

Received _____
Examined _____

U# _____

2008
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, 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		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	237,293	861,892	0	0	1,099,185
5		Total intangible plant	238,105	861,892	0	0	1,099,997
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	2,629,223	(2,813)	0	3,096,111
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	2,629,223	(2,813)	0	3,121,117
19							
20		IV. PUMPING PLANT					
21	321	Structures and improvements	320,866	34,163	(2,345)	0	352,684
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	2,862,648	30,794	(48,988)	(4,357)	2,840,097
25	325	Other pumping plant	19,186	0	0	0	19,186
26		Total pumping plant	3,202,700	64,957	(51,334)	(4,357)	3,211,967
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and improvements	84,315	0	0	0	84,315
30	332	Water treatment equipment	188,566	0	(1,582)	0	186,984
31		Total water treatment plant	272,882	0	(1,582)	0	271,299

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	6,314,939	732,812	(21,314)	0	7,026,437
5	344	Fire mains	0	0	0	0	0
6	345	Services	1,599,511	259,704	(16,807)	0	1,842,407
7	346	Meters	381,438	71,613	(525)	0	452,526
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	939,572	104,867	(750)	0	1,043,688
10	349	Other transmission and distribution plant	0	0	0	0	0
11		Total transmission and distribution plant	10,142,792	1,168,995	(39,396)	0	11,272,390
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	70,000	0	0	0	70,000
15	372	Office furniture and equipment	76,750	0	0	0	76,750
16	373	Transportation equipment	207,735	0	(27,742)	0	179,993
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	39,371	672	0	0	40,043
22	379	Other general plant	0	0	0	0	0
23		Total general plant	642,458	672	(27,742)	0	615,388
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	15,157,595	4,725,739	(122,867)	(4,357)	19,756,110

**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		19,756,110	15,157,595
5		Construction Work in Progress		2,495,163	4,797,393
6		General Office Prorate			
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		22,251,273	19,954,988
8					
9		Less Accumulated Depreciation			
10		Plant in Service		5,178,551	4,916,922
11		General Office Prorate			
12		Total Accumulated Depreciation (Line 10 + Line 11)		5,178,551	4,916,922
13					
14		Less Other Reserves			
15		Deferred Income Taxes		976,561	950,373
16		Deferred Investment Tax Credit		33,748	35,980
17		Other Reserves		1,396	3,377
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		1,011,705	989,730
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		1,447,481	1,469,685
22		Advances for Construction		318,293	346,837
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		1,765,773	1,816,522
25					
26		Add Materials and Supplies		43,412	42,961
27					
28		Add Working Cash (From Schedule A-1d(2))		122,900	122,900
29		Add General Office, Regions, District office, CSA allocation		276,577	256,574
30		TOTAL DISTRICT RATE BASE			
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28+ line 29		14,738,132	12,654,248
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					

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).			
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					

HBW
2/12/07SOUTHERN CALIFORNIA WATER COMPANY
REGION 3 - DESERTDEVELOPMENT 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	(18,055.4)
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	30.60 days
35	(2) Avg. Lag in Payment of Expenses, Taxes and Accruing Depreciation	9.29 days
36	(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 Depr'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	4,850,794	66,130		
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	345,413	20,993		
4	(b) Charged to Account 265	40,825	-		
5	(c) Charged to Clearing Accounts	9,036	-		
6	(d) Salvage recovered	2,613	-		
7	(e) All other credits ^{1/}	-	-		
8	Total credits	397,887	20,993	-	-
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	122,045	-		
11	(b) Cost of removal	35,206	-		
12	(c) All other debits ^{1/}	-	-		
13	Total debits	157,251	-	-	-
14	Balance in reserve at end of year	5,091,430	87,123	-	-
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)

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		I. SOURCE OF SUPPLY PLANT					
2	311	Structures and Improvements	0	0	0	0	0
3	312	Collecting and impounding reservoirs	0	0	0	0	0
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	(282,965)	(15,547)	2,813	16,614	(279,086)
7	316	Supply mains	(7,011)	(495)	0	0	(7,506)
8	317	Other source of supply plant	0	0	0	0	0
9		Total source of supply plant	(289,976)	(16,042)	2,813	16,614	(286,592)
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	(63,369)	(8,760)	2,345	0	(69,783)
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	(1,174,838)	(91,891)	48,988	0	(1,217,741)
16	325	Other pumping plant	(3,088)	(579)	0	0	(3,667)
17		Total pumping plant	(1,241,295)	(101,230)	51,334	0	(1,291,191)
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	(37,731)	(2,243)	0	0	(39,974)
21	332	Water treatment equipment	(118,920)	(8,410)	1,582	0	(125,748)
22		Total water treatment plant	(156,651)	(10,653)	1,582	0	(165,722)
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		IV. TRANS. AND DIST. PLANT					
2	341	Structures and improvements	(3,344)	(184)	0	0	(3,528)
3	342	Reservoirs and tanks	(398,306)	(22,781)	0	0	(421,087)
4	343	Transmission and distribution mains	(1,686,762)	(138,297)	21,314	9,407	(1,794,338)
5	344	Fire mains	0	0	0	0	0
6	345	Services	(391,398)	(48,625)	16,015	0	(424,008)
7	346	Meters	(171,748)	(14,304)	525	1,962	(183,564)
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	(190,109)	(16,724)	720	7,223	(198,890)
10	349	Other transmission and distribution plant	0	0	0	0	0
11		Total trans. and distribution plant	(2,841,667)	(240,916)	38,574	18,593	(3,025,416)
12							
13		V. GENERAL PLANT					
14	371	Structures and improvements	(15,505)	(1,673)	0	0	(17,178)
15	372	Office furniture and equipment	(42,852)	(4,674)	0	0	(47,526)
16	373	Transportation equipment	(72,142)	(9,036)	27,742	(2,613)	(56,049)
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	(394)	0	0	0	(394)
19	376	Communication equipment	(19,594)	0	0	0	(19,594)
20	377	Power operated equipment	(145,266)	(9,487)	0	0	(154,753)
21	378	Tools, shop and garage equipment	(25,153)	(1,512)	0	0	(26,665)
22	379	Other general plant	0	0	0	0	0
23	390	Other tangible property	(299)	(51)	0	0	(350)
24	391	Water plant purchased	0	0	0	0	0
25		Total general plant	(321,205)	(26,434)	27,742	(2,613)	(322,509)
26		TOTAL	(4,850,794)	(395,275)	122,045	32,594	(5,091,430)

**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	2,123,054	2,211,974	(88,920)
4		601.2 Industrial sales	-	-	-
5		601.3 Sales to public authorities	16,293	20,102	(3,810)
6		Sub-total	2,139,347	2,232,077	(92,730)
7	602	Unmetered sales to general customers			
8		602.1 Commercial sales	2,755	2,739	16
9		602.2 Industrial sales	-	-	-
10		602.3 Sales to public authorities	-	-	-
11		Sub-total	2,755	2,739	16
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	1,633	1,270	363
17	605	Public fire protection service	-	-	-
18	606	Sales to other water utilities for resale	708	9,434	(8,726)
19	607	Sales to governmental agencies by contracts	-	-	-
20	608	Interdepartmental sales	-	-	-
21	609	Other sales or service	1,290	5,517	(4,227)
22		Sub-total	3,631	16,221	(3,864)
23		Total water service revenues	2,145,733	2,251,037	(105,304)
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	10,058	7,890	2,168
26	612	Rent from water property	2,484	2,856	(372)
27	613	Interdepartmental rents	-	-	-
28	614	Other water revenues	(1,168)	5,069	(6,237)
29		Total other water revenues	11,374	15,815	(4,441)
30	501	Total operating revenues	2,157,106	2,266,852	(109,746)

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	(26,307)	(49,173)	22,865	
4	701	Operation supervision, labor and expenses					-	
5	702	Operation labor and expenses	A	B	4,524	366	4,158	
6	703	Miscellaneous expenses	A		297	2,005	(1,708)	
7	704	Purchased water	A	B	0	26,061	(26,061)	
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B	0	0	-	
10	706	Maintenance of structures and facilities				0	-	
11	707	Maintenance of structures and improvements	A	B	0	0	-	
12	708	Maintenance of collect and impound reservoirs	A		8,660	28,440	(19,780)	
13	708	Maintenance of source of supply facilities		B		0	-	
14	709	Maintenance of lake, river and other intakes	A		0	0	-	
15	710	Maintenance of springs and tunnels	A		0	0	-	
16	711	Maintenance of wells	A		1,187	10,062	(8,875)	
17	712	Maintenance of supply mains	A		5,124	7,233	(2,109)	
18	713	Maintenance of other source of supply plant	A	B	0	0	-	
19		Total source of supply expense			(6,516)	24,994	(31,510)	

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		II. PUMPING EXPENSES						
2		Operation						
3	721	Operation supervision and engineering	A	B		0	0	-
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		116,118	124,432	(8,314)
9	725	Miscellaneous expenses	A			19,928	17,758	2,170
10	726	Fuel or power purchased for pumping	A	B	C	189,448	159,094	30,353
11		Maintenance						
12	729	Maintenance supervision and engineering	A	B		550	0	550
13	729	Maintenance of structures and equipment			C		0	-
14	730	Maintenance of structures and improvements	A	B		3,488	19,040	(15,552)
15	731	Maintenance of power production equipment	A	B		0	0	-
16	732	Maintenance of pumping equipment	A	B		75,767	156,644	(80,877)
17	733	Maintenance of other pumping plant	A	B			0	-
18		Total pumping expenses				405,298	476,969	(71,671)
19		III. WATER TREATMENT EXPENSES						
20		Operation						
21	741	Operation supervision and engineering	A	B		0	23	(23)
22	741	Operation supervision, labor and expenses			C		0	-
23	742	Operation labor and expenses	A			118,339	85,787	32,552
24	743	Miscellaneous expenses	A	B		0	0	-
25	744	Chemicals and filtering materials	A	B		20,787	24,566	(3,779)
26		Maintenance						
27	746	Maintenance supervision and engineering	A	B		134	0	134
28	746	Maintenance of structures and equipment			C		0	-
29	747	Maintenance of structures and improvements	A	B		1,770	1,866	(96)
30	748	Maintenance of water treatment equipment	A	B		14,221	31,932	(17,711)
31		Total water treatment expenses				155,251	144,174	11,077

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	1,019	0	1,019	
4	751	Operation supervision, labor and expenses				0	-	
5	752	Storage facilities expenses	A		752	604	148	
6	752	Operation labor and expenses		B		0	-	
7	753	Transmission and distribution lines expenses	A		22,720	24,648	(1,927)	
8	754	Meter expenses	A		10,138	15,995	(5,858)	
9	755	Customer installations expenses	A		60,589	32,173	28,417	
10	756	Miscellaneous expenses	A		44,037	47,998	(3,960)	
11		Maintenance						
12	758	Maintenance supervision and engineering	A	B	0	0	-	
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	17,572	4,195	13,377	
16	761	Maintenance of trans. and distribution mains	A		608,556	1,038,630	(430,074)	
17	761	Maintenance of mains		B		0	-	
18	762	Maintenance of fire mains	A		0	0	-	
19	763	Maintenance of services	A		61,676	123,912	(62,236)	
20	763	Maintenance of other trans. and distribution plant		B		0	-	
21	764	Maintenance of meters	A		12,870	22,117	(9,247)	
22	765	Maintenance of hydrants	A		65,965	15,050	50,915	
23	766	Maintenance of miscellaneous plant	A		0	0	-	
24		Total transmission and distribution expenses			905,894	1,325,322	(419,428)	

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		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
	790	Transferred Customer Expenses			33,424	23,321	10,102	
3	771	Supervision	A	B	32,193	30,888	1,305	
4	771	Superv., meter read., other customer acct expenses				0	-	
5	772	Meter reading expenses	A	B	77,917	63,960	13,956	
6	773	Customer records and collection expenses	A		48,550	62,933	(14,383)	
7	773	Customer records and accounts expenses		B		0	-	
8	774	Miscellaneous customer accounts expenses	A		0	0	-	
9	775	Uncollectible accounts	A	B	5,860	2,197	3,663	
10		Total customer account expenses			197,943	183,299	14,644	
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B	0	0	-	
14	781	Sales expenses				0	-	
15	782	Demonstrating and selling expenses	A		2,641	1,465	1,176	
16	783	Advertising expenses	A		3,848	725	3,123	
17	784	Miscellaneous sales expenses	A		0	0	-	
18	785	Merchandising, jobbing and contract work	A		0	(277)	277	
19		Total sales expenses			6,488	1,912	4,576	

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		VII. ADMIN. AND GENERAL EXPENSES						
2		Operation						
	790	Allocation of A&G Expenses				369,854	287,661	82,193
3	791	Administrative and general salaries	A	B	C	138,003	124,622	13,381
4	792	Office supplies and other expenses	A	B	C	84,745	103,715	(18,970)
5	793	Property insurance	A			0	0	-
6	793	Property insurance, injuries and damages		B	C		0	-
7	794	Injuries and damages	A			68,886	76,914	(8,029)
8	795	Employees' pensions and benefits	A	B	C	192,889	203,319	(10,430)
9	796	Franchise requirements	A	B	C	19,127	9,942	9,186
10	797	Regulatory commission expenses	A	B	C	5,777	4,921	856
11	798	Outside services employed	A			6,856	10,721	(3,865)
12	798	Miscellaneous other general expenses		B			0	-
13	798	Miscellaneous other general operation expenses			C		0	-
14	799	Miscellaneous general expenses	A			644	244	400
15		Maintenance					0	-
16	805	Maintenance of general plant	A	B	C	3,733	2,766	966
17		Total administrative and general expenses				890,515	824,826	65,689
18		VIII. MISCELLANEOUS						
19	811	Rents	A	B	C	33,277	40,236	(6,959)
20	812	Administrative expenses transferred - Cr.	A	B	C	0	0	-
21	813	Duplicate charges - Cr.	A	B	C	0	0	-
22		Total miscellaneous				33,277	40,236	(6,959)
23		Total operating expenses				2,588,151	3,021,732	(433,581)

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	68,915	68,915			
2	State corporation franchise tax	(150,317)	(150,317)			
3	State unemployment insurance tax	1,731	1,731			
4	Other state and local taxes	19,356	19,356			
5	Federal unemployment insurance tax	513	513			
6	Federal insurance contributions act	42,960	42,960			
7	Other federal taxes	-				
8	Federal income tax	(340,149)	(340,149)			
9	Pump Taxes	71,444	71,444			
10						
11						
12						
13						
14						
15						
16						
17	Totals	(285,547)	(285,547)			

SCHEDULE D-1 Sources of Supply and Water Developed

Line No.	STREAMS			FLOW IN ... (Unit) ²				Annual Quantities Diverted (Unit) ²	Remarks
	Diverted Into ¹	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max	Min		
1									
2									
3									
4									"None"
5									
6									
7									
8	WELLS					Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks	
9	At Plant (Name or Number)	Location	Number	Diversions	³ Depth in Water				
10									
11									
12	"REFER TO ATTACHED SCHEDULE"								
13									
14									
15									
16									
17	TUNNELS AND SPRINGS			FLOW IN (Unit) ²		Annual Quantities Used (Unit) ²	Remarks		
18	Designation	Location	Number	Maximum	Minimum				
19									
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 D-1"		
31									
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 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.

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: Ill
 District: Mountain-Desert
 CSA: Apple Valley
 System: Apple Valley South

Plant	Major Facility	Year Built	Base Elev. (AF)	Prod	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	DWT	Elec.	30	250	346	0.50	Ground	W. Steel	Out of Service Backup Generator Resv to Anoka Zone Resv to Anoka Zone Well to System through PRV
	Reservoir	1987	2941					E.S.	Elec.	10	150	165				
	Booster B	1987	2941					E.S.	Elec.	20	430	135				
	Booster C	1987	2941					DWT	Elec.	40	300	390				
Bear Valley	Well 2	1965	2984	1111	280	12	230	DWT	Elec.	75	900	260				Well to Mohawk Reservoir
Mohawk	Well 2	1988	3023	416	585	16	282	DWT	Elec.	100	600	400				Well to System through PRV
	Well 3A	1950	3023	304	494	16	262	DWT	Elec.	100	600	400				Well to System through PRV
Pahute	Reservoir	1986	3023					E.S.	Elec.	10	155	160	0.30	Ground	W. Steel	All Boosters pump to Mohawk Zone
	Booster A	1986	3023					E.S.	Elec.	10	155	160				
	Booster B	1986	3023					E.S.	Elec.	20	400	150				
	Booster C	1986	3023					E.S.	Gas	76	500	150				
Powhattan	Interconnection	1989	2976	0							300					Interconnect w/ AVRWC
	Interconnection	1987	2942	0							1000					Interconnect w/ AVRWC

Plant Facility Index

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

Plant	Major Facility	Year Built	Base Elev.	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	16		427	10	378	Subm.	Elec.	15	80	520			Well to system
	Well 2	1999	3158	13		455	8		Subm.	Elec.	15	80	520	0.0015	Pressure	Well to system Backup Generator
	Pressure Tank															

Plant Facility Index

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

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
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	282		292	12	230		DWT	Elec.	50	250	540			
Papago	Well 1	1987	2986	119		310	14	271.5		DWT	Elec.	75	375	525		Well to System	
Yucca	Booster A		3083							E.S.	Elec.	5	100	70		Pumps from Tank Zone to Yucca Booster Zone	
South St Connection	Interconnection															Interconnect w/ AVRWC	

Plant Facility Index

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

Plant	Major Facility	Year Built	Base Elev. (AF)	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)
Carson	Booster A		3230					H.S.C.	Elec.	30	135	450		Standby Use. Sutter Zone to Pitzer Butte Zone
Emerald	Well 1	2006		0				DWT	Elec.	75	250	632		Well to Mesa Booster Zone
Meb	Well 1		3290	14		480	10	DWT	Elec.	15	90	320		Well to Forebay
	Forebay Booster A	1973	3290					H.S.C.	Elec.	40	200	400	0.042	Pumps to Pitzer Butte Zone
Mesa	Booster A	1988	3540					E.S.	Elec.	3	100	80		Pitzer Butte Zone to Mesa Booster Zone
Pitzer Butte	Reservoir		3620										0.042	Floats on Pitzer Butte Zone
Sutter	Well 7 Pressure Tank	1952	3140	11		403	12	DWT	Elec.	30	200	375	0.0026	Well to System Sutter zone thru pressure tank
Topaz	Well 1	1980	3400	133		515	16	Subm.	Elec.	40	150	660		Well to Pitzer Butte Zone

Plant Facility Index

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

Plant	Major Facility	Year Built	Base Elev. (AF)	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)	
Bella Vista	Well 1	2007	0												Well to System
Elm	Well 24	1957	2730	11		272	14	189		DWT	Elec.	25	100	400	Well to System through PRV
Highway Navajo	Well 3	1991	2708	52		200	10	180		DWT	Elec.	15	100	398	Well to System
	Booster A	1980	2916							E.S.	Elec.	5	35	160	Booster A & B pump through pressure tank to Booster Zone
	Booster B	1980	2916							E.S.	Elec.	5	35	160	Booster Zone
	Reservoir	1977	2940												Floats on Navajo Tank
	Pressure Tank	1980	2916												0.0417 Elev. Resv. B. Steel 0.001 Pressure Steel

Plant Facility Index

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

Plant	Major Facility	Year Base Built	Year Base Elev. (AF)	Wells		Pump Type	Pumps		Tanks		Remarks		
				Well No.	Depth (ft)		Energy Type	Size (HP)	Design (Flow (gpm))	Design Head (ft)		Volume (MG)	Type
Hilltop	Reservoir	1986	3300							0.083	Elev. Resv.	B. Steel	Floats on Hilltop Zone
	Booster A	1978	2820			H.S.C.	Elec.	15	120	200			Booster A & B pump to Pinon Reservoir Zone
	Booster B	1978	2820			E.S.	Elec.	15	120	200			Floats on Maccelle Tank Zone
Mojave	Reservoir	1992	2690							0.100	Elev. Resv.	B. Steel	Booster A & B pump to Maccelle Tank Zone
Pinon	Booster A	1987	2690			H.S.C.	Elec.	25	200	310			Booster A & B pump to Hilltop Reservoir Zone
	Booster B	1965	2690			H.S.C.	Elec.	30	200	288			Well to System
Vale	Well 1	2007											Well to System
	Booster A	1988	2820			Subm.	Elec.	5	31	400			Booster A & B pump to Vista Reservoir Zone
Vista	Booster B	1988	2820			Subm.	Elec.	5	31	400			Well to System
						DWT	Elec.	30	300	260			Booster A & B pump to Vista Reservoir Zone
Yeager-Vale	Well 2	1970	2540	6	525	DWT	Elec.	40	310	330			Well to System
	Well 3	1982	2540	313	450	DWT	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	6
11	Cast Iron	-	-	-	-	-	-	-	299
12	Ductile iron (cement lined)	-	-	-	-	-	-	-	-
13	Concrete	-	-	-	-	-	-	-	-
14	Copper	-	-	-	-	-	-	-	-
15	Riveted Steel	-	-	-	-	-	-	-	-
16	Standard Steel	-	-	-	-	-	-	-	-
17	Screw or Welded Casing	-	-	-	-	-	-	-	-
18	Cement - Asbestos	-	-	-	-	12,595	18,605	-	88,819
19	Welded Steel	-	-	4,163	-	2,321	130,744	3,307	48,241
20	Polyvinylchloride	-	-	-	-	-	-	-	11,714
21	Other - Plastic	-	-	-	-	-	-	-	-
22	Totals	-	-	4,163	-	15,017	149,349	3,307	147,072

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
								18 & 22	24 & 30	
23	Cast Iron	-	-	-	-	-	-	-	-	299
24	Ductile iron (cement lined)	793	-	-	-	-	-	-	-	793
25	Concrete	-	-	-	-	-	-	-	-	-
26	Copper	-	-	-	-	-	-	-	-	-
27	Riveted Steel	-	-	-	-	-	-	-	-	-
28	Standard Steel	-	-	-	-	-	-	-	-	-
29	Screw or Welded Casing	-	-	-	-	-	-	-	-	-
30	Cement - Asbestos	7,734	2,839	-	-	-	-	-	-	130,492
31	Welded Steel	17,888	2,057	-	-	-	-	-	-	206,721
32	Polyvinylchloride	114,304	-	28,523	-	-	-	-	-	154,541
33	Other - Plastic	-	-	-	-	-	-	-	-	-
33a	Unclassified	-	-	-	-	-	-	-	-	-
34	Totals	140,719	4,696	28,523	-	-	-	-	-	492,846

**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)	3,798	3,732	6	6
Industrial	-	-	-	-
Public authorities	9	9	-	-
Irrigation	-	-	-	-
Other (specify)	2	2	-	-
Subtotal	3,809	3,743	6	6
Private fire connections	-	-	4	9
Public fire hydrants	-	-	-	-
Total	3,809	3,743	10	15

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

Size	Meters	Services
5/8 x 3/4 - in	3,710	3,813
3/4 - in	-	-
1 - in	80	209
1 1/2 - in	3	3
2 - in	41	20
3 - in	11	19
4 - in	1	1
6 - in	-	-
8 - in	-	-
Other	-	-
Total	3,846	4,065

**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-7Water delivered to Metered Customers by Months and Years in CCF (Unit Chosen):

Classification of Service	January	February	March	April	May	June	July	Subtotal
	Commercial	34,883	33,857	36,837	45,687	56,239	64,258	72,783
Industrial	-	-	-	-	-	-	-	-
Public authorities	(141)	163	246	273	547	529	506	2,123
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	38	38	39	102	53	42	54	366
Total	34,780	34,058	37,122	46,062	56,839	64,829	73,343	347,033
Classification of Service	August	September	October	November	December	Subtotal	Total	Total Prior Year
	Commercial	75,680	75,640	56,710	52,572	39,457	300,059	644,603
Industrial	-	-	-	-	-	-	-	-
Public authorities	644	877	239	588	146	2,494	4,617	6,201
Irrigation	-	-	-	-	-	-	-	-
Other (specify)	74	68	64	73	42	321	687	5,763
Total	76,398	76,585	57,013	53,233	39,645	302,874	649,907	695,477

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 15,182

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	\$	43,412
100.3	Construction work in progress	\$	2,495,163
241	Advances for construction	\$	318,293
265	Contributions in aid of construction	\$	1,447,481

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, 2008, to December 31, 2008.


Signature

Vice President - Finance, Treasurer and Assistant Secretary
Title

4/30/2009
Date

INDEX

	<i>PAGE</i>
Acres Irrigated	17
Advances for construction	18
Construction work in progress	18
Contributions in aid of construction	18
Depreciation and amortization reserves	5-6
Materials and supplies on hand	18
Meters and services on pipe system	16
Operating expenses	8-12
Operating revenues	7
Population served	17
Rate Base	3-4
Service connections, active	16
Signature	18
Source of supply and water developed	14
Storage facilities	14
Taxes	13
Transmission and distribution facilities	15
Utility plant in service	1-2