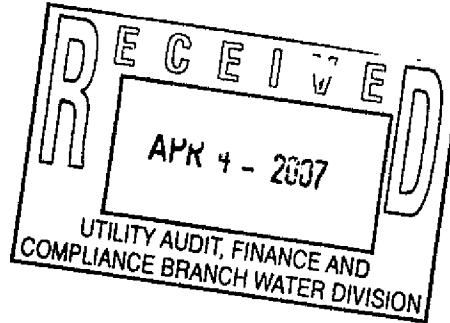


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2006
 ANNUAL REPORT
 OF
 DISTRICT WATER SYSTEM OPERATIONS
 OF
 CALIFORNIA WATER SERVICE COMPANY
 1720 North First Street
 SAN JOSE, CALIFORNIA 95112-4598

Name of District: Chico Location: Hamilton City Glenn, Butte
(TOWN OR CITY) (County)

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)



Report ID: CW_W405-
 Business Unit: CWSCO
 Department: CHICO

ANALYSIS OF UTILITY PLANT
 December/31/2006

Page No. 4
 Run Date: 3/21/2007
 Run Time: 1:13:11 PM

ACCT	DESCRIPTION	BALANCE BEG OF YR	PLANT ADD DURING YR	PLANT RET DURING YR	OTHER DEBITS OR CREDITS	BALANCE END OF YR
I. INTANGIBLE PLANT						
301	ORGANIZATION	0.00				0.00
302	FRANCHISES AND CONSENTS	0.00				0.00
303	OTHER INTANGIBLE PLANT	121,624.82				121,624.82
	TOTAL INTANGIBLE PLANT	121,624.82				121,624.82
II. LAND PLANT						
306	LAND AND LAND RIGHTS	1,979,368.59				1,979,368.59
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00	8,297.67			8,297.67
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	3,429,170.65	433,962.78			3,863,133.43
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	3,429,170.65	442,260.45			3,871,431.10
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	2,064,518.25	316,745.37	-680.40		2,380,583.22
3211	PAVEMENT	32,018.44				32,018.44
324	PUMPING EQUIPMENT	5,248,313.05	462,718.28	-28,763.95	282.21	5,682,549.59
325	OTHER PUMPING PLANT	0.00				0.00
	TOTAL PUMPING PLANT	7,344,849.74	779,463.65	-29,444.35	282.21	8,095,151.25
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	756.84				756.84
332	WATER TREATMENT EQUIPMENT	885,968.08	16,718.57	-986.01	-5,312.92	896,387.72
	TOTAL WATER TREATMENT PLANT	886,724.92	16,718.57	-986.01	-5,312.92	897,144.56
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	243,821.26	-3,590.61			240,230.65
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	1,038,608.21		-1,796.52	898.26	1,037,709.95
3421	TANK PAINTING	252,792.34	182,651.21			435,443.55
343	TRANS AND DIST MAINS	39,012,621.80	2,900,534.87	-58,800.75	-392,928.85	41,461,427.07
344	FIRE MAINS	0.00				0.00
345	SERVICES	9,729,311.64	1,113,369.39	-11,332.42	-18,295.98	10,813,052.63
346	METERS	3,172,904.49	176,520.71	-2,869.60		3,346,555.60
348	HYDRANTS	7,363,776.50	682,863.58	-20,546.02	-16,610.79	8,009,483.27
	TOTAL TRANS AND DIST PLANT	60,813,836.24	5,052,349.15	-95,345.31	-426,937.36	65,343,902.72
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	3,287,742.06				3,287,742.06
3711	PAVEMENT	71,575.76	65,026.76		-32,513.38	104,089.14
3720	OFFICE FURNITURE AND EQUIPMENT	253,961.52				253,961.52
3721	OFFICE EQUIPMENT - COMPUTERS	47,255.22	15,633.36	-6,886.58	3,443.29	59,445.29
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	509,623.96	170,829.63	-133,065.17		547,388.42
374	STORES EQUIPMENT	46,333.19				46,333.19
375	LABORATORY EQUIPMENT	0.00				0.00
376	COMMUNICATION EQUIPMENT	43,636.14	1,234.75			44,870.89
377	POWER OPERATED EQUIPMENT	68,980.28	44,319.41			113,299.69
378	TOOLS, SHOP AND GARAGE EQUIP	136,324.64	49,708.98			186,033.62
379	OTHER GENERAL PLANT	5,972.20	760.75			6,732.95
	TOTAL OTHER GENERAL PLANT	4,471,404.97	347,513.64	-139,951.75	-29,070.09	4,649,896.77
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	623.99				623.99
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	2,149,228.22	284,851.16	-18,426.14	-5,359.96	2,410,293.28
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITE	2,149,852.21	284,851.16	-18,426.14	-5,359.96	2,410,917.27
	TOTAL UTILITY PLANT IN SERVICE	81,196,832.14	6,923,156.62	-284,153.56	-466,398.12	87,369,437.08

CHICO

SCHEDULE A-3

Depreciation and Amortization Reserves

2006

Line No.	Item (a)		Account 250		Account 251		Account 252	Account 253
			Utility Plant (b)		Limited Term Utility Investment (c)		Utility Plant Acquisition Adjustments (d)	Other Property (e)
1	Balance in reserves at beginning of year	(G)	676,237.88					
			19,358,193.28		37,048.72		0.00	0.00
2	Add: Credits to reserves during year							
3	a) Charged to account No. 503	(G)	176,948.03					
			1,816,860.00					
4	b) Charged to account No. 265		262,231.00					
5	c) Charged to clearing accounts	(G)	17,467.47					
			67,933.00					
6	d) Salvage recovered	(G)	0.00					
			0.00					
7	e) All other credits	(G)	(11,373.31)					
			0.00	(B)	9,784.20			
8	Total Credits		2,329,066.19		9,784.20			
9	Deduct: Debits to reserves during year							
10	a) Book cost of property retires	(G)	18,426.13					
			234,308.60					
11	b) Cost of removal	(G)	0.00					
			96,160.43					
12	c) All other debits	(G)	5,589.23					
			(23,204.96)					
13	Total Debits		331,279.43					
14	Balances in reserves at end of year		22,032,217.92		46,832.92		0.00	0.00
15	State method of determining depreciation charges:		Straight Line Remaining Life Method & Liberalized					
16	(A) Depreciation on intrecompany transfers		(B) Amortization charged to 504		(G) General Office Allocation			
17								
18	Report depreciation in Federal Tax Return for year:		2,652,155.00					
19	Indicate nature of these items and accounts affected							
20			(See Schedule A-3a opposite)					



ANNUAL REPORT FOR DEPRECIATION
Analysis of Depreciation Reserve - Account no 250

ACCOUNT	BEGIN BALANCE	PROVISIONS	RETIREMENT	SALVAGE	COST TO REMOVE	OTHER	END BALANCE
I. SOURCE OF SUPPLY PLANT							
3110 STRUCTURES AND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3120 COLLECTING AND IMPOUNDING RES	3,105.00	893.00	0.00	0.00	0.00	0.00	3,998.00
3130 LAKE, RIVER AND OTHER INTAKES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3140 SPRINGS AND TUNNELS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3150 WELLS	2,127,492.29	72,155.00	0.00	0.00	0.00	0.00	2,199,647.29
3160 SUPPLY MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3170 OTHER SOURCE OF SUPPLY PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL SOURCE OF SUPPLY PLANT	2,130,597.29	73,048.00	0.00	0.00	0.00	0.00	2,203,645.29
II. PUMPING PLANT							
3210 STRUCTURES AND IMPROVEMENTS	600,023.83	73,546.00	-680.40	0.00	0.00	0.00	672,889.43
3220 BOILER PLANT EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3230 OTHER POWER PRODUCTION EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3240 PUMPING EQUIPMENT	1,642,992.43	149,131.00	-28,481.74	0.00	-843.58	0.00	1,762,798.11
3250 OTHER PUMPING PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL PUMPING PLANT	2,243,016.26	222,677.00	-29,162.14	0.00	-843.58	0.00	2,435,687.54
III. WATER TREATMENT PLANT							
3310 STRUCTURES AND IMPROVEMENTS	671.75	15.00	0.00	0.00	0.00	0.00	686.75
3320 WATER TREATMENT EQUIPMENT	305,933.82	31,990.00	-986.01	0.00	0.00	0.00	336,937.81
TOTAL WATER TREATMENT PLANT	306,605.57	32,005.00	-986.01	0.00	0.00	0.00	337,624.56
IV. TRANS AND DIST PLANT							
3410 STRUCTURES AND IMPROVEMENTS	11,995.48	4,121.00	0.00	0.00	0.00	0.00	16,116.48
3420 RESERVOIRS AND TANKS	283,626.24	23,375.00	-898.26	0.00	0.00	0.00	306,102.98
3421 TANK PAINTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3430 TRANS AND DIST MAINS	8,263,597.21	816,147.00	-40,033.08	791.29	-56,271.69	0.00	8,984,230.73
3440 FIRE MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3450 SERVICES	2,569,249.88	511,914.00	-7,712.60	661.89	-27,416.05	0.00	3,046,697.12
3460 METERS	637,556.61	108,335.00	-2,869.60	1,912.87	0.00	0.00	744,934.88
3470 METER INSTALLATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3480 HYDRANTS	2,081,997.43	147,348.00	-14,413.47	209.91	-11,413.11	0.00	2,203,728.76
3490 OTHER TRANS AND DIST MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANS AND DIST PLANT	13,848,022.85	1,611,240.00	-65,927.01	3,575.96	-95,100.85	0.00	15,301,810.95
V. GENERAL PLANT							
3710 STRUCTURES AND IMPROVEMENTS	129,485.23	111,865.00	0.00	0.00	0.00	0.00	241,350.23
3720 OFFICE FURNITURE AND EQUIP	119,629.50	7,847.00	0.00	0.00	0.00	0.00	127,476.50
3721 OFFICE EQUIPMENT - COMPUTERS	-20,982.22	9,621.00	-3,443.29	0.00	0.00	0.00	-14,804.51
3722 OFFICE EQUIPMENT - SOFTWARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3730 TRANSPORTATION EQUIPMENT	378,751.62	67,933.00	-133,065.17	19,629.00	0.00	0.00	333,248.45
3740 STORES EQUIPMENT	17,275.85	1,223.00	0.00	0.00	0.00	0.00	18,498.85
3750 LABORATORY EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3760 COMMUNICATION EQUIPMENT	44,588.70	175.00	0.00	0.00	0.00	0.00	44,763.70
3770 POWER OPERATED EQUIPMENT	9,008.64	3,587.00	0.00	0.00	0.00	0.00	12,595.64
3780 TOOLS, SHOP AND GARAGE EQUIP	35,448.43	4,512.00	0.00	0.00	0.00	0.00	39,960.43
3790 OTHER GENERAL PLANT	-584.59	291.00	0.00	0.00	0.00	0.00	-293.59
3900 OTHER TANGIBLE PROPERTY	623.99	0.00	0.00	0.00	0.00	0.00	623.99
3910 WATER PLANT PURCHASE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL PLANT	713,245.15	207,054.00	-136,508.46	19,629.00	0.00	0.00	803,419.69
GO PLANT ALLOCATION	676,237.88	183,042.19	-18,426.13	-727.83	0.00	-4,861.40	835,264.71
TOTAL DEPRECIATION	19,917,725.00	2,329,066.19	-251,009.75	22,477.13	-95,944.43	-4,861.40	21,917,452.74



ANNUAL REPORT FOR DEPRECIATION
Analysis of Depreciation Reserve - Account no 250

ACCOUNT	BEGIN BALANCE	PROVISIONS	RETIREMENT	SALVAGE	COST TO REMOVE	OTHER	END BALANCE
I. SOURCE OF SUPPLY PLANT							
3110 STRUCTURES AND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3120 COLLECTING AND IMPOUNDING RES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3130 LAKE, RIVER AND OTHER INTAKES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3140 SPRINGS AND TUNNELS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3150 WELLS	15,440.20	0.00	0.00	0.00	0.00	0.00	15,440.20
3160 SUPPLY MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3170 OTHER SOURCE OF SUPPLY PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL SOURCE OF SUPPLY PLANT	15,440.20	0.00	0.00	0.00	0.00	0.00	15,440.20
II. PUMPING PLANT							
3210 STRUCTURES AND IMPROVEMENTS	2,365.81	0.00	0.00	0.00	0.00	0.00	2,365.81
3220 BOILER PLANT EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3230 OTHER POWER PRODUCTION EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3240 PUMPING EQUIPMENT	17,230.83	0.00	-199.67	0.00	0.00	0.00	17,031.16
3250 OTHER PUMPING PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL PUMPING PLANT	19,596.64	0.00	-199.67	0.00	0.00	0.00	19,396.97
III. WATER TREATMENT PLANT							
3310 STRUCTURES AND IMPROVEMENTS	-88.75	0.00	0.00	0.00	0.00	0.00	-88.75
3320 WATER TREATMENT EQUIPMENT	-1,036.36	0.00	0.00	0.00	0.00	0.00	-1,036.36
TOTAL WATER TREATMENT PLANT	-1,125.11	0.00	0.00	0.00	0.00	0.00	-1,125.11
IV. TRANS AND DIST PLANT							
3410 STRUCTURES AND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3420 RESERVOIRS AND TANKS	5,870.75	0.00	-261.67	0.00	0.00	0.00	5,609.08
3421 TANK PAINTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3430 TRANS AND DIST MAINS	54,981.72	0.00	-455.50	0.00	0.00	0.00	54,526.22
3440 FIRE MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3450 SERVICES	14,412.03	0.00	-193.55	0.00	0.00	0.00	14,218.48
3460 METERS	1,237.57	0.00	0.00	0.00	0.00	0.00	1,237.57
3470 METER INSTALLATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3480 HYDRANTS	6,292.36	0.00	-614.59	0.00	-216.00	0.00	5,461.77
3490 OTHER TRANS AND DIST MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANS AND DIST PLANT	82,794.43	0.00	-1,525.31	0.00	-216.00	0.00	81,053.12
V. GENERAL PLANT							
3710 STRUCTURES AND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3720 OFFICE FURNITURE AND EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3721 OFFICE EQUIPMENT - COMPUTERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3722 OFFICE EQUIPMENT - SOFTWARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3730 TRANSPORTATION EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3740 STORES EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3750 LABORATORY EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3760 COMMUNICATION EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3770 POWER OPERATED EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3780 TOOLS, SHOP AND GARAGE EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3790 OTHER GENERAL PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3900 OTHER TANGIBLE PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3910 WATER PLANT PURCHASE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL DEPRECIATION	116,706.16	0.00	-1,724.98	0.00	-216.00	0.00	114,765.18

CHICO

SCHEDULE B-1

OPERATING REVENUES - CLASS A WATER

LN NO	ACCT NO	ACCOUNT (A)	OPERATING REVENUES - CLASS A WATER		INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	UTILITIES AMOUNT PRIOR YEAR (C)	
22		I. Water Service Revenues			
23	601	Metered Sales to General Customers			
24		601.1 Commercial Sales	6,952,272.98	6,274,130.92	678,142.06
25		601.2 Industrial Sales	141,964.97	126,592.79	15,372.18
26		601.3 Sales to Public Authorities	486,692.09	436,560.79	50,131.30
27		Sub-Total	<u>7,580,930.04</u>	<u>6,837,284.50</u>	<u>743,645.54</u>
28	602	Unmetered Sales to General Customers			
29		602.1 Commercial Sales	4,918,739.58	4,687,257.92	231,481.66
31		602.3 Sales to Public Authorities	2,057.52	2,055.04	2.48
32		Sub-Total	<u>4,920,797.10</u>	<u>4,689,312.96</u>	<u>231,484.14</u>
34	603	603.1 Metered Sales, Irrigation Customers	9,063.60	5,110.54	3,953.06
		Sub-Total	<u>9,063.60</u>	<u>5,110.54</u>	<u>3,953.06</u>
37	604	Private Fire Protection Service	146,617.51	136,691.86	9,925.65
38	605	Public Fire Protection Service	12,971.16	12,400.52	570.64
39	606	Sales To Other Water Utilities For Resale	0.00	0.00	0.00
42	609	Other Sales or Service	56,318.36	55,463.11	855.25
43		Sub-Total	<u>215,907.03</u>	<u>204,555.49</u>	<u>11,351.54</u>
44		Total Water Service Revenue	<u>12,726,697.77</u>	<u>11,736,263.49</u>	<u>990,434.28</u>
46		II. Other Water Revenues			
47	611	Miscellaneous Service Revenue	13,474.56	15,815.00	(2,340.44)
48	612	Rent From Water Property	0.00	0.00	0.00
50	614	Other Water Revenues	19,644.30	80,352.50	(60,708.19)
51		Total Other Water Revenues	<u>33,118.86</u>	<u>96,167.50</u>	<u>(63,048.63)</u>
52		Total Operating Revenues	<u>12,759,816.63</u>	<u>11,832,430.99</u>	<u>927,385.65</u>

SCHEDULE B-3

LN NO	ACCT NO	ACCOUNT (A)	OPERATING EXPENSE - CLASS A, B, AND C WATER		UTILITIES	INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)		
1		I. Source of Supply Expense				
2		Operation				
3	701	Operation Supervision and Engineering	47,750.54	47,228.73		521.81
5	702	Operation Labor and Expense	46,491.48	56,340.24		(9,848.76)
6	703	Miscellaneous Expense	119.20	0.00		119.20
7	704	Purchased Water	0.00	0.00		0.00
8		Maintenance				
9	706	Maint. Supervision and Engineering	0.00	0.00		0.00
11	707	Maint. Of Structures and Improvements	0.00	0.00		0.00
12	708	Maint. Of Reservoirs	0.00	0.00		0.00
14	709	Maint. Of Lake, River other Intakes	0.00	0.00		0.00
15	710	Maint. Of Springs and Tunnels	0.00	0.00		0.00
16	711	Maint. Of Wells	6,677.32	11,421.76		(4,744.44)
17	712	Maint. Of Supply Mains	0.00	0.00		0.00
18	713	Maint. Of Other Source of Supply Plant	0.00	0.00		0.00
19		Total Source of Supply Expenses	101,038.54	114,990.73		(13,952.19)
20		II. Pumping Expenses				
21		Operation				
22	721	Operation Supervision and Engineering	44,471.49	41,512.89		2,958.60
24	722	Power Production Labor and Expenses	0.00	0.00		0.00
26	723	Fuel For Power Production	0.00	0.00		0.00
27	724	Pumping Labor and Expenses	240,880.22	237,727.77		3,152.45
28	725	Miscellaneous Expenses	143,316.22	141,497.47		1,818.75
29	726	Fuel or Power Purchased For Pumping	1,727,933.88	1,568,971.76		158,962.12
30		Maintenance				
31	729	Maint. Supervision and Engineering	4,185.84	1,813.71		2,372.13
33	730	Maint. Of Structures and Improvements	9,016.52	19,198.64		(10,182.12)
34	731	Maint. Of Power Production Equipment	0.00	0.00		0.00
35	732	Maint. Of Pumping Equipment	114,059.17	124,668.58		(10,609.41)
36	733	Maint. Of Other Pumping Equipment	0.00	0.00		0.00
37		Total Pumping Expenses	2,283,863.34	2,135,390.82		148,472.52
38		III. Water Treatment Expenses				
39		Operation				
40	741	Operation Supervision and Engineering	8,130.94	8,302.32		(171.38)
42	742	Operation Labor and Expenses	82,759.86	71,187.10		11,572.76
43	743	Miscellaneous Expenses	2,355.13	6,355.74		(4,000.61)
44	744	Chemicals and Filtering Materials	99,736.15	87,478.26		12,257.89
45		Maintenance				
46	746	Maint. Supervision and Engineering	0.00	0.00		0.00
48	747	Maint. Of Structures and Improvements	0.00	0.00		0.00
49	748	Maint. Of Water Treatment Equipment	63,093.60	72,905.26		(9,811.66)
50		Total Water Treatment Expenses	256,075.68	246,228.68		9,847.00

LN NO	ACCT NO	ACCOUNT (A)	OPERATING EXPENSE - CLASS A, B, AND C WATER		INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	
1		IV. Transmission and Distribution Expenses			
2		Operation			
3	751	Operation Supervision and Engineering	69,668.30	67,088.54	2,579.76
5	752	Storage Facilities Expenses	25,454.37	31,119.60	(5,665.23)
7	753	Transmission and Distribution Lines	238,258.11	215,155.33	23,102.78
8	754	Meter Expenses	82,870.82	88,832.19	(5,961.37)
9	755	Customer Installation Expenses	49,017.09	44,787.89	4,229.20
10	756	Miscellaneous	157,227.54	146,554.57	10,672.97
11		Maintenance			
12	758	Maint. Supervision and Engineering	14,230.71	14,527.44	(296.73)
14	759	Maint. Of Structures and Improvements	0.00	0.00	0.00
15	760	Maint. Of Reservoirs and Tanks	9,446.53	4,548.10	4,898.43
16	761	Maint. Of Transmission and Distribbut. Mains	129,285.61	119,281.03	10,004.58
18	762	Maint. Of Fire Mains	0.00	0.00	0.00
19	763	Maint. Of Services	188,851.41	179,914.70	8,936.71
21	764	Maint. Of Meters	50,391.53	36,122.56	14,268.97
22	765	Maint. Of Hydrants	38,537.81	32,757.51	5,780.30
23	766	Maint. Of Miscellaneous Plant			0.00
24		Total Transmission and Distribution Exp.	1,053,239.83	980,689.46	72,550.37
25		V. Customer Account Expenses			
26		Operation			
27	771	Supervision	26,833.23	24,014.30	2,818.93
29	772	Meter Reading Expenses	143,008.84	134,902.02	8,106.82
30	773	Customer Records and Collection Expenses	540,956.20	467,026.30	73,929.90
32	774	Miscellaneous Customer Accounting Expenses	142,611.71	147,736.55	(5,124.84)
33	775	Uncollectible Accounts	23,782.43	22,697.95	1,084.48
34		Total Customer Accounts Expense	877,192.41	796,377.12	80,815.29
35		VI. Sales Expenses			
36		Operation			
37	781	Supervision			
39	782	Demonstration and Selling Expenses			
40	783	Advertising Expenses			
41	784	Miscellaneous Sales Expenses			
42	785	Merchandising, Jobbing and Contract Work			
43		Total Sales Expenses	0.00	0.00	0.00

SCHEDULE B-2

OPERATING EXPENSE - CLASS A, B, AND C WATER

UTILITIES (CONCLUDED)

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
1		VII. Administrative And General Expenses			
2		Operation			
3	791	Administrative and General Salaries	0.00	0.00	0.00
5	792	Office Supplies and Other Expenses	44,874.12	35,658.56	9,215.56
6	793	Property Insurance	9,256.04	7,266.48	1,989.56
7	794	Injuries and Damages	130,059.41	135,384.66	(5,325.25)
8	795	Employees Pensions and Benefits	238,078.59	219,954.91	18,123.68
9	796	Franchise Requirements	0.00	0.00	0.00
11	797	Regulatory Commission Expenses	179,966.28	163,505.62	16,460.66
12	798	Outside Service Employed	4,618.50	278.13	4,340.37
14	799	Miscellaneous General Expense	13,762.85	10,512.16	3,250.69
15		Maintenance			
16	805	Maintenance of General Plant	18,559.67	23,480.88	(4,921.21)
17		Total Administrative and General Expenses	639,175.46	596,041.40	43,134.06
18		VIII. Miscellaneous			
19	811	Rents	579.25	562.38	16.87
20	812	Admin. Exp. Transferred	(76,065.13)	(64,645.96)	(11,419.17)
20		Admin. Exp. Transferred - General Office	2,325,436.86	2,092,966.49	232,470.37
21	813	Duplicate Charges - CR	0.00	0.00	0.00
22		Total Miscellaneous	2,249,950.98	2,028,882.91	221,068.07
23		Total Operating Expenses	7,460,536.24	6,898,601.12	561,935.12

Chico

SCHEDULE B-4
Taxes Charged During Year

Kind of Tax (A)	Total Taxes Charged During Year (B)	Water	Nonutility	Other	Capitalized (F)
		(Account 507) (C)	(Account 5270) (D)	(Account 5371) (E)	
Real and Property Taxes	294,181.57	294,181.57	0.00		
State corporate franchise tax	148,737.17	148,737.17			
State unemployment insurance tax	8,736.00	7,772.64			963.36
Other state and local taxes	28,443.00	28,443.00			
Federal unemployment insurance tax	2,184.00	1,943.19			240.81
Federal insurance contributions act	157,458.83	136,668.33			20,790.50
Other federal taxes					
Federal income tax	721,129.39	721,129.39			
General Office Allocation	87,274.70	87,274.70			
Total	1,448,144.66	1,426,149.99	0.00	0.00	21,994.67

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

Line No.	STREAMS			FLOW IN ... (Unit) ²				Annual Quantities Diverted (Unit) ²	Remarks
	Diverted Into ¹	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
Claim				Capacity	Max	Min			
1									
2									
3									
4									
5									
6									
7									
8	WELLS				Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks		
9	At Plant (Name or Number)	Location	Number	Diversions					
10					³ Depth in Water (Unit) ²				
11									
12									
13									
14									
15									
16									
17	TUNNELS AND SPRINGS			FLOW IN (Unit) ²		Annual Quantities Used (Unit) ²	Remarks		
18	Designation	Location	Number	Maximum	Minimum				
19									
20									
21									
22									
23									
24									
25									
26	Purchased Water for Resale								
27									
28									
29	Purchased from								
30	Annual quantities purchased				(Unit chosen) ²				
31									
32									

¹ State ditch, pipe line, reservoir, etc., with name, if any.
² The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic foot; in domestic use the thousand gallons 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.
³ Average depth to water surface below ground surface.

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

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
33	A. Collecting Reservoirs			
34	Concrete			
35	Earth			
36	Wood			
37	B. Distribution Reservoirs			
38	Concrete			
39	Earth			
40	Wood			
41	C. Tanks			
42	Concrete			
43	Earth			
44	Wood			
45	Steel			
	Total			

CHICO - HAMILTON CITY DISTRICT**WELL PRODUCTION - YEAR 2006****SCHEDULE D-1**

<u>LOCATION</u>	<u>UNIT NO.</u>	<u>I.D. SIZE INCHES</u>	<u>DEPTH (FEET)</u>	<u>2006 M.G.</u>	<u>2006 A.F.</u>	<u>HOURS</u>
Third & Orient	1-04	10-8	499	0.1	0.2	22
Second Street & Cherry	3-03	12-10	607	0.0	0.0	24
Seventh Street & Sycamore	4-02	16	764	0.0	0.0	
Locust & 16th Street	5-02	16	507	20.0	61.3	
Tenth Street E/O Linden	7-04	20-16-10	502	128.4	394.0	2,827
Sixth Avenue & Esplanade	8-01	16-14	777	54.6	167.5	1,095
Fifth Street & Olive	9-02	20-16-12	572	0.0	0.0	
16th Street & Salem	11-01	20-16-12	555	9.4	28.8	251
First Avenue opposite Arbutus	12-01	20-16-12	550	124.0	380.5	3,398
12th Street & Chestnut Street	13-01	16-10	500	0.0	0.0	0
Spruce Avenue near Eighth Avenue	14-01	16-10	495	100.2	307.4	3,284
Deveney N/O Dayton	15-01	16-10	656	0.0	0.0	0
Sherman S/O Fifth	16-01	16-10	550	430.4	1,320.9	8,494
Iriquois N/O 11th Avenue	17-01	16-10	612	153.1	470.0	3,801
Fir St. Bet. E. 8th & E. 9th	18-01	16-10	578	64.5	198.0	1,592
Cohasset Road	19-01	16-10	597	102.0	313.1	2,021
Bryant N/O Vallombrosa	20-01	16-10	600	184.8	567.2	4,708
Citrus Ave. S/O Sixth Ave.	21-01	16-10	630	299.9	920.5	7,471
Montclair Dr. N/O Manzanita	22-01	20-16-10	600	123.2	378.0	3,250
Humboldt Road opposite Orient	23-01	16-10	689	15.2	46.7	327
East Lindo Ave. W/O Longfellow	24-01	20-16-10	601	285.2	875.2	8,314
Cohasset Road N/O East Street	25-01	20-16	616	120.9	371.1	2,558
Larch St. N/O Vallombrosa Ave.	26-01	16	778	294.4	903.6	8,649
Lassen Ave. NE/O Highway 99	27-01	20-16	661	46.0	141.2	811
Madrone St. & Hawthorne Ave.	28-01	20-16	746	173.6	532.9	5,013
Neal Dow Avenue & Lindo Avenue	29-01	16	590	38.1	116.9	856
White Ave. S/O Cabrillo Drive	30-01	16	764	83.7	256.9	1,456
East Ave. E/O Ceres Ave.	31-01	16	678	180.7	554.5	4,178
East Ave. E/O Mariposa	32-01	16	832	138.2	424.0	3,143
Hooker Oak Ave. E/O Juniper	33-01	16	740	4.1	12.6	279
East First Ave. & Sheridan	34-01	16	718	63.9	196.1	1,264
SW corner of 20th & C Streets	35-01	16	922	230.1	706.3	5,832
Lupin Ave. E/O North Ave.	37-01	16	827	198.7	609.9	4,121
1077 Palmetto	38-01	16	784	120.0	368.3	3,155
Modoc Drive S/O Kern Street	39-01	16	757	287.1	881.2	6,205
End of Reed Park Drive	40-01	16	500	0.0	0.0	0
Morrow Lane, Skyway Park Sub.	41-01	14-12	590	34.7	106.6	641
Off Rose Avenue	42-01	16	520	82.3	252.7	1,860
Airport System	44-01	14-12-10	428	49.5	151.8	1,310
	45-01			ABANDONED		
Seventh & Hickory	46-01	16	470	233.8	717.5	7,355

CHICO - HAMILTON CITY DISTRICT**WELL PRODUCTION - YEAR 2006****SCHEDULE D-1**

<u>LOCATION</u>	<u>UNIT NO.</u>	<u>I.D. SIZE INCHES</u>	<u>DEPTH (FEET)</u>	<u>2006 M.G.</u>	<u>2006 A.F.</u>	<u>HOURS</u>
Guyann Ave. S/O St. Clair Drive	47-01	16	524	152.2	467.2	3,100
Lassen Avenue	48-01	16	500	85.6	262.6	1,564
Manzanita Ave. E/O Cactus Ave.	49-01	16	500	276.4	848.4	5,834
Bruce Rd. W/S-S/E 8th Street	50-01	16	590	160.0	491.0	2,958
West 22nd St., 400' W/O Park	51-01	16	528	91.8	281.9	1,663
Alba Avenue	52-01	16	500	95.6	293.4	1,594
East side of Notre Dame Blvd.	53-01	16	500	432.9	1,328.4	8,642
East end Vermillion Circle	54-01	16	500	245.4	753.2	4,122
West End of Willowbrook Way	55-01	16	521	0.0	0.0	
Silverbell Ave. S/W side N/W Cimarron	56-01	16	504	49.0	150.3	866
Springfield Drive	57-01	16	505	228.8	702.3	4,154
Morseman Ave. & Sandi Drive	58-01	16	560	0.0	0.0	
Sacramento Ave. & St. Amant	59-01	16	520	83.4	255.8	1,466
N/O E. 20th Street, W/O Troutman's	61-01	16	560	306.2	939.6	5,966
North side Eaton Rd. S/O Ceres Ave.	62-01	16	600	340.9	1,046.1	7,216
Shasta Avenue	63-01	16	560	70.8	217.4	1,444
297' E/O Maurauder St. N/O Ryan Ave.	64-01	16	560	99.1	304.0	2,208
Picholine Way	65-01	16	570	294.9	905.1	4,290
Yosemite & Idyltwild Dr.	67-01	16	600	220.5	676.8	2,828
West Sacramento Ave.	68-01	16	570	160.6	492.8	2,381
Lot A57 Newport Drive-Prairie Creek	69-01	20	640	164.6	505.2	2,533
1768 East Avenue	70-01	N/A	N/A	472.5	1,450.1	8,590
NW corner of Flying V St. & La Rocca Dr.	71-01	16		424.0	1,301.2	4,983
	72-01	n/a	n/a	527.5	1,618.9	7,836
SUBTOTAL	64			9,457.8	29,024.8	
PURCHASED WATER - LEASED WELL						
Location Cemetary	<u>C-Well</u>			84.5	259.5	
	1					
LOCATION - HAMILTON CITY						
First & Waish Streets	1-01	14-12	306	71.1	218.3	3,187
Fifth & Broadway	2-01	12	226	66.6	204.5	1,821
Fifth & Broadway	2-02	12	220	62.0	190.2	2,355
SUBTOTAL	3			199.7	613.0	
TOTAL				199.7	872.5	
GRAND TOTAL	68			9,742.1	29,897.2	

CALIFORNIA WATER SERVICE COMPANY

CHICO - HAMILTON CITY DISTRICT

STORAGE FACILITIES - DECEMBER 31, 2006

SCHEDULE D - 2

<u>LOCATION</u>	<u>DESIGNATION</u>	<u>FILLED FROM WHAT SOURCE</u>	<u>TYPE</u>	<u>CAPACITY (1000 gal)</u>
<u>Chico Area</u>				
Orient St. near First	Sta. 001-Tank 1	Wells	Elevated Steel	100 D
do.	Sta. 001-Tank 2	"	"	150 D
Second and Cherry	Sta. 003-Tank 4	"	"	300 D
Sixth Ave. near Esplanade	Sta. 008-Tank 3	"	"	300 D
California Park	Sta. 066-Tank 5	"	Steel	500 D
	Sta. 074-Tank 1	"	"	500 D
	Sta. 066-Tank 2	"	"	500 D
			Total	<u>2,350</u>
<u>Hamilton City Area</u>				
First and Walsh	Sta. 001-Tank 1	Wells	Elevated Steel	25 D
			Total	<u>25</u>
			Hamilton City Area	
	<u>8</u>	Total Chico - Hamilton City District		2,375

D - Distribution

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								
3	Lined conduit								
4									
5	Totals								

NOT APPLICABLE

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								
8	Lined conduit								
9									
10	Totals								

NOT APPLICABLE

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
11	Cast Iron								
12	Cast iron (cement lined)								
13	Concrete								
14	Copper								
15	Riveted Steel								
16	Standard Screw								
17	Screw or Welded Casing								
18	Cement - Asbestos								
19	Welded Steel								
20	Wood								
21	Other (specify)								
22	Totals								

SEE ATTACHED SCHEDULE

B. Footages of Pipe by Inside Diameters in Inches - Not including Service Piping - (Concluded)

Line No.		8	10	12	14	16	20	Other Sizes (Specify Sizes)	Total All Sizes
23	Cast Iron								
24	Cast Iron (cement lined)								
25	Concrete								
26	Copper								
27	Riveted Steel								
28	Standard Screw								
29	Screw or Welded Casing								
30	Cement - Asbestos								
31	Welded Steel								
32	Wood								
33	Other (specify)								
34	Totals								

SEE ATTACHED SCHEDULE



California Water Service Company
Supply And Distribution Mains

Run Date: March 1, 2007

12/31/2006

CWPLNTMS.RPT

Department: CHICO

Pipe Size	Asbestos Cement	Cast Iron	Concrete Cylinder	Copper Tubing	Steel Standard	Steel Cement Lined	Steel Other	Ductile Iron	Plastic Pipe	Total
3/4"				84	1,379		0		0	1,463
1"				376	96		0		0	472
1 - 1/4"					285					285
1-1/2"		0	0		240		0		0	240
2"		13,299		0	9,435		0		0	22,734
2-3/8"							0			0
2-1/2"					1,953		0			1,953
3"		0			0		0		0	0
3-1/2"					0		0		0	0
4"	20,708	44,544	0		4,798	5,092	12,842	934	80	88,998
4-1/2"							0			0
5"					0		4,410			4,410
5 - 1/2"										0
6"	391,138	62,391			5,591	7,212	45,104	60,206	111,099	682,741
7"					0		0			0
8"	413,532	45,909			1,652	7,467	9,414	98,475	230,800	807,249
9"					0		0			0
10"	14,196	19,993			0		0	1,146	0	35,335
10-3/4"					0		0			0
12"	87,908	5,591	0		315	2,687	0	111,794	615	208,910
12-3/4"					0					0
14"	0	1,250			0		0	0	0	1,250
15"			0							0
16"	0	0			0		0	0	0	70
17"					0		0	0	0	0
18"	0				0		70			0
19"					0		0	0		0
20"	0	0			0		0	0		0
21"										0
22"										0
24"							0	0		0
26"							0			0
27"										0
30"								0		0
33"										0
36"								0		0
37"										0
42"							0			0
Total	927,482	192,977	0	460	25,744	22,458	71,840	272,555	342,594	1,856,110

CHICO

SCHEDULE D-5

**Number of Meters and Services
on Pipe Systems at End of Year**

Size	Meters	Services
5/8 -in.	11123	
3/4 - in.		12869
1 - in.	3152	13072
1 1/4 - in.		
1 1/2 - in.	372	47
2 - in.	1021	1502
2 1/2 - in.		
3 - in.	109	2
4 - in.	39	220
5 - in.		
6 - in.	8	168
8 - in.		55
10 - in.		5
12 - in.		
16 - in.		
18 - in.		
other		
misc		
Totals	15824	15071

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. Used, before repair	
3. Used, after repair	45
4. Found fast, requiring billing adjustment	
B. Number of Meters in Service Since Last Test	
1. Ten Years or Less	11,031
2. More than 10, but less than 15 years	2,606
3. More than 15 years	2,863

Chico		SCHEDULE D-7							Water Delivered to Metered Customers by Months and Years in 100,000 CuFt (Units Chosen)		
Classification Of Service	During Current Year							Total	Total Prior Yr		
	Jan	Feb	Mar	Apr	May	Jun	Sub-total				
Commercial	302	293	304	302	458	775	2434				
Industrial	15	12	13	14	14	19	87				
Public Authority	13	28	16	17	28	55	157				
Irrigation					1	1					
Other (specify)	3	1	1	0	1	1	7				
Total	333	334	334	333	502	851	2685				
Classification Of Service	During Current Year							Total	Total Prior Yr		
	Jul	Aug	Sep	Oct	Nov	Dec	Sub-total				
Commercial	931	880	975	717	538	359	4400	6834	5951		
Industrial	21	19	21	18	16	13	108	195	183		
Public Authority	61	64	74	55	34	18	306	463	435		
Irrigation	2	2	2								
Other (specify)	2	2	6	3	5	2	20	27	36		
Total	1017	967	1078	793	593	392	4834	7519	6605		
Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated: Total Population Served: 119,625											

END OF YEAR BALANCES IN SELECTED ACCOUNTS

Indicate the end of year balances shown in the district's accounting records for the following accounts:

131. Materials and supplies on hand	(G)	7,199.37
		225,949.61
100.3. Construction work in progress	(G)	378,662.09
		857,767.08
241. Advances for construction		-24,621,791.70
265. Contributions in aid of construction		-8,326,300.74

(G) General Office Allocation

SIGNATURE

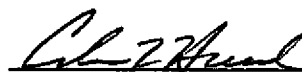
District Management

Name of District Manager Mike Pembroke

Address 2222 Dr. Martin Luther King Jr. Parkway, Chico, CA 95928 Telephone 530-895-8486

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2006 to December 31, 2006.

Chico



Signature

Controller

Title

MAR 26 2007

Date

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