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Received	_____
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CLASS-D
WATER UTILITIES



U# _____

2002
ANNUAL REPORT
OF

COLD SPRINGS WATER COMPANY INC.

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

(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)

**Summary of Earnings
Test Year 2002**

Account Number	Operating Revenue	
470	Metered	129712
460	Unmetered	32508
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	162220
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	14625
	Pump Taxes	
	Purchased Chemicals	1769
618	Other Vol. Related exp.	
630	Employee Labor	31050
640	Materials	686
650	Contract Work	
	Water Testing	2317
660	Transportation Expense	3294
664	Other Plant Maintenance	5379
670	Office Salaries	22650
671	Management Salaries	24000
674	Employee Pensions and Benefits	5672
676	Uncollectables	
678	Office Service and Rentals	14214
681	Office Supplies and Expense	6673
682	Professional Services	1740
684	Insurance	6849
688	Regulatory Expense	291
689	General Expense	1287
	Subtotal	142496
403	Depreciation Expense	11179
	Ad Valorem Taxes	
	Payroll taxes	5957
408	Taxes other than income	1057
409	State Income Tax	800
410	Federal Income Tax	840
	Total Deductions	162329
	Net Revenue	<109>
	Rate Base	
	Average Plant	446978
	Average Depreciation Reserve	<297469>
	Net Plant	149509
	Less: Advances	<28021>
	Less: Contributions	<34672>
	Plus: Construction Work in Progress	
	Plus: Working Cash	30458
	Plus: Material & Supplies	
	Rate Base	117274
	ROR=Net Rev/Rate Base	

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

COLD SPRINGS WATER COMPANY INC.

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

29820 HIGHWAY 108, COLD SPRINGS CA 95335

(Official mailing address)

PETER PAM, COLD SPRINGS, TUOLUMNE COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 1967 incorporated in the State of CA
 - (B) Names, titles and addresses of principal officers:
Peter Kerns, President, 29820 Hwy 108, Cold Springs, CA 95335
- 2 If unincorporated give the name and address of owner or of each partner:

- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence:
 - (B) Person responsible for operations and services:
Peter Kerns 209-965-3716
- 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)
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?
- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

PUBLIC HEALTH STATUS

- 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	1996
X		Dec 2002
X		Dec 1981

SPECIAL INSTRUCTIONS (over)

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

NAME OF UTILITY COLD SPRINGS WATER CO. PHONE 209 965-3716

PERSON RESPONSIBLE FOR THIS REPORT Sandra Tucker
(Prepared from Information in the 202 Annual Report)

	1/1/02	12/31/02	Average
BALANCE SHEET DATA			
1 Intangible Plant	12378	12378	12378
2 Land and Land Rights	6250	2650	6250
3 Depreciable Plant	426725	433575	428350
4 Gross Plant in Service	445353	448603	446978
5 Less: Accumulated Depreciation	292959	304138	298548
6 Net Water Plant in Service	152394	144465	148430
7 Water Plant Held for Future Use	12000	18000	15000
8 Construction Work in Progress			
9 Materials and Supplies			
10 Less: Advances for Construction	(29125)	(28021)	(28573)
11 Less: Contribution in Aid of Construction	(34672)	(34672)	(34672)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	100597	99772	100185
CAPITALIZATION			
14 Common Stock	75000	75000	75000
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	118001	118001	118001
17 Retained Earnings	132099	128946	130523
18 Common Stock and Equity (Lines 14 through 17)	60902	64055	62478
19 Preferred Stock			
20 Long-Term Debt	16997	10998	13998
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	77899	75053	76476

(Revised 2/01)

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

20_02
(continued)

NAME OF UTILITY COLD SPRINGS WATER CO PHONE 209 965-3716

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	32508
24	Fire Protection Revenue	-----
25	Irrigation Revenue	-----
26	Metered Water Revenue	129712
27	Total Operating Revenue	162220
28	<u>Operating Expenses</u>	142496
29	Depreciation Expense (Composite Rate <u>2.6</u>)	11179
30	Amortization and Property Losses	-----
31	Property Taxes	994
32	Taxes Other Than Income Taxes	6020
33	Total Operating Revenue Deduction Before Taxes	160689
34	California Corp. Franchise Tax	800
35	Federal Corporate Income Tax	840
36	Total Operating Revenue Deduction After Taxes	162329
37	Net Operating Income (Loss) - California Water Operations	109
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	302
39	Income Available for Fixed Charges	-----
40	Interest Expense	0
41	Net Income (Loss) Before Dividends	193
42	Preferred Stock Dividends	-----
43	Net Income (Loss) Available for Common Stock	193

OTHER DATA		
44	Refunds of Advances for Construction	1104
45	Total Payroll Charged to Operating Expenses	77700
46	Purchased Water	-----
47	Power	14625

	Active Service Connections	(Exc. Fire Protect.)	Annual		
			Jan. 1	Dec. 31	Average
48	Metered Service Connections		399	409	404
49	Flat Rate Service Connections		104	96	100
50	Total Active Service Connections		503	505	504

**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.)

NONE

1. Current Fiscal Agent:

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: NONE

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	448603	201	Common Stock (Corporations only)	75000
2	103	Water plant held for future use	18000	211	Other paid-in capital (Corporations only)	118001
3	104	Water plant purchased or sold		215	Retained earnings	128946
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	304138	224	Long term debt	10998
6	114	Water plant acquisition adjustments			Current Liabilities	1922
7	124	Other investments		252	Advances for construction	28021
8	131	Cash	30458	253	Other deferred credits	39900
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	34672
14				272	Accumulated amortization of contributions	13355
15		Total Assets	192923		Total Equity and Liabilities	192923

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	12378				12378
17	303	Land	6250				6250
18	304	Structures	15692				15692
19	307	Wells	13753				13753
20	317	Other water source plant	39672				39672
21	311	Pumping equipment	32444	558			33002
22	320	Water treatment plant	20840				20840
23	330	Reservoirs tanks and sandpipes	41870				41870
24	331	Water mains	132550	2718			135268
25	333	Services and meter installations	39026				39026
26	334	Meters	21512				21512
27	335	Hydrants	4460				4460
28	339	Other equipment	26409				26409
29	340	Office furniture and equipment	19715	2530	2556		19689
30	341	Transportation equipment	18782				18782
31		Total water plant in service	445353	5806	2556		448603

* 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	292959		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	11179		SL 2.6
35	(b) Charged to Account No. 272	396		
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	11575		covered by this report \$ 18470
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired	2556		
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits	2556		
45	Balance in reserve at end of year	301978		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

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

Line	Common - (Shares	750	, \$ 100 par)	75000		List persons owning more than 5% of outstanding stock
1	Preferred - (Shares		, \$ par)			and number of shares owned by each:
2	Dividends - Common	Rate - \$				Pete Kerns 306 Melba Kerns 187.5
3	- Preferred	Rate - \$				Jeff Kerns 84 Pam Riley 172.5

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	Ford motor credit	10/01	10/04	17997	10998	0	0	0
6								
7								
8	Totals			17997	10998			

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	32508
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	129712
14	480 Other water revenue	
15	Total Operating Revenue	162220
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	14625
20	618 Other volume related expenses	1769
21	630 Employee labor	31050
22	640 Materials	686
23	650 Contract work	2317
24	660 Transportation expenses	3294
25	664 Other plant maintenance expense	5379
26	670 Office salaries	22650
27	671 Management salaries	24000
28	674 Employee pensions and benefits	5672
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	14214
31	681 Office supplies and expense	6673
32	682 Professional services	1740
33	684 Insurance	6849
34	688 Regulatory commission expense	291
35	689 General expenses	1287
36	Total Operating Expenses	142496
37	403 Depreciation expense	11179
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	7014
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	840
42	Total Operating Revenue Deductions	162329
43	Utility Operating Income	109
44	421 Non-utility income	302
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	193

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
Peter Pam		6	100	100	1.98 mgd

OTHER

Streams or springs location of diversion point	Flow in		(Unit)		Annual quantities diverted (Unit)
	Priority right	Diversion	Max	Min	
Kerns Creek	.25	.25	.25	.25	14.31 mgd
Purchased water (unit)					
Supplier:					Annual quantity

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

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	1	31050	0	31050
49	670	Office salaries	2	22650	0	22650
50	671	Management salaries	2	24000	0	24000
51		Total	5	77700	0	77700

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	29125
Additions during year	
Subtotal - Beginning balance plus additions during year	29125
Refunds	1104
Transfers to Acct. 271 - Contributions in Aid of Construction	0
Balance end of year	28021

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

Size	Meters	Services
5/8 x 3/4-in	412	96
3/4-in		
1-in		
-in		
-in		
Total	412	96

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	10
1 Used, before repair...	
2 Used, after repair	
3 Fast, requiring refund ..	
Numbers of meters in service requiring test per General Order No. 103	10

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	409	96	505	3	0	3	412	96
Industrial								
Other (specify)								
Subtotal								
Fire protection (Hydrants)								
Total								

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

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	2" and	2 1/4 to	4"	6	8	10	Totals
				under	3 1/4		Other sizes (specify)			
Concrete			Cast Iron							
Earth			Welded steel			13350	3162			16512
Wood	2	24000	Standard screw		1294		100			1394
Steel	5	829000	Cement-asbestos			10300	4900			15200
Other			Plastic	1620	7320	12280	1200	2040	3580	28040
			Other (specify)							
Total	7	835000	Total	1620	8614	35930	9362	2040	3580	61146

DECLARATION

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

I, the undersigned (officer, partner or owner) of Cold Springs Water Company Inc. (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, 2002

Signed Pete Kerns

Title President

Date 3-19-03