,862,976
9	271	Earned surplus	A-21	32,202,840	29,009,368
10		Total corporate capital and surplus		38,069,566	34,876,094
11					
12		II. PROPRIETARY CAPITAL			
13	204	Proprietary capital (Individual or partnership)	A-22		
14	205	Undistributed profits of proprietorship or partnership	A-23		
15		Total proprietary capital			
16					
17		III. LONG-TERM DEBT			
18	210	Bonds	A-24		
19	211	Receivers' certificates			
20	212	Advances from associated companies	A-25		
21	213	Miscellaneous long-term debt	A-26		
22		Total long-term debt		0	0
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	A-28		
26	221	Notes receivable discounted			
27	222	Accounts payable		202,682	253,291
28	223	Payables to associated companies	A-29	2,132,005	2,583,951
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		115,959	107,880
33	228	Taxes accrued	A-31	192,022	194,591
34	229	Interest accrued		4,291	4,299
35	230	Other current and accrued liabilities	A-30	2,823,917	2,808,927
36		Total current and accrued liabilities		5,470,876	5,952,939
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	A-13		
40	241	Advances for construction	A-32	31,819,832	32,488,248
41	242	Other deferred credits	A-33	10,696,524	9,935,390
42		Total deferred credits		42,516,356	42,423,638
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	A-34		
46	255	Insurance reserve	A-34		
47	256	Injuries and damages reserve	A-34		
48	257	Employees' provident reserve	A-34		
49	258	Other reserves	A-34		
50		Total reserves			
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	A-35	2,191,586	2,251,677
54		Total liabilities and other credits		88,248,384	85,504,348

SCHEDULE B
Income Account for the Year

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating revenues	B-1	20,370,311
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	B-2	12,120,426
6	503	Depreciation	A-3	2,284,316
7	504	Amortization of limited-term utility investments	A-3	56,139
8	505	Amortization of utility plant acquisition adjustments	A-3	810
9	506	Property losses chargeable to operations	B-3	0
10	507	Taxes	B-4	2,584,935
11		Total operating revenue deductions		<u>17,046,626</u>
12		Net operating revenues		3,323,685
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		<u>3,323,685</u>
16				
17		II. OTHER INCOME		
18	521	Income from nonutility operations (Net)	B-6	
19	522	Revenue from lease of other physical property		
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	B-7	10,998
24	527	Nonoperating revenue deductions - Dr.	B-8	
25		Total other income		<u>10,998</u>
26		Net income before income deductions		<u>3,334,683</u>
27				
28		III. INCOME DEDUCTIONS		
29	530	Interest on long-term debt		
30	531	Amortization of debt discount and expense		
31	532	Amortization of premium on debt - Cr.		
32	533	Taxes assumed on interest		
33	534	Interest on debt to associated companies		108,695
34	535	Other interest charges	B-9	7,919
35	536	Interest charged to construction - Cr.		
36	537	Miscellaneous amortization		
37	538	Miscellaneous income deductions	B-10	24,597
38		Total income deductions		<u>141,211</u>
39		Net income		<u>3,193,472</u>
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or		3,193,472
45		Proprietary Accounts scheduled on page 21		
46				

SCHEDULE A-1
Account 100 - Utility Plant

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	100 - 1	Utility plant in service (Schedule A-1a)	96,167,284	3,561,003	515,766	(35,328)	99,177,193
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	834,614	(640,381)	xxxxxxxx		194,233
4	100 - 4	Utility plant held for future use (Sch A-1c)	202,348	0			202,348
5	100 - 5	Utility plant acquisition adjustments	0		xxxxxxxx		0
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	97,204,246	2,920,622	515,766	(35,328)	99,573,774

SCHEDULE A-1a
Account 100.1 - Utility Plant In Service

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
8		I. INTANGIBLE PLANT					
9	301	Organization	271,976				271,976
10	302	Franchises and consents (Schedule A-1b)					
11	303	Other intangible plant	1,467				1,467
12		Total intangible plant	273,443	0	0	0	273,443
13							
14		II. LANDED CAPITAL					
15	306	Land and land rights	5,996,130	406,600		(43,373)	6,359,357
16							
17		III. SOURCE OF SUPPLY PLANT					
18	311	Structures and improvements	49,797			(17,777)	32,020
19	312	Collecting and impounding reservoirs	0				0
20	313	Lake, river and other intakes	0				0
21	314	Springs and tunnels	0				0
22	315	Wells	3,569,944		750		3,569,194
23	316	Supply mains	0				0
24	317	Other source of supply plant	134,842				134,842
25		Total source of supply plant	3,754,582	0	750	(17,777)	3,736,056
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	2,107,150	7,975	5,864	(38,687)	2,070,574
29	322	Boiler plant equipment	0				0
30	323	Other power production equipment	0				0
31	324	Pumping equipment	5,875,247	103,677	28,947		5,949,977
32	325	Other pumping plant					
33		Total pumping plant	7,982,397	111,652	34,811	(38,687)	8,020,551
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements					
37	332	Water treatment equipment	1,241,715	12,271			1,253,986
38		Total water treatment plant	1,241,715	12,271	0	0	1,253,986

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service - Concluded

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		VI. TRANSMISSION AND DIST. PLANT					
2	341	Structures and improvements					
3	342	Reservoirs and tanks	4,161,279	644,416	8,421	63,622	4,860,896
4	343	Transmission and distribution mains	47,940,612	635,706	41,273		48,535,045
5	344	Fire mains	0				0
6	345	Services	8,903,392	247,217	47,280	(1,374)	9,101,955
7	346	Meters	2,326,839	572,692	146,463	170	2,753,238
8	347	Meter installations	0				0
9	348	Hydrants	6,472,359	136,389	11,762		6,596,985
10	349	Other transmission and distribution plant	0				0
11		Total transmission and distribution plant	69,804,481	2,236,420	255,199	62,418	71,848,119
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	1,284,015	101,905	950	(7,158)	1,377,812
15	372	Office furniture and equipment	906,927	242,498	16,765	9,249	1,141,909
16	373	Transportation equipment	974,262	94,022	137,986		930,299
17	374	Stores equipment	0				0
18	375	Laboratory equipment	887				887
19	376	Communication equipment	1,871,357	163,486	67,174		1,967,670
20	377	Power operated equipment	1,485,554		603		1,484,951
21	378	Tools, shop and garage equipment	215,369	12,445	1,528		226,286
22	379	Other general plant	0				0
23		Total general plant	6,738,372	614,356	225,006	2090.79	7,129,813
24							
25		VIII. UNDISTRIBUTED ITEMS					
26	390	Other tangible property	376,164	179,703			555,867
27	391	Utility plant purchased					
28	392	Utility plant sold					
29		Total undistributed items	376,164	179,703			555,867
30		Total utility plant in service	96,167,284	3,561,003	515,766	(35,328)	99,177,193

SCHEDULE A-1b
Account 302 - Franchises and Consents

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Amount at which Carried in Account ¹ (e)
31	NONE				
32					
33					
34					
35					
		Total	xxxxxxxxxxxxxxxxxxxxxxxxxxxx		

¹ The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 10.

SCHEDULE A-1c
Account 100.4 - Utility Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date Will be Placed in Service (c)	Balance End of Year (d)
1	WELL SITE-SCHAEFFER PROPERTY		Estimated 2015	202,348
2				
3				
4				
5				
6				
7				
8			Total	202,348

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book value, end of year (b)
9	LAND	10,459
10		
11		
12		
13		
14		
15		
	Total	10,459

**SCHEDULE A-1d
RATE BASE**

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		RATE BASE			
2					
3		Utility Plant			
4		Plant in Service		99,177,193	96,167,284
5		Construction Work in Progress		194,233	834,614
6		General Office Prorate		2,610,519	2,642,180
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		101,981,945	99,644,078
8					
9		Less Accumulated Depreciation			
10		Plant in Service		21,237,716	19,107,590
11		General Office Prorate		1,624,680	1,507,344
12		Total Accumulated Depreciation (Line 10 + Line 11)		22,862,396	20,614,934
13					
14		Less Other Reserves			
15		Deferred Income Taxes		9,016,665	8,504,407
16		Deferred Investment Tax Credit		(135,070)	(143,952)
17		Other Reserves			
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		8,881,595	8,360,455
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		2,191,586	2,251,677
22		Advances for Construction		31,819,832	32,488,248
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		34,011,418	34,739,925
25					
26		Add Materials and Supplies		314,176	308,427
27					
28		Add Working Cash (From Schedule A-1d(2))		2,320,720	2,291,892
29					
30		TOTAL RATE BASE			
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28		38,861,433	38,529,083
32					
33					
34					
35					
36					
37					
38					
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43					
44					
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53					
54					

SCHEDULE A-1d (2)
RATE BASE
Working Cash Calculation

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		Working Cash			
2					
3		Determination of Operational Cash Requirement			
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.		11,759,737	11,637,282
5		2. Purchased Power & Commodity for Resale*		1,228,788	1,295,686
6		3. Meter Revenues: Bimonthly Billing		18,149,945	16,180,166
7		4. Other Revenues: Flat Rate Monthly Billing		251,869	207,583
8		5. Total Revenues (3 + 4)		18,401,814	16,387,749
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)		0.01	0.01
10		7. $5/24 \times$ Line 1 \times (100% - Line 6)		2,416,412	2,393,723
11		8. $1/24 \times$ Line 1 \times Line 6		6,707	6,142
12		9. $1/12 \times$ Line 2		102,399	107,974
13		10. Operational Cash Requirement (7 + 8 - 9)		2,320,720	2,291,892
14					
15					
16		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).			
17					
18					
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SCHEDULE A-3
Accounts 250 to 253, Inclusive - Depreciation and Amortization Reserves

Line No.	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)	
1	Balance in reserves at beginning of year	19,107,590	112,063	(16,200)	0
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 ⁽¹⁾	2,284,316	8,488	810	
4	(b) Charged to Account 265	127,786			
5	(c) Charged to clearing accounts	170,510			
6	(d) Salvage recovered	17,195			
7	(e) All other credits ⁽²⁾	78,911			
8	Total credits	2,678,718	8,488	810	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	515,731			
11	(b) Cost of removal	7,880			
12	(c) All other debits ⁽³⁾	24,980			
13	Total debits	548,592	0	0	0
14	Balance in reserve at end of year	21,237,716	120,551	(15,390)	0
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			2.83%	
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
	Asset Reclasses		24,945		
	Amortization of MWA Claim program		47,651		
	Correction of Water Master Retirement		6,315		
			78,911		
19					
20	(3) EXPLANATION OF ALL OTHER DEBITS:				
21	Asset Reclasses		24,980		
22					
23	AMORTIZATION OF LIMITED - TERM UTILITY INVESTMENTS:				
24	MWA CLAIM PROGRAM		47,651		
25	LEASED WATER RIGHTS, ORGANIZATION COSTS		8,488		
26			56,139		
27					
28					
29					
30					
31					
32					
33					
34					
35	METHOD USED TO Straight Line				
36	(a) Liberalized		()		
37	(b) (1) Double declining balance		()		
38	(2) ACRS		()		
39	(3) MACRS		()		
40	(4) Others		()		
41	(c) Both straight line and liberalized		(x)		
42					

SCHEDULE A-3a

Account 250 - Analysis of Entries in Depreciation Reserve

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		I. SOURCE OF SUPPLY PLANT					
2	311	Structures and improvements	41,658	1,185	13,092		29,751
3	312	Collecting and impounding reservoirs	0				0
4	313	Lake, river and other intakes	0				0
5	314	Springs and tunnels	0				0
6	315	Wells	724,817	97,093	750		821,160
7	316	Supply mains	0				0
8	317	Other source of supply plant	31,546	3,492			35,038
9		Total source of supply plant	798,021	101,770	13,842	0	885,948
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	347,832	69,772	13,325	(1,081)	403,198
13	322	Boiler plant equipment	0				0
14	323	Other power production equipment	0				0
15	324	Pumping equipment	0				0
16	325	Other pumping plant	866,953	216,487	30,166	(2,099)	1,051,175
17		Total pumping plant	1,214,785	286,259	43,491	(3,180)	1,454,373
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements					0
21	332	Water treatment equipment	181,791	42,552			224,343
22		Total water treatment plant	181,791	42,552	0	0	224,343
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and improvements	0				0
26	342	Reservoirs and tanks	669,286	111,946	8,421		772,811
27	343	Transmission and distribution mains	10,924,410	1,162,147	41,295	(4,481)	12,040,781
28	344	Fire mains	0				0
29	345	Services	1,584,365	233,733	47,450		1,770,648
30	346	Meters	(247,449)	65,822	146,258	11,068	(316,817)
31	347	Meter installations	0				0
32	348	Hydrants	1,102,499	148,890	11,763	2,408	1,242,034
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	14,033,111	1,722,538	255,187	8,995	15,509,457
35							
36		V. GENERAL PLANT					
37	371	Structures and improvements	400,168	38,666	4,047		434,787
38	372	Office furniture and equipment	535,626	84,199	16,765		603,060
39	373	Transportation equipment	598,242	73,787	137,986	3,500	537,543
40	374	Stores equipment	0				0
41	375	Laboratory equipment	823	45			868
42	376	Communication equipment	536,941	148,692	67,262		618,371
43	377	Power operated equipment	605,154	83,025	603		687,576
44	378	Tools, shop and garage equipment	75,032	13,697	1,528		87,201
45	379	Other general plant	0				0
46	390	Other tangible property	127,896	18,641			146,537
47	391	Water plant purchased	0				0
48		Total general plant	2,879,883	460,752	228,191	3,500	3,115,944
49							
		Total	19,107,590	2,613,871	540,711	9,315	21,190,065

SCHEDULE A-4
Account 111 - Investments in Associated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	Par Value End of Year (c)	Ledger Value End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Received During Year (g)
1							
2							
3							
4	NONE						
5							
6							
7		Totals ¹					

¹ The total should agree with the balance at the end of the year in Account 111 on page 5.

SCHEDULE A-5
Account 112 - Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
8		
9		
10		
11		
12	NONE	
13		
14		
15		
16	Total	

SCHEDULE A-6
Account 113 - Sinking Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1						
2						
3						
4	NONE					
5						
6						
7						
8						
9						
Totals						

SCHEDULE A-7
Account 114 - Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
10						
11						
12						
13	NONE					
14						
15						
16						
17						
18						
Totals						

**SCHEDULE A-8
Account 121 - Special Deposits**

Name of Depository (a)	Purpose of Deposit (b)	Balance End of Year (c)
NONE		

**SCHEDULE A-9
Account 124 - Notes Receivable**

Maker (a)	Date of Issue (b)	Date Payable (c)	Balance End of Year (d)	Interest Rate (e)	Interest Accrued During Year (g)	Interest Received During Year (g)
NONE						
Totals						

SCHEDULE A-10
Account 126 - Receivables from Associated Companies

Due from Whom (a)	Amount (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Received During Year (e)
NONE				

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
INSURANCE	88,362
TAXES	181,927
POSTAGE	879
OTHER	45,349
Totals	316,517

SCHEDULE A-12
Account 133 - Other Current and Accrued Assets

Item (a)	Amount (b)
NONE	
Totals	

SCHEDULE A-13
Accounts 140 and 240 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium or Debt, particulars of discount and expense of premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 531, Amortization of Debt Discount and Expense, or credited to Account 532, Amortization of Premium on Debt-Credit.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net Premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From (d)	To (e)				
1	NONE								
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									

SCHEDULE A-14
Account 141 - Extraordinary Property Losses

Line No.	Description of Property Loss or Damage (a)	Total amount of loss (b)	Previously Written off (c)	WRITTEN OFF DURING YEAR		Balance End of year (f)
				Account Charged (d)	Amount (e)	
1						
2	NONE					
3						
4			Total			

SCHEDULE A-15
Account 146 - Other Deferred Debits

Line No.	Item (a)	Balance End of year (b)
5	RATE CASE	119,800
6	CATASTROPHIC ILLNESS	0
7	PAID TIME OFF	179,776
8	SPLIT DOLLAR LIFE INSURANCE	40,342
9	REGULATORY ACCOUNTS	7,998,113
10	MISCELLANEOUS DEFERRED DEBITS	37
	Total	8,338,068

SCHEDULE A-16
Account 150 - Discount on Capital Stock

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of year (b)
11		
12	NONE	
13	Total	

SCHEDULE A-17
Account 151- Capital Stock Expense

1. Report the balance at end of year of capital stock expense for each class and series of capital stock.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of year (b)
14		
15	NONE	
16	Total	

SCHEDULE A-18
Accounts 200 and 201- Capital Stock

Line No.	Class of Stock (a)	Number of Shares Authorized	Par Value of Stock Authorized	Number of Shares Outstanding ¹ (d)	Total Par Value ² Outstanding End of Year (e)	Dividends Declared During Year	
		by Articles of Incorporation (b)	by Articles of Incorporation (c)			Rate (f)	Amount (g)
1	COMMON STOCK	1,000	50	75	3,750		0
2							
3							
4							
5							
6	Totals	1,000	50	75	3,750	0	0

¹ After deduction for amount of reacquired stock held by or for the respondent.

² If shares of stock have no par value, show value assigned to stock outstanding.

SCHEDULE A-18a
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number Shares (b)	PREFERRED STOCK	Number Shares (d)
	Name (a)		Name (c)	
7	PARK WATER COMPANY	75		
8				
9				
10				
11				
12				
13				
14				
15	Total number of shares	75		

SCHEDULE A-19
Account 203 - Premiums and Assessments on Capital Stock

Line No.	Class of Stock (a)	Balance End of Year (b)
16		
17		
18		
19	NONE	
20		
21		
22		
23		
24	Total	

SCHEDULE A-20
Account 270 - Capital Surplus (For use by Corporations only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	5,862,976
2	CREDITS (Give nature of each credit and state account charged)	
3		
4		
5	Total credits	
6	DEBITS (Give nature of each debit and state account credited)	
7		
8		
9		
10	Total debits	
11	Balance end of year	5,862,976

SCHEDULE A-21
Account 271 - Earned Surplus (For use by Corporations only)

Line No.	Acct	Account (a)	Amount (b)
12		Balance beginning of year	29,009,368
13		CREDITS	
14	400	Credit balance transferred from income account	3,193,472
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	3,193,472
18		DEBITS	
19	410	Debit balance transferred from income account	
20	411	Dividend appropriations-preferred stock	
21	412	Dividend appropriations-Common stock	
22	413	Miscellaneous reservations of surplus	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	0
26		Balance end of year	32,202,840

SCHEDULE A-22

**Account 204 - Proprietary Capital
(Sole Proprietor or Partnership)**

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	
2	CREDITS	
3	Net income for year	NONE
4	Additional investments during year	
5	Other credits (detail)	
6		
7	Total credits	
8	DEBITS	
9	Net loss for year	
10	Withdrawals during year	
11	Other debits (detail)	
12		
13	Total debits	
14	Balance end of year	NONE

SCHEDULE A-23

**Account 205 - Undistributed Profits
of Proprietorship or Partnership**

(The use of this account is optional)

Line No.	Item (a)	Amount (b)
15	Balance Beginning of year	
16	CREDITS	
17	Net income for year	NONE
18	Other credits (detail)	
19		
20	Total credits	
21	DEBITS	
22	Net loss for year	
23	Withdrawals during year	
24	Other debits (detail)	
25		
26		
27	Total debits	
28	Balance end of year	NONE

SCHEDULE A-24
Account 210 - Bonds

Line	Class of Bond	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Sinking Fund Added in Current Year	Cost of Issuance	Interest Accrued During Year	Interest Paid During Year
No.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1										
2										
3	NONE									
4										
5										
6										
7										
8	Totals									

† After deduction for amount of reacquired bonds held by or for the respondent.

**SCHEDULE A-24 (a)
CLASS A WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent: **NONE.**

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

3. Summary of the trust bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

4. Account information:

Bank Name: _____
Account Number: _____
Date Opened: _____

SCHEDULE A-24 (b)
CLASS A WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA (continued)

6. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1	NON-DEPRECIABLE PLANT			NONE			
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5	DEPRECIABLE PLANT			NONE			
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A-25
Account 212 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
9	NONE				
10					
11					
12					
13	Totals				

SCHEDULE A-26
Account 213 - Miscellaneous Long Term Debt

Line No.	Nature of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding ¹ Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
14								
15								
16								
17	NONE							
18								
19								
20								
21	Totals							

¹ After deduction for amount of reacquired debt held by or for the respondent.

SCHEDULE A-27
Securities Issued or Assumed During Year

Line No.	Class of Security (a)	Commission Authorization (b)	Amount Issued During Year (omit cents) (c)	Discount or Premium (d)	Expenses (e)
22					
23					
24	NONE				
25					
26	Totals				

SCHEDULE A-28
Account 220 - Notes Payable

Line No.	In Favor of (a)	Date of Issue (b)	Date of Maturity (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest Paid During Year (g)
1							
2							
3							
4	NONE						
5							
6							
7							
8							
9	Totals						

SCHEDULE A-29
Account 223 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
10	PARK WATER COMPANY	2,132,005	Varies	108,695	
11					
12					
13					
14	Totals	2,132,005		108,695	

SCHEDULE A-30
Account 230 - Other Current and Accrued Liabilities

Line No.	Description (a)	Balance End of Year (c)
15	ACCRUED PAID TIME OFF	179,776
16	FRANCHISE FEE	182,430
17	ACCRUED PAYROLL	100,248
18	REPLENISHMENT CHARGES (INCLUDES MAKE-UP ASSESSMENTS)	1,306,345
19	CALIFORNIA PUC SURCHARGE	73,371
20	POST RETIREMENT BENEFITS OTHER THAN PENSION	860,023
21	DEFINED CONTRIBUTION PLAN	116,704
22	MISCELLANEOUS	5,020
23		
24		
25		
26		
27	Total	2,823,917

SCHEDULE A-31
Account 228 - Accrued and Prepaid Taxes

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the material on which the tax was levied was charged.
2. Taxes, paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in the schedule. Enter the amounts both in columns (d) and (e). The balancing of the schedule is not affected by the inclusion of these taxes.
3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. If any tax covers more than 1 year, the required information of all columns should be show separately for each year.
5. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
6. See schedule entitled "TAXES CHARGED DURING YEAR," page 32, for a distribution of taxes charged, column (d) according to utility departments and accounts.
7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (See instructions)	BALANCE BEGINNING OF YEAR		Taxes Charged During Year (d)	Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)				Taxes Accrued (Account 228) (g)	Prepaid Taxes (Incl. in Acct. 132) (h)
1	Taxes on real and personal property	184,292	184,292	366,408	368,773		181,927	181,927
2	State corporation franchise tax			400,346	400,346			
3	State unemployment insurance tax	191		11,447	11,638		0	
4	Other state and local taxes	3,356		9,942	9,463		3,835	
5	Federal unemployment insurance tax	46		2,538	2,584		0	
6	Fed. ins. contr. act (old age retire.)	6,706		221,004	221,450		6,260	
7	Other federal taxes			0	0			
B	Federal income taxes			1,593,101	1,593,101			
9								
10								
11								
12								
13								
14	Totals	194,591	184,292	2,604,786	2,607,355	0	192,022	181,927

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXX	32,488,248
2	Additions during year	XXXXXXXXXXXXXX	256,129
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXX	32,744,377
4	Charges during year	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	0	XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	924,545	XXXXXXXXXXXXXXXXXX
8	Present worth basis		XXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXX	924,545
10	Transfers to Acct 265 - Contributions in Aid of Construction	XXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXX	0
14	Securities Exchanged for Contracts (enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal - Charges during year	XXXXXXXXXXXXXX	924,545
16	Balance end of year	XXXXXXXXXXXXXX	31,819,832

If stock, bonds, etc., were issued in exchange for construction advance contracts give details below.

Line No.	Type of Security or Other Consideration (Other than Cash) (a)	Dividend or Interest Rate (b)	PUC Decision Number (c)	Amount Issued (d)
17	Common stock			
18	Preferred stock			
19	Bonds			
20	Other (describe)			
21				
22				

SCHEDULE A-33
Account 242 - Other Deferred Credits

Line No.	Item (a)	Balance End of Year (b)
1	DEFERRED WORK ORDER DEPOSITS	464,623
2	DEFERRED REVENUE - CONTRIBUTIONS	1,862
3	DEFERRED INCOME TAXES	8,881,595
4	REGULATORY LIABILITY - INCOME TAXES RELATED	157,626
5	PENSION FUND DISCLOSURE	1,190,818
	Total	10,696,524

SCHEDULE A-34
Accounts 254 to 258, Inclusive - Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance End of Year (g)
			Nature of Item (c)	Amount (d)	Account Charged (e)	Amount (f)	
7							
8							
9							
10	NONE						
11							
12							
13	Totals						

SCHEDULE A-35

Account 265 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

¹ The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1995 (column e), and to the estimated amount of depreciation accrued to January 1, 1955 (column f), shall be written off through charges to this account and credits to Account 250 - Reserve for Depreciation of Utility Plant over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account 250. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

² That portion of the balance applicable to nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

³ That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	2,251,677	2,231,538	20,139	0	0
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
3	Contributions received during year	67,695	67,695	0	XXXXXX XX	XXXXXXXX XX
4	Other credits*	0		0	0	0
5	Total credits	67,695	67,695	0	0	0
6	Deduct: Debits to account during year	0	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
7	Depreciation charges for year	127,786	127,786	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
8	Nondepreciable donated property retired	0	XXXXXX XX	0	XXXXXX XX	XXXXXXXX XX
9	Other debits*	0	0	0	0	0
10	Total debits	127,786	127,786	0	0	0
11	Balance end of year	2,191,586	2,171,447	20,139	0	0

*Indicate nature of these items and show the accounts affected by the contra entries.

SCHEDULE B-1
Account 501 - Operating Revenues

Line No.	Acct.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		I. WATER SERVICE REVENUES			
2	601	Metered sales to general customers			
3		601.1 Commercial sales	15,977,665	14,447,554	1,530,111
4		601.2 Industrial sales	4,619	3,542	1,077
5		601.3 Sales to public authorities	793,050	622,327	170,723
6		Sub-total	16,775,334	15,073,423	1,701,911
7	602	Unmetered sales to general customers			
8		602.1 Commercial sales			0
9		602.2 Industrial sales			0
10		602.3 Sales to public authorities			0
11		Sub-total	0	0	0
12	603	Sales to irrigation customers			
13		603.1 Metered sales	1,381,182	1,020,152	361,030
14		603.2 Unmetered sales			0
15		Sub-total	1,381,182	1,020,152	361,030
16	604	Private fire protection service	208,540	165,224	43,316
17	605	Public fire protection service			0
18	606	Sales to other water utilities for resale			0
19	607	Sales to governmental agencies by contracts			0
20	608	Interdepartmental sales			0
21	609	Other sales or service	1,956,947	1,448,847	508,100
22		Sub-total	2,165,487	1,614,071	551,416
23		Total water service revenues	20,322,003	17,707,646	2,614,357
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	43,329	42,359	970
26	612	Rent from water property			0
27	613	Interdepartmental rents			0
28	614	Other water revenues	4,979	4,980	(1)
29		Total other water revenues	48,308	47,339	969
30	501	Total operating revenues	20,370,311	17,754,985	2,615,326

SCHEDULE B-1a
Operating Revenues Apportioned to Cities and Towns

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities ¹	
32	Regulatory balancing account	1,956,947
33	Other water sales	4,979
34		
35	Operations within incorporated territory	
36	City or town of APPLE VALLEY	18,380,249
37	City or town of VICTORVILLE	28,136
38	City or town of	
39	City or town of	
40	City or town of	
41		
42		
43		20,370,311
44		

¹ Should be segregated to operating districts.

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B		7,853	11,433	(3,580)
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B		42,346	37,589	4,757
6	703	Miscellaneous expenses	A			1,824,607	1,909,278	(84,671)
7	704	Purchased water	A	B	C			0
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B				0
10	706	Maintenance of structures and facilities			C			0
11	707	Maintenance of structures and improvements	A	B				0
12	708	Maintenance of collect and impound reservoirs	A					0
13	708	Maintenance of source of supply facilities		B				0
14	709	Maintenance of lake, river and other intakes	A					0
15	710	Maintenance of springs and tunnels	A					0
16	711	Maintenance of wells	A			3,087	2,943	144
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B		124	256	(132)
19		Total source of supply expense				1,878,017	1,961,499	(83,482)
20		II. PUMPING EXPENSES						
21		Operation						
22	721	Operation supervision and engineering	A	B			249	(249)
23	721	Operation supervision labor and expense			C			0
24	722	Power production labor and expense	A					0
25	722	Power production labor, expenses and fuel		B				0
26	723	Fuel for power production	A					0
27	724	Pumping labor and expenses	A	B		225,725	210,098	15,627
28	725	Miscellaneous expenses	A			50,127	100,824	(50,697)
29	726	Fuel or power purchased for pumping	A	B	C	1,228,788	1,295,686	(66,898)
30		Maintenance						
31	729	Maintenance supervision and engineering	A	B				0
32	729	Maintenance of structures and equipment			C			0
33	730	Maintenance of structures and improvements	A	B		20,093	12,621	7,472
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		123,625	64,159	59,466
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				1,648,358	1,683,637	(35,279)

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		III. WATER TREATMENT EXPENSES						
2		Operation						
3	741	Operation supervision and engineering	A	B				
4	741	Operation supervision, labor and expenses			C			
5	742	Operation labor and expenses	A			68,705	90,023	(21,318)
6	743	Miscellaneous expenses	A	B		670	53	617
7	744	Chemicals and filtering materials	A	B		25,308	29,859	(4,353)
8		Maintenance						
9	746	Maintenance supervision and engineering	A	B				0
10	746	Maintenance of structures and equipment			C			0
11	747	Maintenance of structures and improvements	A	B		41	48	(7)
12	748	Maintenance of water treatment equipment	A	B		24,667	21,539	3,128
13		Total water treatment expenses				119,389	141,322	(21,933)
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B		102,764	93,360	9,404
17	751	Operation supervision, labor and expenses			C			0
18	752	Storage facilities expenses	A			19,518	15,033	4,485
19	752	Operation labor and expenses		B				0
20	753	Transmission and distribution lines expenses	A			130,770	167,757	(36,987)
21	754	Meter expenses	A			47,988	27,021	20,967
22	755	Customer installations expenses	A			108,573	101,202	7,371
23	756	Miscellaneous expenses	A			21,313	25,518	(4,205)
24		Maintenance						
25	758	Maintenance supervision and engineering	A	B				0
26	758	Maintenance of structures and plant			C			0
27	759	Maintenance of structures and improvements	A	B				0
28	760	Maintenance of reservoirs and tanks	A	B		175	335	(160)
29	761	Maintenance of trans. and distribution mains	A			421,006	476,077	(55,071)
30	761	Maintenance of mains		B				0
31	762	Maintenance of fire mains	A					0
32	763	Maintenance of services	A			98,686	69,472	29,214
33	763	Maintenance of other trans. and distribution plant		B				0
34	764	Maintenance of meters	A			140,488	160,877	(20,389)
35	765	Maintenance of hydrants	A			20,419	71,114	(50,695)
36	766	Maintenance of miscellaneous plant	A			16,143	13,714	2,429
37		Total transmission and distribution expenses				1,127,843	1,221,480	(93,637)

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Concluded)

Respondent should use the group of accounts applicable to its class

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
3	771	Supervision	A	B		64,411	63,373	1,038
4	771	Superv., meter read., other customer acct expenses			C			0
5	772	Meter reading expenses	A	B		75,195	60,910	14,285
6	773	Customer records and collection expenses	A			353,500	361,113	(7,613)
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A			5,824	4,112	1,712
9	775	Uncollectible accounts	A	B	C	82,813	110,829	(28,016)
10		Total customer account expenses				581,743	600,337	(18,594)
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				0
14	781	Sales expenses			C			0
15	782	Demonstrating and selling expenses	A			56,560	54,816	1,744
16	783	Advertising expenses	A					0
17	784	Miscellaneous sales expenses	A					0
18	785	Merchandising, jobbing and contract work	A					0
19		Total sales expenses				56,560	54,816	1,744
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	1,059,558	930,216	129,342
23	792	Office supplies and other expenses	A	B	C	341,084	360,551	(19,467)
24	793	Property insurance	A			9,094	10,608	(1,514)
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			601,593	626,493	(24,900)
27	795	Employees' pensions and benefits	A	B	C	1,417,998	1,337,402	80,596
28	796	Franchise requirements	A	B	C	181,013	159,170	21,843
29	797	Regulatory commission expenses	A	B	C	67,579	69,705	(2,126)
30	798	Outside services employed	A			264,331	311,303	(46,972)
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			41,795	59,417	(17,622)
34		Main Office Allocation				2,144,728	2,035,319	109,409
35	805	Maintenance of general plant	A	B	C	89,125	160,837	(71,712)
36		Total administrative and general expenses				6,217,898	6,061,021	156,877
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	15,600	15,600	0
39	812	Administrative expenses transferred - Cr.	A	B	C	(90,870)	(218,081)	127,211
40	813	Clearing expense	A	B	C	565,888	507,372	58,516
41		Total miscellaneous				490,618	304,891	185,727
42		Total operating expenses				12,120,426	12,029,003	91,423

SCHEDULE B-3
Account 506 - Property Losses Chargeable to Operations

Line No.	Description (a)	Amount
1		
2		
3		
4	NONE	
5		
6		
7		
8	Total	

SCHEDULE B-4
Account 507 - Taxes Charged During Year

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
 2. Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.

3. The accounts to which taxes charged were distributed should be shown in columns (c) to (f). Show both the utility department and number of account charged except for taxes capitalized.
 4. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.

5. The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 24.
 6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)			
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account 143) (e)	Capitalized (Omit Account) (f)
9	Taxes on real and personal property	366,408	366,408			
10	State corp. franchise tax	400,346	400,346			
11	State unemployment insurance tax	11,447	10,491		437	519
12	Other state and local taxes	9,942	9,942			
13	Federal unemployment insurance tax	2,538	2,290		112	136
14	Federal insurance contributions act	221,004	202,357		8,337	10,309
15	Other federal taxes	0				
16	Federal income tax	1,593,101	1,593,101			
17						
18						
19						
20						
21						
22	Totals	2,604,786	2,584,935	0	8,887	10,965

SCHEDULE B-5

Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net in-

come as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members

3. Show taxable year if other than calendar year from-----to-----

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 7.....	
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional	
3	deductions for non-taxable income):	
4		
5		
6	NOT AVAILABLE AT THIS TIME	
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	Federal tax net income.....	
31	Computation of tax:	
32		
33		
34		
35	Tax per return	

SCHEDULE B-6
Account 521 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1				
2				
3	NONE			
4				
5	Totals			

SCHEDULE B-7
Account 526 - Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
6	NEXTEL LEASE PAYMENTS	10,998
7		
8		
9		
10		
11		
12		
13	Totals	10,998

SCHEDULE B-8
Account 527 - Nonoperating Revenue Deductions (Dr.)

Line No.	Description (a)	Amount (b)
14		
15		
16		
17		
18		

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
19	CUSTOMER DEPOSITS	7,919
20		
21		
22	Total	7,919

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	WATER ASSOCIATION DUES	40
24	MISCELLANEOUS DONATIONS	12,613
25	PROPERTY TAX NON-UTILITY	741
26	SPLIT DOLLAR LIFE INSURANCE	220
	MISCELLANEOUS	10,983
27	Total	24,597

SCHEDULE C-1
Engineering and Management Fees and Expenses, etc., During Year

Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership or person covering supervision and/or management of any department of the respondents affairs such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership

1	Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer (Yes or No) YES	
2	Name of each organization or person that was a party to such a contract or agreement APPLE VALLEY RANCHOS WATER & PARK WATER COMPANY	
3	Date of original contract or agreement. 5/21/1987	
4	Date of each supplement or agreement. Note: File with the report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	
5	Amount of compensation paid during the year for supervision or management	3,180,605
6	To whom paid	
7	Nature of payment (salary, traveling expenses, etc.)	
8	Amounts paid for each class of service	
9	Base for determination of such amounts DIRECT CHARGE FOR IDENTIFIABLE COSTS PLUS PERCENTAGE ALLOCATION FOR OTHER COSTS BY PARK WATER COMPANY	
10	Distribution of payments:	
	(a) Charged to operating expenses	3,169,490
	(b) Charged to capital accounts	11,115
	(c) Charged to other accounts	
	Total	3,180,605
11	Distribution of charges to operating expenses by primary accounts. Number and Title of Account SEE ATTACHED PAGE	
	Total	
12	What relationship, if any, exists between respondent and supervisory and/or managing concerns? PARK WATER IS SOLE SHAREHOLDER OF APPLE VALLEY RANCHOS WATER CO.	

SCHEDULE C-1**Engineering and Management Fees and Expenses, etc., During Year**

ACCT. NO.	DESCRIPTION	AMOUNT
103	CAPITAL	11,115
507	PAYROLL TAXES	17,270
701	SOURCE OF SUPPLY OPERATIONS	7,853
721	PUMPING-OPERATIONS	0
751	T&D OPERATIONS	237
773	CUSTOMER RECORDS & COLLECTIONS	24,506
791	A&G SALARIES	208,510
792	A&G OFFICE EXPENSE	54,264
793	INJURIES & DAMAGES	450,742
795	EMPLOYEE PENSION & BENEFITS	117,592
798	OUTSIDE SERVICES	124,289
799	OTHER A&G	5,237
	MAIN OFFICE ALLOCATION	2,144,727
903	TRANSPORTATION CLEARINGS	9,254
906	TOOLS	5,009
	TOTAL	3,180,605

SCHEDULE C-2

Compensation of Individual Proprietor or Partner

Do operating expenses include any charge for owner's compensation in the form of salary or wages, rental allowances, or for the use of a private automobile. (If the word "none" truly states the fact it should be given as the answer to this inquiry.)

Line No.	Nature of Allowance (a)	Account Charged (b)	Amount (c)
1			
2			
3	NOT APPLICABLE		
4			
5			
6	Total		

SCHEDULE C-3

Employees and Their Compensation

(Charged to Account 502 - Operating Expenses - Schedule B-2)

Line No.	Classification (a)	Number at End of Year (b)	Total Salaries and Wages Paid During Year (c)
7	Employees - Source of supply		
8	Employees - Pumping	6	334,929
9	Employees - Water treatment	1	66,432
10	Employees - Transmission and distribution	14	971,508
11	Employees - Customer account	4	227,711
12	Employees - Sales		
13	Employees - Administrative		
14	General officers	1	165,265
15	General office	17	997,771
16	Totals	43	2,763,616

SCHEDULE C-4

Record of Accidents During Year

Line No.	Date of Accident (a)	TO PERSONS					TO PROPERTY			
		Employees on Duty		Public ¹		Total Number (f)	Company		Other	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Amount (j)
17	Jan-Mar	0	0	0	0	0	1	218	4	1,917
18	Apr-Jun	0	0	0	1	1	0	0	3	450
19	Jul-Sep	0	1	0	0	1	0	0.0	3	3,432
20	Oct-Dec	0	1	0	1	2	0	0.0	6	3,076
21	Totals	0	2	0	2	4	1	218	16	8,875

SCHEDULE C-5 Expenditures for Political Purposes

Hereunder report all direct or indirect expenditures incurred or made to elect or defeat a candidate for public office; or to place any measure on the ballot; at any election, or to keep it from being placed on the ballot at any election, or to support or defeat any measure on the ballot; at an election, or to support or defeat any proposed legislation, also name the account or accounts to which the expenditures herein mentioned have been charged. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1	
2	
3	NONE
4	
5	

SCHEDULE C-6 Loans to Directors, or Officers, or Shareholders

Show hereunder the amount of loans to directors, or officers, or shareholders and the terms and conditions of such loans. Among other things, show the name of each director, or officer, or shareholder, receiving a loan or loans, the amount of each loan, the rate of interest payable on such loan or loans, the maturity date of each loan or loans, the security given and the date when the shareholders authorized each loan. If such authorization was given. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

6	
7	
8	NONE
9	
10	
11	

SCHEDULE C-7 Bonuses Paid to Executives & Officers

Show hereunder the amount of bonuses paid to Executives and Officers, both cash and non-cash. List by the name of each Executive or Officer receiving the bonus, the dollar value of that bonus, and a description of the bonus if it is non-cash.

12	
13	
14	NONE
15	
16	
17	

**SCHEDULE D-1
Sources of Supply and Water Developed**

STREAMS				FLOW IN(unit) ²				Annual Quantities Diverted(Unit) ²	Remarks
Line No.	Diverted into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1									
2									
3									
4									
5									
WELLS							Annual Quantities Pumped(Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	¹ Depth to Water	Pumping Capacity(Unit) ²			
6									
7	PLEASE SEE LIST ON PAGE 49a.								
8									
9									
10									
TUNNELS AND SPRINGS				FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks		
Line No.	Designation	Location	Number	Maximum	Minimum				
11	NONE								
12									
13									
14									
15									

Purchased Water for Resale

16	Purchased from	NONE	
17	Annual quantities purchased		(Unit chosen) ²
18			
19			

* State ditch, pipe line, reservoir, etc., with name, if any.

¹ Average depth to water surface below ground surface.

² The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 42,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting reservoirs	NONE		
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs	NONE		
25	Concrete			
26	Earth			
27	Wood			
28	C. Tanks	11	11,697,000 Gallons	
29	Wood			
30	Metal			
31	Concrete			
32	Totals	11	11,697,000 Gallons	

SCHEDULE D-1

Sources of Supply and Water Developed- WELLS

APPLE VALLEY RANCHOS WATER CO. 2009						
Well No.	Location	Casing Dimension	Depth to Water	Gallons Per Minute	Annual Production 100 Cu. Ft.	
4	Ptn. SW 1/4, NW 1/4, Sec 27	20"	161'	951	16,292	
7	Ptn. NW 1/4, Sec 34 T6N R4W	14"	61'	241	8,633	
9	Lot 262, Tract 5885	14"	227'	821	147,527	
11R	Lot 971, Tract 6115	18"	219'	1,765	531,021	
12	Ptn. NE 1/4, SW 1/4, Sec 30	16"	97'	752	114,088	
16	Ptn. SE 1/4, Sec 30 T5N R3W	16"	93'	1,051	181,010	
17R	Ptn. SW 1/4, Sec 13 T5N R4W	16"	58'	592	141,477	
18	Lot 360, Tract 5704	16"	39'	1,103	298,204	
19	Lot 1059, Tract 6257	16"	204'	724	85,421	
20R	Ptn. SW 1/4, Sec 13 T5N R4W	16"	105'	458	88,539	
21	Ptn. NW 1/4, Sec 28 T5N R3W	20"	158'	675	52,803	
22	Ptn. NE 1/4, SW 1/4, Sec 28	20"	178'	1,906	731,914	
23	Lot 335, Tract 4053	20"	108'	573	166,758	
24	Ptn. NW 1/4, NE 1/4, Sec 4	14"	184'	662	73,233	
25	18555 Tuscola, T5N R4W Sec 13	16"	116'	446	61,309	
26	18588 Seneca, T5N R4W Sec 13	20"	85'	1,279	509,395	
27	21271 Waalew Road	10"	177'	0	0	
28	Riverside Drive	18"	88'	849	415,604	
29	19237 Yucca Loma	20"	98'	2,118	466,276	
33	12189 Apple Valley Road	20"	94'	2,459	962,013	
34	12500 Geronimo Road	16"	146'	1,585	717,757	
36	19739 Tussing Ranch Road	20"	67'	3,176	475,070	
30	11401 Apple Valley Road	14"	84'	1,375	184,080	
31	Apple Valley Road (Out of Service)	14"	0'	0	0	
32	19382 Del Oro Road (Destroyed-possible future well site)	10"	0'	0	0	
4	Agricultural Well	18"	62'	839	540,561	
5	Agricultural Well	18"	85'	2,810	1,974,398	
TOTALS				29,210	8,943,383	

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SCHEDULE D-1
 Sources of Supply and Water Developed- WELLS

APPLE VALLEY RANCHOS WATER CO. 2009						
Well No.	Location	Casing Dimension	Depth to Water	Gallons Per Minute	Annual Production	100 Cu. Ft.
4	Ptn. SW 1/4, NW 1/4, Sec 27	20"	161'	951		16,292
7	Ptn. NW 1/4, Sec 34 T6N R4W	14"	61'	241		8,633
9	Lot 262, Tract 5885	14"	227'	821		147,527
11R	Lot 971, Tract 6115	18"	219'	1,765		531,021
12	Ptn. NE 1/4, SW 1/4, Sec 30	16"	97'	752		114,088
16	Ptn. SE 1/4, Sec 30 T5N R3W	16"	93'	1,051		181,010
17R	Ptn. SW 1/4, Sec 13 T5N R4W	16"	58'	582		141,477
18	Lot 360, Tract 5704	16"	39'	1,103		298,204
19	Lot 1059, Tract 6257	16"	204'	724		85,421
20R	Ptn. SW 1/4, Sec 13 T5N R4W	16"	105'	458		88,539
21	Ptn. NW 1/4, Sec 28 T5N R3W	20"	158'	675		52,803
22	Ptn. NE 1/4, SW 1/4, Sec 28	20"	178'	1,906		731,914
23	Lot 335, Tract 4053	20"	108'	573		166,758
24	Ptn. NW 1/4, NE 1/4, Sec 4	14"	184'	662		73,233
25	18555 Tuscola, T5N R4W Sec 13	16"	116'	446		61,309
26	18588 Seneca, T5N R4W Sec 13	20"	85'	1,279		509,395
27	21271 Waalew Road	10"	177'	0		(6)
28	Riverside Drive	18"	88'	849		415,604
29	19237 Yucca Loma	20"	98'	2,118		466,276
33	12189 Apple Valley Road	20"	94'	2,459		962,013
34	12500 Geronimo Road	16"	146'	1,585		717,757
36	19739 Tussing Ranch Road	20"	67'	3,176		475,070
30	11401 Apple Valley Road	14"	84'	1,375		184,080
31	Apple Valley Road (Out of Service)	14"	0'	0		0
32	19382 Del Oro Road (Destroyed-possible future well site)	10"	0'	0		0
4	Agricultural Well	18"	62'	839		540,561
5	Agricultural Well	18"	85'	2,810		1,974,398
TOTALS				29,210		8,943,377

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
 Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume	NONE							
3	Lined conduit								
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded
 Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume	NONE							
8	Lined conduit								
9									
10	Totals								

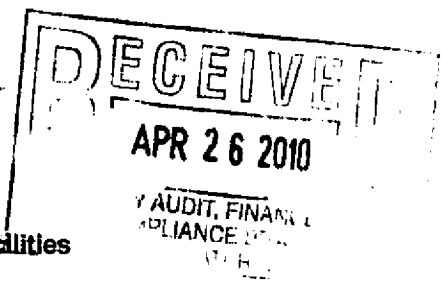
B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.		1	1 1/2	2	2 1/2	3	4	5	6	8
11	Ductile Iron								1,883	18,135
12	Cast Iron (cement lined)									
13	Gravity Irrig.									
14	PVC DR 25									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						169		45,985	42,108
19	Welded steel	1,150	2,900	19,293		16,109	214,235	14,792	217,881	126,504
20	PVC CL 305						29		10	1,641
20	PVC CL 200			4,409			15,049		225,041	208,830
21	PVC CL 150			2,800		2,020	13,133		173,058	293,042
22	Totals	1,150	2,900	26,502		18,129	242,615	14,792	663,858	690,260

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded

Other Sizes (Specify Sizes)										
Line No.		10	12	14	16	18	20	24	30	Totals All Sizes
23	Ductile Iron		34,650	3,267	32,578	9	7,865			98,387
24	Cast Iron (cement lined)									0
25	Gravity Irrig.		5,590					3,785	1,780	11,155
26	PVC DR 25				16,557	5,378				21,935
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement - asbestos	3,662	83,293	24,169	7,420					206,806
31	Welded steel		146,777	6,785						766,426
32	PVC CL 305		2,177							3,857
32	PVC CL 200	214	88,812	69		186	2,286			544,896
33	PVC CL 150	1,437	207,139	25,731	4,176	33				722,569
34	Totals	5,313	568,438	60,021	60,731	5,606	10,151	3,785	1,780	2,376,031

*Revised
2009*



SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume	NONE							
3	Lined conduit								
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded
Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume	NONE							
8	Lined conduit								
9									
10	Totals								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.		1	1 1/2	2	2 1/2	3	4	5	6	8
11	Ductile Iron								1,883	18,135
12	Cast Iron (cement lined)									
13	Gravity Irrig.									
14	PVC DR 25									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos						169		45,985	42,108
19	Welded steel	1,150	2,900	19,293		16,109	214,235	14,792	217,881	126,504
20	PVC CL 305						29		10	1,641
20	PVC CL 200			4,409			15,049		225,041	208,830
21	PVC CL 150			2,800		2,020	13,133		173,058	293,042
22	Totals	1,150	2,900	28,502		18,129	242,615	14,792	663,858	690,260

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded

										Other Sizes (Specify Sizes)
Line No.		10	12	14	16	18	20	24	30	Totals All Sizes
23	Ductile Iron		34,650	3,267	32,578	9	7,865			98,387
24	Cast Iron (cement lined)									0
25	Gravity Irrig.		5,590					3,785	1,780	11,155
26	PVC DR 25			(12,900)	16,557	5,378				9,035
27	Riveted steel									0
28	Standard screw									0
29	Screw or welded casing									0
30	Cement - asbestos	3,662	83,293	24,169	7,420					206,806
31	Welded steel		146,777	6,785						766,426
32	PVC CL 305		2,177							3,857
32	PVC CL 200	214	88,812	69		186	2,286			544,896
33	PVC CL 150	1,437	207,139	38,631	4,176	33				735,469
34	Totals	5,313	568,438	60,021	60,731	5,606	10,151	3,785	1,780	2,376,031

**SCHEDULE D-4
Number of Active Service Connections**

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
Residential	17,208	17,291		
Commercial (including domestic)	1,276	1,310		
Industrial	2	2		
Public authorities	42	42		
Irrigation	150	155		
Other (specify)	6	6		
Subtotal	18,684	18,806		
Private fire connections	194	204		
Public fire hydrants	2,470	2,485		
Total	21,348	21,495		

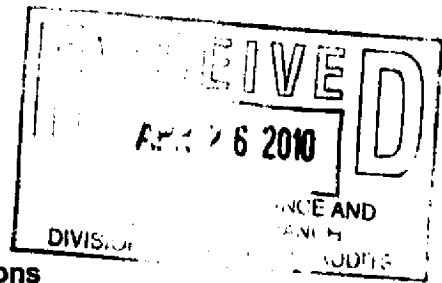
**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4-in.	17,543	
3/4-in.	225	
1-in.	1,286	
1-1/2-in.	173	
2-in.	197	
3-in.	113	
4-in.	58	
6-in.	123	
8-in.	42	
10- & 12-in.	9	
Other Unknown		
Total	19,769	

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received	2,222
2. Used, before repair	220
3. Used, after repair	0
4. Found fast, requiring billing adjustment	3
B. Number of Meters in Service Since Last Test	
1. Ten years or less	16,674
2. More than 10, but less than 15 years	3,167
3. More than 15 years	102

*Revised
2009*



**SCHEDULE D-4
Number of Active Service Connections**

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
Residential	17208	17,291		
Commercial (including domestic)	1276	1,310		
Industrial	2	2		
Public authorities	42	42		
Irrigation	150	155		
Other (specify)	6	5		
Subtotal	18,684	18,805		
Private fire connections	194	204		
Public fire hydrants	2,470	2,485		
Total	21,348	21,494		

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4-in.	17,543	
3/4-in.	225	
1-in.	1,286	
1-1/2-in.	173	
2-in.	197	
3-in.	113	
4-in.	58	
6-in.	123	
8-in.	42	
10- & 12-in.	9	
Other Unknown		
Total	19,769	

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received	<u>2,222</u>
2. Used, before repair	<u>220</u>
3. Used, after repair	<u>0</u>
4. Found fast, requiring billing adjustment	3
B. Number of Meters in Service Since Last Test	
1. Ten years or less	<u>16,674</u>
2. More than 10, but less than 15 years	<u>3,167</u>
3. More than 15 years	<u>102</u>

SCHEDULE D-7

Water delivered to Metered Customers by Months and Years in _____ Ccf _____ (Unit Chosen)¹

Classification of Service	During Current Year												Subtotal	
	January	February	March	April	May	June	July	August	September	October	November	December		Total
Commercial	289,482	267,378	240,975	321,995	401,734	520,274	519,609							2,561,447
Industrial	0	279	0	232	0	276	0							787
Public authorities	8,808	6,534	8,627	13,231	22,974	32,382	41,209							133,765
Irrigation-Potable	538	0	569	0	5,292	0	8,605							15,004
Irrigation-Landscape	12,040	8,430	6,081	23,074	23,414	48,124	44,005							165,168
Irrigation-Reclaimed	17,669	0	15,662	0	80,483	0	157,573							271,387
Fire Hydrant	0	0	0	0	0	0	0							0
Total	328,537	282,621	271,914	358,532	533,897	601,056	771,001							3,147,558
Classification of Service	During Current Year												Total	
	August	September	October	November	December	Subtotal	Total	Prior Year						
Commercial	636,644	583,743	551,260	447,554	336,066	2,555,267	5,116,714							
Industrial	310	0	277	0	163	750	1,537	1,301						
Public authorities	43,911	46,298	35,341	28,872	14,886	169,308	303,073	298,502						
Irrigation-Potable	0	13,002	(2,100)	6,366	0	17,268	32,272	28,361						
Irrigation-Landscape	83,933	60,567	61,025	44,274	13,381	263,180	428,348	284,300						
Irrigation-Reclaimed	0	184,340	0	110,086	0	294,426	565,813	510,478						
Fire Hydrant	0	0	0	0	0	0	0	0						
Total	764,798	887,950	645,803	637,152	364,496	3,300,199	6,447,757	6,747,312						

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated _____

0

Total population served _____

53319

Line No.	Description (a)	Authorized by Decision or Resolution No. (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	2007 and Prior Balancing Account-Domestic	See Footnote B,C,G	1,521,922		(151,701)	1,370	(8,619)		1,362,972
2	2007 and Prior Balancing Account-Irrigation	See Footnote B,C,G	(256,164)		275,100	19			18,965
3	2008 Balancing Account-Domestic	See Footnote A,C,E	1,169,290		(150,033)	2,662			1,021,919
4	2008 Balancing Account-Irrigation	See Footnote A,C,E	14,176		(11,946)	6			2,236
5	2009 WRAM/MCBA-Domestic	See Footnote A,E,H	0		1,719,011	2,156			1,721,167
6	2009 ICBA-Irrigation	See Footnote A,C,E	0		18,920	21			18,941
7	CARW Balancing Account	See Footnote A,D,E,H	(21,841)		7,112	267		119,806	105,344
8	CARW Memorandum Account	See Footnote H	4,778				(4,778)		0
9	Water Quality Memorandum Account	See Footnote H	24,217			4,554			28,771
10	Conservation Memo Acct - Preceding Costs	See Footnote A,F	21,243		14,752	94			36,089
11	Conservation Memo Acct - BMPs	See Footnote A,H	0		34,041	25			34,067
12	Outside Services Memo Acct	See Footnote A,H	0		98,090	725			98,815
13	Outside Services Memo Acct - Reserve	See Footnote A,H	0		(54,801)	(405)			(55,206)
14									0
15									0
16									0
17									0
18									0
19									0
20									0
21									0
22									0

Note 1: For Columns d, e, f, g, & h, provide those amounts booked in the current year.

Note 2: The detail for each individual account includes the Beginning of Year Balance, End of Year Balance, each Offset Expense adjustment during the year, each Offset Revenue adjustment during the year, each Surcharge adjustment during the year, each Surcredit adjustment during the year, and the decision or resolution number associated with each item of detail.

Footnotes to Schedule E-1

- A: Amounts booked are estimated through year-end. Actual Amounts will be reflected in the Annual Report the following year.
- B: A memorandum to the CPUC entitled "Procedures For Maintaining Balancing Accounts for Water Utilities" dated May 31, 1983, authorized these accounts.
- C: Decision No. 03-06-072 dated June 19, 2003.
- D: Decision No. 05-12-020 dated December 15, 2005.
- E: Revised to actual amounts in 2009.
- F: Decision No. 08-02-036 dated February 28, 2008.
- G: Advice Letter 151-W, effective December 1, 2009, authorizes the surcharge for the 2007 and prior balancing accounts.
- H: Decision No. 08-09-026, dated September 18, 2008.

Schedule E- 2

Description of Low-Income Rate Assistance Program(s)

For all low income rate assistance programs offered by water utility, provide detailed responses to the following items:

1 Brief description of each low-income rate assistance program provided, by district. This shall include but is not limited to the percent of discount, the dollar amount of discount, what rate is discounted (service charge, quantity, or total bill), qualifying income level, dollar rate increase to remaining customers to pay for this program.

The California Alternative Rates for Water (CARW) program consists of a \$5.83 per month service charge discount to customers who meet the income eligibility requirements as established by the Commission (published on the Commission's website at cpuc.ca.gov/static/energy/care.htm). Customers must submit an application and eligibility declaration form to participate in the CARW program.

2 Participation rate for Year 2009 (as a percent of total customers served).

customers.

3 Detail of balancing or memorandum account authorized to record expenses incurred and revenues collected for low-income rate assistance program.

A CARW revenue reallocation balancing account was established to track the difference between the low-income discounts provided to qualifying customers and the recorded revenues generated by the \$.49 surcharge. (See Schedule E-1)

Schedule E- 3
Description of Water Conservation Program(s)

For all water conservation programs offered by water utility, provide detailed responses to the

1. Brief description of each water conservation program provided, by district. This description shall include but not be limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customers) and length of time it was offered.
2. Discuss how each water conservation assistance program is funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used.
3. Cost of each program.
4. The degree of participation in each district by customer group.

AVR recognizes water use efficiency as an integral component of its current and future water strategy for the service area. AVR has pursued conservation in an effort to reduce demand and stretch existing water supplies. The following is a description of the conservation programs offered by AVR in 2009.

Unless otherwise indicated, the conservation activities are funded through rates charged to all customers. This type of funding is generally used to encourage conservation in a manner similar to tiered rates and to avoid undue refinement in the accounting and ratemaking processes. Additionally, unless otherwise specified, participation is not applicable, immaterial or unknown. Costs of conservation activities identified as being funded through the Mojave Water Agency (MWA) are paid by AVR's customers indirectly as part of the cost of fees paid to the agency.

1. Water use surveys are available at no cost to all AVR customers. AVR employees have received special training in the area of water audits. The audit team completes a customer data form to analyze the customer's water use and estimate water savings. There were 181 surveys performed in 2009 at a total cost of \$11,765.00.

2. AVR participates in MWA's Landscape Conservation Program, this program's purpose is to educate landowners about water efficient landscapes. The program developed and produced a handbook entitled "A Guide to High Desert Landscaping", which AVR distributes to interested customers at no charge. The handbook was specifically designed for the high desert environment, as a guide to designing, planting and maintaining attractive and water efficient native plant landscapes. This program also promotes water conservation by providing tips and incentives to help a customer to reduce their consumption and cost of water. The incentives offered are Cash for Grass which pays 50 cents per square foot of lawn removed by a customer. High efficiency toilet (HET) rebates, vouchers and High efficiency clothes washers (HECW) are also incentives offered to our customer to help save on high water usage. In 2009, there was 1,038,021 square feet of lawn removed and a total payout of \$519,010.50. A total of 508 HETs and 185 HECW were installed at a total cost of \$120,925.80. This program is administered and funded by MWA.

3. Public Information Programs recognize the continued need to maintain and increase the community's awareness of water and the need to use it wisely. Providing current water conservation information is a key part of AVR's activities. Pamphlets on water conservation are available in the lobby of the company office where customers pay their bills. AVR provides a website and newsletter that contain conservation information and suggestions on how to reduce water usage. Consumption information for the same month from the previous year is provided on the customer's bill to help customer understand year to year usage. At the Desert Communities Water Awareness Expo, an extensive display of low water-use trees, shrubs and plants is maintained that illustrate the aesthetic appeal of water efficient landscaping. The total operational costs for these programs (including labor at special events, community events, workshop booths, etc.) were \$15,917.26 in 2009.

4. AVR has a full-time Conservation Representative to implement Best Management Practices for water conservation activities and programs. The Conservation Representative and supporting staffs are responsible for the water conservation and recycling activities that AVR is involved in. The recorded cost was \$84,501.34 in 2009.

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2009

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COMPLIANCE BRANCH
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Schedule E- 3 Description of Water Conservation Program(s)
For all water conservation programs offered by water utility, provide detailed responses to the <ol style="list-style-type: none">1. Brief description of each water conservation program provided, by district. This description shall include but not be limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customers) and length of time it was offered.2. Discuss how each water conservation assistance program is funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used.3. Cost of each program.4. The degree of participation in each district by customer group.

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Unless otherwise indicated, the conservation activities are funded through rates charged to all customers. This type of funding is generally used to encourage conservation in a manner similar to tiered rates and to avoid undue refinement in the accounting and ratemaking processes. Additionally, unless otherwise specified, participation is not applicable, immaterial or unknown. Costs of conservation activities identified as being funded through the Mojave Water Agency (MWA) are paid by AVR's customers indirectly as part of the cost of fees paid to the agency.

1. Water use surveys are available at no cost to residential, institutional and governmental customers. AVR employees have received special training in the area of water audits. The audit team completes a customer data form to analyze the customer's water use and estimate water savings. There were 181 surveys performed in 2009 at a total cost of \$11,765.00.

2. AVR participates in MWA's Landscape Conservation Program, this program's purpose is to educate landowners about water efficient landscapes. The program developed and produced a handbook entitled "A Guide to High Desert Landscaping", which AVR distributes to interested customers at no charge. The handbook was specifically designed for the high desert environment, as a guide to designing, planting and maintaining attractive and water efficient native plant landscapes. This program also promotes water conservation by providing tips and incentives to help a customer to reduce their consumption and cost of water. The incentives offered are Cash for Grass which pays 50 cents per square foot of lawn removed by a customer. High efficiency toilet (HET) rebates, vouchers and High efficiency clothes washers (HECW) are also incentives offered to our customer to help save on high water usage. In 2009, there was 1,038,021 square feet of lawn removed and a total payout of \$519,010.50. A total of 508 HETs and 185 HECW were installed at a total cost of \$120,925.80. This program is administered and funded by MWA.

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4. AVR has a full-time Conservation Representative to implement Best Management Practices for water conservation activities and programs. The Conservation Representative and supporting staffs are responsible for the water conservation and recycling activities that AVR is involved in. The recorded cost was \$84,501.34 in 2009.

**Schedule E- 4
Report on Affiliate Transactions**

Affiliate includes all related companies including but not limited to Parent, Affiliates, and Subsidiaries.

INSTRUCTIONS:

* For those utilities with specifically authorized affiliate transaction rules, provide all information required by those rules.

* For those utilities with no specifically authorized affiliate transaction rules, or those utilities whose authorized affiliate transaction rules do not provide the following information, provide the following:

1. Summary of all transactions between regulated water utility and its affiliated companies for the previous calendar year. The summary shall include a description of each transaction and an accounting of all dollars associated with each transaction although each transaction need not be separately identified where multiple transactions occur in the same account. These transactions shall include:

- (a) services provided by regulated water utility to any affiliated company;
- (b) services provided by any affiliated company to regulated water utility;
- (c) assets (both tangible and intangible) transferred from regulated water utility to any affiliated company;
- (d) assets (both tangible and intangible) transferred from any affiliated company to regulated water utility;
- (e) employees transferred from regulated water utility to any affiliated company;
- (f) employees transferred from any affiliated company to regulated water utility; and
- (g) financing arrangements and transactions between regulated water utility and any affiliated company.

1(a) None.

1(b) The parent company, Park Water Company, provides engineering, financial, electronic data processing, regulatory, water quality and other management services to all of its subsidiaries.
These management services along with the related fees are referenced in schedule C137A.

SICC provided specialized coatings for one reservoir as shown on schedule D-9.

1(c) None.

1(d) The following items were transferred from Park Water Company to Apple Valley Ranchos during 2009:

Furniture was transferred from Park to AVR in 2009:

Cost	\$9,249.00
Accumulated Depreciation	<u>6,312.91</u>
Book Value	\$2,936.09

1(e) None.

1(f) None.

1(g) The intercompany payable to Park Water Company and related interest is shown in schedule A-29.

**CLASS A, B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA)

1. Current Fiscal Agent: **NOT APPLICABLE**

Name: _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____ NOT APPLICABLE	Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
	3/4 inch	_____	_____
	1 inch	_____	_____
	1 1/2 inch	_____	_____
	2 inch	_____	_____
	3 inch	_____	_____
	4 inch	_____	_____
	6 inch	_____	_____
	Number of Flat Rate Customers	_____	_____
	Total	_____	_____

3. Summary of the bank account activities showing: **NOT APPLICABLE**

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

5. Plant amounts included in Schedule A-1a, Account No. 101—Water Plant in Service which were funded using SDWBA or SRF funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT		NONE.			
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

FACILITIES FEES DATA

Please provide the following information relating to Facilities Fees for districts or subsidiaries servicing 2,000 or fewer connections for the calendar year. (Per D.91-04-068)

1. Trust Account Information: **NOT APPLICABLE**

Bank Name: _____
 Address: _____
 Account Number: _____
 Date Opened: _____

2. Facilities Fees collected for new connections during the calendar year:

A. Commerical NOT APPLICABLE

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential NOT APPLICABLE

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

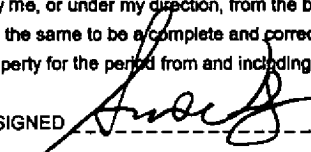
4. Reason or Purpose of Withdrawal from this bank account:

DECLARATION
Before Signing, Please Check to See That All Schedules Have Been Completed

I, the undersigned officer

of **APPLE VALLEY RANCHOS WATER COMPANY**

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period from and including January 1, 2009 to and including December 31, 2009.

SIGNED -----

Title **VICE PRESIDENT AND GENERAL MANAGER**

Date **April 14, 2010**-----

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