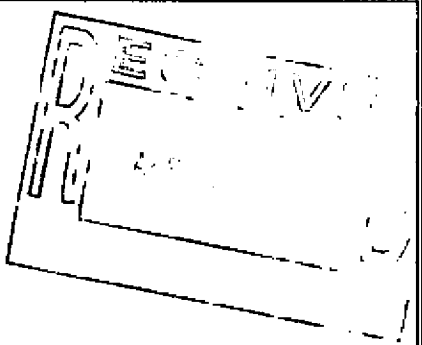


Received _____

Examined _____



U# _____

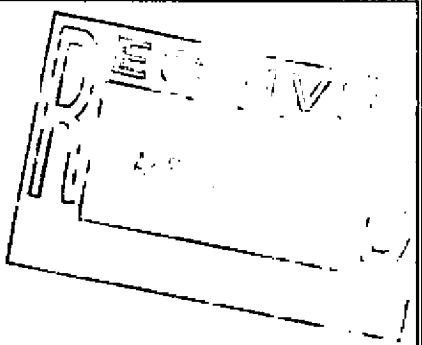
2005
 ANNUAL REPORT
 OF
 DISTRICT WATER SYSTEM OPERATIONS
 OF
 CALIFORNIA WATER SERVICE COMPANY
 1720 North First Street
 SAN JOSE, CALIFORNIA 95112-4598

Name of District: General Office Location: San Jose Santa Clara
 (TOWN OR CITY) (County)

TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE
 YEAR ENDED DECEMBER 31, 2005

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2006
 (FILE TWO COPIES IF THREE RECEIVED)

Received	_____
Examined	_____



U# _____

2005
 ANNUAL REPORT
 OF
 DISTRICT WATER SYSTEM OPERATIONS
 OF
 CALIFORNIA WATER SERVICE COMPANY
 1720 North First Street
 SAN JOSE, CALIFORNIA 95112-4598

Name of District: General Office Location: San Jose Santa Clara
(TOWN OR CITY) (County)

TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE
 YEAR ENDED DECEMBER 31, 2005

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2006
 (FILE TWO COPIES IF THREE RECEIVED)



Report ID: CW_W405-
 Business Unit:
 Department: General Office

ANALYSIS OF UTILITY PLANT
December/31/2005

Page No. 52
 Run Date: 3/13/2006
 Run Time: 3:24:12 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	10,848.59				10,848.59
302	FRANCHISES AND CONSENTS	0.00				0.00
303	OTHER INTANGIBLE PLANT	301,608.52				301,608.52
	TOTAL INTANGIBLE PLANT	312,457.11				312,457.11
II. LAND PLANT						
306	LAND AND LAND RIGHTS	415,573.84				415,573.84
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	0.00				0.00
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3211	PAVEMENT	0.00				0.00
324	PUMPING EQUIPMENT	15,160.91				15,160.91
325	OTHER PUMPING PLANT	1,049,108.92				1,049,108.92
	TOTAL PUMPING PLANT	1,064,269.83				1,064,269.83
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	0.00				0.00
332	WATER TREATMENT EQUIPMENT	18,830.59				18,830.59
	TOTAL WATER TREATMENT PLANT	18,830.59				18,830.59
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	0.00				0.00
3421	TANK PAINTING	0.00				0.00
343	TRANS AND DIST MAINS	0.00				0.00
344	FIRE MAINS	0.00				0.00
345	SERVICES	0.00				0.00
346	METERS	0.00				0.00
348	HYDRANTS	0.00				0.00
	TOTAL TRANS AND DIST PLANT	0.00				0.00
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	8,837,800.81	890,297.66	-9,747.29	1,281.26	9,719,632.44
3711	PAVEMENT	507,411.20	67,004.19			574,415.39
3720	OFFICE FURNITURE AND EQUIPMENT	2,108,230.30	287,297.14		19,060.37	2,414,587.81
3721	OFFICE EQUIPMENT - COMPUTERS	8,808,161.23	2,517,932.28	-340,726.85	49,312.24	11,034,678.90
3722	COMPUTER SOFTWARE	10,001,692.21	2,555,972.32		-29,262.48	12,528,402.05
373	TRANSPORTATION EQUIPMENT	2,065,414.61	635,332.61	-113,339.52		2,587,407.70
374	STORES EQUIPMENT	12,455.26				12,455.26
375	LABORATORY EQUIPMENT	1,106,514.69	56,369.20	-120,952.02		1,041,931.87
376	COMMUNICATION EQUIPMENT	152,717.92	3,021.00		7,199.90	162,938.82
377	POWER OPERATED EQUIPMENT	5,566.64				5,566.64
378	TOOLS, SHOP AND GARAGE EQUIP	1,016,146.47	68,908.69	-13,188.22	8,915.68	1,080,782.62
379	OTHER GENERAL PLANT	26,942.86	89,924.99	-625.78		116,242.07
	TOTAL OTHER GENERAL PLANT	34,649,054.20	7,172,060.08	-598,579.68	56,506.97	41,279,041.57
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	513.00				513.00
	DIST GO PLANT ALLOCATION	-34,985,863.31	-6,881,950.25	574,367.13	-54,221.26	-41,347,667.69
	OTHER GO PLANT ALLOCATION	-1,474,835.26	-290,109.83	24,212.55	-2,285.71	-1,743,018.25
	TOTAL UNDISTRIBUTED ITE	-36,460,185.57	-7,172,060.08	598,579.68	-56,506.97	-43,090,172.94
	TOTAL UTILITY PLANT IN SERVICE	0.00				0.00



Report ID: CW_W405-
 Business Unit:
 Department: Engineering

ANALYSIS OF UTILITY PLANT December/31/2005

Page No. 55
 Run Date: 3/8/2006
 Run Time: 3:35:55 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	0.00				0.00
	TOTAL INTANGIBLE PLANT	0.00				0.00
II. LAND PLANT						
306	LAND AND LAND RIGHTS	0.00				0.00
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	0.00				0.00
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3211	PAVEMENT	0.00				0.00
324	PUMPING EQUIPMENT	0.00				0.00
325	OTHER PUMPING PLANT	0.00				0.00
	TOTAL PUMPING PLANT	0.00				0.00
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	0.00				0.00
332	WATER TREATMENT EQUIPMENT	0.00				0.00
	TOTAL WATER TREATMENT PLANT	0.00				0.00
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	0.00				0.00
3421	TANK PAINTING	0.00				0.00
343	TRANS AND DIST MAINS	0.00				0.00
344	FIRE MAINS	0.00				0.00
345	SERVICES	0.00				0.00
346	METERS	0.00				0.00
348	HYDRANTS	0.00				0.00
	TOTAL TRANS AND DIST PLANT	0.00				0.00
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	0.00	1,281.26		-1,281.26	0.00
3711	PAVEMENT	0.00				0.00
3720	OFFICE FURNITURE AND EQUIPMENT	0.00	18,398.95		-18,398.95	0.00
3721	OFFICE EQUIPMENT - COMPUTERS	0.00				0.00
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	0.00				0.00
374	STORES EQUIPMENT	0.00				0.00
375	LABORATORY EQUIPMENT	0.00				0.00
376	COMMUNICATION EQUIPMENT	0.00	7,199.90		-7,199.90	0.00
377	POWER OPERATED EQUIPMENT	0.00				0.00
378	TOOLS, SHOP AND GARAGE EQUIP	0.00	8,915.68		-8,915.68	0.00
379	OTHER GENERAL PLANT	0.00				0.00
	TOTAL OTHER GENERAL PLANT	0.00	35,795.79		-35,795.79	0.00
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITE	0.00				0.00
	TOTAL UTILITY PLANT IN SERVICE	0.00	35,795.79		-35,795.79	0.00



Report ID: CW_W405-
 Business Unit:
 Department: Water Quality

ANALYSIS OF UTILITY PLANT December/31/2005

Page No. 56
 Run Date: 3/8/2006
 Run Time: 3:35:55 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	0.00				0.00
	TOTAL INTANGIBLE PLANT	0.00				0.00
II. LAND PLANT						
306	LAND AND LAND RIGHTS	0.00				0.00
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	0.00				0.00
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3211	PAVEMENT	0.00				0.00
324	PUMPING EQUIPMENT	0.00				0.00
325	OTHER PUMPING PLANT	0.00				0.00
	TOTAL PUMPING PLANT	0.00				0.00
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	0.00				0.00
332	WATER TREATMENT EQUIPMENT	0.00				0.00
	TOTAL WATER TREATMENT PLANT	0.00				0.00
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	0.00				0.00
3421	TANK PAINTING	0.00				0.00
343	TRANS AND DIST MAINS	0.00				0.00
344	FIRE MAINS	0.00				0.00
345	SERVICES	0.00				0.00
346	METERS	0.00				0.00
348	HYDRANTS	0.00				0.00
	TOTAL TRANS AND DIST PLANT	0.00				0.00
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3711	PAVEMENT	0.00				0.00
3720	OFFICE FURNITURE AND EQUIPMENT	0.00				0.00
3721	OFFICE EQUIPMENT - COMPUTERS	0.00	5,240.35		-5,240.35	0.00
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	0.00				0.00
374	STORES EQUIPMENT	0.00				0.00
375	LABORATORY EQUIPMENT	0.00				0.00
376	COMMUNICATION EQUIPMENT	0.00				0.00
377	POWER OPERATED EQUIPMENT	0.00				0.00
378	TOOLS, SHOP AND GARAGE EQUIP	0.00				0.00
379	OTHER GENERAL PLANT	0.00				0.00
	TOTAL OTHER GENERAL PLANT	0.00	5,240.35		-5,240.35	0.00
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITE	0.00				0.00
	TOTAL UTILITY PLANT IN SERVICE	0.00	5,240.35		-5,240.35	0.00



Report ID: CW_W405-
 Business Unit:
 Department: Information Systems

ANALYSIS OF UTILITY PLANT December/31/2005

Page No. 57
 Run Date: 3/8/2006
 Run Time: 3:35:55 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	0.00				0.00
	TOTAL INTANGIBLE PLANT	0.00				0.00
II. LAND PLANT						
306	LAND AND LAND RIGHTS	0.00				0.00
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	0.00				0.00
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3211	PAVEMENT	0.00				0.00
324	PUMPING EQUIPMENT	0.00				0.00
325	OTHER PUMPING PLANT	0.00				0.00
	TOTAL PUMPING PLANT	0.00				0.00
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	0.00				0.00
332	WATER TREATMENT EQUIPMENT	0.00				0.00
	TOTAL WATER TREATMENT PLANT	0.00				0.00
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	0.00				0.00
3421	TANK PAINTING	0.00				0.00
343	TRANS AND DIST MAINS	0.00				0.00
344	FIRE MAINS	0.00				0.00
345	SERVICES	0.00				0.00
346	METERS	0.00				0.00
348	HYDRANTS	0.00				0.00
	TOTAL TRANS AND DIST PLANT	0.00				0.00
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3711	PAVEMENT	0.00				0.00
3720	OFFICE FURNITURE AND EQUIPMENT	0.00				0.00
3721	OFFICE EQUIPMENT - COMPUTERS	0.00				0.00
3722	COMPUTER SOFTWARE	0.00	14,809.41		-14,809.41	0.00
373	TRANSPORTATION EQUIPMENT	0.00				0.00
374	STORES EQUIPMENT	0.00				0.00
375	LABORATORY EQUIPMENT	0.00				0.00
376	COMMUNICATION EQUIPMENT	0.00				0.00
377	POWER OPERATED EQUIPMENT	0.00				0.00
378	TOOLS, SHOP AND GARAGE EQUIP	0.00				0.00
379	OTHER GENERAL PLANT	0.00				0.00
	TOTAL OTHER GENERAL PLANT	0.00	14,809.41		-14,809.41	0.00
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITE	0.00				0.00
	TOTAL UTILITY PLANT IN SERVICE	0.00	14,809.41		-14,809.41	0.00



Report ID: CW_W405-
 Business Unit:
 Department: Operations

ANALYSIS OF UTILITY PLANT
December/31/2005

Page No. 58
 Run Date: 3/8/2006
 Run Time: 3:35:55 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	0.00				0.00
	TOTAL INTANGIBLE PLANT	0.00				0.00
II. LAND PLANT						
306	LAND AND LAND RIGHTS	0.00				0.00
III. SOURCE OF SUPPLY PLANT						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	0.00				0.00
	TOTAL SOURCE OF SUPPLY PLANT	0.00				0.00
IV. PUMPING PLANT						
321	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3211	PAVEMENT	0.00				0.00
324	PUMPING EQUIPMENT	0.00				0.00
325	OTHER PUMPING PLANT	0.00				0.00
	TOTAL PUMPING PLANT	0.00				0.00
V. WATER TREATMENT PLANT						
331	STRUCTURES AND IMPROVEMENTS	0.00				0.00
332	WATER TREATMENT EQUIPMENT	0.00				0.00
	TOTAL WATER TREATMENT PLANT	0.00				0.00
VI. TRANS AND DIST PLANT						
341	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3411	PAVEMENT	0.00				0.00
342	RESERVOIRS AND TANKS	0.00				0.00
3421	TANK PAINTING	0.00				0.00
343	TRANS AND DIST MAINS	0.00				0.00
344	FIRE MAINS	0.00				0.00
345	SERVICES	0.00				0.00
346	METERS	0.00				0.00
348	HYDRANTS	0.00				0.00
	TOTAL TRANS AND DIST PLANT	0.00				0.00
VII. GENERAL PLANT						
371	STRUCTURES AND IMPROVEMENTS	0.00				0.00
3711	PAVEMENT	0.00				0.00
3720	OFFICE FURNITURE AND EQUIPMENT	0.00	661.42		-661.42	0.00
3721	OFFICE EQUIPMENT - COMPUTERS	0.00				0.00
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	0.00				0.00
374	STORES EQUIPMENT	0.00				0.00
375	LABORATORY EQUIPMENT	0.00				0.00
376	COMMUNICATION EQUIPMENT	0.00				0.00
377	POWER OPERATED EQUIPMENT	0.00				0.00
378	TOOLS, SHOP AND GARAGE EQUIP	0.00				0.00
379	OTHER GENERAL PLANT	0.00				0.00
	TOTAL OTHER GENERAL PLANT	0.00	661.42		-661.42	0.00
VIII. UNDISTRIBUTED ITEMS						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITE	0.00				0.00
	TOTAL UTILITY PLANT IN SERVICE	0.00	661.42		-661.42	0.00

SCHEDULE A-3

GENERAL OFFICE

Depreciation and Amortization Reserves

2005

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				30,807.44	0.00	1,538.33	
2	Add: Credits to reserves during year							
3	a) Charged to account No. 503	(G)	(2,230,703.31)					
			2,230,703.31					
4	b) Charged to account No. 265		0.00					
5	c) Charged to clearing accounts	(G)	(609,633.41)					
			609,633.41					
6	d) Salvage recovered	(G)	0.00					
			0.00					
7	e) All other credits	(G)	0.00					
			0.00	(B)	25,110.31		(1,538.33)	
8	Total Credits		0.00		25,110.31		(1,538.33)	
9	Deduct: Debits to reserves during year							
10	a) Book cost of property retires	(G)	0.00					
			0.00					
11	b) Cost of removal	(G)	0.00					
			0.00					
12	c) All other debits	(G)	0.00			(C)	0.00	
			0.00					
13	Total Debits		0.00				0.00	
14	Balances in reserves at end of year		0.00		55,917.75	0.00	0.00	
15	State method of determining depreciation charges: Straight Line Remaining Life Method & Liberalized							
16	(A) Depreciation on Intracompany transfers (B) Amortization charged to 504 (G) General Office Allocation							
17	(C) Amortization charged to 537							
18	Report depreciation in Federal Tax Return for year:		2,184,633.00					
19	Indicate nature of these items and accounts affected							
20	(See Schedule A-3a opposite)							

General Office

SCHEDULE B-1

OPERATING REVENUES - CLASS A WATER

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	UTILITIES AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
22		I. Water Service Revenues			
23	601	Metered Sales to General Customers			
24		601.1 Commercial Sales	0.00	0.00	0.00
25		601.2 Industrial Sales	0.00	0.00	0.00
26		601.3 Sales to Public Authorities	0.00	0.00	0.00
27		Sub-Total	0.00	0.00	0.00
28	602	Unmetered Sales to General Customers			
29		602.1 Commercial Sales	0.00	0.00	0.00
31		602.3 Sales to Public Authorities	0.00	0.00	0.00
32		Sub-Total	0.00	0.00	0.00
34	603	603.1 Metered Sales, Irrigation Customers	0.00	0.00	0.00
		Sub-Total	0.00	0.00	0.00
37	604	Private Fire Protection Service	0.00	0.00	0.00
38	605	Public Fire Protection Service	0.00	0.00	0.00
39	606	Sales To Other Water Utilities For Resale	0.00	0.00	0.00
42	609	Other Sales or Service	0.00	0.00	0.00
43		Sub-Total	0.00	0.00	0.00
44		Total Water Service Revenue	0.00	0.00	0.00
46		II. Other Water Revenues			
47	611	Miscellaneous Service Revenue	10.00	0.00	10.00
48	612	Rent From Water Property	0.00	0.00	0.00
50	614	Other Water Revenues	0.00	0.00	0.00
51		Total Other Water Revenues	10.00	0.00	10.00
52		Total Operating Revenues	10.00	0.00	10.00

4 General Office

SCHEDULE B-3

OPERATING EXPENSE - CLASS A, B, AND C WATER UTILITIES

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
1		I. Source of Supply Expense			
2		Operation			
3	701	Operation Supervision and Engineering	84,320.55	148,559.61	(64,239.06)
5	702	Operation Labor and Expense	92.70	0.00	92.70
6	703	Miscellaneous Expense	43.39	0.00	43.39
7	704	Purchased Water	0.00	0.00	0.00
8		Maintenance			
9	706	Maint. Supervision and Engineering	9,651.11	6,998.56	2,652.55
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	821.97	357.03	464.94
17	712	Maint. Of Supply Mains	2,382.00	0.00	2,382.00
18	713	Maint. Of Other Source of Supply Plant	0.00	0.00	0.00
19		Total Source of Supply Expenses	97,311.72	155,915.20	(58,603.48)
20		II. Pumping Expenses			
21		Operation			
22	721	Operation Supervision and Engineering	159,924.06	168,943.58	(9,019.52)
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	4,939.30	6,196.20	(1,256.90)
28	725	Miscellaneous Expenses	(3,366.38)	2,262.00	(5,628.38)
29	726	Fuel or Power Purchased For Pumping	(0.02)	0.00	(0.02)
30		Maintenance			
31	729	Maint. Supervision and Engineering	153,319.69	143,390.64	9,929.05
33	730	Maint. Of Structures and Improvements	282.50	0.00	282.50
34	731	Maint. Of Power Production Equipment	0.00	0.00	0.00
35	732	Maint. Of Pumping Equipment	26,314.65	23,190.15	3,124.50
36	733	Maint. Of Other Pumping Equipment	558.25	0.00	558.25
37		Total Pumping Expenses	341,972.05	343,982.57	(2,010.52)
38		III. Water Treatment Expenses			
39		Operation			
40	741	Operation Supervision and Engineering	97,228.23	118,927.99	(21,699.76)
42	742	Operation Labor and Expenses	1,506,981.36	1,252,292.26	254,689.10
43	743	Miscellaneous Expenses	(29,745.74)	3,363.84	(33,109.58)
44	744	Chemicals and Filtering Materials	0.00	0.00	0.00
44	745	Water Treatment Allocation	(31,758.19)	0.00	(31,758.19)
45		Maintenance			
46	746	Maint. Supervision and Engineering	5,253.06	2,959.54	2,293.52
48	747	Maint. Of Structures and Improvements	0.00	0.00	0.00
49	748	Maint. Of Water Treatment Equipment	373.56	9,145.91	(8,772.35)
50		Total Water Treatment Expenses	1,548,332.28	1,386,689.54	161,642.74

General Office

SCHEDULE B-2

OPERATING EXPENSE - CLASS A, B, AND C WATER UTILITIES

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
1		IV. Transmission and Distribution Expenses			
2		Operation			
3	751	Operation Supervision and Engineering	83,847.11	78,468.08	5,379.03
5	752	Storage Facilities Expenses	5,457.12	12,423.48	(6,966.36)
7	753	Transmission and Distribution Lines	80,384.82	22,383.06	58,001.76
8	754	Meter Expenses	17,662.50	15,257.18	2,405.32
9	755	Customer Installation Expenses	1,422.50	3,232.73	(1,810.23)
10	756	Miscellaneous	57,380.48	84,914.05	(27,533.57)
11		Maintenance			
12	758	Maint. Supervision and Engineering	32,920.70	51,430.09	(18,509.39)
14	759	Maint. Of Structures and Improvements	0.00	0.00	0.00
15	760	Maint. Of Reservoirs and Tanks	11,450.38	1,163.27	10,287.11
16	761	Maint. Of Transmission and Distribbut. Mains	435.93	0.00	435.93
18	762	Maint. Of Fire Mains	0.00	0.00	0.00
19	763	Maint. Of Services	36.25	16,732.90	(16,696.65)
21	764	Maint. Of Meters	630.04	468.00	162.04
22	765	Maint. Of Hydrants	54.09	50,237.65	(50,183.56)
23	766	Maint. Of Miscellaneous Plant			0.00
24		Total Transmission and Distribution Exp.	291,681.92	336,710.49	(45,028.57)
25		V. Customer Account Expenses			
26		Operation			
27	771	Supervision	46,014.20	42,547.34	3,466.86
29	772	Meter Reading Expenses	35.76	201.66	(165.90)
30	773	Customer Records and Collection Expenses	1,802,793.56	1,691,745.58	111,047.98
32	774	Miscellaneous Customer Accounting Expeses	272,919.97	264,766.42	8,153.55
33	775	Uncollectible Accounts	0.00	0.00	0.00
33	776	Cust Account Allocation	(760,543.77)	0.00	(760,543.77)
34		Total Customer Accounts Expense	1,361,219.72	1,999,261.00	(638,041.28)
35		VI. Sales Expenses			
36		Operation			
37	781	Supervision			
39	782	Demostration 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

6 *General Office**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	7,551,932.17	7,670,528.36	(118,596.19)
5	792	Office Supplies and Other Expenses	2,981,367.29	3,222,496.80	(241,129.51)
6	793	Property Insurance	145,881.00	166,153.62	(20,272.62)
7	794	Injuries and Damages	1,577,464.46	2,933,684.78	(1,356,220.32)
8	795	Employees Pensions and Benefits	17,467,374.94	16,132,926.38	1,334,448.56
9	796	Franchise Requirements	10,260.00	3,830.00	6,430.00
11	797	Regulatory Commission Expenses	143,007.33	320,573.84	(177,566.51)
12	798	Outside Service Employed	2,892,504.08	2,115,191.44	777,312.64
14	799	Miscellaneous General Expense	1,036,365.85	207,547.70	828,818.15
15		Maintenance			
16	805	Maintenance of General Plant	235,824.85	229,134.59	6,690.26
17		Total Administrative and General Expenses	34,041,981.97	33,002,067.51	1,039,914.46
18		VIII. Miscellaneous			
19	811	Rents	76,559.00	111,987.05	(35,428.05)
20	812	Admin. Exp. Transferred	(47,902.51)	(50,861.95)	2,959.44
20		Admin. Exp. Transferred - General Office	(37,711,108.00)	(37,285,685.00)	(425,423.00)
21	813	Duplicate Charges - CR	0.00	0.00	0.00
22		Total Miscellaneous	(37,682,451.51)	(37,224,559.90)	(457,891.61)
23		Total Operating Expenses	48.15	66.41	(18.26)

General Office

**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	248,177.20	240,977.20	7,200.00		
State corporate franchise tax	0.00	0.00			
State unemployment insurance tax	60,245.13	54,158.82			6,086.31
Other state and local taxes	78,376.81	78,376.81			
Federal unemployment insurance tax	14,387.74	12,956.13			1,431.61
Federal insurance contributions act	1,265,843.83	1,124,739.33			141,104.50
Other federal taxes					
Federal income tax	0.00	0.00			
General Office Allocation	-1,503,688.90	-1,503,688.90			
Total	163,341.81	7,519.39	7,200.00	0.00	148,622.42

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 Claim	Priority Right Capacity	Diversion Max	Diversion Min		
1									
2	Diverted Into ¹								
3									
4									
5									
6									
7									
8	WELLS					Pumping Capacity	Annual Quantities Pumped	Remarks	
9	At Plant (Name or Number)	Location	Number	Diversion	³ Depth in Water	(Unit) ²	(Unit) ²		
10									
11									
12									
13									
14									
15									
16									
17	TUNNELS AND SPRINGS				FLOW IN (Unit) ²		Annual Quantities Used	Remarks	
18	Designation	Location	Number	Maximum	Minimum	(Unit) ²	(Unit) ²		
19									
20									
21									
22									
23									
24									
25									
26	Purchased Water for Resale								
27									
28									
29	Purchased from (Unit chosen) ²								
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 feet; 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			

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

Classification	Metered - Dec 31		Flat Rate - Dec 31	
	Prior Year	Current Year	Prior Year	Current Year
Commercial (including domestic)				
Industrial				
Public authorities				
Irrigation				
Other (specify)				
Subtotal				
Private fire connections				
Public fire hydrants				
Total				

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

Size	Meters	Services
5/8 x 3/4 - in		XXXXXXXXXXXXXXXXXXXX
3/4 - in		
1 - in		
- in		
- in		
- in		
- in		
- in		
Other		
Total		

**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	_____
4. Found fast, requiring billing adjustment	_____
B. Number of Meters in Service Since Last Test	
1. Ten years or less	_____
2. More than 10, but less than 15 years	_____
3. More than 15 years	_____

SCHEDULE D-4 General Office
Number of Active Service Connections

	Metered- Dec. 31		Flat Rate- Dec. 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Commercial (including domestic)				
Industrial				
Public Authorities				
Irrigation	NOT APPLICABLE			
Other (specify)				
Sub-Total	0	0	0	0
Private Fire Connections				
Public Fire Connections				
Totals	0	0	0	0

GENERAL OFFICE

SCHEDULE D-5

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

Size	Meters	Services
5/8 -in.		
3/4 - in.		
1 - in.		
1 1/4 - in.		
1 1/2 - in.		
2 - in.	NOT APPLICABLE	
3 - in.		
4 - in.		
6 - in.		
8 - in.		
10 - in.		
12 - in.		
Totals		

SCHEDULE D-6

Meter Testing Data

NOT APPLICABLE

**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 _____
- 4. Found fast, requiring billing adjustment _____

B. Number of Meters in Service Since Last Test

- 1. Ten Years or Less _____
- 2. More than 10, but less than 15 years _____
- 3. More than 15 years _____

GENERAL OFFICE

General Office		SCHEDULE D-7								
Water Delivered to Metered Customers by Months and Years in 100,000 CuFt (Units Chosen)										
Classification Of Service	During Current Year							Sub-total	Total	Total Prior Yr
	Jan	Feb	Mar	Apr	May	Jun				
Commercial								0		
Industrial								0		
Public Authority	NOT APPLICABLE							0		
Irrigation										
Other (specify)								0		
Reclaimed Water								0		
Total	0	0	0	0	0	0	0	0		
Classification Of Service	During Current Year							Sub-total	Total	Total Prior Yr
	Jul	Aug	Sep	Oct	Nov	Dec				
Commercial								0		
Industrial								0		
Public Authority								0		
Irrigation										
Other (specify)								0		
Reclaimed Water								0		
Total	0	0	0	0	0	0	0	0	0	0
Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated:									Total Population Served:	
									0	

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)	-86,346.93
		86,346.93
100.3. Construction work in progress	(G)	-7,406,852.78
		7,406,852.78
241. Advances for construction		0.00
265. Contributions in aid of construction		0.00

(G) General Office Allocation

SIGNATURE

District Management


Name of District Manager Peter Nelson

Address 1720 North First St., San Jose, CA 95112-4598

Telephone 408-367-8200

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2005 to December 31, 2005.

General Office



Signature

Controller

Title

MAR 23 2006

Date

INDEX

	<i>PAGE</i>
Acres Irrigated	9
Advances for construction	10
Balances in selected balance sheet accounts	10
Construction work in progress	10
Contributions in aid of construction	10
Depreciation and amortization reserves	2
Materials and supplies on hand	10
Meters and services on pipe system	9
Operating expenses	4-6
Operating revenues	2
Population served	9
Service connections, active	9
Signature	10
Source of supply and water developed	7
Storage facilities	7
Taxes	6
Transmission and distribution facilities	8
Utility plant in service	1