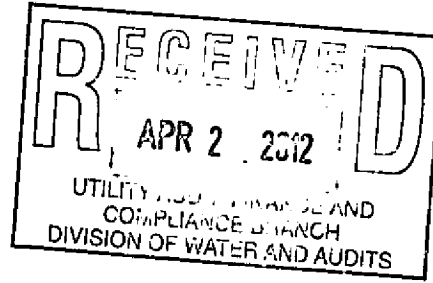


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2011  
ANNUAL REPORT  
OF  
DISTRICT WATER SYSTEM OPERATIONS  
OF  
CALIFORNIA WATER SERVICE COMPANY  
1720 North First Street  
SAN JOSE, CALIFORNIA 95112-4598

Name of District: Hermosa Beach Location: Redondo Beach  
Hermosa Beach Los Angeles  
(TOWN OR CITY) (County)

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2011

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2012

## TABLE OF CONTENTS

	<u>Page</u>
Schedule A-1a - Account 100.1 - Utility Plant in Service	2
Schedule A-1d - District Rate Base and Working Cash	3
Schedule A-3 - Depreciation and Amortization Reserves	4
Schedule A-3a - Analysis of Entries in Account 250 - Reserve for Depreciation of Utility Plant	5
Schedule B-1 - Operating Revenues	6
Schedule B-3 - Operating Expenses - For Class A, B, and C Water Utilities	7
Schedule B-2 - Operating Expenses - For Class A, B, and C Water Utilities	8 & 9
Schedule B-4 - Taxes Charged During Year	10
Schedule D-1 - Sources of Supply and Water Developed	11
Schedule D-2 - Description of Storage Facilities	11
Schedule D-3 - Description of Transmission and Distribution Facilities	12
Schedule D-4 - Number of Active Services Connections	13
Schedule D-5 - Number of Meters and Services on Pipe System at End of Year	14
Schedule D-6 - Meter Testing Data	14
Schedule D-7 - Water Delivered to Metered Customers by Months and Years	15
End of Year Balances in Selected Accounts and Declaration	16
Scanned copy of signed - End of Year Balances in Selected Accounts and Declaration	
Index	



Analysis of Depreciation Reserve - Account no 250

Schedule A-3A

Dept: HERMOSA REDONDO

ACCOUNT	BEGIN BALANCE	PROVISIONS	RETIREMENT	SALVAGE	COST TO REMOVE	OTHER	END BALANCE
<b>I. SOURCE OF SUPPLY PLANT</b>							
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	157,643.12	8,959.20	0.00	0.00	0.00	0.00	166,602.32
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	157,643.12	8,959.20	0.00	0.00	0.00	0.00	166,602.32
<b>II. PUMPING PLANT</b>							
3210 STRUCTURES AND IMPROVEMENTS	515,121.37	41,865.00	-2,016.66	0.00	0.00	0.00	554,969.71
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	660,908.58	46,365.96	0.00	0.00	0.00	0.00	707,274.54
3241 SYSTEM CONTROL COMPUTER EQUIP	-5,975.83	9,502.08	0.00	0.00	0.00	0.00	3,526.25
3250 OTHER PUMPING PLANT	6,183.16	1,093.68	0.00	0.00	0.00	0.00	7,276.84
TOTAL PUMPING PLANT	1,176,237.28	98,826.72	-2,016.66	0.00	0.00	0.00	1,273,047.34
<b>III. WATER TREATMENT PLANT</b>							
3310 STRUCTURES AND IMPROVEMENTS	262,766.74	17,811.48	0.00	0.00	0.00	0.00	280,578.22
3320 WATER TREATMENT EQUIPMENT	899,985.47	48,718.20	0.00	0.00	0.00	0.00	948,703.67
TOTAL WATER TREATMENT PLANT	1,162,752.21	66,529.68	0.00	0.00	0.00	0.00	1,229,281.89
<b>IV. TRANS AND DIST PLANT</b>							
3410 STRUCTURES AND IMPROVEMENTS	102,952.61	17,309.88	0.00	0.00	0.00	0.00	120,262.49
3420 RESERVOIRS AND TANKS	1,999,230.51	141,980.64	-37,122.56	0.00	0.00	0.00	2,104,088.59
3421 TANK PAINTING	-89,450.83	83,725.08	0.00	0.00	0.00	0.00	-5,725.75
3430 TRANS AND DIST MAINS	8,781,827.05	506,049.36	-4,242.97	0.00	-6,652.02	0.00	9,276,981.42
3440 FIRE MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3450 SERVICES	6,995,615.05	179,489.28	-3,978.90	0.00	-28,080.85	0.00	7,143,044.58
3460 METERS	1,691,949.90	190,615.56	-96,662.27	15,281.35	0.00	0.00	1,801,184.54
3470 METER INSTALLATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3480 HYDRANTS	1,478,610.10	87,723.36	-2,323.99	0.00	-883.19	0.00	1,563,126.28
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	20,960,734.39	1,206,893.16	-144,330.69	15,281.35	-35,616.06	0.00	22,002,962.15
<b>V. GENERAL PLANT</b>							
3710 STRUCTURES AND IMPROVEMENTS	182,978.57	13,549.08	0.00	0.00	0.00	-0.02	196,527.63
3720 OFFICE FURNITURE AND EQUIP	31,329.13	6,511.08	0.00	0.00	0.00	0.00	37,840.21
3721 OFFICE EQUIPMENT - COMPUTERS	-24,653.33	3,894.00	-4,347.67	0.00	-69.73	0.00	-25,176.73
3722 OFFICE EQUIPMENT - SOFTWARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3730 TRANSPORTATION EQUIPMENT	338,954.10	15,086.16	-140,466.18	4,974.00	10,400.00	0.00	228,948.08
3740 STORES EQUIPMENT	20,598.56	1,960.20	0.00	0.00	0.00	0.00	22,558.76
3750 LABORATORY EQUIPMENT	447.59	18.36	0.00	0.00	0.00	0.00	465.95
3760 COMMUNICATION EQUIPMENT	40,138.65	3,043.56	0.00	0.00	0.00	0.00	43,182.21
3770 POWER OPERATED EQUIPMENT	6,993.22	1,636.32	0.00	0.00	0.00	0.00	8,629.54
3780 TOOLS, SHOP AND GARAGE EQUIP	2,636.02	5,725.08	0.00	0.00	0.00	0.02	8,361.12
3790 OTHER GENERAL PLANT	305.25	14.58	0.00	0.00	0.00	0.00	319.83
3800 LEASED PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3900 OTHER TANGIBLE PROPERTY	3,707.60	0.00	0.00	0.00	0.00	0.00	3,707.60
-3910 WATER PLANT PURCHASE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL PLANT	603,435.36	51,438.42	-144,813.85	4,974.00	10,330.27	0.00	525,364.20
GO PLANT ALLOCATION	1,086,441.32	286,909.72	-358,485.53	80.91	-19,568.54	0.00	995,377.88
TOTAL DEPRECIATION	25,147,243.68	1,719,556.90	-649,646.73	20,336.26	-44,854.33	0.00	26,192,635.78

**CALIFORNIA WATER SERVICE COMPANY**  
**DERIVATION OF WEIGHTED AVERAGE RATE BASE 12 MONTHS END: DECEMBER 31, 2011**  
**SCHEDULE A-1d**  
**HERMOSA REDONDO DISTRICT RATE BASE AND WORKING CASH**

Page 3

Line No.	Title of Account	Balance 12/31/2011	Balance 12/31/2010
1	UTILITY PLANT		
2	PLANT IN SERVICE	\$ 62,393,384.3	\$ 59,854,326.7
4	GENERAL OFFICE PRORATE	\$ 3,268,718.7	\$ 2,956,570.1
5	RATE BASE WRITE-UP	\$ -	\$ -
6	PLANT NOT FUNDED BY CALWATER	\$ -	\$ -
7	TOTAL GROSS PLANT (= Line 2 + Line 3 + Line 4 + Line 5 - Line 6)	<u>\$ 65,662,103.0</u>	<u>\$ 62,810,896.8</u>
8	LESS ACCUMULATED DEPRECIATION/AMORTIZATION		
9	PLANT IN SERVICE	\$ 24,956,225.9	\$ 23,699,049.9
10	GENERAL OFFICE PRORATE	\$ 1,365,318.4	\$ 1,272,714.4
11	TOTAL ACCUMULATED DEPRECIATION (= Line 9 + Line 10)	<u>\$ 26,321,544.3</u>	<u>\$ 24,971,764.3</u>
12	LESS OTHER RESERVES		
13	DEFERRED INCOME TAXES	\$ 4,625,974.4	\$ 3,576,747.1
14	DEFERRED ITC	\$ 93,379.3	\$ 96,268.3
15	GENERAL OFFICE PRORATE	\$ 262,338.4	\$ 51,978.0
16	TOTAL OTHER RESERVES (= Line 13 + Line 14 + Line 15)	<u>\$ 4,981,692.0</u>	<u>\$ 3,726,993.4</u>
17	LESS ADJUSTMENTS		
18	CONTRIBUTIONS IN AID OF CONSTRUCTION	\$ 2,028,960.0	\$ 1,974,437.4
19	ADVANCES FOR CONSTRUCTION	\$ 341,437.4	\$ 330,657.5
20	OTHER (TAX EFFECT ON CIAC AND ADVANCES)	\$ 221,335.2	\$ 229,634.0
21	TOTAL ADJUSTMENTS (= Line 18 + Line 19 - Line 20)	<u>\$ 2,149,062.2</u>	<u>\$ 2,075,460.9</u>
22	ADD MATERIALS AND SUPPLIES	\$ 160,834.5	\$ 94,150.1
23	ADD ADOPTED WORKING CASH (= Line 37)	\$ 291,286.2	\$ (142,400.0)
24	TOTAL DISTRICT RATE BASE	<u>\$ 32,661,925.2</u>	<u>\$ 31,988,428.2</u>
25	(= Line 7 - Line 11 - Line 16 - Line 21 + Line 22 + Line 23)		

**WORKING CASH**

26	DETERMINATION OF OPERATIONAL CASH REQUIREMENT		
27	Operating Expenses Excluding Taxes, Depreciation & Uncollectible)	\$ 14,850,854.2	\$ 13,800,970.7
28	Purchased Power & Commodity for Resale*	\$ 10,659,484.6	\$ 9,996,010.1
29	Meter Revenues: Bimonthly Billing	\$ 4,256,984.7	\$ 3,842,719.5
30	Other Revenues: Flat Rate Monthly Billing	\$ 14,511.3	\$ 12,270.0
31	Total Revenues ( Line 30 + Line 31 )	<u>\$ 4,271,496.1</u>	<u>\$ 3,854,989.5</u>
32	Ratio - Flat Rate to Total Revenues (= Line 31 / Line 32 )	0.34%	0.32%
33	5/24 x Line 28 x ( 100% - Line 33 )	\$ 3,083,417.1	\$ 2,866,050.8
34	1/24 x Line 28 x Line 33	\$ 2,102.2	\$ 1,830.3
35	1/12 x Line 29	\$ 888,290.4	\$ 833,000.8
36	Operational Cash Requirement (= Line 34 + Line 35 - Line 36 )	\$ 3,973,809.7	\$ 3,700,881.9
37	Total Adopted	\$ 291,286.2	\$ (142,400.0)

## SCHEDULE A-3

HERMOSA REDONDO

## Depreciation and Amortization Reserves

2011

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)	1,086,441.32			
			24,060,802.36	36,685.20	0.00	0.00
2	Add: Credits to reserves during year					
3	a) Charged to account No. 503	(G)	307,194.45			
			1,342,899.00			
4	b) Charged to account No. 265		89,392.92			
5	c) Charged to clearing accounts	(G)	13,446.72			
			15,086.16			
6	d) Salvage recovered	(G)	0.00			
			0.00			
7	e) All other credits	(G)	(48,462.35)			
			0.00	(B) 36,279.16		
8	Total Credits		1,719,556.90	36,279.16		
9	Deduct: Debits to reserves during year					
10	a) Book cost of property retires	(G)	358,485.53			
			291,161.20			
11	b) Cost of removal	(G)	19,568.54			
			25,285.79			
12	c) All other debits	(G)	(80.91)			
			(20,255.35)			
13	Total Debits		674,164.80			
14	Balances in reserves at end of year		26,192,635.78	72,964.36	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	Report depreciation in Federal Tax Return for year:		1,615,275.00			
19	Indicate nature of these items and accounts affected					
20			(See Schedule A-3a opposite)			



Acct	Description	Beg of YR bal	Additions	Retirements	Other	End of YR
<b>I. INTANGIBLE PLANT</b>						
301	ORGANIZATION	0.00				0.00
302	FRANCHISES AND CONSENTS	1,667.00				1,667.00
303	OTHER INTANGIBLE PLANT	430,252.05	992.50			431,244.55
	<b>TOTAL INTANGIBLE PLANT</b>	<b>431,919.05</b>	<b>992.50</b>			<b>432,911.55</b>
<b>II. LAND PLANT</b>						
306	LAND AND LAND RIGHTS	181,716.93				181,716.93
<b>III. SOURCE OF SUPPLY PLANT</b>						
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	454,784.30	-2,100.37			452,683.93
316	SUPPLY MAINS	0.00				0.00
	<b>TOTAL SOURCE OF SUPPLY PLANT</b>	<b>454,784.30</b>	<b>-2,100.37</b>			<b>452,683.93</b>
<b>IV. PUMPING PLANT</b>						
321	STRUCTURES AND IMPROVEMENTS	792,281.42	505,248.55	-841.66		1,296,688.31
3211	PAVEMENT	25,393.53		-1,175.00		24,218.53
324	PUMPING EQUIPMENT	1,854,637.14	476,871.41			2,331,508.55
3241	SYS CONTROL COMPUTER EQUIP	380,084.85	3,752.49			383,837.34
325	OTHER PUMPING PLANT	37,452.79				37,452.79
	<b>TOTAL PUMPING PLANT</b>	<b>3,089,849.73</b>	<b>985,872.45</b>	<b>-2,016.66</b>		<b>4,073,705.52</b>
<b>V. WATER TREATMENT PLANT</b>						
331	STRUCTURES AND IMPROVEMENTS	667,098.34				667,098.34
332	WATER TREATMENT EQUIPMENT	1,980,416.69	10,573.99			1,990,990.68
	<b>TOTAL WATER TREATMENT PLANT</b>	<b>2,647,515.03</b>	<b>10,573.99</b>			<b>2,658,089.02</b>
<b>VI. TRANS AND DIST PLANT</b>						
341	STRUCTURES AND IMPROVEMENTS	112,869.57	-86.49			112,783.08
3411	PAVEMENT	165,871.77				165,871.77
342	RESERVOIRS AND TANKS	2,805,940.78	524,741.81	-37,122.56		3,293,560.03
3421	TANK PAINTING	1,654,645.48	508,839.40			2,163,484.88
343	TRANS AND DIST MAINS	22,795,018.53	474,069.28	-4,242.97		23,264,844.84
344	FIRE MAINS	0.00				0.00
345	SERVICES	14,574,858.67	501,620.27	-3,978.90	17,157.53	15,089,657.57
346	METERS	5,590,509.34	470,423.36	-96,662.27		5,964,270.43
348	HYDRANTS	4,592,846.40	41,253.78	-2,323.99		4,631,776.19
	<b>TOTAL TRANS AND DIST PLANT</b>	<b>52,292,560.54</b>	<b>2,520,861.41</b>	<b>-144,330.69</b>	<b>17,157.53</b>	<b>54,686,248.79</b>
<b>VII. GENERAL PLANT</b>						
371	STRUCTURES AND IMPROVEMENTS	254,271.19				254,271.19
3711	PAVEMENT	17,255.39				17,255.39
3720	OFFICE FURNITURE AND EQUIPMENT	85,223.70				85,223.70
3721	OFFICE EQUIPMENT - COMPUTERS	16,835.11	16,614.48	-4,347.67		29,101.92
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	241,378.52		-140,466.18		100,912.34
374	STORES EQUIPMENT	34,572.03				34,572.03
375	LABORATORY EQUIPMENT	1,199.29				1,199.29
376	COMMUNICATION EQUIPMENT	45,975.03				45,975.03
377	POWER OPERATED EQUIPMENT	22,854.41				22,854.41
378	TOOLS, SHOP AND GARAGE EQUIP	106,216.80	8,869.03			115,085.83
379	OTHER GENERAL PLANT	778.64				778.64
380	LEASED PROPERTY	0.00				0.00
	<b>TOTAL OTHER GENERAL PLANT</b>	<b>826,560.11</b>	<b>25,483.51</b>	<b>-144,813.85</b>		<b>707,229.77</b>
<b>VIII. UNDISTRIBUTED ITEMS</b>						
390	OTHER TANGIBLE PROPERTY	3,707.63				3,707.63
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	2,755,592.03	987,264.81	-358,485.53	262.09	3,384,633.41
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL UNDISTRIBUTED ITEMS</b>	<b>2,759,299.66</b>	<b>987,264.81</b>	<b>-358,485.53</b>	<b>262.09</b>	<b>3,388,341.04</b>
	<b>TOTAL UTILITY PLANT IN SERVICE</b>	<b>62,684,205.35</b>	<b>4,528,948.30</b>	<b>-649,646.73</b>	<b>17,419.62</b>	<b>66,580,926.55</b>

LN NO	ACCT NO	ACCOUNT (A)	OPERATING REVENUES - CLASS A WATER		UTILITIES	INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)		
22		<b>I. Water Service Revenues</b>				
23	601	Metered Sales to General Customers				
24		601.1 Commercial Sales	20,751,416.81	19,405,613.46		1,345,803.35
25		601.2 Industrial Sales	1,206,785.97	866,429.59		340,356.38
26		601.3 Sales to Public Authorities	1,050,231.48	858,644.77		191,586.71
27		Sub-Total	<u>23,008,434.26</u>	<u>21,130,687.82</u>		<u>1,877,746.44</u>
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	<u>0.00</u>	<u>0.00</u>		<u>0.00</u>
34	603	603.1 Metered Sales, Irrigation Customers	1,164.26	1,283.02		(118.76)
		Sub-Total	<u>1,164.26</u>	<u>1,283.02</u>		<u>(118.76)</u>
37	604	Private Fire Protection Service	115,308.45	110,844.40		4,464.05
38	605	Public Fire Protection Service	12,122.04	11,842.80		279.24
39	606	Sales To Other Water Utilities For Resale	(8,451.89)	(223,609.32)		215,157.43
42	609	Other Sales or Service	203,896.87	143,668.14		60,228.73
43		Sub-Total	<u>322,875.47</u>	<u>42,746.02</u>		<u>280,129.45</u>
44		Total Water Service Revenue	<u>23,332,473.99</u>	<u>21,174,716.86</u>		<u>2,157,757.13</u>
46		<b>II. Other Water Revenues</b>				
47	611	Miscellaneous Service Revenue	35,080.00	13,010.00		22,070.00
48	612	Rent From Water Property	0.00	0.00		0.00
50	614	Other Water Revenues	(74,080.12)	233,241.39		(307,321.51)
51		Total Other Water Revenues	<u>(39,000.12)</u>	<u>246,251.39</u>		<u>(285,251.51)</u>
52		<b>III. Water Revenue Adjustment Mechanism Offsets</b>				
53		WRAM Adjustmets	2,370,603.68	1,775,903.65		594,700.03
54		WRAM/MCBA Interest	7,497.13	7,725.06		(227.93)
54		Conservation Revenue Billed	(312,178.81)	(1,039.73)		(311,139.08)
55		Total WRAM Adjustments	<u>2,065,922.00</u>	<u>1,782,588.98</u>		<u>283,333.02</u>
52		Total Operating Revenues	<u>25,359,395.87</u>	<u>23,203,557.23</u>		<u>2,155,838.64</u>

**HERMOSA REDONDO**

**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		<b>I. Source of Supply Expense</b>				
2		Operation				
3	701	Operation Supervision and Engineering	356.35	0.00		356.35
5	702	Operation Labor and Expense	356.35	0.00		356.35
6	703	Miscellaneous Expense	478,316.09	296,913.16		181,402.93
7	704	Purchased Water	10,209,862.52	9,558,923.72		650,938.80
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	3,604.36	3,832.97		(228.61)
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	10,692,495.67	9,859,669.85		832,825.82
20		<b>II. Pumping Expenses</b>				
21		Operation				
22	721	Operation Supervision and Engineering	4,144.03	13,057.89		(8,913.86)
24	722	Power Production Labor and Expenses	0.00	0.00		0.00
26	723	Fuel For Power Production	1,179.65	0.00		1,179.65
27	724	Pumping Labor and Expenses	232,533.39	199,345.36		33,188.03
28	725	Miscellaneous Expenses	53,841.16	38,174.20		15,666.96
29	726	Fuel or Power Purchased For Pumping	344,447.20	349,740.27		(5,293.07)
30		Maintenance				
31	729	Maint. Supervision and Engineering	2,099.99	1,933.16		166.83
33	730	Maint. Of Structures and Improvements	2,848.46	35,119.22		(32,270.76)
34	731	Maint. Of Power Production Equipment	0.00	0.00		0.00
35	732	Maint. Of Pumping Equipment	57,458.71	51,758.25		5,700.46
36	733	Maint. Of Other Pumping Equipment	0.00	0.00		0.00
37		Total Pumping Expenses	698,552.59	689,128.35		9,424.24
38		<b>III. Water Treatment Expenses</b>				
39		Operation				
40	741	Operation Supervision and Engineering	1,432.98	4,245.27		(2,812.29)
42	742	Operation Labor and Expenses	177,118.74	201,466.03		(24,347.29)
43	743	Miscellaneous Expenses	7,312.21	6,410.28		901.93
44	744	Chemicals and Filtering Materials	123,976.38	69,116.65		54,859.73
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	11,186.73	28,604.22		(17,417.49)
50		Total Water Treatment Expenses	321,027.04	309,842.45		11,184.59



**HERMOSA REDONDO**

**SCHEDULE B-2**

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		<b>IV. Transmission and Distribution Expenses</b>				
2		Operation				
3	751	Operation Supervision and Engineering	28,102.27	34,826.23	(6,723.96)	
5	752	Storage Facilities Expenses	4,991.06	5,374.45	(383.39)	
7	753	Transmission and Distribution Lines	138,136.14	135,859.41	2,276.73	
8	754	Meter Expenses	51,965.52	61,820.36	(9,854.84)	
9	755	Customer Installation Expenses	43,753.97	39,510.15	4,243.82	
10	756	Miscellaneous	75,914.83	68,722.37	7,192.46	
11		Maintenance				
12	758	Maint. Supervision and Engineering	0.00	0.00	0.00	
14	759	Maint. Of Structures and Improvements	0.00	0.00	0.00	
15	760	Maint. Of Reservoirs and Tanks	12,404.91	20,378.54	(7,973.63)	
16	761	Maint. Of Transmission and Distribbut. Mains	241,622.32	278,478.42	(34,856.10)	
18	762	Maint. Of Fire Mains	0.00	0.00	0.00	
19	763	Maint. Of Services	177,019.23	137,007.88	40,011.35	
21	764	Maint. Of Meters	146,934.22	171,301.59	(24,367.37)	
22	765	Maint. Of Hydrants	19,719.45	33,767.05	(14,047.60)	
23	766	Maint. Of Miscellaneous Plant			0.00	
24		Total Transmission and Distribution Exp.	940,563.92	985,046.45	(44,482.53)	
25		<b>V. Customer Account Expenses</b>				
26		Operation				
27	771	Supervision	1,963.00	1,114.63	848.37	
29	772	Meter Reading Expenses	206,608.64	200,880.78	5,727.86	
30	773	Customer Records and Collection Expenses	197,553.65	196,423.74	1,129.91	
32	774	Miscellaneous Customer Accounting Expenses	185,210.79	71,217.46	113,993.33	
33	775	Uncollectible Accounts	17,364.00	22,904.01	(5,540.01)	
34		Total Customer Accounts Expense	608,700.08	492,540.62	116,159.46	
35		<b>VI. Sales Expenses</b>				
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	

## HERMOSA REDONDO

## SCHEDULE B-2

Page 9

LN NO	ACCT NO	OPERATING EXPENSE - CLASS A, B, AND C WATER		UTILITIES (CONCLUDED)	
		ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
1		<b>VII. Administrative And General Expenses</b>			
2		Operation			
3	791	Administrative and General Salaries	(208.50)	(405.00)	196.50
5	792	Office Supplies and Other Expenses	1,310.18	1,515.48	(205.30)
6	793	Property Insurance	9,093.00	9,966.00	(873.00)
7	794	Injuries and Damages	56,145.93	62,460.59	(6,314.66)
8	795	Employees Pensions and Benefits	9.13	(1,602.52)	1,611.65
9	796	Franchise Requirements	0.00	0.00	0.00
11	797	Regulatory Commission Expenses	393.90	(6,149.18)	6,543.08
12	798	Outside Service Employed	21,968.01	6,896.07	15,071.94
14	799	Miscellaneous General Expense	30,793.50	10,935.17	19,858.33
15		Maintenance			
16	805	Maintenance of General Plant	1,258.78	0.00	1,258.78
17		Total Administrative and General Expenses	120,763.93	83,616.61	37,147.32
18		<b>VIII. Miscellaneous</b>			
19	811	Rents	97,303.56	103,769.38	(6,465.82)
20	812	Admin. Exp. Transferred	(85,397.54)	(17,274.56)	(68,122.98)
20		Admin. Exp. Transferred - General Office	1,479,583.60	1,376,557.84	103,025.77
21	813	Duplicate Charges - CR	0.00	0.00	0.00
22		Total Miscellaneous	1,491,489.62	1,463,052.66	28,436.97
23		Total Operating Expenses	14,873,592.85	13,882,896.99	990,695.86

		TAXES CHARGED DURING YEAR				
LN NO	KIND OF TAX (A)	TOTAL TAXES CHARGES DURING YEAR (B)	WATER (ACCOUNT 507) (C)	NONUTILITY (ACCOUNT 5270) (D)	OTHER (ACCOUNT 5371) (E)	CAPITALIZED (F)
24	Real and Property Taxes	327,476.87	327,476.87	0.00		
25	State corporate Franchise Tax	145,773.41	145,773.41			
26	State Unemployment Tax	(19,703.47)	(19,703.47)			0.00
27	Other State and Local Taxes	30,262.03	30,262.03			
28	Federal Unemployment Tax	0.00	0.00			0.00
29	FICA	0.00	0.00			0.00
30	Other Federal Tax					
31	Federal Income Tax	1,084,659.10	1,084,659.10			
32	payroll allocation	143,572.48	143,572.48			
33						
34						
35	General Office Allocation	101,827.50	101,827.50			
36						
37						
38						
39		<u>1,813,867.93</u>	<u>1,813,867.93</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

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

STREAMS				FLOW IN .....(unit) <sup>2</sup>				Annual Quantities Diverted .....(Unit) <sup>2</sup>	Remarks
Line No.	Diverted into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1	Not Applicable								
2									
3									
4									
5									

WELLS						Annual Quantities Pumped .....(Unit) <sup>2</sup>	Remarks
Line No.	AI Plant (Name or Number)	See Attached Schedule		Dimensions	Depth to Water		
		Location	Number				
6							
7							
8							
9							
10							

TUNNELS AND SPRINGS				FLOW IN .....(Unit) <sup>2</sup>		Annual Quantities Used .....(Unit) <sup>2</sup>	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11	Not Applicable						
12							
13							
14							
15							

Purchased Water for Resale							
16	Purchased from	West Basin Muni Water Dist: WBMWD Recycled					
17	Annual quantities purchased	3,437.8:	27.7:	(Unit chosen) <sup>2</sup>		Million Gallons	
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 42,580 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
1	A. Collecting reservoirs		See Attached Schedule	
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete			
13	Total			

**HERMOSA - REDONDO DISTRICT**

**WELL PRODUCTION - YEAR 2011**

**SCHEDULE D-1**

<u>LOCATION</u>	<u>UNIT NO.</u>	<u>I.D. SIZE INCHES</u>	<u>DEPTH (FEET)</u>	<u>2011 M.G.</u>	<u>2011 A.F.</u>	<u>HOURS</u>
Vanderbilt Lane	8-02	16	350	262.6	805.9	6,862
Felton Lane & Robinson	22-01	30-16	600	402.5	1,235.4	8,465
Inglewood Ave. & Blaisdell Ave.	<u>30-01</u>	16-12	435	0.0	<u>0.0</u>	0
<b>GRAND TOTAL</b>	3			665.2	2,041.3	

**CALIFORNIA WATER SERVICE COMPANY**

**HERMOSA - REDONDO DISTRICT**

**STORAGE FACILITIES - DECEMBER 31, 2011**

**SCHEDULE D - 2**

LOCATION	DESIGNATION	FILLED FROM WHAT SOURCE	TYPE	CAPACITY (1000 gal)
Redondo - Lucia and Rita	Sta. 026-Tank 1-B	"	Steel	1,000.00 D
do.	Sta. 026-Tank 1-C	"	"	1,500.00 D
do.	Sta. 026-Tank 1-D	"	"	2,000.00 D
Redondo - Prospect and Anita	Sta. 029-Tank 3-B	"	"	1,500.00 D
Redondo - Paseo de las Estrellas	Sta. 023-Tank 5-B	"	"	246.00 D
do.	Sta. 023-Tank 5-C	"	"	500.00 D
Hermosa - Golden Ave. and 16th St.	Sta. 027-Tank 6	"	"	1,000.00 D
Redondo - Calle de Arboles	Sta. 024-Tank 8-A	"	Redwood	50.00 D
do.	Sta. 024-Tank 8-B	"	"	100.00 D
do.	Sta. 024-Tank 8-C	"	"	100.00 D
do.	Sta. 024-Tank 8-D	"	"	100.00 D
Hermosa - Golden Ave. and 16th St.	Sta. 009-Tank 9-A	"	Steel	1,000.00 D
do.	Sta. 009-Tank 9-B	"	"	1,000.00 D
do.	Sta. 009-Tank 9-C	"	"	1,000.00 D
do.	Sta. 009-Tank 9-D	"	"	2,000.00 D
Redondo - Rockefeller and Harkness	Sta. 005-Tank 10-A	"	"	3,500.00 D
do.	Sta. 005-Tank 10-B	"	"	3,500.00 D
Vanderbilt Lane	Sta. 008-Tank 1	Raw Water	"	20.00
do.	Sta. 008-Tank 2	"	"	20.00
Felton Lane & Robinson	Sta. 022-Tank 1	"	"	37.50
Inglewood Ave. & Blaisdell Ave.	Sta. 030-Tank 1	"	"	37.50
	<b>21</b>		<b>Total District</b>	<b>20,211</b>

D - Distribution

HRD

**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.	Not Applicable	Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____							
		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	Total								

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

Line No.	Not Applicable	Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____							Total All Lengths
		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	
6	Ditch								
7	Flume								
8	Lined conduit								
9									
10	Total								

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

Line No.	See Attached Schedule	NOT INCLUDING SERVICE PIPING								
		1	1 1/2	2	2 1/2	3	4	5	6	8
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	Total									

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

Line No.	See Attached Schedule	NOT INCLUDING SERVICE PIPING - Continued						Other Sizes (Specify Sizes)	Total All Sizes
		10	12	14	16	18	20		
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	Total								

California Water Service Company  
Supply And Distributions Mains  
12/31/2011

Department: 108-HERMOSA REDONDO

Pipe Size	Asbestos Cement	Cast Iron	Concrete Cylinder	Copper Tubing	Steel Standard	Steel Cement Lined	Steel Other	Ductile Iron	Plastic Pipe	Total
3/4"										
1"										
1 - 1/4"										
1 - 1/2"				109	3,455		5,833		699	26,182
2"		16,086								
2-3/8"					150					150
2-1/2"							465			465
3"										
3-1/2"					1,244		11,509	219		118,347
4"	45,304	60,071								
4-1/2"										
5"										
5-1/2"					65	25	831	17,713	27,190	561,869
6"	390,534	125,511								
7"					566	510	2,354	15,414	26,558	248,022
8"	157,551	45,069								
9"							1,213	55		15,406
10"	3,655	10,483								
10-3/4"										
12"	51,139	18,715	26		111	59		18,902		88,952
12-3/4"										
14"	1,615		15			25				1,655
15"			2,324				2,095			4,419
16"	3,379	5,771	2,515							11,665
17"										
18"	2,986	0								2,986
19"										
20"			58							58
21"										
22"										
24"		0	40,457							40,457
26"										
27"								0		
30"										
33"										
36"										
37"										
42"										
<b>Total</b>	656,163	281,706	45,395	109	5,591	619	24,300	52,303	54,447	1,120,633



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

	Metered- Dec. 31		Flat Rate- Dec. 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Commercial (including domestic)	25819	25866		
Industrial	26	26		
Public Authorities	365	364		
Irrigation				
Other (specify)	32	29		
Sub-Total	26242	26285	0	0
Private Fire Connections			312	315
Public Fire Connections			1588	1588
Totals	26242	26285	1900	1903

HERMOSA-REDONDO

**SCHEDULE D-5**

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

Size	Meters	Services
5/8 -in.	16,164	
3/4 - in.		14,967
1 - in.	10,053	8,893
1 1/4 - in.		
1 1/2 - in.	1,493	76
2 - in.	1,011	2,913
2 1/2 - in.		
3 - in.	126	2
4 - in.	38	300
5 - in.		
6 - in.	12	89
8 - in.	4	37
10 - in.		5
12 - in.		1
16 - in.		
18 - in.		
other	110	2
misc		
Totals	29,011	27,285

**SCHEDULE D-6**

**Meter Testing Data**

<b>A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:</b>	
1. New, after being received	
2. Used, before repair	7
3. Used, after repair	50
4. Found fast, requiring billing adjustment	
<b>B. Number of Meters in Service Since Last Test</b>	
1. Ten Years or Less	14,206
2. More than 10, but less than 15 years	4,617
3. More than 15 years	10,883

Hermosa Redondo

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	Jul			
Commercial	340	294	332	359	382	419	2126	4625	4717	
Industrial	4	34	24	29	31	33	155	316	250	
Public Authority	7	8	11	12	15	20	73	237	205	
Irrigation							0	0	0	
Other water utilities							0	0	0	
Reclaimed		2	3	3	7	7	22	62	61	
Other					1		1	2	1	
<b>Total</b>	<b>351</b>	<b>338</b>	<b>370</b>	<b>403</b>	<b>436</b>	<b>479</b>	<b>2377</b>	<b>5242</b>	<b>5234</b>	

Classification Of Service	During Current Year							Sub-total	Total	Total Prior Yr
	Jul	Aug	Sep	Oct	Nov	Dec	Jan			
Commercial	460	412	474	413	374	366	2499	4625	4717	
Industrial	32	16	35	36	22	20	161	316	250	
Public Authority	34	40	27	31	19	13	164	237	205	
Irrigation							0	0	0	
Other water utilities							0	0	0	
Reclaimed	8	11	8	7	4	2	40	62	61	
Other						1	1	2	1	
<b>Total</b>	<b>534</b>	<b>479</b>	<b>544</b>	<b>487</b>	<b>419</b>	<b>402</b>	<b>2865</b>	<b>5242</b>	<b>5234</b>	

Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated: Total Population Served: 95,419

## END OF YEAR BALANCES IN SELECTED ACCOUNTS

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

<b>131. Materials and supplies on hand</b>	(G)	2,275.19
		0.00
<b>100.3. Construction work in progress</b>	(G)	53,092.83
		298,810.55
<b>241. Advances for construction</b>		-350,297.08
<b>265. Contributions in aid of construction</b>		-2,013,695.66

(G) General Office Allocation

### SIGNATURE

District Management

Name of District Manager Henry Wind

Address 2632 W. 237th Street, Torrance, CA 90505

Telephone 310-257-1436

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2011 to December 31, 2011.

Hermosa Redondo



Signature

Controller

Title

MAR 26 2012

Date

# INDEX

	<u>Page</u>
Acres Irrigated	15
Advances for Construction	16
Construction work in progress	16
Contribution in aid of construction	16
Depreciation and amortization reserves	2
Material and supplies on hand	16
Meters and services on pipe system	13
Operating expenses	4-6
Operating revenues	7
Population served	15
Service connections, active	14
Signature	16.a
Source of supply and water developed	11
Storage facilities	11
Taxes	8
Transmission and distribution facilities	12
Utility plant in service	2