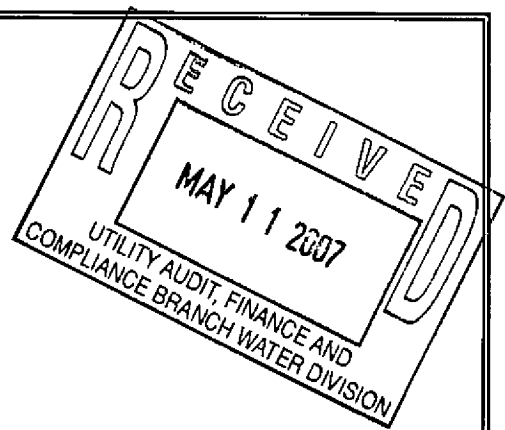


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2006
ANNUAL REPORT
OF
DISTRICT WATER SYSTEM OPERATIONS
OF

Golden State Water Company

(NAME OF CORPORATION)

Name of District: San Gabriel Valley Location: Arcadia, Los Angeles
(TOWN OR CITY) (COUNTY)

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(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	442				442
3	302	Franchises and consents (Schedule A-1b)	2,927				2,927
4	303	Other intangible plant	397,590			(2,360)	395,230
5		Total intangible plant	400,959	0	0	(2,360)	398,599
6							
7		II. LANDED CAPITAL					
8	306	Land and land rights	96,904				96,904
9							
10		III. SOURCE OF SUPPLY PLANT					
11	311	Structures and improvements					0
12	312	Collecting and impounding reservoirs					0
13	313	Lake, river and other intakes					0
14	314	Springs and tunnels					0
15	315	Wells	726,533	16,330			742,863
16	316	Supply mains	41,445				41,445
17	317	Other source of supply plant	1,728				1,728
18		Total source of supply plant	769,705	16,330	0	0	786,035
19							
20		IV. PUMPING PLANT					
21	321	Structures and improvements	320,948	33,155	(1,714)		352,389
22	322	Boiler plant equipment	0				0
23	323	Other power production equipment	0				0
24	324	Pumping equipment	2,407,202	243,961	(10,926)		2,640,237
25	325	Other pumping plant	456,978				456,978
26		Total pumping plant	3,185,128	277,116	(12,640)	0	3,449,604
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and improvements	92,552				92,552
30	332	Water treatment equipment	2,419,831				2,419,831
31		Total water treatment plant	2,512,384	0	0	0	2,512,384

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					0
3	342	Reservoirs and tanks	829,696				829,696
4	343	Transmission and distribution mains	12,115,742	779,212	(11,690)	(1,019)	12,882,245
5	344	Fire mains	0				0
6	345	Services	5,819,899	519,462	(17,023)		6,322,339
7	346	Meters	1,231,855	36,229	(1,206)		1,266,879
8	347	Meter installations	0				0
9	348	Hydrants	1,797,382	94,036	(5,389)		1,886,028
10	349	Other transmission and distribution plant	112,744				112,744
11		Total transmission and distribution plant	21,907,319	1,428,940	(35,308)	(1,019)	23,299,931
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	98,355				98,355
15	372	Office furniture and equipment	103,483	3,848	(3,113)		104,217
16	373	Transportation equipment	227,746			21,372	249,118
17	374	Stores equipment	0				0
18	375	Laboratory equipment	0				0
19	376	Communication equipment	20,281			868	21,148
20	377	Power operated equipment	204,241				204,241
21	378	Tools, shop and garage equipment	74,470				74,470
22	379	Other general plant	917				917
23		Total general plant	729,492	3,848	(3,113)	22,240	752,466
24							
25		VIII. UNDISTRIBUTED ITEMS					
26	390	Other tangible property	3,996				3,996
27	391	Utility plant purchased	3,681				3,681
28	392	Utility plant sold					0
29		Total undistributed items	7,677	0	0	0	7,677
30		Total utility plant in service	29,609,567	1,726,233	(51,061)	18,861	31,303,600

**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		31,303,600	29,609,567
5		Construction Work in Progress		182,772	148,888
6		General Office Prorate			
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		31,486,372	29,758,455
8					
9		Less Accumulated Depreciation			
10		Plant in Service		9,611,742	8,723,127
11		General Office Prorate			
12		Total Accumulated Depreciation (Line 10 + Line 11)		9,611,742	8,723,127
13					
14		Less Other Reserves			
15		Deferred Income Taxes		2,023,665	1,937,903
16		Deferred Investment Tax Credit		133,060	137,068
17		Other Reserves			
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		2,156,725	2,074,971
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		3,210,148	3,122,407
22		Advances for Construction		974,357	1,038,659
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		4,184,505	4,161,066
25					
26		Add Materials and Supplies		18,365	24,828
27					
28		Add Working Cash (From Schedule A-1d(2))		477,636	477,636
29		Add General office, Regions, District office, CSA allocation		1,161,230	1,225,511
30		TOTAL DISTRICT RATE BASE		17,190,632	16,527,266
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28 +			
32		Line 29			
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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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HBW
12-Feb-07

SOUTHERN CALIFORNIA WATER COMPANY
REGION 3 - SAN GABRIEL

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	520.8	55.1	28,698.2
2	72600 POWER FOR PUMPING	483.4	38.1	18,415.8
3	73500 PUMP TAXES	255.7	15.0	3,835.3
4	74400 CHEMICALS	270.5	29.7	8,033.4
5	77300 COMMON CUSTOMER ACCOUNT	99.5	0.0	0.0
6	77325 POSTAGE	0.0	0.0	0.0
7	77500 UNCOLLECTIBLES	15.8	0.0	0.0
8	78000 OPERATION LABOR	327.2	12.5	4,090.0
9	78100 ALL OTHER OPERATION EXPENSES	165.9	25.0	4,147.5
10	78700 MAINTENANCE LABOR	143.9	12.5	1,798.8
11	78800 ALL OTHER MAINTENANCE EXPENSES	205.8	41.0	8,437.8
12	79200 OFFICE SUPPLIES AND EXPENSE	51.9	24.0	1,246.0
13	79300 PROPERTY INSURANCE	8.9	(168.0)	(1,488.8)
14	79400 INJURIES AND DAMAGES	71.6	(149.0)	(10,671.4)
15	79500 PENSIONS AND BENEFITS	309.3	23.0	7,114.6
16	79600 BUSINESS MEALS	0.0	14.0	0.4
17	79700 REGULATORY COMMISSION	29.4	18.0	529.8
18	79800 OUTSIDE SERVICES	205.9	24.0	4,940.4
19	79900 MISCELLANEOUS	1.7	16.0	27.2
20	79910 ALLOCATED GENERAL OFFICE	877.4	0.0	0.0
21	80500 ALL OTHER MAINT. GENERAL PLANT	5.2	29.0	150.8
22	81100 RENT	9.6	3.0	28.9
23	81500 A&G LABOR	53.5	12.5	668.8
24	50300 DEPRECIATION AND AMORTIZATION	751.7	0.0	0.0
25	50710 PROPERTY TAXES	482.0	40.0	19,281.2
26	50720 PAYROLL TAXES	42.3	4.0	169.3
27	50730 LOCAL TAXES	78.9	263.0	20,225.6
28	STATE INCOME TAX	202.3	96.0	19,418.6
29	FEDERAL INCOME TAX	737.1	106.0	78,128.4
30	TOTAL OPERATING EXPENSES	6,405.3		217,226.6
31	CPUC FEE (1.4% OF REVENUE)	113.4	90.0	10,210.3
32	TOTAL	6,518.7		227,436.9
33	AVERAGE LAG ----->			33.91

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	49.50 days
35	(2) Avg. Lag in Payment of Expenses, Taxes and Accruing Depreciation	33.91 days
36	(3) Excess of Collection Lag over Payment Lag	15.59 days
37	(4) Total of Expenses, Taxes and Depreciation	\$6,518.7
38	(5) Daily Total of Expenses, Taxes and Depreciation	\$17.9
39	(6) Average Amount of Working Cash Capital Required as a Result of Paying Exp., Taxes and Deprec'n In Advance of Collecting Revenues	\$278.4

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	8,569,009	154,120		
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	721,252	39,148		
4	(b) Charged to Account 265	110,011			
5	(c) Charged to Clearing Accounts	68,938			
6	(d) Salvage recovered				
7	(e) All other credits ^{1/}				
8	Total credits	900,201	39,148	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	49,490			
11	(b) Cost of removal	1,244			
12	(c) All other debits ^{1/}				
13	Total debits	50,734	0	0	0
14	Balance in reserve at end of year	9,418,476	193,268	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)

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
3	312	Collecting and impounding reservoirs					0
4	313	Lake, river and other intakes					0
5	314	Springs and tunnels					0
6	315	Wells	(413,275)	(25,865)			(439,140)
7	316	Supply mains	(22,392)	(796)			(23,188)
8	317	Other source of supply plant	(1,285)	(27)			(1,312)
9		Total source of supply plant	(436,952)	(26,688)	0	0	(463,640)
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	(138,916)	(7,735)	1,714		(144,937)
13	322	Boiler plant equipment					0
14	323	Other power production equipment					0
15	324	Pumping equipment	(1,145,199)	(92,436)	10,926		(1,226,709)
16	325	Other pumping plant	(63,905)	(13,252)			(77,157)
17		Total pumping plant	(1,348,020)	(113,423)	12,640	0	(1,448,803)
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	(40,699)	(2,286)			(42,985)
21	332	Water treatment equipment	(572,064)	(118,814)			(690,878)
22		Total water treatment plant	(612,763)	(121,100)	0	0	(733,863)
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					0
3	342	Reservoirs and tanks	(213,060)	(20,742)			(233,802)
4	343	Transmission and distribution mains	(3,070,340)	(258,065)	11,690		(3,316,715)
5	344	Fire mains	0				0
6	345	Services	(1,663,357)	(184,491)	17,023	1,244	(1,829,581)
7	346	Meters	(300,060)	(58,636)	1,206		(357,490)
8	347	Meter installations	0				0
9	348	Hydrants	(475,783)	(33,791)	5,389		(504,185)
10	349	Other transmission and distribution plant	(58,861)	(3,777)			(62,638)
11		Total trans. and distribution plant	(5,781,461)	(559,502)	35,308	1,244	(6,304,411)
12							
13		V. GENERAL PLANT					
14	371	Structures and improvements	(28,378)	(2,587)			(30,965)
15	372	Office furniture and equipment	(57,521)	(6,447)	1,542		(62,426)
16	373	Transportation equipment	(163,551)	(56,243)			(219,794)
17	374	Stores equipment	0				0
18	375	Laboratory equipment	0				0
19	376	Communication equipment	(17,067)	(80)			(17,147)
20	377	Power operated equipment	(68,206)	(10,702)			(78,908)
21	378	Tools, shop and garage equipment	(46,872)	(3,396)			(50,268)
22	379	Other general plant	(541)	(33)			(574)
23	390	Other tangible property	(3,996)				(3,996)
24	391	Water plant purchased	(3,681)				(3,681)
25		Total general plant	(389,813)	(79,488)	1,542	0	(467,759)
26		TOTAL	(8,569,009)	(900,201)	49,490	1,244	(9,418,476)

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	7,852,531	7,120,882	731,649
4		601.2 Industrial sales	19,912	20,069	(157)
5		601.3 Sales to public authorities	287,122	250,994	36,128
6		Sub-total	8,159,565	7,391,945	767,620
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	13,646	11,458	2,188
14		603.2 Unmetered sales			-
15		Sub-total	13,646	11,458	2,188
16	604	Private fire protection service	30,746	29,769	977
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	30,746	29,769	977
23		Total water service revenues	8,203,957	7,433,172	770,785
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	7,788	6,495	1,293
26	612	Rent from water property			-
27	613	Interdepartmental rents			-
28	614	Other water revenues	6,130	77,182	(71,052)
29		Total other water revenues	13,918	83,677	(69,759)
30	501	Total operating revenues	8,217,875	7,516,849	701,026

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		133,631	(533,905)	667,636
4	701	Operation supervision, labor and expenses			C			
5	702	Operation labor and expenses	A	B		52	651	(599)
6	703	Miscellaneous expenses	A			279	4,454	(4,175)
7	704	Purchased water	A	B	C	441,964	503,796	(61,832)
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B		0	0	0
10	706	Maintenance of structures and facilities			C			
11	707	Maintenance of structures and improvements	A	B		0	0	0
12	708	Maintenance of collect and impound reservoirs	A			652	1,009	(357)
13	708	Maintenance of source of supply facilities		B				
14	709	Maintenance of lake, river and other intakes	A			0	0	0
15	710	Maintenance of springs and tunnels	A			0	0	0
16	711	Maintenance of wells	A			103,296	5,290	98,006
17	712	Maintenance of supply mains	A			2,611	14,045	(11,434)
18	713	Maintenance of other source of supply plant	A	B		0	0	0
19		Total source of supply expense				682,485	(4,660)	687,145

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		12,361	14,141	(1,790)
4	721	Operation supervision labor and expense			C			
5	722	Power production labor and expense	A			0	0	0
6	722	Power production labor, expenses and fuel		B				
7	723	Fuel for power production	A			0	0	0
8	724	Pumping labor and expenses	A	B		67,939	69,307	(1,368)
9	725	Miscellaneous expenses	A			2,951	6,081	(3,130)
10	726	Fuel or power purchased for pumping	A	B	C	422,513	331,918	90,595
11		Maintenance						
12	729	Maintenance supervision and engineering	A	B		656	302	354
13	729	Maintenance of structures and equipment			C			
14	730	Maintenance of structures and improvements	A	B		56,457	3,746	52,711
15	731	Maintenance of power production equipment	A	B		0	0	0
16	732	Maintenance of pumping equipment	A	B		55,141	96,163	(41,022)
17	733	Maintenance of other pumping plant	A	B		0	0	0
18		Total pumping expenses				618,008	521,658	96,350
19		III. WATER TREATMENT EXPENSES						
20		Operation						
21	741	Operation supervision and engineering	A	B		1,119	834	285
22	741	Operation supervision, labor and expenses			C			
23	742	Operation labor and expenses	A			44,327	120,388	(76,061)
24	743	Miscellaneous expenses	A	B		0	0	0
25	744	Chemicals and filtering materials	A	B		465,772	270,424	195,348
26		Maintenance						
27	746	Maintenance supervision and engineering	A	B		650	382	268
28	746	Maintenance of structures and equipment			C			
29	747	Maintenance of structures and improvements	A	B		105	0	105
30	748	Maintenance of water treatment equipment	A	B		10,122	11,875	(1,753)
31		Total water treatment expenses				522,095	403,903	118,192

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		6,488	6,376	112
4	751	Operation supervision, labor and expenses			C			
5	752	Storage facilities expenses	A			0	4,710	(4,710)
6	752	Operation labor and expenses		B				
7	753	Transmission and distribution lines expenses	A			25,203	15,578	9,624
8	754	Meter expenses	A			35,628	35,690	138
9	755	Customer installations expenses	A			8,907	8,263	524
10	756	Miscellaneous expenses	A			51,804	49,641	2,163
11		Maintenance						
12	758	Maintenance supervision and engineering	A	B		14,095	13,267	1,728
13	758	Maintenance of structures and plant			C			
14	759	Maintenance of structures and improvements	A	B		0	0	0
15	760	Maintenance of reservoirs and tanks	A	B		0	3,610	(3,610)
16	761	Maintenance of trans. and distribution mains	A			198,538	153,962	44,576
17	761	Maintenance of mains		B				
18	762	Maintenance of fire mains	A			0	0	0
19	763	Maintenance of services	A			90,628	95,082	(4,156)
20	763	Maintenance of other trans. and distribution plant		B				
21	764	Maintenance of meters	A			4,249	6,049	(1,800)
22	765	Maintenance of hydrants	A			6,483	239	6,244
23	766	Maintenance of miscellaneous plant	A			0	0	0
24		Total transmission and distribution expenses				445,321	394,488	50,833

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						
3	790	Transformed Customer Expenses				118,004	113,458	4,606
4	771	Supervision	A	B		29,378	39,051	(8,673)
5	772	Water reading expenses	A	B		82,068	85,070	(3,004)
6	773	Customer records and collection expenses	A			10,111	6,186	3,925
7	773	Customer records and accounts expenses		B				
8	774	Miscellaneous customer accounts expenses	A			0	0	0
9	775	Uncollectible accounts	A	B	C	11,338	4,651	6,487
10		Total customer account expenses				250,857	247,616	3,241
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B		0	0	0
14	781	Signa expenses			C			
15	782	Demonstrating and selling expenses	A			0	198	(198)
16	783	Advertising expenses	A			1,920	0	1,920
17	784	Miscellaneous sales expenses	A			0	0	0
18	785	Merchandising, lobbying and contract work	A			(56,118)	(34,965)	(21,151)
18		Total sales expenses				(54,198)	(34,769)	(19,427)

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						
3	790	Allocation of A&G Expenses				1,251,871	1,209,873	41,798
4	791	Administrative and general salaries	A	B	C	39,857	36,834	3,023
5	792	Office supplies and other expenses	A	B	C	51,892	51,588	104
6	793	Property insurance	A			0	0	0
7	793	Property insurance, injuries and damages		B	C			
8	794	Injuries and damages	A			133	3,635	(3,502)
9	795	Employees' pensions and benefits	A	B	C	12,349	10,449	1,900
10	796	Franchise requirements	A	B	C	13,012	14,520	(1,508)
11	797	Regulatory commission expenses	A	B	C	21,554	80,692	(39,128)
12	798	Outside services employed	A			86,460	(34,385)	100,845
13	798	Miscellaneous other general expenses		B				
14	798	Miscellaneous other general operation expenses			C			
15	799	Miscellaneous general expenses	A			481	1,324	(843)
16		Maintenance						
17	805	Maintenance of general plant	A	B	C	8,615	2,405	6,210
17		Total administrative and general expenses				1,465,834	1,358,635	109,899
18		VIII. MISCELLANEOUS						
19	811	Rents	A	B	C	10,749	9,410	1,339
20	812	Administrative expenses transferred - Cr.	A	B	C	0	0	0
21	813	Duplicate charges - Cr.	A	B	C	0	0	0
22		Total miscellaneous				10,749	9,410	1,339
23		Total operating expenses				3,941,253	2,884,581	1,048,672

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	406,214	406,214			
2	State corporation franchise tax	178,014	178,014			
3	State unemployment insurance tax	1,301	1,301			
4	Other state and local taxes	121,707	121,707			
5	Federal unemployment insurance tax	393	393			
6	Federal insurance contributions act	33,290	33,290			
7	Other federal taxes	-	-			
8	Federal income tax	397,077	397,077			
9	Pump Taxes	83,269	83,269			
10						
11						
12						
13						
14						
15						
16						
17	Totals	1,221,265	1,221,265	-	-	-

**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									
WELLS					Pumping Capacity (Unit) ²	Annual Quantities Pumped CCF (Unit) ²	Remarks		
At Plant (Name or Number)	Location	Number	Diversions	³ Depth in Water					
8									
9									
10									
11									
12	"Refer to Attached Schedule"								
13									
14									
15									
16									
TUNNELS AND SPRINGS				FLOW IN (Unit) ²		Annual Quantities Used (Unit) ²	Remarks		
Designation	Location	Number	Maximum	Minimum					
17									
18									
19									
20									
21									
22									
23									
24									
25									
Purchased Water for Resale									
26									
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 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: Ill
 District: Foothill
 CSA: San Gabriel Valley
 System: South Arcadia

Plant	Major Facility	Year Built	Base Elev.	2006 Prod CCF	Wells			Pumps			Tanks			Remarks	
					Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Design Flow (gpm)	Design Head (ft)	Volume (MG)		Type
Encinita	Well 1	1952	330	24	1000	16	200	V.T.	Elec.	150	1000	400			
	Well 2	1955	330	280,526	1000	16	240	V.T.	Elec.	100	1000	310			Wells pump through GAC filters to System
	Well 3	1977	330	215,186	700	14	250	V.T.	Elec.	100	900	346			
Farna	Well 1	1951	315	10,019	540	18	160	V.T.	Gas	210	1500	285			Well to System
	Well 2	1966	315	309,276	600	16	190	V.T.	Elec.	100	1050	293			Well to System
	Reservoir	1988	315										1.00	Ground	W.Steel
	Booster A	1988	315					V.T.	Elec.	25	500	160			Booster to System
	Booster B	1988	315					V.T.	Elec.	50	1000	150			Booster to System
Jeffries	Booster C	1988	315					V.T.	Elec.	50	1000	150			Booster to System
	Well 3	1950	368	-	654	18	180	V.T.	Gas	182	1150	275			Inactive
Longden Interconn. Persimmon	Well 4	1988	368	860,310	1003	16	240	V.T.	Elec	200	2000	330			Well to PRV to System
	Interconnection		363								1250				PRV to System
Short St Interconn.	Well 1	1955	307	122,839	800	16	151	V.T.	Elec.	100	1300	265			Well to PRV to sand trap to System
	Interconnection	1979	408	22,216							250				PRV to System

Plant Facility Index

Region: III
District: Foothill
CSA: San Gabriel Valley
System: South San Gabriel

Plant	Major Facility	Year Built	Base Elev.	2006 Prod CCF	Wells			Pumps				Tanks			Remarks
					Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Design Flow (gpm)	Design Head (ft)	Volume (MG)	Type	
Earle	Well 1	1935	260	-	630	12	180	V.T.	Elec.	50	400	364			Well to System
	Well 2	1902	265	-	429	16	189	V.T.	Elec.	15	250	168			Pumps to Forebay
	Well 3	1940	265	-	428	14	170	V.T.	Elec.	15	300	150			Pumps to Forebay
	Booster A	1960	265					H.S.C.	Elec.	40	400	230			Forebay to System
	Booster B	1960	265					H.S.C.	Elec.	30	300	230	0.02	Forebay	Forebay to System
San Gabriel	Well 1	1948	262	583,268	465	16	262	V.T.	Elec.	200	1000	470			Well # 1 pumps through Perchlorate Resin and GAC Filters to System
	Well 2	1956	262	-	472	16	225	Subm.	Elec.	120	900	350			Out of service
Saxon	Well 1	1922	308	-	700	12	200	V.T.	Elec.	75	500	330			Well to System
	Well 3	1946	308	192,971	650	18	219	V.T.	Elec.	125	1000	370			Well to System
	Well 4	1991	308	336,719	1000	16	250	V.T.	Elec.	25	300	160			Pumps to Teresa Zone
	Booster A	1948	429					H.S.C.	Elec.	25	300	160			Pumps to Teresa Zone
Teresa	Booster B	1958	429					H.S.C.	Elec.	25	300	160			Pumps to Teresa Zone
	Booster C	1987	429					H.S.C.	Gas	35	400	160			Pumps to Teresa Zone
USG-1	Reservoir	1939	429										0.50	Elev Resv	Floats on Main Zone
	Interconnection	1967	339	362,419							3375				PRV to Main Zone

**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			950			17,522		27,964
12	Ductile iron (cement lined)						570		2,549
13	Concrete								
14	Copper			549					
15	Riveted Steel								
16	Standard Steel	779	530	4,792	553		61,782	9,206	78,854
17	Screw or Welded Casing								
18	Cement - Asbestos			681			14,074		19,383
19	Welded Steel								
20	Polyvinylchloride			90			989		2,850
21	Other - Plastic						343		2,954
22	Totals	779	530	7,082	553	-	95,280	9,206	132,554

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
								25 & 45	55	
23	Cast Iron	14,010	5,570	4,486						70,502
24	Ductile Iron (cement lined)	48,632	198	6,287						58,236
25	Concrete									-
26	Copper									549
27	Riveted Steel									-
28	Standard Steel	43,250	9,010	14,151				3,903	12,845	237,655
29	Screw or Welded Casing									-
30	Cement - Asbestos	16,785	5,517	16,922		3,895				77,257
31	Welded Steel									-
32	Polyvinylchloride	22,957	2,290	12,003						41,179
33	Other - Plastic	4,907		5,203						13,407
33a	Unclassified									-
34	Totals	150,541	22,585	59,052	-	3,895	-	3,903	12,845	498,785

**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)	11,939	11,987		
Industrial	6	6		
Public authorities	78	78		
Irrigation	9	11		
Other (specify)		2		
Subtotal	12,032	12,084	-	-
Private fire connections			75	76
Public fire hydrants				
Total	12,032	12,084	75	76

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

Size	Meters	Services
5/8 x 3/4 - in	10,034	10,072
3/4 - in	1	1
1 - in	1,741	1,802
1 1/2 - in	140	142
2 - in	279	253
3 - in	84	86
4 - in	4	3
6 - in	10	6
Other		
Total	12,293	12,365

**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	214,837	191,057	185,130	182,902	192,289	215,391	297,448
Industrial	208	360	180	381	220	785	543	2,677
Public authorities	7,260	3,719	6,767	4,025	5,687	8,006	14,289	49,753
Irrigation	42	314	85	223	82	303	136	1,185
Other (specify)								-
Total	222,347	195,450	192,162	187,531	198,278	224,485	312,416	1,532,669

Classification of Service	August	September	October	November	December	Subtotal	Total	Total Prior Year
	Commercial	275,649	310,038	274,396	256,238	215,648	1,331,969	2,811,023
Industrial	1,110	484	1,127	330	633	3,684	6,361	7,001
Public authorities	8,748	19,080	8,216	10,684	4,770	51,498	101,251	93,487
Irrigation	739	137	1,004	132	772	2,784	3,969	3,835
Other (specify)						-	-	
Total	286,246	329,739	284,743	267,384	221,823	1,389,935	2,922,604	2,853,455

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 _____ 48,640

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	\$	<u>18,365</u>
100.3	Construction work in progress	\$	<u>182,772</u>
241	Advances for construction	\$	<u>974,357</u>
265	Contributions in aid of construction	\$	<u>3,210,148</u>

SIGNATURE

District Management

Name of District Manager Alice Shiozawa Telephone: (626) 446-5176

Address 110 East Live Oak, Arcadia, CA 91006

This report sets forth book or allocated figures and other data pertaining to the San Gabriel district for the period from January 1, 2005, to December 31, 2005.

Gladyz Janow
 Signature
 Controller
 Title
5/8/07
 Date

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