

Received \_\_\_\_\_  
Examined \_\_\_\_\_

**CLASS D  
WATER UTILITIES**

U# \_\_\_\_\_

**2002  
ANNUAL REPORT  
OF**

\_\_\_\_\_

**Canada Woods Water Company**  
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

\_\_\_\_\_

**7145 Carmel Valley Road, Carmel, CA 93923**  
(OFFICIAL MAILING ADDRESS) ZIP

**TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2002**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2003  
(FILE TWO COPIES IF THREE RECEIVED)

**ORIGINAL**

**PEASLEY, ALDINGER & O'BYMACHOW**  
AN ACCOUNTANCY CORPORATION

2120 MAIN STREET, SUITE 205  
HUNTINGTON BEACH, CALIFORNIA 92648

MATT A. PEASLEY, CPA  
CHRISTIAN L. ALDINGER, CPA

(714) 536-4418  
FAX (714) 536-2039

ACCOUNTANT'S COMPILATION REPORT

October 27, 2003

Canada Woods Water Company  
7145 Carmel Valley Road  
Carmel, CA 93923

We have compiled the balance sheet of Canada Woods Water Company, LLC (Water system) as of December 31, 2002, and the related income statement for the year ended December 31, 2002, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information included on page 7 (Schedules B, & C), page 8 (Schedules D, E & I), page 9 (Schedule J), pages 3 and 4 of Selected Financial Data - Class D Water Companies 2002, pages 5 and 6 of Class D Water Companies Safe Drinking Water Bond Act Data, and the Summary of Earnings (page unnumbered).

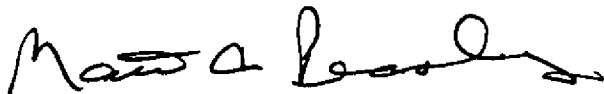
Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission of the State of California, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.

Canada Woods Water Company, LLC, is comprised of member entities which are currently in the process of combining to form the utility. Information in this report is based on estimates prepared by the member entities and by other firms contracted to provide engineering and operations support to the utility.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information contained on page 1 (General Information), page 8 (Schedules G & H) and page 9 (Schedules K, L, M, N, & O) of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

PEASLEY, ALDINGER & O'BYMACHOW  
AN ACCOUNTANCY CORPORATION



Matt A. Peasley  
Certified Public Accountant

## INSTRUCTIONS

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

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

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

**Summary of Earnings  
Test Year 2002**

<b>Account Number</b>	<b>Operating Revenue</b>	
470	Metered	
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	<b>Total Revenue</b>	0
	<b>Operating Expenses</b>	
610	Purchased Water	0
615	Purchased Power	11097
	Pump Taxes	
	Purchased Chemicals	10096
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	3934
650	Contract Work	132656
	Water Testing	9186
660	Transportation Expense	1710
664	Other Plant Maintenance	14693
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	3826
681	Office Supplies and Expense	2933
682	Professional Services	5799
684	Insurance	
688	Regulatory Expense	
689	General Expense	
	<b>Subtotal</b>	195930
403	Depreciation Expense	21145
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	
410	Federal Income Tax	
	<b>Total Deductions</b>	217075
	<b>Net Revenue</b>	-217075
	<b>Rate Base</b>	
	Average Plant	3552353
	Average Depreciation Reserve	-145353
	Net Plant	3407000
	Less: Advances	
	Less: Contributions	-2526356
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	<b>Rate Base</b>	880644
	<b>ROR=Net Rev/Rate Base</b>	-0.246495746

SEE ACCOMPANYING ACCOUNTANT'S COMPILATION REPORT

CLASS D WATER UTILITIES  
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

**Canada Woods Water Company, LLC**

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

**7145 Carmel Valley Road, Carmel, California 93923**

(Official mailing address)

**Carmel Valley, Monterey County**

(Service area-town and county)

**GENERAL INFORMATION**

RETURN ORIGINAL TO COMMISSION NO PHOTOCOPIES

- 1 If a corporation show: **N/A**
- 2 If unincorporated give the name and address of owner or of each partner: **(Organized as a Delaware limited liability company)**
  - (i) Date of organization 09/05/97 organized in the State of DELAWARE
  - (ii) Date of foreign registration 09/22/97 registered in the State of CALIFORNIA
  - (iii) Partners (LLC Members) Canada Woods, LLC, Member  
**c/o Howard M. Bernstein, Manager, Kaufman, Bernstein, Oberman et al. 2049 Century Park East, Suite 2500  
 Los Angeles, CA 90067-3127**  
**Monterra Ranch Properties, LLC, Member**  
**c/o Roger E. Mills, Manager P.O. Box 3070 Salinas, CA 93912-3070**
- (B) Names, titles and addresses of principal officers  
**Alan Williams, Manager c/o Canada Woods Water Company 7145 Carmel Valley Road, Carmel, CA 93923**
- 3 Name and telephone number of:
  - (A) One person listed above to receive correspondence: **Alan Williams, Manager (831) 625-1066**  
**Courtesy copy to:**  
**Derinda L. Messenger, Esq., Lombardo & Gilles**  
**318 Cayuga Street, Salinas, CA 93901**  
**Phone: (831) 754-2444**
  - (B) Person responsible for operations and services: **Pete Garneau (831)656-9266**  
**Carmel Lahalna Utility Services**
- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) **YES**  
 If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?  
**Operation of water system: Carmel Lahalna Utility Services, Inc. \$132,656 a/c 650**
- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:
  - (i) Canada Woods, LLC, a Delaware limited liability company;
  - (ii) Clinton Eastwood, Trustee of the 1988 Clinton Eastwood Trust (1997 Restatement) U/D/T dated 05/23/97;
  - (iii) Margaret Eastwood, Trustee of the Margaret Eastwood Trust U/D/T dated 08/21/90;
  - (iv) Monterra Ranch Properties, LLC, a California limited liability company;
  - (v) Basil E. Mills, Trustee of the Mills Family Trust, the Non-Exempt Marital Trust, Trust B, dated 05/02/80; and
  - (vi) Roger E. Mills, Trustee of the Roger E. Mills Living Trust dated 02/12/87

**PUBLIC HEALTH STATUS**

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

Yes	No	Latest Date
X		June 2002
X		monthly
X		July 2002
		n/a
		n/a

**SPECIAL INSTRUCTIONS (over)**

## **SPECIAL INSTRUCTIONS**

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.  
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2002

NAME OF UTILITY Canada Woods Water Company PHONE (831) 625-1066

PERSON RESPONSIBLE FOR THIS REPORT Alan Williams, Manager  
(Prepared from Information in the 2002 Annual Report)

	1/1/2002	12/31/2002	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	-	14,250	7,125
2 Land and Land Rights	-	2,400	1,200
3 Depreciable Plant	-	7,088,055	3,544,028
4 Gross Plant in Service	-	7,104,705	3,552,353
5 Less: Accumulated Depreciation	-	(290,705)	(145,353)
6 Net Water Plant in Service	-	6,814,000	3,407,000
7 Water Plant Held for Future Use	-	-	-
8 Construction Work in Progress	-	-	-
9 Materials and Supplies	-	-	-
10 Less: Advances for Construction	-	-	-
11 Less: Contribution in Aid of Construction	-	5,052,711	2,526,356
12 Less: Accumulated Deferred Income and Investment Tax Credits	-	-	-
13 Net Plant Investment	-	11,866,711	5,933,356
<b>CAPITALIZATION</b>			
14 Common Stock	-	-	-
15 Proprietary Capital (Individual or Partnership)	-	1,761,289	880,645
16 Paid-in Capital	-	-	-
17 Retained Earnings	-	-	-
18 Common Stock and Equity (Lines 14 through 17)	-	1,761,289	880,645
19 Preferred Stock	-	-	-
20 Long-Term Debt	-	-	-
21 Notes Payable	-	-	-
22 Total Capitalization (Lines 18 through 21)	-	1,761,289	880,645

(Revised 2/01)

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

2002

(continued)

NAME OF UTILITY Canada Woods Water Company PHONE (831)625-1066

		Annual Amount
<b>INCOME STATEMENT</b>		
23	Unmetered Water Revenue	_____
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	_____
27	Total Operating Revenue	0
28	<u>Operating Expenses</u>	195,930
29	Depreciation Expense (Composite Rate <u>2.12%</u> )	21,145
30	Amortization and Property Losses	_____
31	Property Taxes	_____
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	217,075
34	California Corp. Franchise Tax	_____
35	Federal Corporate Income Tax	_____
36	Total Operating Revenue Deduction After Taxes	217,075
37	Net Operating Income (Loss) - California Water Operations	(217,075)
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39	Income Available for Fixed Charges	(217,075)
40	Interest Expense	_____
41	Net Income (Loss) Before Dividends	(217,075)
42	Preferred Stock Dividends	_____
43	Net Income (Loss) Available for Common Stock	(217,075)
<b>OTHER DATA</b>		
44	Refunds of Advances for Construction	0
45	Total Payroll Charged to Operating Expenses	0
46	Purchased Water	0
47	Power	11,097

	<u>Active Service Connections</u>	(Exc. Fire Protect.)			Annual Average
			Jan. 1	Dec. 31	
48	Metered Service Connections		_____	68	34
49	Flat Rate Service Connections		_____	0	0
50	Total Active Service Connections		0	68	34



**CLASS B, C AND D WATER COMPANIES  
SAFE DRINKING WATER BOND ACT DATA**

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

1. Current Fiscal Agent: **N/A**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

2. Former Fiscal Agent:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Date Hired: \_\_\_\_\_

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

\$ \_\_\_\_\_

4. Summary of the trust bank account activities showing:

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

5. Account information:

Bank Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Date Opened: \_\_\_\_\_

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

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2002)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	7,104,705	201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	
4	105	Water plant construction work in progress		218	Proprietary capital	1,761,289
5	108	Accumulated depreciation of water plant	(290,705)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	5,314,260
14				272	Accumulated amortization of contributions	(261,549)
15		<b>Total Assets</b>	<b>6,814,000</b>		<b>Total Equity and Liabilities</b>	<b>6,814,000</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant		14,250			14,250
17	303	Land	-	2,400			2,400
18	304	Structures	-	345,000			345,000
19	307	Wells	-	323,000			323,000
20	317	Other water source plant	-				-
21	311	Pumping equipment	-	1,582,040			1,582,040
22	320	Water treatment plant	-	984,000			984,000
23	330	Reservoirs tanks and sandpipes	-	1,001,500			1,001,500
24	331	Water mains	-	2,497,840			2,497,840
25	333	Services and meter installations	-	98,300			98,300
26	334	Meters	-	79,000			79,000
27	335	Hydrants	-	175,000			175,000
28	339	Other equipment	-				-
29	340	Office furniture and equipment	-	2,375			2,375
30	341	Transportation equipment	-				-
31		<b>Total water plant in service</b>	<b>-</b>	<b>7,104,705</b>	<b>-</b>	<b>-</b>	<b>7,104,705</b>

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

**SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year			A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	21,145		Composite 2.12%
35	(b) Charged to Account No. 272	129,593		
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits	139,967		your federal income tax return for the year
39	Total credits	290,705		covered by this report \$ n/a
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation. n/a
44	Total debits	0		
45	Balance in reserve at end of year	290,705		
46	(1) Explanation of all other credits	Prior years' accumulated depreciation		
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2002)**

Line				
1	Common - (Shares	\$	par)	N/A
2	Preferred - (Shares	\$	par)	N/A
3	Dividends - Common	Rate - \$		N/A
4	- Preferred	Rate - \$		N/A

**SCHEDULE E - LONG TERM DEBT**

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6	N/A							
7								
8	Totals							

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	XXXXXXXXXX	
10	460 Unmetered water revenue		
11	462 Fire protection revenue		
12	465 Irrigation revenue		
13	470 Metered water revenue		
14	480 Other water revenue		
15	Total Operating Revenue	-	
16	Operating revenue deductions	XXXXXXXXXX	
17	Operating expenses	XXXXXXXXXX	
18	610 Purchased water	-	
19	615 Power		11,097
20	618 Other volume related expenses		19,282
21	630 Employee labor		
22	640 Materials		3,934
23	650 Contract work		132,658
24	660 Transportation expenses		1,710
25	664 Other plant maintenance expense		14,693
26	670 Office salaries		
27	671 Management salaries		
28	674 Employee pensions and benefits		
29	676 Uncollectible accounts expense		
30	678 Office services and rentals		3,826
31	681 Office supplies and expense		2,933
32	682 Professional services		5,799
33	684 Insurance		
34	688 Regulatory commission expense		
35	689 General expenses		
36	Total Operating Expenses		195,930
37	403 Depreciation expense		21,145
38	407 SDWBA loan amortization expense		
39	408 Taxes other than income taxes		
40	409 State corporate income tax expense		
41	410 Federal corporate income tax expense		
42	Total Operating Revenue Deductions	217,075	
43	Utility Operating Income	(217,075)	
44	421 Non-utility income		
45	426 Miscellaneous non-utility expense		
46	427 Interest expense		
47	Net Income	(217,075)	

**SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS**

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped
Monterra	M1	6	5	100	1,561,936
Olmsted	M5	8	166	160	1,340,000
Via Malpaso	M8	8	137	70	350,000
Olmsted	M13	12	194	160	-
Monterra	M15	8	2	40	-
Via Malpaso	HW1	10	566	300	-
Via Malpaso	HW2	10	567	300	46,265,296

**OTHER**

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)
	Priority right	Capacity	Max	Min	
n/a					
Purchased water (unit) Supplier:					Annual quantity
n/a					

**SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS**

(If figures are available) (specify unit) gallons

Classification of service	Max. mo. Mo. Of Sep	Min. mo. Mo. Of Dec	Total for year
Residential & business	1,099,366	461,747	7,494,594
Industrial			
Public authorities			
Irrigation	23,008	109,223	730,302
Other (specify)			
Total	1,122,374	570,970	

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor				
49	670	Office salaries	N/A			
50	671	Management salaries				
51		Total				

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

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

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

Size	Meters	Services
5/8 x 3/4-in	2	2
3/4-in	1	1
1-in	56	56
1.5-in	6	6
2-in	3	3
<b>Total</b>	<b>68</b>	<b>68</b>

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year		
1	Used, before repair...	n/a
2	Used, after repair .....	
3	Fast, requiring refund ..	
Numbers of meters in service requiring test per General Order No. 103 .....		

**SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR**

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residential	53		53				53	0
			0				0	0
Industrial			0				0	0
Other (specify) Commercial	6		6				6	0
Irrigation & Construction *	9		9				9	0
Subtotal	68		68				68	0
Fire protection (Hydrants)		59	59				0	59
<b>Total</b>	<b>68</b>	<b>59</b>	<b>127</b>				<b>68</b>	<b>59</b>

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

\* Temp services with meters

**SCHEDULE N - STORAGE FACILITIES**

**SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)**

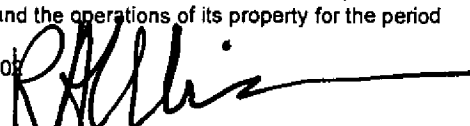
Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	6"	8"	12"	Totals
Concrete	1	68,000	Cast Iron (ductile)				5648			5648
Earth			Welded steel							0
Wood			Standard screw							0
Steel	20	378,000	Cement-asbestos							0
Other			Plastic		3166	6809	39769	49080	8696	107520
			Other (specify)							0
										0
<b>Total</b>	<b>21</b>	<b>446,000</b>	<b>Total</b>	<b>-</b>	<b>3166</b>	<b>6809</b>	<b>45417</b>	<b>49080</b>	<b>8696</b>	<b>113168</b>

**DECLARATION**

(BEFORE SIGNING PLEASE CHECK TO SEE THAT ALL SCHEDULES HAVE BEEN COMPLETED)

I, the undersigned (officer, partner or owner) of Canada Woods Water Company (Name of utility) under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including January 1, 2002, to and including December 31, 2003

  
 Signed \_\_\_\_\_  
 Title Manager  
 Date 12/29/03