

for SMW only Sewer

Received _____
Examined _____

SEWER UTILITIES

U# _____

**2007
ANNUAL REPORT
OF**

Monterey Sewer

California American Water Company

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

303 H. Street, Suite 250, Chula Vista, CA 91910

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2007**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2008
(FILE TWO COPIES IF THREE RECEIVED)

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
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov

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.

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

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

303 H Street, Suite 250, Chula Vista 91910
(Official mailing address)

Monterey
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
(A) Date of organization 4/1/2003 incorporated in the State of California
(B) Names, titles and addresses of principal officers:

- 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: Craig Anthony
(B) Person responsible for operations and services: Craig Anthony

- 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		June-07
x		December-07
x		January-07
N/A		
N/A		

- 11 List Name, Grade, and License Number of all Licensed Operators:

Frank Vogl, Grade III, Cert# 5535	Jason Clifford, Grade III, Cert# 27692	James Bricker, Grade II, Cert#10743
Charles Barr, Grade IV, Cert# 8115	Gabriel Perez, Grade II, Cert#10156	Gregorio Valladares, Grade II, Cert#27848
Mitchell Murdock, Grade III, Cert#6228	Greg Daniels, Grade II, Cert#10191	

SPECIAL INSTRUCTIONS (over)

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-023, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-023, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 200 .

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Non-Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability incurred because of non-tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account)	Regulated Asset Account Number

NONE

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2007__)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Plant in service	15,226,628	201	Common Stock (Corporations only)	
2	103	Plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Plant purchased or sold		215	Retained earnings	1,958,515
4	105	Plant construction work in progress	169,232	218	Proprietary capital	
5	108	Accumulated depreciation of plant	(8,017,945)	224	Long term debt	
6	114	Plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	98,390
9	141	Accounts receivable - customers	92,251	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	8,547,009
14				272	Accumulated amortization of contributions	(1,133,749)
15		Total Assets	9,470,165		Total Equity and Liabilities	9,470,165

SCHEDULE B - SEWER 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					
17	303	Land	192,001				192,001
18	304	Structures	1,325,253	10,270			1,335,523
19	307	Wells		19,455			19,455
20	317	Other source plant					0
21	311	Pumping equipment	1,017,207	41,496			1,058,703
22	320	Treatment plant	7,535,604	13,123			7,548,727
23	330	Reservoirs					0
24	331	Mains	3,911,915	5,553			3,917,467
25	333	Services and meter installations		12,597			12,597
26	334	Meters					0
27	339	Other equipment	924,257	36,356			960,613
28	340	Office furniture and equipment	157,377	24,164			181,541
29	341	Transportation equipment					
30		Total Plant in service	15,063,614	163,014			15,226,628

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 108 Plant	
32	Balance in reserves at beginning of year	5,541,984	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	408,350	
35	(b) Charged to Account No. 272		
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	67,612	your federal income tax return for the year
39	Total credits	475,962	covered by this report \$
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.
44	Total debits		
45	Balance in reserve at end of year	6,017,945	
46	(1) Explanation of all other credits		
47	(2) Explanation of all other debits		

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20__)

Line				
1	Common - (Shares	\$	par)	0
2	Preferred - (Shares	\$	par)	0
3	Dividends - Common	Rate - \$		0
4	- Preferred	Rate - \$		0

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								
7								
8	Totals	0	0	0	0	0	0	0

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered revenue	1,487,762
11	470 Metered revenue	5,952
12	480 Other revenue	0
13	Total Operating Revenue	1,493,714
14	Operating revenue deductions	xxxxxxxxxx
15	Operating expenses	xxxxxxxxxx
16	610 Purchased water	0
17	615 Power	87,173
18	618 Other volume related expenses	32,548
19	630 Employee labor	4,740
20	640 Materials	237,248
21	650 Contract work	0
22	660 Transportation expenses	14,093
23	664 Other plant maintenance expense	86,802
24	670 Office salaries	647,473
25	671 Management salaries	0
26	674 Employee pensions and benefits	60,286
27	676 Uncollectible accounts expense	142
28	678 Office services and rentals	24,823
29	681 Office supplies and expense	1,084
30	682 Professional services	318,395
31	684 Insurance	(14)
32	688 Regulatory commission expense	5,835
33	689 General expenses	615,762
34	Total Operating Expenses	2,134,389
35	403 Depreciation expense	175,445
36	408 Taxes other than income taxes	(85,059)
37	409 State corporate income tax expense	
38	410 Federal corporate income tax expense	0
39	Total Operating Revenue Deductible #	2,214,775
40	Utility Operating Income	(721,061)
41	421 Non-utility income	0
42	426 Miscellaneous non-utility expense	101
43	427 Interest expense	0
44	Net Income	(721,163)

Amount includes Corp Allocation of \$602,298.26

SCHEDULE G - 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
45	630	Employee Labor		4740		
46	670	Office salaries		647,473		
47	671	Management salaries				
48		Total		652,213		

SCHEDULE H - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
4-in		2,485
6-in		10
-in		
-in		
-in		
Total		2,505

SCHEDULE J - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair...	N/A
2	Used, after repair	N/A
3	Fast, requiring refund ..	N/A

SCHEDULE K - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences		2,475	2,475					2,475
Industrial		28	28					28
Other (specify)		2	2					2
Total		2,505	2,505					2,505

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

SCHEDULE L - STORAGE FACILITIES

SCHEDULE M - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	Other sizes (specify)				Totals		
				2" and under	2 1/4 to 3 1/4	4"	6		8	
Concrete			Cast Iron					0		
Earth	3	14,000,000	Welded steel					0		
Wood			Standard screw					0		
Steel			Cement-asbestos					0		
Other			Plastic			98,000	94,458	37,752		
			Other (specify)					0		
Total	3	14,000,000	Total	0	0	98,000	94,458	37,752	0	230,208

DECLARATION

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

I, the undersigned (officer, partner or owner) of California American Water Company, 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, 2007, to and including December 31, 2007.

Thomas J. Bunosky
Signed
VP of Operation
Title
30-Apr-08
Date

