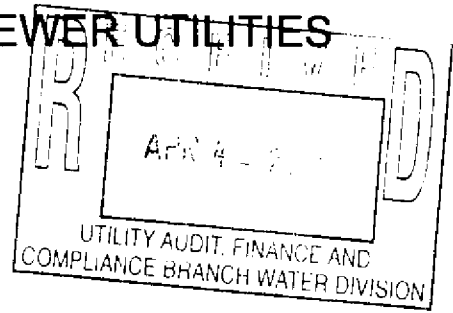


Received _____
Examined _____

SEWER UTILITIES



U# _____

2006
ANNUAL REPORT
OF

Big Basin Water/Sanitation

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. Box 197, Boulder Creek, CA 95006

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

CLASS D SEWER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Big Basin Sewer

(Name under which corporation, partnership or individual is doing business)

P.O.Box 197, Boulder Creek CA 95006

(Official mailing address)

Big Basin Woods Sub-Division, Boulder Creek, Santa Cruz

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

1 If a corporation show:

(A) Date of organization 1-1-85 incorporated in the State of California

(B) Names, titles and addresses of principal officers:

2 If unincorporated give the name and address of owner or of each partner:

3 Name and telephone number of: Jim Moore [831]338-2933

(A) One person listed above to receive correspondence:

(B) Person responsible for operations and services:

4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) No

If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?

5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

PUBLIC HEALTH STATUS

State Regional Board

| | Yes | No | Latest Date |
|--|-----|----|-------------|
| | | x | 2004 |
| 6 Has state or local health department inspection been made during the year? | N/A | | |
| 7 Are routine laboratory tests of water being made? | x | | |
| 8 Has state health department water supply permit been obtained? (Indicate date) | N/A | | |
| 9 If no permit has been obtained, state whether application has been made and when | N/A | | |
| 10 Show expiration date if state permit is temporary. | | | |

10 Show expiration date if state permit is temporary.

Waste Water Discharge Permit is in effect without expiration date

11 List Name, Grade, and License Number of all Licensed Operators:

Thomas J. Moore WW II Cert. # 1108

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)

| Line | Acct. | Assets | Balance | Acct. | Equity and Liabilities | Balance |
|------|-------|---------------------------------------|-------------|-------|---|-------------|
| 1 | 101 | Plant in service | 86915 | 201 | Common Stock (Corporations only) | |
| 2 | 103 | Plant held for future use | | 211 | Other paid-in capital (Corporations only) | |
| 3 | 104 | Plant purchased or sold | | 215 | Retained earnings | 6489 |
| 4 | 105 | Plant construction work in progress | | 218 | Proprietary capital | |
| 5 | 108 | Accumulated depreciation of plant | 80426 | 224 | Long term debt | |
| 6 | 114 | Plant acquisition adjustments | | | Current Liabilities | |
| 7 | 124 | Other investments | | 252 | Advances for construction | |
| 8 | 131 | Cash | | 253 | Other deferred credits | |
| 9 | 141 | Accounts receivable - customers | | 255 | Accumulated deferred investment tax credits | |
| 10 | 142 | Receivables from associated companies | | 282 | Accumulated deferred income taxes - Acrs | |
| 11 | 151 | Materials and supplies | | | depreciation | |
| 12 | 174 | Other current assets | | 283 | Accumulated deferred income taxes - other | |
| 13 | 180 | Deferred charges | | 271 | Contributions in aid of construction | |
| 14 | | | | 272 | Accumulated amortization of contributions | |
| 15 | | Total Assets | 6489 | | Total Equity and Liabilities | 6489 |

SCHEDULE B - SEWER PLANT IN SERVICE

| Line | Acct | Title of Account | Balance Beg of Year | Ptt Additions During year | Ptt Retirements During year | Other Debits or (Credits) | Balance End of year |
|------|------|----------------------------------|------------------------|------------------------------|--------------------------------|------------------------------|------------------------|
| 16 | 301 | Intangible plant | | | | | |
| 17 | 303 | Land | | | | | |
| 18 | 304 | Structures | | | | | |
| 19 | 307 | Wells | | | | | |
| 20 | 317 | Other source plant | | | | | |
| 21 | 311 | Pumping equipment | 6915 | | | | 6915 |
| 22 | 320 | Treatment plant | 80000 | | | | 80000 |
| 23 | 330 | Reservoirs | | | | | |
| 24 | 331 | Mains | | | | | |
| 25 | 333 | Services and meter installations | | | | | |
| 26 | 334 | Meters | | | | | |
| 27 | 339 | Other equipment | | | | | |
| 28 | 340 | Office furniture and equipment | | | | | |
| 29 | 341 | Transportation equipment | | | | | |
| 30 | | Total Plant in service | 86915 | | | | 86915 |

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

| Line | Item | Account 106 | |
|------|--|-------------|---|
| | | Plant | |
| 32 | Balance in reserves at beginning of year | 213 | A. Method used to compute depreciation |
| 33 | Add: Credits to reserves during year | 213 | expense (Acct. 403) and rate. |
| 34 | (a) Charged to Account No. 403 | 213 | |
| 35 | (b) Charged to Account No. 272 | | |
| 36 | (c) Charged to clearing accounts | | B. Amount of depreciation expense claimed |
| 37 | (d) Salvage recovered | | or to be claimed on utility property in |
| 38 | (e) All other credits | | your federal income tax return for the year |
| 39 | Total credits | | covered by this report \$ |
| 40 | Deduct: Debits to reserves during year | | |
| 41 | (a) Book cost of property retired | | |
| 42 | (b) Cost of removal | | C. State method used to compute tax |
| 43 | (c) All other debits | | depreciation. |
| 44 | Total debits | | |
| 45 | Balance in reserve at end of year | 426 | |

| Line | SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20 | | |
|------|---|---------|---|
| 1 | Common - (Shares | \$ par) | List persons owning more than 5% of outstanding stock |
| 2 | Preferred - (Shares | \$ par) | and number of shares owned by each: |
| 3 | Dividends - Common Rate - \$ | | See Big Basin Water Stock |
| 4 | - Preferred Rate - \$ | | |

| SCHEDULE E - LONG TERM DEBT | | | | | | | |
|-----------------------------|--------|---------------|------------------|-----------------------------|-------------------------------|------------------------------|---------------------------|
| | Class | Date of Issue | Date of Maturity | Principal Amount Authorized | Outstanding Per Balance Sheet | Interest Accrued During Year | Interest Paid During Year |
| 5 | N/A | | | | | | |
| 8 | Totals | | | | | | |

| SCHEDULE F - INCOME STATEMENT | | | |
|-------------------------------|-----|--------------------------------------|------------|
| 9 | | Operating revenues | xxxxxxxxxx |
| 10 | 460 | Unmetered revenue | 16308 |
| 11 | 470 | Metered revenue | |
| 12 | 480 | Other revenue | |
| 13 | | Total Operating Revenue | 16308 |
| 14 | | Operating revenue deductions | xxxxxxxxxx |
| 15 | | Operating expenses | xxxxxxxxxx |
| 16 | 610 | Purchased water | |
| 17 | 615 | Power | 1694 |
| 18 | 618 | Other volume related expenses | |
| 19 | 630 | Employee labor | 2998 |
| 20 | 640 | Materials | |
| 21 | 650 | Contract work | |
| 22 | 660 | Transportation expenses | 805 |
| 23 | 664 | Other plant maintenance expense | 3771 |
| 24 | 670 | Office salaries | 1890 |
| 25 | 671 | Management salaries | 4500 |
| 26 | 674 | Employee pensions and benefits | 1945 |
| 27 | 676 | Uncollectible accounts expense | |
| 28 | 678 | Office services and rentals | 264 |
| 29 | 681 | Office supplies and expense | 308 |
| 30 | 682 | Professional services | 219 |
| 31 | 684 | Insurance | 939 |
| 32 | 688 | Regulatory commission expense | |
| 33 | 689 | General expenses | 1600 |
| 34 | | Total Operating Expenses | 20933 |
| 35 | 403 | Depreciation expense | 213 |
| 36 | 408 | Taxes other than income taxes | |
| 37 | 409 | State corporate income tax expense | |
| 38 | 410 | Federal corporate income tax expense | |
| 39 | | Total Operating Revenue Deductible | 213 |
| 40 | | Utility Operating Income | 4838 |
| 41 | 421 | Non-utility income | |
| 42 | 426 | Miscellaneous non-utility expense | |
| 43 | 427 | Interest expense | |
| 44 | | Net Income | 4838 |

| SCHEDULE G - EMPLOYEES AND THEIR COMPENSATION | | | | | |
|---|------|---------------------|-----------------------|------------------------------------|-------------------------------|
| Line | Acct | Account | Number at end of year | Salaries Charged to Plant Accounts | Total Salaries and Wages Paid |
| 45 | 630 | Employee Labor | 2 | 2998 | 2998 |
| 46 | 670 | Office salaries | 1 | 1890 | 1890 |
| 47 | 671 | Management salaries | 1 | 4500 | 4500 |
| 48 | | Total | 4 | 9388 | 9388 |

SCHEDULE H - ADVANCES FOR CONSTRUCTION

| | |
|---|-----|
| Balance beginning of year | N/A |
| Additions during year | |
| Subtotal - Beginning balance plus additions during year | |
| Refunds | |
| Transfers to Acct. 271 - Contributions in Aid of Construction | |
| Balance end of year | |

**SCHEDULE I - TOTAL METERS
AND SERVICES (active and inactive)**

| | Size | Meters | Services |
|---|-------|--------|----------|
| 2 | -in | | 2 |
| 4 | -in | | 27 |
| | -in | | |
| | -in | | |
| | -in | | |
| | -in | | |
| | Total | | |

SCHEDULE J - METER-TESTING DATA

| | |
|-------------------------------------|---------------------------|
| Number of meters tested during year | |
| 1 | Used, before repair... |
| 2 | Used, after repair |
| 3 | Fast, requiring refund .. |

SCHEDULE K - SERVICE CONNECTIONS AT END OF YEAR

| Classification | Active | | | Inactive | | | |
|------------------------------|---------|-----------|-------|----------|------|-------|-----------|
| | Metered | Flat | Total | Metered | Flat | Total | Flat |
| Residences | | 28 | | | | | 28 |
| Industrial | | | | | | | |
| Other (specify) Fire Station | | 1 | | | | | 1 |
| Total | | 29 | | | | | 29 |

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE L - STORAGE FACILITIES

SCHEDULE M - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

| Description | No. | Combined capacity in gallons | Description | 2" and under | 2 1/4 to 3 1/4 | 4" | Other sizes (specify) | | Totals |
|--------------|-----|---------------------------------|-----------------|-----------------|-------------------|-------------|-----------------------|--|-------------|
| | | | | | | | 6" | | |
| Concrete | 1 | 2700 gal | Cast Iron | | | | | | |
| Earth | | clear well | Welded steel | | | | | | |
| Wood | | | Standard screw | | | | | | |
| Steel | | | Cement-asbestos | | | | 2500 | | 2500 |
| Other | | | Plastic | | | 4000 | | | 4000 |
| | | | Other (specify) | | | | | | |
| Total | | | Total | | | 4000 | 2500 | | 6500 |

DECLARATION

I, the undersigned (officer, partner or owner) of Big Basin Sewer 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 Jan 1 , 2006, to and including Dec 31 2006

Signed

Thomas J. Moore
Manager Vice President

Title

 3-30-2006

Date