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2007
ANNUAL REPORT
OF
DISTRICT WATER SYSTEM OPERATIONS
OF

Golden State Water Company

(NAME OF CORPORATION)

Name of District: Desert Location: Victorville, San Bernardino
(TOWN OR CITY) (COUNTY)

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)

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		I. INTANGIBLE PLANT					
2	301	Organization	711	0	0	0	711
3	302	Franchises and consents (Schedule A-1b)	101	0	0	0	101
4	303	Other intangible plant	203,090	34,203	0	0	237,293
5		Total intangible plant	203,902	34,203	0	0	238,105
6							
7		II. LANDED CAPITAL					
8	306	Land and land rights	162,787	0	0	0	162,787
9							
10		III. SOURCE OF SUPPLY PLANT					
11	311	Structures and improvements	0	0	0	0	0
12	312	Collecting and impounding reservoirs	0	0	0	0	0
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	469,702	0	0	0	469,702
16	316	Supply mains	25,006	0	0	0	25,006
17	317	Other source of supply plant	0	0	0	0	0
18		Total source of supply plant	494,708	0	0	0	494,708
19							
20		IV. PUMPING PLANT					
21	321	Structures and improvements	204,168	116,698	0	0	320,866
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	2,806,851	147,572	(91,775)	0	2,862,648
25	325	Other pumping plant	19,186	0	0	0	19,186
26		Total pumping plant	3,030,205	264,270	(91,775)	0	3,202,700
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and improvements	84,315	0	0	0	84,315
30	332	Water treatment equipment	187,686	1,738	0	(858)	188,566
31		Total water treatment plant	272,002	1,738	0	(858)	272,882

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		VI. TRANSMISSION AND DIST. PLANT					
2	341	Structures and improvements	6,899	0	0	0	6,899
3	342	Reservoirs and tanks	900,433	0	0	0	900,433
4	343	Transmission and distribution mains	6,041,875	279,620	(6,556)	0	6,314,939
5	344	Fire mains	0	0	0	0	0
6	345	Services	1,407,009	194,257	(1,754)	0	1,599,511
7	346	Meters	304,005	86,641	(9,208)	0	381,438
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	882,854	56,768	(50)	0	939,572
10	349	Other transmission and distribution plant	0	0	0	0	0
11		Total transmission and distribution plant	9,543,075	617,286	(17,569)	0	10,142,792
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	70,000	0	0	0	70,000
15	372	Office furniture and equipment	74,547	2,203	0	0	76,750
16	373	Transportation equipment	206,362	27,256	(25,883)	0	207,735
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	394	0	0	0	394
19	376	Communication equipment	19,595	0	0	0	19,595
20	377	Power operated equipment	228,614	0	0	0	228,614
21	378	Tools, shop and garage equipment	37,300	2,070	0	0	39,371
22	379	Other general plant	0	0	0	0	0
23		Total general plant	636,811	31,529	(25,883)	0	642,458
24							
25		VIII. UNDISTRIBUTED ITEMS					
26	390	Other tangible property	1,164	0	0	0	1,164
27	391	Utility plant purchased	0	0	0	0	0
28	392	Utility plant sold	0	0	0	0	0
29		Total undistributed items	1,164	0	0	0	1,164
30		Total utility plant in service	14,344,653	949,026	(135,227)	(858)	15,157,595

**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		DISTRICT RATE BASE			
2					
3		Utility Plant			
4		Plant in Service		15,157,595	14,344,654
5		Construction Work in Progress		4,797,393	3,120,967
6		General Office Prorate			
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		19,954,988	17,465,621
8					
9		Less Accumulated Depreciation			
10		Plant in Service		4,916,922	4,667,474
11		General Office Prorate			
12		Total Accumulated Depreciation (Line 10 + Line 11)		4,916,922	4,667,474
13					
14		Less Other Reserves			
15		Deferred Income Taxes		953,750	953,003
16		Deferred Investment Tax Credit		35,980	38,212
17		Other Reserves			
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		989,730	991,215
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		1,469,685	1,421,692
22		Advances for Construction		346,837	244,913
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		1,816,522	1,666,605
25					
26		Add Materials and Supplies		42,961	39,450
27					
28		Add Working Cash (From Schedule A-1d(2))		122,900	105,839
29		Add General office, regions, district office, CSA allocation		256,574	319,942
30		TOTAL DISTRICT RATE BASE		12,654,248	
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28+ Line 29		12,654,248	10,605,559
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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		Working Cash			
2					
3		Determination of Operational Cash Requirement			
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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SOUTHERN CALIFORNIA WATER COMPANY
REGION 3 - DESERT

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

	(a)	(b)	(c)	(d)
	CPUC WUDF ACCOUNT DESCRIPTION	2006 PROPOSED (\$000's)	AVG. NO. OF DAYS LAG	THOUSAND DOLLAR-DAYS LAG
	OPERATING EXPENSES:			
1	70400 PURCHASED WATER	21.1	0.0	0.0
2	72600 POWER FOR PUMPING	183.0	12.0	2,196.5
3	73500 PUMP TAXES	166.3	24.0	3,992.1
4	74400 CHEMICALS	32.8	52.0	1,707.6
5	77300 COMMON CUSTOMER ACCOUNT	22.8	0.0	0.0
6	77325 POSTAGE	0.0	0.0	0.0
7	77500 UNCOLLECTIBLES	4.1	0.0	0.0
8	78000 OPERATION LABOR	367.0	12.5	4,587.5
9	78100 ALL OTHER OPERATION EXPENSES	148.5	31.0	4,602.0
10	78700 MAINTENANCE LABOR	197.0	12.5	2,462.5
11	78800 ALL OTHER MAINTENANCE EXPENSES	235.5	35.0	8,242.5
12	79200 OFFICE SUPPLIES AND EXPENSE	63.0	22.0	1,386.9
13	79300 PROPERTY INSURANCE	2.0	(168.0)	(341.9)
14	79400 INJURIES AND DAMAGES	16.4	(149.0)	(2,450.7)
15	79500 PENSIONS AND BENEFITS	71.8	23.0	1,651.6
16	79600 BUSINESS MEALS	0.1	15.0	1.5
17	79700 REGULATORY COMMISSION	19.8	18.0	356.2
18	79800 OUTSIDE SERVICES	6.2	26.0	160.9
19	79900 MISCELLANEOUS	0.7	22.0	15.9
20	79910 ALLOCATED GENERAL OFFICE	201.5	13.7	2,767.3
21	80500 ALL OTHER MAINT. GENERAL PLANT	1.6	40.0	65.2
22	81100 RENT	28.1	3.0	84.4
23	81500 A&G LABOR	49.6	12.5	620.0
24	50300 DEPRECIATION AND AMORTIZATION	316.5	0.0	0.0
25	50710 PROPERTY TAXES	43.4	40.0	1,734.3
26	50720 PAYROLL TAXES	49.5	4.0	198.0
27	50730 LOCAL TAXES	19.8	263.0	5,198.9
28	STATE INCOME TAX	(40.5)	96.0	(3,885.2)
29	FEDERAL INCOME TAX	(151.5)	106.0	(16,055.4)
30	TOTAL OPERATING EXPENSES	2,076.4		19,298.7
31	CPUC FEE (1.4% OF REVENUE)	29.2	90.0	2,624.5
32	TOTAL	2,105.5		21,923.2
		=====		=====
33	AVERAGE LAG ----->			9.29
				=====

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

34	(1) Avg. Lag in Collection of Revenues	30.80 days
35	(2) Avg. Lag in Payment of Expenses, Taxes and Accruing Depreciation	9.29 days
38	(3) Excess of Collection Lag over Payment Lag	21.31 days
37	(4) Total of Expenses, Taxes and Depreciation	\$2,105.5
38	(5) Daily Total of Expenses, Taxes and Depreciation	\$5.8
39	(6) Average Amount of Working Cash Capital Required as a Result of	
40	Paying Exp., Taxes and Deprec'n in Advance of Collecting Revenues	\$122.9
		=====

NOTE: 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	4,619,645	47,830	0	0
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	325,762	18,300		
4	(b) Charged to Account 265	39,500			
5	(c) Charged to Clearing Accounts	8,977			
6	(d) Salvage recovered	5,912			
7	(e) All other credits ^{1/}				
8	Total credits	380,151	18,300	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	135,226			
11	(b) Cost of removal	13,776			
12	(c) All other debits ^{1/}				
13	Total debits	149,002	0	0	0
14	Balance in reserve at end of year	4,850,794	66,130	0	0
15	State method of determining depreciation charges.	Composite Rate			
16					
17					
18	Report the depreciation claimed in your Federal Income Tax Return for the year - \$	NOT AVAILABLE BY DISTRICT			
19	^{1/} 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)

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)
I. SOURCE OF SUPPLY PLANT						
311	Structures and improvements	0				0
312	Collecting and impounding reservoirs	0				0
313	Lake, river and other intakes	0				0
314	Springs and tunnels	0				0
315	Wells	(281,194)	(15,547)		13,776	(282,965)
316	Supply mains	(6,518)	(495)			(7,011)
317	Other source of supply plant	0				0
	Total source of supply plant	(287,710)	(16,042)	0	13,776	(289,976)
II. PUMPING PLANT						
321	Structures and improvements	(57,795)	(5,574)			(63,369)
322	Boiler plant equipment	0				0
323	Other power production equipment	0				0
324	Pumping equipment	(1,176,514)	(90,099)	91,775		(1,174,838)
325	Other pumping plant	(2,509)	(579)			(3,088)
	Total pumping plant	(1,236,818)	(96,252)	91,775	0	(1,241,295)
III. WATER TREATMENT PLANT						
331	Structures and improvements	(35,488)	(2,243)			(37,731)
332	Water treatment equipment	(110,549)	(8,371)			(118,920)
	Total water treatment plant	(146,037)	(10,614)	0	0	(156,651)

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)

Acct.	DEPRECIABLE PLANT (a)	Balance End of Year (f)	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)
IV. TRANS. AND DIST. PLANT						
341	Structures and improvements	(3,160)	(184)			(3,344)
342	Reservoirs and tanks	(375,525)	(22,781)			(398,306)
343	Transmission and distribution mains	(1,561,001)	(132,317)	6,556		(1,686,762)
344	Fire mains	0				0
345	Services	(350,380)	(42,774)	1,754		(391,400)
346	Meters	(165,087)	(11,400)	9,208	(4,469)	(171,748)
347	Meter installations	0				0
348	Hydrants	(174,444)	(15,715)	50		(190,109)
349	Other transmission and distribution plant	0				0
	Total trans. and distribution plant	(2,629,597)	(225,171)	17,568	(4,469)	(2,841,669)
V. GENERAL PLANT						
371	Structures and improvements	(13,832)	(1,673)			(15,505)
372	Office furniture and equipment	(38,312)	(4,540)			(42,852)
373	Transportation equipment	(87,605)	(8,977)	25,883	(1,443)	(72,142)
374	Stores equipment	0				0
375	Laboratory equipment	(394)				(394)
376	Communication equipment	(19,594)				(19,594)
377	Power operated equipment	(135,779)	(9,487)			(145,266)
378	Tools, shop and garage equipment	(23,721)	(1,432)			(25,153)
379	Other general plant	0				0
390	Other tangible property	(248)	(51)			(299)
391	Water plant purchased	0				0
	Total general plant	(319,485)	(26,160)	25,883	(1,443)	(321,205)
	TOTAL	(4,619,647)	(374,239)	135,226	7,864	(4,850,796)

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		I. WATER SERVICE REVENUES			
2	601	Metered sales to general customers			
3		601.1 Commercial sales	2,211,974	2,123,070	88,904
4		601.2 Industrial sales	-		-
5		601.3 Sales to public authorities	20,102	17,777	2,325
6		Sub-total	2,232,077	2,140,847	91,230
7	602	Unmetered sales to general customers			
8		602.1 Commercial sales	2,739	2,815	(76)
9		602.2 Industrial sales	-		-
10		602.3 Sales to public authorities	-		-
11		Sub-total	2,739	2,815	(76)
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	1,270	1,200	70
17	605	Public fire protection service	-		-
18	606	Sales to other water utilities for resale	9,434	567	8,867
19	607	Sales to governmental agencies by contracts	-		-
20	608	Interdepartmental sales	-		-
21	609	Other sales or service	5,517	6,148	(631)
22		Sub-total	16,221	7,915	8,306
23		Total water service revenues	2,251,037	2,151,577	99,460
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	7,890	7,598	292
26	612	Rent from water property	2,856	3,120	(264)
27	613	Interdepartmental rents	-		-
28	614	Other water revenues	5,069	5,026	43
29		Total other water revenues	15,815	15,744	71
30	501	Total operating revenues	2,266,852	2,167,321	99,531

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		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B	(49,173)	38,402	(87,575)	
4	701	Operation supervision, labor and expenses						
5	702	Operation labor and expenses	A	B	366	9,208	(8,842)	
6	703	Miscellaneous expenses	A		2,005	6,323	(4,318)	
7	704	Purchased water	A	B	26,061	29,769	(3,708)	
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B	0	0	0	
10	706	Maintenance of structures and facilities			0			
11	707	Maintenance of structures and improvements	A	B	0	0	0	
12	708	Maintenance of collect and impound reservoirs	A		28,440	7,992	20,448	
13	708	Maintenance of source of supply facilities		B				
14	709	Maintenance of lake, river and other intakes	A		0	80	(80)	
15	710	Maintenance of springs and tunnels	A		0	0	0	
16	711	Maintenance of wells	A		10,062	4,486	5,576	
17	712	Maintenance of supply mains	A		7,233	1,487	5,746	
18	713	Maintenance of other source of supply plant	A	B	0	0	0	
19		Total source of supply expense			24,994	97,747	(72,753)	

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 Current Year (b)	Net Change During Year Show Decrease in [Brackets] (d)
			A	B	C			
1		II. PUMPING EXPENSES						
2		Operation						
3	721	Operation supervision and engineering	A	B	0	0	0	
4	721	Operation supervision labor and expense						
5	722	Power production labor and expense	A		0	0	0	
6	722	Power production labor, expenses and fuel		B	0			
7	723	Fuel for power production	A		0	0	0	
8	724	Pumping labor and expenses	A	B	124,432	112,313	12,119	
9	725	Miscellaneous expenses	A		17,758	28,674	(10,916)	
10	726	Fuel or power purchased for pumping	A	B	159,094	271,412	(112,318)	
11		Maintenance						
12	729	Maintenance supervision and engineering	A	B	0	0	0	
13	729	Maintenance of structures and equipment						
14	730	Maintenance of structures and improvements	A	B	19,040	4,081	14,959	
15	731	Maintenance of power production equipment	A	B	0	0	0	
16	732	Maintenance of pumping equipment	A	B	156,644	89,642	67,002	
17	733	Maintenance of other pumping plant	A	B	0	0	0	
18		Total pumping expenses			476,969	506,122	(29,153)	
19		III. WATER TREATMENT EXPENSES						
20		Operation						
21	741	Operation supervision and engineering	A	B	23	0	23	
22	741	Operation supervision, labor and expenses						
23	742	Operation labor and expenses	A		85,787	94,809	(9,022)	
24	743	Miscellaneous expenses	A	B	0	0	0	
25	744	Chemicals and filtering materials	A	B	24,566	25,148	(582)	
26		Maintenance						
27	746	Maintenance supervision and engineering	A	B	0	57	(57)	
28	746	Maintenance of structures and equipment						
29	747	Maintenance of structures and improvements	A	B	1,866	26,389	(24,523)	
30	748	Maintenance of water treatment equipment	A	B	31,932	24,736	7,196	
31		Total water treatment expenses			144,174	171,139	(26,965)	

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		IV. TRANS. AND DIST. EXPENSES						
2		Operation						
3	751	Operation supervision and engineering	A	B	0	0	0	
4	751	Operation supervision, labor and expenses	A	B				
5	752	Storage facilities expenses	A		604	1,433	(829)	
6	752	Operation labor and expenses	A	B				
7	753	Transmission and distribution lines expenses	A		24,648	8,674	15,974	
8	754	Meter expenses	A		15,995	14,149	1,846	
9	755	Customer installations expenses	A		32,173	18,518	13,655	
10	756	Miscellaneous expenses	A		47,998	50,499	(42,501)	
11		Maintenance						
12	758	Maintenance supervision and engineering	A	B	0	0	0	
13	758	Maintenance of structures and plant	A	B				
14	759	Maintenance of structures and improvements	A	B	0	0	0	
15	760	Maintenance of reservoirs and tanks	A	B	4,195	23,452	(19,257)	
16	761	Maintenance of trans. and distribution mains	A		1,038,630	641,803	396,827	
17	761	Maintenance of mains	A	B				
18	762	Maintenance of fire mains	A		0	0	0	
19	763	Maintenance of services	A		123,912	137,801	(13,889)	
20	763	Maintenance of other trans. and distribution plant	A	B				
21	764	Maintenance of meters	A		22,117	17,334	4,783	
22	765	Maintenance of hydrants	A		15,050	18,160	(3,110)	
23	766	Maintenance of miscellaneous plant	A		0	0	0	
24		Total transmission and distribution expenses			1,325,322	971,823	353,499	

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 Current Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
3	790	Transferred Customer Expenses			23,321	28,200	(4,879)	
4	771	Supervision	A	B	30,888	36,976	(6,088)	
5	771	Superv., meter read., other customer acct expenses	A	B				
6	772	Meter reading expenses	A	B	63,960	74,480	(10,520)	
7	773	Customer records and collection expenses	A		62,933	57,986	4,947	
8	773	Customer records and accounts expenses	A	B				
9	774	Miscellaneous customer accounts expenses	A	B		0	0	
10	775	Uncollectible accounts	A	B	2,197	2,995	(798)	
11		Total customer account expenses			183,289	200,637	(17,348)	
12		VI. SALES EXPENSES						
13		Operation						
14	781	Supervision	A	B		0	0	
15	781	Sales expenses	A	B				
16	782	Demonstrating and selling expenses	A		1,465	822	643	
17	783	Advertising expenses	A		725	771	(46)	
18	784	Miscellaneous sales expenses	A		0	0	0	
19	785	Merchandising, jobbing and contract work	A		(277)	(176)	(101)	
20		Total sales expenses			1,912	1,417	495	

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 Current Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		VII. ADMIN. AND GENERAL EXPENSES						
2		Operation						
3	790	Allocation of A&G Expenses			287,661	338,440	(50,779)	
4	791	Administrative and general salaries	A	B	124,622	118,564	8,058	
5	792	Office supplies and other expenses	A	B	103,715	118,290	(14,575)	
6	793	Property insurance	A		0	0	0	
7	793	Property insurance, injuries and damages	A	B				
8	794	Injuries and damages	A		76,914	1,776	75,138	
9	795	Employees' pensions and benefits	A	B	203,318	11,729	191,590	
10	796	Franchise requirements	A	B	9,942	11,219	(1,277)	
11	797	Regulatory commission expenses	A	B	4,921	4,584	337	
12	798	Outside services employed	A		10,721	20,414	(9,693)	
13	798	Miscellaneous other general expenses	A	B				
14	799	Miscellaneous other general operation expenses	A	B				
15	799	Miscellaneous general expenses	A		244	404	(160)	
16		Maintenance						
17	605	Maintenance of general plant	A	B	2,766	16,681	(13,915)	
18		Total administrative and general expenses			824,826	640,101	184,725	
19		VIII. MISCELLANEOUS						
20	B11	Rents	A	B	40,236	28,840	11,396	
21	812	Administrative expenses transferred - Cr.	A	B	0	0	0	
22	813	Duplicate charges - Cr.	A	B	0	0	0	
23		Total miscellaneous			40,236	28,840	11,396	
24		Total operating expenses			3,021,732	2,617,826	403,906	

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	56,413	56,413			
2	State corporation franchise tax	(72,015)	(72,015)			
3	State unemployment insurance tax	2,439	2,439			
4	Other state and local taxes	15,530	15,530			
5	Federal unemployment insurance tax	718	718			
6	Federal insurance contributions act	43,288	43,288			
7	Other federal taxes	-	-			
8	Federal income tax	(289,633)	(289,633)			
9	Pump taxes	6,055	6,055			
10						
11						
12						
13						
14						
15						
16						
17	Totals	(237,205)	(237,205)	-	-	-

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

Line No.	STREAMS			FLOW IN ... (Unit) ²				Annual Quantities Diverted	Remarks
	Diverted Into ¹	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max	Min	(Unit) ²	
1									
2									
3									
4								"None"	
5									
6									
7									
8	WELLS								
9	At Plant (Name or Number)	Location	Number	Diversions	³ Depth in Water	Pumping Capacity	Annual Quantities Pumped	Remarks	
10						(Unit) ²			CCF (Unit) ²
11									
12	Refer to Attached Schedule*								
13									
14									
15									
16									
17	TUNNELS AND SPRINGS			FLOW IN			Annual Quantities Used	Remarks	
18				____ (Unit) ²					
19	Designation	Location	Number	Maximum	Minimum		(Unit) ²		
20									
21									
22									
23									
24									
25									
26	Purchased Water for Resale								
27									
28									
29	Purchased from								
30	Annual quantities purchased				(Unit chosen) ²		*Refer to Company Schedule		
31	D-1"								
32									

¹ State ditch, pipe line, reservoir, etc., with name, if any.

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

³ 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: III
 District: Mountain-Desert
 CSA: Apple Valley
 System: Apple Valley South

Plant	Major Facility	Year Built	Base Elev. (AF)	2007 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
Anoka	Well 1	1954	2941	0		504	12	200	V.T.	Elec.	30	250	346			
	Reservoir	1987	2941													
	Booster B	1987	2941						E.S.	Elec.	10	150	165			Out of Service
	Booster C	1987	2941						E.S.	Elec.	20	430	135			Backup Generator Resv to Anoka Zone
Bear Valley	Well 2	1965	2984	181		280	12	230	V.T.	Elec.	40	300	390			Resv to Anoka Zone
Mesquite																Well to System through PRV
Mohawk	Well 2	1988	3023	324		585	16	282	V.T.	Elec.	75	900	260			Well Destroyed
	Well 3A	1950	3023	386		494	16	262	V.T.	Elec.	100	600	400			Well to Mohawk Reservoir
	Reservoir	1986	3023													Well to System through PRV
	Booster A	1986	3023						E.S.	Elec.	10	155	160			All Boosters pump to Mohawk Zone
Pahute	Booster B	1986	3023						E.S.	Elec.	10	155	160			
	Booster C	1986	3023						E.S.	Elec.	20	400	150			
	Booster D	1986	3023						E.S.	Gas	76	500	150			
	Interconnection	1989	2976	0								300				Interconnect w/ AVRWC
Powhatan	Interconnection	1987	2942	0								1000				Interconnect w/ AVRWC
Tussing																Well Destroyed

Plant Facility Index

Region: III
 District: Mountain-Desrt
 CSA: Apple Valley
 System: Desert View

Plant	Major Facility	Year Built	Base Elev.	2007 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
Desert View	Well 1	1977	3158	19		427	10	378	Subm.	Elec.	15	80	520		Well Destroyed	
	Well 2	1999	3158	20		455	8		Subm.	Elec.	15	80	520		Well to system	
	Pressure Tank												0.0015	Pressure	Steel	Well to system Backup Generator

Plant Facility Index

Region: III
 District: Mountain-Desert
 CSA: Apple Valley
 System: Apple Valley North

Plant	Major Facility	Year Built	Base Elev.	2007 Prod (AF)	Wells			Pumps			Tanks			Remarks	
					Well No.	Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Flow (gpm)	Design Head (ft)		Volume (MG)
Central Tanks	NW Reservoir		3225									0.042	Elev. Resv	B. Steel	Floats on Tank Zone
	SE Reservoir		3225									0.050	Elev. Resv	W. Steel	Floats on Tank zone
Central Wells	Well 2	1982	2960	206	292	12	230		V.T.	Elec.	50	250	510		Floats on Tank zone
	Well 7		2960	0	269	12	221		V.T.	Elec.	20	100	495		Well to System
Papago	Well 1	1987	2986	187	310	14	271.5		V.T.	Elec.	75	375	525		Out of Service
Yucca	Booster A		3083						E.S.	Elec.	5	100	70		Well to System
South St Connection	Interconnection			35											Pumps from Tank Zone to Yucca Booster Zone
															Interconnect w/ AVRWC

Plant Facility Index

Region: III
 District: Mountain-Desert
 CSA: Apple Valley
 System: Lucerne Valley

Plant	Major Facility	Year Built	Base Elev. (AF)	2007 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
Carson	Booster A		3230							H.S.C.	Elec.	30	135	450			Standby Use. Sutter Zone to Pitzer Butte Zone
Emerald	Well 1	2006															
Meb	Well 1		3290	35		480	10	292		V.T.	Elec.	15	90	320			Under Construction
	Forebay Booster A	1973	3290							H.S.C.	Elec.	40	200	400	0.042	Forebay	Well to Forebay
Mesa	Booster A	1988	3540							E.S.	Elec.	3	100	80			Pumps to Pitzer Butte Zone
	Reservoir	1985	3620												0.042	Elev. Resv	Pitzer Butte Zone to Mesa Booster Zone
Sutter	Well 7	1952	3140	7		403	12	242		V.T.	Elec.	30	200	375			Floats on Pitzer Butte Zone
	Pressure Tank														0.0026	Pressure	Well to System Sutter zone thru pressure tank
Topaz	Well 1	1980	3400	150		515	16	400		Subm.	Elec.	40	150	660			Well to Pitzer Butte Zone

Plant Facility Index

Region: III
 District: Mountain-Desert
 CSA: Morongo Valley
 System: Morongo del Norte

Plant	Major Facility	Year Built	Base Elev.	2007 Prod (AF)	Wells			Pumps			Tanks			Remarks	
					Well No.	Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Pump Size (HP)	Design Flow (gpm)	Design Head (ft)		Volume (MG)
Bella Vista	Well 1	2007													
Elm	Well 24	1957	2730	22		272	14	189	V.T.	Elec.	15	90	440		Under Construction Well to System through PRV
Highway Navajo	Well 3	1991	2708	56		200	10	180	V.T.	Elec.	15	100	398		Well to System
	Booster A	1980	2916						E.S.	Elec.	5	78	135		Booster A & B pump through pressure tank to Booster Zone
	Booster B	1980	2916						E.S.	Elec.	5	78	135		Booster Zone
	Reservoir	1977	2940											0.0417	Elev. Resv. B. Steel
	Pressure Tank	1980	2916											0.001	Pressure Steel

Plant Facility Index

Region: III
 District: Mountain-Desert
 CSA: Morongo Valley
 System: Morongo del Sur

Plant	Major Facility	Year Built	Base Elev. (AF)	2007 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)
Maccelle	Reservoir	1983	2945									0.250	Elev. Resv	W. Steel	Floats on Maccelle Tank Zone
Mojave	Reservoir	1992	2690									0.100	Elev. Resv	B. Steel	Booster A & B pump to Maccelle Tank Zone
	Booster A	1987	2690					H.S.C.	Elec.	25	200	310			
Juniper	Booster B	1965	2690					H.S.C.	Elec.	30	200	288			
	Booster A	1978	2820					H.S.C.	Elec.	15	120	200			
Pinon	Booster B	1978	2820					E.S.	Elec.	15	120	200			
	Forebay	1986	3050									0.022	Elev. Resv	B. Steel	Floats on Pinon Reservoir Zone
Hilltop	Booster A		3050												Reservoir Zone Booster A & B pump to Hilltop Reservoir Zone
	Booster B		3050					Subm.	Elec.	5	31	400			
Vista	Reservoir	1986	3300									0.083	Elev. Resv	B. Steel	Floats on Hilltop Zone
	Booster A	1988	2820					E.S.	Elec.	1.5	30	70			
Vale	Booster B	1988	2820					E.S.	Elec.	1.5	30	70			
	Well 1	2007													Floats on Vista Booster Zone from Maccelle Tank Zone
Yeager-Vale	Well 2	1970	2540	39	525	12	120	V.T.	Elec.	40	310	330			Under Construction
	Well 3	1982	2540	320	450	12	80	V.T.	Elec.	40	300	330			Well to System

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.		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								

A. Length of Ditches, Flumes and Lined Conduits in Miles for Various Capacities (Concluded)

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. Footages of Pipe by Inside Diameters in Inches - Not Including Service Piping

Line No.		1	1 1/2	2	2 1/2	3	4	5	8
11	Cast iron	-	-	-	-	-	50	-	362
12	Ductile iron (cement lined)	-	-	-	-	-	86	-	438
13	Concrete	-	-	-	-	-	-	-	-
14	Copper	-	-	-	-	-	-	-	-
15	Riveted Steel	-	-	-	-	-	-	-	-
16	Standard Steel	46	153	19,607	-	6,022	116,266	208	57,430
17	Screw or Welded Casing	-	-	-	-	-	-	-	-
18	Cement - Asbestos	-	-	-	-	-	42,506	-	86,763
19	Welded Steel	-	-	-	-	-	-	-	-
20	Polyvinylchloride	-	-	340	-	-	1,330	-	6,240
21	Other - Plastic	-	-	83	-	-	65	-	6,161
22	Totals	46	153	20,030	-	6,022	160,303	208	157,394

B. Footages of Pipe by Inside Diameters in Inches - Not Including Service Piping - (Concluded)

Line No.		8	10	12	14	16	20	Other Sizes (Specify Sizes)	Total All Sizes
23	Cast Iron	-	385	72	-	-	-	5.5	849
24	Ductile iron (cement lined)	741	-	-	-	-	-	-	1,265
25	Concrete	-	-	-	-	-	-	-	-
26	Copper	-	-	-	-	-	-	-	-
27	Riveted Steel	-	-	-	-	-	-	-	-
28	Standard Steel	19,329	10,527	-	-	-	-	8,560	238,148
29	Screw or Welded Casing	-	-	-	-	-	-	-	-
30	Cement - Asbestos	18,256	3,709	-	-	-	-	-	151,234
31	Welded Steel	-	-	-	-	-	-	-	-
32	Polyvinylchloride	58,848	143	16,959	-	-	-	-	83,860
33	Other - Plastic	10,354	-	-	-	-	-	-	16,663
33a	Unclassified	-	19	-	-	-	-	-	19
34	Totals	107,528	14,763	17,031	-	-	-	8,560	492,038

**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)	3,811	3,798	8	6
Industrial		-		-
Public authorities	9	9		-
Irrigation		-		-
Other (specify)	4	2		-
Subtotal	3,824	3,809	8	6
Private fire connections		-	4	4
Public fire hydrants		-		-
Total	3,824	3,809	12	10

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

Size	Meters	Services
5/8 x 3/4 - in	3,712	3,829
3/4 - in	-	-
1 - in	80	209
1 1/2 - in	3	3
2 - in	41	23
3 - in	11	18
4 - in	1	1
6 - in	-	-
Other	-	-
	-	-
Total	3,848	4,083

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed	
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. Number of Meters in Service Since Last Test	
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	38,759	41,481	39,112	52,914	56,149	71,655	78,059
Industrial	-	-	-	-	-	-	-	-
Public authorities	429	364	300	436	460	632	568	3,189
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	132	111	1,746	2,695	134	144	241	5,203
Total	39,320	41,956	41,158	56,045	56,743	72,431	78,868	386,521
Classification of Service	August	September	October	November	December	Subtotal	Total	Total Prior Year
	Commercial	75,821	77,041	56,838	52,286	43,398	305,384	683,513
Industrial	-	-	-	-	-	-	-	-
Public authorities	541	976	422	668	405	3,012	6,201	5,144
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	129	95	251	49	36	560	5,763	1,703
Total	76,491	78,112	57,511	53,003	43,839	308,956	695,477	659,419

¹ 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 _____ 15,276

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	\$	42,961
100.3	Construction work in progress	\$	4,797,393
241	Advances for construction	\$	346,837
265	Contributions in aid of construction	\$	1,469,685

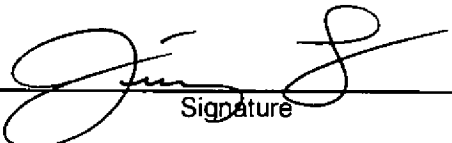
SIGNATURE

District Management

Name of District Manager Perry Dahlstrom Telephone: (760) 247-0911

Address 13608 Hitt Road, Apple Valley, CA 92308

This report sets forth book or allocated figures and other data
 pertaining to the Desert
 district for the period from January 1, 2007, to December 31, 2007.



 Signature

Assistant Controller

Title

5/23/08

 Date

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