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2008  
ANNUAL REPORT  
OF  
DISTRICT WATER SYSTEM OPERATIONS  
OF

Golden State Water Company

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(NAME OF CORPORATION)

Name of District: Clearlake Location: Clearlake, Lake  
(TOWN OR CITY) (COUNTY)

TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2008

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2009  
(FILE TWO COPIES IF THREE RECEIVED)

**SCHEDULE A-1a**  
**Utility Plant in Service**

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		<b>I. INTANGIBLE PLANT</b>					
2	301	Organization	0	0	0	0	0
3	302	Franchises and consents (Schedule A-1b)	0	0	0	0	0
4	303	Other intangible plant	58,695	12,103	0	0	70,798
5		Total intangible plant	<b>58,695</b>	<b>12,103</b>	<b>0</b>	<b>0</b>	<b>70,798</b>
6							
7		<b>II. LANDED CAPITAL</b>					
8	306	Land and land rights	175,312	0	0	0	<b>175,312</b>
9							
10		<b>III. SOURCE OF SUPPLY PLANT</b>					
11	311	Structures and improvements	15,424	0	0	0	15,424
12	312	Collecting and impounding reservoirs	25,022	0	0	0	25,022
13	313	Lake, river and other intakes	0	0	0	0	0
14	314	Springs and tunnels	0	0	0	0	0
15	315	Wells	0	0	0	0	0
16	316	Supply mains	0	0	0	0	0
17	317	Other source of supply plant	62	0	0	0	62
18		Total source of supply plant	<b>40,508</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,508</b>
19							
20		<b>IV. PUMPING PLANT</b>					
21	321	Structures and improvements	88,835	0	0	0	88,835
22	322	Boiler plant equipment	0	0	0	0	0
23	323	Other power production equipment	0	0	0	0	0
24	324	Pumping equipment	1,122,172	0	0	0	1,122,172
25	325	Other pumping plant	282,465	0	0	0	282,465
26		Total pumping plant	<b>1,493,473</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,493,473</b>
27							
28		<b>V. WATER TREATMENT PLANT</b>					
29	331	Structures and improvements	320,408	0	0	0	320,408
30	332	Water treatment equipment	929,122	11,347	(12,463)	0	928,007
31		Total water treatment plant	<b>1,249,530</b>	<b>11,347</b>	<b>(12,463)</b>	<b>0</b>	<b>1,248,414</b>

**SCHEDULE A-1a**  
**Utility Plant in Service (Concluded)**

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		<b>VI. TRANSMISSION AND DIST. PLANT</b>					
2	341	Structures and improvements	0	0	0	0	0
3	342	Reservoirs and tanks	864,101	0	0	0	864,101
4	343	Transmission and distribution mains	2,444,105	178,788	0	0	2,622,893
5	344	Fire mains	0	0	0	0	0
6	345	Services	1,162,217	112,487	(323)	0	1,274,381
7	346	Meters	199,589	3,660	0	0	203,249
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	214,226	21,020	0	0	235,247
10	349	Other transmission and distribution plant	934	0	0	0	934
11		Total transmission and distribution plant	<b>4,885,172</b>	<b>315,956</b>	<b>(323)</b>	<b>0</b>	<b>5,200,805</b>
12							
13		<b>VII. GENERAL PLANT</b>					
14	371	Structures and improvements	26,227	0	0	0	26,227
15	372	Office furniture and equipment	62,869	0	0	0	62,869
16	373	Transportation equipment	149,340	0	0	0	149,340
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	24,362	0	0	0	24,362
19	376	Communication equipment	6,647	0	0	0	6,647
20	377	Power operated equipment	9,484	14,338	0	0	23,822
21	378	Tools, shop and garage equipment	40,363	0	0	0	40,363
22	379	Other general plant	4,638	0	0	0	4,638
23		Total general plant	<b>323,930</b>	<b>14,338</b>	<b>0</b>	<b>0</b>	<b>338,268</b>
24							
25		<b>VIII. UNDISTRIBUTED ITEMS</b>					
26	390	Other tangible property	6,678	0	0	0	6,678
27	391	Utility plant purchased	0	0	0	0	0
28	392	Utility plant sold	0	0	0	0	0
29		Total undistributed items	<b>6,678</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,678</b>
30		Total utility plant in service	<b>8,233,296</b>	<b>353,745</b>	<b>(12,786)</b>	<b>0</b>	<b>8,574,255</b>

**SCHEDULE A-1d  
DISTRICT RATE BASE**

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		<b>DISTRICT RATE BASE</b>			
2					
3		Utility Plant			
4		Plant in Service		8,574,255	8,233,296
5		Construction Work in Progress		277,682	360,822
6		General Office Prorate			-
7		<b>Total Gross Plant (Line 4 + Line 5 + Line 6)</b>		<b>8,851,937</b>	<b>8,594,118</b>
8					
9		Less Accumulated Depreciation			
10		Plant in Service		3,125,078	2,831,171
11		General Office Prorate			-
12		<b>Total Accumulated Depreciation (Line 10 + Line 11)</b>		<b>3,125,078</b>	<b>2,831,171</b>
13					
14		Less Other Reserves			
15		Deferred Income Taxes		812,851	798,949
16		Deferred Investment Tax Credit		43,799	45,779
17		Other Reserves		302	314
18		<b>Total Other Reserves (Line 15 + Line 16 + Line 17)</b>		<b>856,952</b>	<b>845,042</b>
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		125,145	118,575
22		Advances for Construction		53,667	65,113
23		Other			
24		<b>Total Adjustments (Line 21 + Line 22 + Line 23)</b>		<b>178,812</b>	<b>183,688</b>
25					
26		Add Materials and Supplies		21,440	26,909
27					
28		Add Working Cash (From Schedule A-1d(2))		13,800	100
29		Add General Office, Rgions, District office, CSA allocation		107,529	153,251
30		<b>TOTAL DISTRICT RATE BASE</b>			
31		<b>=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28+ line 29</b>		<b>4,833,865</b>	<b>4,914,477</b>
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**SCHEDULE A-1d (2)**  
**RATE BASE**  
**Working Cash Calculation**

Line No.	Acct.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		<b>Working Cash</b>			
2					
3		<b>Determination of Operational Cash Requirement</b>			
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.			
5		2. Purchased Power & Commodity for Resale*			
6		3. Meter Revenues: Bimonthly Billing			
7		4. Other Revenues: Flat Rate Monthly Billing			
8		5. Total Revenues (3 + 4)			
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)			
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$			
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$			
12		9. $1/12 \times \text{Line 2}$			
13		10. Operational Cash Requirement (7 + 8 - 9)	"See attached schedule"		
14					
15					
16		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).			
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ADR  
08-May-08

GOLDEN STATE WATER COMPANY  
Clearlake Customer Service Area

DEVELOPMENT OF AVERAGE LAG IN PAYMENT OF EXPENSES AND  
TAXES AND ACCRUING DEPRECIATION

CPUC WUDF ACCOUNT	DESCRIPTION	(b)		(c)	(d)
		2008 PROPOSED (\$000's)	AVG. NO. DF	DAYS LAG	THOUSAND DOLLAR-DAYS LAG
1	70400				
2	72600				
3	73500				
4	74400				
5	77300				
6	77325				
7	77500				
8	78000				
9	78100				
10	78700				
11	78800				
12	79200				
13	79300				
14	79400				
15	79500				
16	79800				
17	79700				
18	79800				
19	79900				
20	79910				
21	80500				
22	81100				
23	81500				
24	50300				
25	50710				
26	50720				
27	50730				
28					
29					
30	TOTAL OPERATING EXPENSES	1,353.2			40,828.3
31	CPUC FEE ( 1.4% OF REVENUE)	25.5	90.0		2,293.0
32	TOTAL	1,378.7			43,119.3
33	AVERAGE LAG ----->				30.17

AVERAGE AMOUNT OF CASH REQUIRED AS A RESULT OF  
PAYING EXPENSES, TAXES AND ACCRUING DEPRECIATION  
IN ADVANCE OF COLLECTING REVENUES  
(\$ in Thousands )

34	(1) Average Lag in Collection of Revenues	33.81 days
35	(2) Average Lag in Payment of Expenses, Taxes and Accruing Depreciation	30.17 days
36	(3) Excess of Collection Lag over Payment Lag	3.64 days
37	(4) Total of Expenses, Taxes and Depreciation	\$1,378.7
38	(5) Daily Total of Expenses, Taxes and Depreciation	\$3.8
39	(6) Average Amount of Working Cash Capital Required as a Result of Paying Exp., Taxes and Depreciation in Advance of Collecting Revenues	\$13.8

NDTE: Schedule incorporate dollars (Accounts 793.00 Property Insurance, 794.00 Injuries and Damages, and 795.00 Pension & Benefits) for Working Cash calculation - Dollars were used expressly for working cash calculation.

**SCHEDULE A-3**  
**Depreciation and Amortization Reserves**

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)
1	Balance in reserves at beginning of year	2,833,535	(2,371)		
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	247,289	6,151		
4	(b) Charged to Account 265	2,920	-		
5	(c) Charged to Clearing Accounts	52,732	-		
6	(d) Salvage recovered	-	-		
7	(e) All other credits <sup>1/</sup>	-	-		
8	Total credits	302,941	6,151	-	-
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	12,786	-		
11	(b) Cost of removal	2,400	-		
12	(c) All other debits <sup>1/</sup>	-	-		
13	Total debits	15,186	-	-	-
14	Balance in reserve at end of year	3,121,290	3,780	-	-
15	State method of determining depreciation charges.	<b>Composite Rate</b>			
16					
17					
18	Report the depreciation claimed in your Federal Income Tax Return for the year - <b>\$ NOT AVAILABLE BY DISTRICT</b>				
19	<sup>1/</sup> Indicate the nature of these items and show the accounts affected by the contra entries.				
20					
21					

**SCHEDULE A-3a****Analysis of Entries in Account 250-Reserve for Depreciation of Utility Plant**

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		<b>I. SOURCE OF SUPPLY PLANT</b>					
2	311	Structures and improvements	(15,169)	(14)	0	0	(15,183)
3	312	Collecting and impounding reservoirs	(21,779)	(150)	0	0	(21,929)
4	313	Lake, river and other intakes	0	0	0	0	0
5	314	Springs and tunnels	0	0	0	0	0
6	315	Wells	0	0	0	0	0
7	316	Supply mains	0	0	0	0	0
8	317	Other source of supply plant	(42)	(7)	0	0	(49)
9		Total source of supply plant	(36,990)	(171)	0	0	(37,161)
10							
11		<b>II. PUMPING PLANT</b>					
12	321	Structures and improvements	(32,910)	(2,194)	0	0	(35,104)
13	322	Boiler plant equipment	0	0	0	0	0
14	323	Other power production equipment	0	0	0	0	0
15	324	Pumping equipment	(661,270)	(35,461)	0	0	(696,731)
16	325	Other pumping plant	(15,691)	(10,875)	0	0	(26,566)
17		Total pumping plant	(709,871)	(48,530)	0	0	(758,401)
18							
19		<b>III. WATER TREATMENT PLANT</b>					
20	331	Structures and improvements	(108,016)	(7,177)	0	0	(115,193)
21	332	Water treatment equipment	(542,259)	(41,903)	12,463	0	(571,700)
22		Total water treatment plant	(650,275)	(49,080)	12,463	0	(686,893)
23							

**SCHEDULE A-3a****Analysis of Entries in Account 250-Reserve for Depreciation of Utility Plant (continued)**

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		<b>IV. TRANS. AND DIST. PLANT</b>					
2	341	Structures and improvements	0	0	0	0	
3	342	Reservoirs and tanks	(133,101)	(27,219)	0	0	(160,320)
4	343	Transmission and distribution mains	(852,004)	(45,705)	0	0	(897,709)
5	344	Fire mains	0	0	0	0	0
6	345	Services	(306,400)	(34,053)	323	1,300	(338,830)
7	346	Meters	(84,390)	(28,282)	0	0	(112,672)
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	29,859	(5,334)	0	1,100	25,625
10	349	Other transmission and distribution plant	(244)	(65)	0	0	(309)
11		Total trans. and distribution plant	(1,346,280)	(140,658)	323	2,400	(1,484,215)
12							
13		<b>V. GENERAL PLANT</b>					
14	371	Structures and improvements	(5,147)	(632)	0	0	(5,779)
15	372	Office furniture and equipment	(18,587)	(8,550)	0	0	(27,137)
16	373	Transportation equipment	2,157	(52,732)	0	0	(50,575)
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	(18,831)	(1,671)	0	0	(20,502)
19	376	Communication equipment	(6,647)	0	0	0	(6,647)
20	377	Power operated equipment	(9,484)	0	0	0	(9,484)
21	378	Tools, shop and garage equipment	(25,892)	(916)	0	0	(26,808)
22	379	Other general plant	(1,010)	0	0	0	(1,010)
23	390	Other tangible property	(6,678)	0	0	0	(6,678)
24	391	Water plant purchased	0	0	0	0	0
25		Total general plant	(90,119)	(64,502)	0	0	(154,621)
26		<b>TOTAL</b>	<b>(2,833,535)</b>	<b>(302,941)</b>	<b>12,786</b>	<b>2,400</b>	<b>(3,121,290)</b>



**SCHEDULE B-1**  
**Operating Revenues**

Line No.	Acct.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		<b>I. WATER SERVICE REVENUES</b>			
2	601	Metered sales to general customers			
3		601.1 Commercial sales	1,639,189	1,651,044	(11,855)
4		601.2 Industrial sales	-	-	-
5		601.3 Sales to public authorities	916	854	62
6		Sub-total	1,640,105	1,651,898	(11,793)
7	602	Unmetered sales to general customers			
8		602.1 Commercial sales	-	-	-
9		602.2 Industrial sales	-	-	-
10		602.3 Sales to public authorities	-	-	-
11		Sub-total	-	-	-
12	603	Sales to irrigation customers			
13		603.1 Metered sales	-	-	-
14		603.2 Unmetered sales	-	-	-
15		Sub-total	-	-	-
16	604	Private fire protection service	1,320	1,320	-
17	605	Public fire protection service	-	-	-
18	606	Sales to other water utilities for resale	-	-	-
19	607	Sales to governmental agencies by contracts	-	-	-
20	608	Interdepartmental sales	-	-	-
21	609	Other sales or service	-	-	-
22		Sub-total	1,320	1,320	-
23		Total water service revenues	1,641,425	1,653,218	(11,793)
24		<b>II. OTHER WATER REVENUES</b>			
25	611	Miscellaneous service revenues	9,230	8,896	334
26	612	Rent from water property	-	-	-
27	613	Interdepartmental rents	-	-	-
28	614	Other water revenues	10,946	973	9,973
29		Total other water revenues	20,176	9,869	10,307
30	501	Total operating revenues	1,661,602	1,663,087	(1,486)

**SCHEDULE B-2**  
**Operating Expenses - Class A, B, and C Water Utilities**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		<b>I. SOURCE OF SUPPLY EXPENSE</b>						
2		<b>Operation</b>						
3	701	Operation supervision and engineering	A	B		42,824	34,219	8,605
4	701	Operation supervision, labor and expenses			C			-
5	702	Operation labor and expenses	A	B		0	0	-
6	703	Miscellaneous expenses	A			0	0	-
7	704	Purchased water	A	B	C	20,898	19,503	1,395
8		<b>Maintenance</b>						
9	706	Maintenance supervision and engineering	A	B		0	0	-
10	706	Maintenance of structures and facilities			C		0	-
11	707	Maintenance of structures and improvements	A	B		0	0	-
12	708	Maintenance of collect and impound reservoirs	A			430	116	314
13	708	Maintenance of source of supply facilities		B			0	-
14	709	Maintenance of lake, river and other intakes	A			638	59	578
15	710	Maintenance of springs and tunnels	A			0	0	-
16	711	Maintenance of wells	A			0	0	-
17	712	Maintenance of supply mains	A			103	0	103
18	713	Maintenance of other source of supply plant	A	B		0	0	-
19		Total source of supply expense				<b>64,892</b>	<b>53,897</b>	<b>10,995</b>

**SCHEDULE B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (continued)**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		<b>II. PUMPING EXPENSES</b>						
2		<b>Operation</b>						
3	721	Operation supervision and engineering	A	B		6,826	6,488	338
4	721	Operation supervision labor and expense			C		0	-
5	722	Power production labor and expense	A			0	0	-
6	722	Power production labor, expenses and fuel		B			0	-
7	723	Fuel for power production	A			0	0	-
8	724	Pumping labor and expenses	A	B		9,381	6,573	2,808
9	725	Miscellaneous expenses	A			1,076	344	732
10	726	Fuel or power purchased for pumping	A	B	C	60,476	59,881	594
11		<b>Maintenance</b>						
12	729	Maintenance supervision and engineering	A	B		6,779	5,694	1,084
13	729	Maintenance of structures and equipment			C		0	-
14	730	Maintenance of structures and improvements	A	B		7,276	2,807	4,470
15	731	Maintenance of power production equipment	A	B		0	0	-
16	732	Maintenance of pumping equipment	A	B		5,742	9,700	(3,959)
17	733	Maintenance of other pumping plant	A	B			0	-
18		Total pumping expenses				<b>97,555</b>	<b>91,488</b>	<b>6,067</b>
19		<b>III. WATER TREATMENT EXPENSES</b>						
20		<b>Operation</b>						
21	741	Operation supervision and engineering	A	B		27,074	18,368	8,707
22	741	Operation supervision, labor and expenses			C		0	-
23	742	Operation labor and expenses	A			105,926	129,017	(23,091)
24	743	Miscellaneous expenses	A	B		0	0	-
25	744	Chemicals and filtering materials	A	B		27,776	44,604	(16,829)
26		<b>Maintenance</b>						
27	746	Maintenance supervision and engineering	A	B		128	116	12
28	746	Maintenance of structures and equipment			C		0	-
29	747	Maintenance of structures and improvements	A	B		25,649	11,944	13,705
30	748	Maintenance of water treatment equipment	A	B		26,895	25,546	1,349
31		Total water treatment expenses				<b>213,448</b>	<b>229,595</b>	<b>(16,147)</b>

**SCHEDULED B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (continued)**  
 (Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		<b>IV. TRANS. AND DIST. EXPENSES</b>						
2		<b>Operation</b>						
3	751	Operation supervision and engineering	A	B	4,661	16,079	(11,418)	
4	751	Operation supervision, labor and expenses				0	-	
5	752	Storage facilities expenses	A		178	12	166	
6	752	Operation labor and expenses		B		0	-	
7	753	Transmission and distribution lines expenses	A		6,925	6,501	424	
8	754	Meter expenses	A		12,592	16,304	(3,712)	
9	755	Customer installations expenses	A		17,892	10,169	7,724	
10	756	Miscellaneous expenses	A		40,820	59,661	(18,840)	
11		<b>Maintenance</b>						
12	758	Maintenance supervision and engineering	A	B	10,539	6,836	3,703	
13	758	Maintenance of structures and plant				0	-	
14	759	Maintenance of structures and improvements	A	B	0	0	-	
15	760	Maintenance of reservoirs and tanks	A	B	2,885	119	2,766	
16	761	Maintenance of trans. and distribution mains	A		17,525	35,009	(17,483)	
17	761	Maintenance of mains		B		0	-	
18	762	Maintenance of fire mains	A		0	0	-	
19	763	Maintenance of services	A		8,281	14,798	(6,517)	
20	763	Maintenance of other trans. and distribution plant		B		0	-	
21	764	Maintenance of meters	A		2,640	11,741	(9,100)	
22	765	Maintenance of hydrants	A		1,658	2,291	(633)	
23	766	Maintenance of miscellaneous plant	A		0	0	-	
24		<b>Total transmission and distribution expenses</b>			<b>126,597</b>	<b>179,517</b>	<b>(52,920)</b>	

**SCHEDULED B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (continued)**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		<b>V. CUSTOMER ACCOUNT EXPENSES</b>						
2		<b>Operation</b>						
	790	Transferred Customer Expenses			16,747	14,245	2,502	
3	771	Supervision	A	B	12,772	14,405	(1,633)	
4	771	Superv., meter read., other customer acct expenses				0	-	
5	772	Meter reading expenses	A	B	80,540	71,552	8,988	
6	773	Customer records and collection expenses	A		4,296	6,182	(1,887)	
7	773	Customer records and accounts expenses		B		0	-	
8	774	Miscellaneous customer accounts expenses	A		0	0	-	
9	775	Uncollectible accounts	A	B	11,665	11,834	(168)	
10		Total customer account expenses			<b>126,020</b>	<b>118,218</b>	<b>7,802</b>	
11		<b>VI. SALES EXPENSES</b>						
12		<b>Operation</b>						
13	781	Supervision	A	B	0	0	-	
14	781	Sales expenses				0	-	
15	782	Demonstrating and selling expenses	A		85	0	85	
16	783	Advertising expenses	A		44	0	44	
17	784	Miscellaneous sales expenses	A		0	0	-	
18	785	Merchandising, jobbing and contract work	A		0	0	-	
19		Total sales expenses			<b>129</b>	<b>0</b>	<b>129</b>	

**SCHEDULED B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (concluded)**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		<b>VII. ADMIN. AND GENERAL EXPENSES</b>						
2		<b>Operation</b>						
	790	Allocation of A&G Expenses			173,275	155,543	17,732	
3	791	Administrative and general salaries	A	B	C	4,358	1,784	2,574
4	792	Office supplies and other expenses	A	B	C	51,801	46,577	5,223
5	793	Property insurance	A			0	0	-
6	793	Property insurance, injuries and damages		B	C		0	-
7	794	Injuries and damages	A			36,730	35,784	946
8	795	Employees' pensions and benefits	A	B	C	112,229	119,388	(7,159)
9	796	Franchise requirements	A	B	C	11,630	17,039	(5,409)
10	797	Regulatory commission expenses	A	B	C	3,501	2,664	837
11	798	Outside services employed	A			5,854	47,295	(41,442)
12	798	Miscellaneous other general expenses		B			0	-
13	798	Miscellaneous other general operation expenses			C		0	-
14	799	Miscellaneous general expenses	A			1,723	250	1,473
15		<b>Maintenance</b>					0	-
16	805	Maintenance of general plant	A	B	C	692	203	489
17		Total administrative and general expenses				<b>401,793</b>	<b>426,528</b>	<b>(24,735)</b>
18		<b>VIII. MISCELLANEOUS</b>						
19	811	Rents	A	B	C	13,086	12,643	443
20	812	Administrative expenses transferred - Cr.	A	B	C	0	0	-
21	813	Duplicate charges - Cr.	A	B	C	0	0	-
22		Total miscellaneous				<b>13,086</b>	<b>12,643</b>	<b>443</b>
23		Total operating expenses				<b>1,043,519</b>	<b>1,111,885</b>	<b>(68,366)</b>

**SCHEDULE B-4**  
**Taxes Charged During Year**

Line No.	Kind of tax (See system support for instructions) (a)	Total taxes charged during year (b)	Water (Account 507) (c)	Nonutility (Account 321) (d)	Other (Accounts) (e)	Capitalized (f)
1	Taxes on real and personal property	31,742	31,742			
2	State corporation franchise tax	21,647	21,647			
3	State unemployment insurance tax	897	897			
4	Other state and local taxes	90	90			
5	Federal unemployment insurance tax	266	266			
6	Federal insurance contributions act	22,272	22,272			
7	Other federal taxes	-				
8	Federal income tax	48,984	48,984			
9	Pump Taxes	-	-			
10						
11						
12						
13						
14						
15						
16						
17	Totals	<b>125,898</b>	<b>125,898</b>			

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

Line No.	STREAMS			FLOW IN ... (Unit) <sup>2</sup>				Annual Quantities Diverted (Unit) <sup>2</sup>	Remarks
	Diverted Into <sup>1</sup>	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max	Min		
4	Treatment Plant	Lakeshore						238,448	
5									
6									
7									
8	WELLS					Pumping Capacity (Unit) <sup>2</sup>	Annual Quantities Pumped (Unit) <sup>2</sup>	Remarks	
9	At Plant (Name or Number)	Location	Number	Diversions	<sup>3</sup> Depth in Water				
12								None	
13									
14									
15									
16									
17	TUNNELS AND SPRINGS			FLOW IN (Unit) <sup>2</sup>		Annual Quantities Used (Unit) <sup>2</sup>	Remarks		
18	Designation	Location	Number	Maximum	Minimum				
20									
21									
22									
23									
24									
25									
26	<b>Purchased Water for Resale</b>								
27									
28									
29	Purchased from								
30	Annual quantities purchased				(Unit chosen) <sup>2</sup>		"REFER TO COMPANY SCHEDULE D-1"		
31									
32									

<sup>1</sup> State ditch, pipe line, reservoir, etc., with name, if any.

<sup>2</sup> The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic foot; 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.

<sup>3</sup> 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			"REFER TO ATTACHED SCHEDULE"
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			



Plant Facility Index

Region: I  
 District: Northern  
 CSA: Clearlake  
 System: Clearlake

Plant	Major Facility	Year Built	Base Elev.	2008 Prod (AF)	Wells			Pumps				Tanks		Remarks				
					Well No.	Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Design Flow (gpm)	Design Head (ft)		Volume (MG)	Type	Material	
Lakeshore	Booster A	1330								VT	Elec	30	500	172			Pumps water from lake to Sonoma Treatment Plant.	
	Booster B	1330								VT	Elec	30	500	172			Pumps water from lake to Sonoma Treatment Plant.	
	Booster C	1330								VT	Elec	30	500	172			Pumps water from lake to Sonoma Treatment Plant.	
Manchester	Booster A	1346								H.S.C	Elec	50	500	260			Pump from Highland Water Co. inter-connection to system.	
	Connection																From Highlands Mutual Water Co.	
Oakcrest	Booster A	1580								H.S.C	Elec	2.5	35	100			Pumps from Resv to Oakcrest Booster Zone	
	Reservoir	1577															Floats on system	
Sampson	Reservoir	2002	1577.7														Floats on system.	
San Joaquin	Booster A	1330								H.S.C	Elec	20	100				In-line pump from Sampson Resv Zone to Oakcrest Resv Zone	
	Booster B	1330								H.S.C	Elec	20	100				In-line pump from Sampson Resv Zone to Oakcrest Resv Zone	
Sonoma WTP	Treatment Plant																	
	Booster 1	1417		547						VT	Elec	10	500	47			Settled water to pressure filters, carbon contactors, then cleanwell.	
	Booster 2	1417								VT	Elec	10	500	47			Settled water to pressure filters, carbon contactors, then cleanwell.	
	Booster 3	1417								VT	Elec	10	500	47			Settled water to pressure filters, carbon contactors, then cleanwell.	
	Booster A	1417								VT	Elec	40	500	217			Finished water from cleanwell to system.	
	Booster B	1417								VT	Elec	40	500	217			Finished water from cleanwell to system.	
Booster C	1417								VT	Elec	40	500	217			Finished water from cleanwell to system.		
Cleanwell		1416.5													0.21	Cleanwell	B. Steel	Baffles installed in cleanwell

**SCHEDULE D-3**  
**Description of Transmission and Distribution Facilities**

<b>A. Length of Ditches, Flumes and Lined Conduits in Miles for Various Capacities</b>									
Capacities in Cubic Feet Per Second or Miner's Inches (state which)									
Line No.		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	Totals								

<b>A. Length of Ditches, Flumes and Lined Conduits in Miles for Various Capacities (Concluded)</b>									
Capacities in Cubic Feet Per Second or Miner's Inches (state which)									
Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined conduit								
9									
10	Totals								

<b>B. Footages of Pipe by Inside Diameters in Inches - Not Including Service Piping</b>									
Line No.		1	1 1/2	2	2 1/2	3	4	5	6
11	Cast iron	-	-	-	-	-	-	-	-
12	Ductile iron (cement lined)	-	-	-	-	-	-	-	-
13	Concrete	-	-	-	-	-	-	-	-
14	Copper	-	-	-	-	-	-	-	-
15	Riveted Steel	-	-	-	-	-	-	-	-
16	Standard Steel	-	-	-	-	-	-	-	-
17	Screw or Welded Casing	-	-	-	-	-	-	-	-
18	Cement - Asbestos	-	-	-	-	-	10,117	-	36,222
19	Welded Steel	630	2,395	33,685	-	604	10,498	-	-
20	Polyvinylchloride	178	-	4,889	-	-	15,206	-	9,325
21	Other - Plastic	602	-	-	-	-	-	-	-
22	Totals	1,410	2,395	38,574	-	604	44,821	-	45,547

<b>B. Footages of Pipe by Inside Diameters in Inches - Not Including Service Piping - (Concluded)</b>										
Line No.		8	10	12	14	16	20	Other Sizes (Specify Sizes)		Total All Sizes
								18 & 22	24 & 30	
23	Cast iron	-	-	-	-	-	-	-	-	-
24	Ductile iron (cement lined)	346	-	-	-	-	-	-	-	346
25	Concrete	-	-	-	-	-	-	-	-	-
26	Copper	-	-	-	-	-	-	-	-	-
27	Riveted Steel	-	-	-	-	-	-	-	-	-
28	Standard Steel	-	-	-	-	-	-	-	-	-
29	Screw or Welded Casing	-	-	-	-	-	-	-	-	-
30	Cement - Asbestos	39,794	-	4,837	-	-	-	-	-	99,970
31	Welded Steel	-	-	216	-	-	-	-	-	48,030
32	Polyvinylchloride	13,187	-	2,814	-	-	-	-	-	45,578
33	Other - Plastic	-	-	-	-	-	-	-	-	602
33a	Unclassified	-	-	-	-	-	-	-	-	-
34	Totals	53,307	-	7,870	-	-	-	-	-	194,527

**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)	2,158	2,145	-	-
Industrial	-	-	-	-
Public authorities	2	2	-	-
Irrigation	-	-	-	-
Other (specify)	-	-	-	-
Subtotal	2,160	2,147	-	-
Private fire connections	-	-	4	4
Public fire hydrants	-	-	-	-
<b>Total</b>	<b>2,160</b>	<b>2,147</b>	<b>4</b>	<b>4</b>

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

Size	Meters	Services
5/8 x 3/4 - in	2,351	2,451
3/4 - in	2	4
1 - in	6	9
1 1/2 - in	3	3
2 - in	4	3
3 - in	1	5
4 - in	2	1
6 - in	-	-
8 - in	-	-
Other	-	-
<b>Total</b>	<b>2,369</b>	<b>2,476</b>

**SCHEDULE D-6  
Meter Testing Data**

<b>A. Number of Meters Tested During Year as Prescribed</b>	
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>B. Number of Meters in Service Since Last Test</b>	
1. Ten years or less . . . . .	_____
2. More than 10, but less than 15 years . . . . .	_____
3. More than 15 years . . . . .	_____

**SCHEDULE D-7**

Water delivered to Metered Customers by Months and Years in CCF (Unit Chosen):

Classification of Service	January	February	March	April	May	June	July	Subtotal
	Commercial	9,733	9,688	9,801	10,747	13,711	16,334	18,584
Industrial	-	-	-	-	-	-	-	-
Public authorities	-	-	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,733</b>	<b>9,688</b>	<b>9,801</b>	<b>10,747</b>	<b>13,711</b>	<b>16,334</b>	<b>18,584</b>	<b>88,598</b>

Classification of Service	August	September	October	November	December	Subtotal	Total	Total Prior Year
	Commercial	20,676	18,900	15,281	12,139	9,473	76,469	165,067
Industrial	-	-	-	-	-	-	-	-
Public authorities	-	-	-	-	-	-	-	-
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20,676</b>	<b>18,900</b>	<b>15,281</b>	<b>12,139</b>	<b>9,473</b>	<b>76,469</b>	<b>165,067</b>	<b>172,697</b>

<sup>1</sup> Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated \_\_\_\_\_

Total population served 8,690

### 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 . . . . .	\$	21,440
100.3	Construction work in progress . . . . .	\$	277,682
241	Advances for construction . . . . .	\$	53,667
265	Contributions in aid of construction . . . . .	\$	125,145

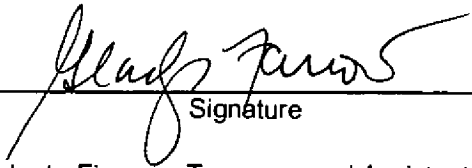
### SIGNATURE

District Management

Name of District Manager: Paul T. Schubert Telephone: (707) 994-9118

Address: 14595 Olympic Drive, Suite A, Clearlake, CA 95422

This report sets forth book or allocated figures and other data  
 pertaining to the Clearlake  
 district for the period from January 1, 2008, to December 31, 2008.

  
 \_\_\_\_\_  
 Signature  
Vice President - Finance, Treasurer and Assistant Secretary  
 \_\_\_\_\_  
 Title  
4/30/2009  
 \_\_\_\_\_  
 Date

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