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2008
ANNUAL REPORT
OF
DISTRICT WATER SYSTEM OPERATIONS
OF

Golden State Water Company

(NAME OF CORPORATION)

Name of District: Santa Maria Location: Santa Maria, San Luis Obispo
(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	5,105	0	0	0	5,105
3	302	Franchises and consents (Schedule A-1b)	0	0	0	0	0
4	303	Other intangible plant	341,309	0	0	0	341,309
5		Total intangible plant	346,414	0	0	0	346,414
6							
7		II. LANDED CAPITAL					
8	306	Land and land rights	3,336,980	0	0	0	3,336,980
9							
10		III. SOURCE OF SUPPLY PLANT					
11	311	Structures and improvements	28,142	0	0	0	28,142
12	312	Collecting and impounding reservoirs	4,105	0	0	0	4,105
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	4,106,855	0	0	0	4,106,855
16	316	Supply mains	352,634	2,110	0	0	354,744
17	317	Other source of supply plant	5,513	0	0	0	5,513
18		Total source of supply plant	4,497,249	2,110	0	0	4,499,359
19							
20		IV. PUMPING PLANT					
21	321	Structures and improvements	706,710	31,777	0	0	738,487
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	8,790,457	280,780	(54,624)	541	9,017,153
25	325	Other pumping plant	366,479	35,433	(41,961)	0	359,951
26		Total pumping plant	9,863,646	347,990	(96,585)	541	10,115,591
27							
28		V. WATER TREATMENT PLANT					
29	331	Structures and improvements	147,532	0	0	0	147,532
30	332	Water treatment equipment	611,231	203,014	(9,023)	0	805,222
31		Total water treatment plant	758,763	203,014	(9,023)	0	952,754

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	747	0	0	0	747
3	342	Reservoirs and tanks	2,291,480	0	0	0	2,291,480
4	343	Transmission and distribution mains	9,938,821	945,834	(12,531)	0	10,872,123
5	344	Fire mains	0	0	0	0	0
6	345	Services	5,159,711	518,481	(12,998)	(3,841)	5,661,352
7	346	Meters	2,106,128	161,562	0	0	2,267,690
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	1,668,571	137,437	(5,231)	0	1,800,777
10	349	Other transmission and distribution plant	107,582	0	0	0	107,582
11		Total transmission and distribution plant	21,273,039	1,763,313	(30,760)	(3,841)	23,001,751
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	648,551	0	0	0	648,551
15	372	Office furniture and equipment	234,523	4,098	0	0	238,621
16	373	Transportation equipment	586,714	88,264	(79,047)	0	595,930
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	3,979	0	0	0	3,979
19	376	Communication equipment	21,627	204	0	0	21,830
20	377	Power operated equipment	184,610	0	0	0	184,610
21	378	Tools, shop and garage equipment	135,903	0	0	0	135,903
22	379	Other general plant	13,323	0	0	0	13,323
23		Total general plant	1,829,230	92,565	(79,047)	0	1,842,748
24							
25		VIII. UNDISTRIBUTED ITEMS					
26	390	Other tangible property	5,831	0	0	0	5,831
27	391	Utility plant purchased	0	0	0	0	0
28	392	Utility plant sold	0	0	0	0	0
29		Total undistributed items	5,831	0	0	0	5,831
30		Total utility plant in service	41,911,150	2,408,992	(215,415)	(3,301)	44,101,427

**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		44,101,427	41,911,150
5		Construction Work in Progress		1,674,247	627,571
6		General Office Prorate			
7		Total Gross Plant (Line 4 + Line 5 + Line 6)		45,775,674	42,538,721
8					
9		Less Accumulated Depreciation			
10		Plant in Service		13,841,663	12,653,297
11		General Office Prorate			
12		Total Accumulated Depreciation (Line 10 + Line 11)		13,841,663	12,653,297
13					
14		Less Other Reserves			
15		Deferred Income Taxes		2,257,214	2,156,990
16		Deferred Investment Tax Credit		213,294	223,578
17		Other Reserves		19,229	23,455
18		Total Other Reserves (Line 15 + Line 16 + Line 17)		2,489,737	2,404,023
19					
20		Less Adjustments			
21		Contributions in Aid of Construction		1,583,203	1,440,342
22		Advances for Construction		6,750,276	5,178,331
23		Other			
24		Total Adjustments (Line 21 + Line 22 + Line 23)		8,333,479	6,618,673
25					
26		Add Materials and Supplies		49,929	43,226
27					
28		Add Working Cash (From Schedule A-1d(2))		53,700	28,200
29		Add General Office, Rgions, District office, CSA allocation		727,874	989,514
30		TOTAL DISTRICT RATE BASE			
31		=Line 7 - Line 12 - Line 18 - Line 24 + Line 26 + Line 28+ line 29		21,942,298	21,923,668
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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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ADR
08-May-08

GOLDEN STATE WATER COMPANY
Santa Maria Customer Service Area

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

CPUC WUDF ACCOUNT	DESCRIPTION	(b)		(c)	(d)
		2008 PROPOSED (\$000's)	AVG. NO. OF DAYS LAG	THOUSAND DOLLAR-DAYS LAG	THOUSAND DOLLAR-DAYS LAG
	OPERATING EXPENSES:				
1	70400 PURCHASED WATER	0.0	0.0		0.0
2	72600 POWER FOR PUMPING	1,516.9	47.9		72,859.4
3	73500 PUMP TAXES	0.0	0.0		0.0
4	74400 CHEMICALS	44.5	27.5		1,222.5
5	77300 COMMON CUSTOMER ACCOUNT	101.8	2.6		269.3
6	77325 POSTAGE	0.0	0.0		0.0
7	77500 UNCOLLECTIBLES	5.7	0.0		0.0
8	78000 OPERATION LABOR	509.0	12.5		6,362.5
9	78100 ALL OTHER OPERATION EXPENSES	275.4	32.0		8,812.8
10	78700 MAINTENANCE LABOR	147.6	12.5		1,845.0
11	78800 ALL OTHER MAINTENANCE EXPENSES	300.0	38.0		11,400.0
12	79200 OFFICE SUPPLIES AND EXPENSE	60.0	36.6		2,196.0
13	79300 PROPERTY INSURANCE	0.0	0.0		0.0
14	79400 INJURIES AND DAMAGES	1.3	19.2		25.3
15	79500 PENSIONS AND BENEFITS	5.9	(168.0)		(991.2)
16	79600 BUSINESS MEALS	1.2	(149.0)		(174.0)
17	79700 REGULATORY COMMISSION	54.5	10.0		544.7
18	79800 OUTSIDE SERVICES	75.0	47.4		3,555.0
19	79900 MISCELLANEOUS	2.1	28.0		60.1
20	79910 ALLDCATED GENERAL OFFICE	1,125.9	2.6		2,979.5
21	80500 ALL OTHER MAINTENANCE GENERAL PLANT	8.1	18.7		151.2
22	81100 RENT	72.7	(17.5)		(1,273.1)
23	81500 A&G LABOR	53.6	12.5		870.0
24	50300 DEPRECIATION AND AMORTIZATION	1,382.6	0.0		0.0
25	50710 PROPERTY TAXES	148.4	40.0		5,934.8
26	50720 PAYROLL TAXES	57.2	4.0		228.8
27	50730 LOCAL TAXES	0.0	263.0		0.0
28	STATE INCOME TAX	175.7	96.0		16,865.8
29	FEDERAL INCOME TAX	799.1	106.0		84,704.0
30	TOTAL OPERATING EXPENSES	6,924.2			218,048.6
31	CPUC FEE (1.4% OF REVENUE)	130.5	90.0		11,746.4
32	TOTAL	7,054.7			229,794.9
33	AVERAGE LAG ----->				31.49

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

34	(1) Average Lag in Collection of Revenues	34.27 days
35	(2) Average Lag in Payment of Expenses, Taxes and Accruing Depreciation	31.49 days
36	(3) Excess of Collection Lag over Payment Lag	2.78 days
37	(4) Total of Expenses, Taxes and Depreciation	\$7,054.7
38	(5) Daily Total of Expenses, Taxes and Depreciation	\$19.3
39	(6) Average Amount of Working Cash Capital Required as a Result of Paying Exp., Taxes and Depreciation in Advance of Collecting Revenues	\$53.7

NOTE: Schedule incorporate dollars (Accounts 793.00 Property Insurance, 794.00 Injunes 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	12,579,204	74,089		
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	1,222,728	41,949		
4	(b) Charged to Account 265	34,368	-		
5	(c) Charged to Clearing Accounts	136,810	-		
6	(d) Salvage recovered	2,523	-		
7	(e) All other credits ^{1/}	-	-		
8	Total credits	1,396,429	41,949	-	-
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	248,194	-		
11	(b) Cost of removal	1,817	-		
12	(c) All other debits ^{1/}	-	-		
13	Total debits	250,011	-	-	-
14	Balance in reserve at end of year	13,725,622	116,038	-	-
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	(27,295)	(51)	0	0	(27,346)
3	312	Collecting and impounding reservoirs	(1,738)	(94)	0	0	(1,832)
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	(1,728,007)	(128,955)	0	0	(1,856,962)
7	316	Supply mains	(69,082)	(6,947)	0	0	(76,029)
8	317	Other source of supply plant	(3,539)	(668)	0	0	(4,207)
9		Total source of supply plant	(1,829,661)	(136,715)	0	0	(1,966,376)
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	(242,482)	(16,678)	0	0	(259,160)
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	(2,554,224)	(359,530)	54,084	0	(2,859,670)
16	325	Other pumping plant	(28,664)	(15,209)	41,961	0	(1,912)
17		Total pumping plant	(2,825,370)	(391,417)	96,045	0	(3,120,742)
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	(69,171)	(3,128)	0	0	(72,299)
21	332	Water treatment equipment	(519,280)	(14,914)	9,023	0	(525,172)
22		Total water treatment plant	(588,451)	(18,042)	9,023	0	(597,470)
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	(707)	(3)	0	0	(710)
3	342	Reservoirs and tanks	(291,338)	(59,578)	0	0	(350,916)
4	343	Transmission and distribution mains	(3,544,461)	(190,825)	12,531	0	(3,722,755)
5	344	Fire mains	0	0	0	0	0
6	345	Services	(1,698,310)	(86,167)	12,998	1,817	(1,769,662)
7	346	Meters	(564,679)	(239,888)	0	0	(804,567)
8	347	Meter installations	0	0	0	0	0
9	348	Hydrants	(603,310)	(31,369)	5,231	0	(629,448)
10	349	Other transmission and distribution plant	(30,103)	(2,604)	0	0	(32,707)
11		Total trans. and distribution plant	(6,732,908)	(610,435)	30,760	1,817	(7,310,766)
12							
13		V. GENERAL PLANT					
14	371	Structures and improvements	(56,919)	(16,408)	0	0	(73,327)
15	372	Office furniture and equipment	(110,164)	(50,188)	0	0	(160,352)
16	373	Transportation equipment	(176,814)	(136,704)	112,367	(2,523)	(203,674)
17	374	Stores equipment	0	0	0	0	0
18	375	Laboratory equipment	(3,170)	(214)	0	0	(3,384)
19	376	Communication equipment	(21,095)	(106)	0	0	(21,201)
20	377	Power operated equipment	(144,512)	(17,206)	0	0	(161,718)
21	378	Tools, shop and garage equipment	(70,986)	(16,471)	0	0	(87,457)
22	379	Other general plant	(13,323)	0	0	0	(13,323)
23	390	Other tangible property	(5,831)	0	0	0	(5,831)
24	391	Water plant purchased	0	0	0	0	0
25		Total general plant	(602,614)	(237,298)	112,367	(2,523)	(730,268)
26		TOTAL	(12,579,204)	(1,393,906)	248,194	(706)	(13,725,622)

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	8,903,656	7,730,404	1,173,252
4		601.2 Industrial sales	2,031	1,393	637
5		601.3 Sales to public authorities	166,621	142,261	24,361
6		Sub-total	9,072,308	7,874,058	1,198,250
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	123,929	64,761	59,168
14		603.2 Unmetered sales	-	-	-
15		Sub-total	123,929	64,761	59,168
16	604	Private fire protection service	19,750	19,339	411
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	19,750	19,339	411
23		Total water service revenues	9,215,987	7,958,158	1,257,829
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	17,453	14,663	2,790
26	612	Rent from water property	-	-	-
27	613	Interdepartmental rents	-	-	-
28	614	Other water revenues	61,452	39,873	21,579
29		Total other water revenues	78,904	54,536	24,368
30	501	Total operating revenues	9,294,891	8,012,694	1,282,197

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		(86,330)	(205,150)	118,820
4	701	Operation supervision, labor and expenses			C			-
5	702	Operation labor and expenses	A	B		7,652	16,991	(9,339)
6	703	Miscellaneous expenses	A			41,948	158	41,790
7	704	Purchased water	A	B	C	20,510	58,521	(38,011)
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B		0	0	-
10	706	Maintenance of structures and facilities			C		0	-
11	707	Maintenance of structures and improvements	A	B		0	0	-
12	708	Maintenance of collect and impound reservoirs	A			2,278	7,052	(4,774)
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			10,255	231,293	(221,038)
17	712	Maintenance of supply mains	A			30	154	(124)
18	713	Maintenance of other source of supply plant	A	B		0	0	-
19		Total source of supply expense				(3,657)	109,020	(112,677)

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		616	1,863	(1,246)
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		164,048	166,910	(2,862)
9	725	Miscellaneous expenses	A			31,451	31,417	34
10	726	Fuel or power purchased for pumping	A	B	C	1,549,991	1,577,600	(27,609)
11		Maintenance						
12	729	Maintenance supervision and engineering	A	B		0	1,776	(1,776)
13	729	Maintenance of structures and equipment			C		0	-
14	730	Maintenance of structures and improvements	A	B		6,139	5,857	282
15	731	Maintenance of power production equipment	A	B		0	0	-
16	732	Maintenance of pumping equipment	A	B		96,539	101,949	(5,410)
17	733	Maintenance of other pumping plant	A	B			0	-
18		Total pumping expenses				1,848,785	1,887,371	(38,586)
19		III. WATER TREATMENT EXPENSES						
20		Operation						
21	741	Operation supervision and engineering	A	B		683	1,407	(724)
22	741	Operation supervision, labor and expenses			C		0	-
23	742	Operation labor and expenses	A			201,527	149,958	51,568
24	743	Miscellaneous expenses	A	B		0	0	-
25	744	Chemicals and filtering materials	A	B		51,562	42,429	9,133
26		Maintenance						
27	746	Maintenance supervision and engineering	A	B		0	379	(379)
28	746	Maintenance of structures and equipment			C		0	-
29	747	Maintenance of structures and improvements	A	B		3,869	3,604	265
30	748	Maintenance of water treatment equipment	A	B		94,493	16,022	78,471
31		Total water treatment expenses				352,133	213,799	138,334

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	17,320	7,566	9,754	
4	751	Operation supervision, labor and expenses				0	-	
5	752	Storage facilities expenses	A		1,064	495	568	
6	752	Operation labor and expenses		B		0	-	
7	753	Transmission and distribution lines expenses	A		25,145	34,860	(9,715)	
8	754	Meter expenses	A		72,372	56,241	16,131	
9	755	Customer installations expenses	A		9,279	6,595	2,683	
10	756	Miscellaneous expenses	A		57,800	57,656	144	
11		Maintenance						
12	758	Maintenance supervision and engineering	A	B	308	1,847	(1,539)	
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	429	958	(529)	
16	761	Maintenance of trans. and distribution mains	A		49,715	30,271	19,445	
17	761	Maintenance of mains		B		0	-	
18	762	Maintenance of fire mains	A		0	0	-	
19	763	Maintenance of services	A		64,990	45,293	19,697	
20	763	Maintenance of other trans. and distribution plant		B		0	-	
21	764	Maintenance of meters	A		37,991	16,444	21,548	
22	765	Maintenance of hydrants	A		25,241	10,081	15,160	
23	766	Maintenance of miscellaneous plant	A		0	0	-	
24		Total transmission and distribution expenses			361,655	268,307	93,348	

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			120,632	102,377	18,255	
3	771	Supervision	A	B	72,553	91,532	(18,979)	
4	771	Superv., meter read., other customer acct expenses				0	-	
5	772	Meter reading expenses	A	B	52,704	57,359	(4,655)	
6	773	Customer records and collection expenses	A		28,667	24,836	3,831	
7	773	Customer records and accounts expenses		B		0	-	
8	774	Miscellaneous customer accounts expenses	A		0	0	-	
9	775	Uncollectible accounts	A	B	7,837	8,488	(650)	
10		Total customer account expenses			282,393	284,592	(2,199)	
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		0	0	-	
16	783	Advertising expenses	A		25	5,575	(5,550)	
17	784	Miscellaneous sales expenses	A		0	0	-	
18	785	Merchandising, jobbing and contract work	A		0	0	-	
19		Total sales expenses			25	5,575	(5,550)	

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				1,258,208	1,183,833	74,376
3	791	Administrative and general salaries	A	B	C	17,912	11,530	6,382
4	792	Office supplies and other expenses	A	B	C	103,651	82,115	21,537
5	793	Property insurance	A			0	0	-
6	793	Property insurance, injuries and damages		B	C		0	-
7	794	Injuries and damages	A			80,946	72,903	8,043
8	795	Employees' pensions and benefits	A	B	C	231,438	242,779	(11,341)
9	796	Franchise requirements	A	B	C	22,321	11,717	10,605
10	797	Regulatory commission expenses	A	B	C	25,425	20,030	5,394
11	798	Outside services employed	A			196,323	73,168	123,155
12	798	Miscellaneous other general expenses		B			0	-
13	798	Miscellaneous other general operation expenses			C		0	-
14	799	Miscellaneous general expenses	A			543	719	(176)
15		Maintenance					0	-
16	805	Maintenance of general plant	A	B	C	1,650	15,025	(13,375)
17		Total administrative and general expenses				1,938,417	1,713,817	224,600
18		VIII. MISCELLANEOUS						
19	811	Rents	A	B	C	84,962	85,581	(619)
20	812	Administrative expenses transferred - Cr.	A	B	C	0	0	-
21	813	Duplicate charges - Cr.	A	B	C	0	0	-
22		Total miscellaneous				84,962	85,581	(619)
23		Total operating expenses				4,864,714	4,568,062	296,652

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	152,770	152,770			
2	State corporation franchise tax	222,873	222,873			
3	State unemployment insurance tax	1,839	1,839			
4	Other state and local taxes	-	-			
5	Federal unemployment insurance tax	545	545			
6	Federal insurance contributions act	45,652	45,652			
7	Other federal taxes	-	-			
8	Federal income tax	504,334	504,334			
9	Pump Taxes	-	-			
10						
11						
12						
13						
14						
15						
16						
17	Totals	928,013	928,013			

**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										
27	Purchased Water for Resale									
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 mlner'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: I
 District: Coastal
 CSA: Santa Maria
 System: Lake Marie

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
Lake Marie	Well No. 3	1961		167	09N33W-08L01	1002	8	694	Subm.	Elec	60	160	740			
	Booster A								VT	Elec	25	500	162			Pumps to Lake Marie Reservoir
	Booster B								VT	Elec	20	850	81			Booster from resv to system.
	Booster C	2000								Gasoline	35.8	625	115			Booster to system. Portable
Vineyard	Well No. 4	1959		0	09N33W08K01	1051	16	651	Subm.	Elec	20	60	740			Well to Lake Marie storage.
	Well No. 5	1986		143	09N33W08K03	1010	16" w/ 12" liner	663	DWT	Elec	150	400	730			Well to Lake Marie storage.

Plant Facility Index

Region: I
 District: Coastal
 CSA: Santa Maria
 System: Nipomo

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)
Alta Mesa	Alta Mesa Well No. 2	1985	335	475	11N35W24L02	580	14	440	DWT	Elec	75	350	540		Well to main zone
	Vista Well No. 4	1976	308	0	11N35W24L01	600	8	420	Subm	Elec	40	175	565		Well to system. Well off due to gravel pack production. Boosters thru pressure tank to Alta Mesa Zone
	Booster A	1985							E.S.	Elec	5	80	116		
	Booster B	1985							E.S.	Elec	5	80	116		
Casa Real	Well No. 1	1991		98	11N35W24L03	530	14.1/2	400	DWT	Elec	75	250	600		Well to main zone
	Well No. 2	2002	302	623	11N34W19E02	540	12	420	Subm	Elec	100	750	350		Pumps through filter to La Serena tanks
La Serena	Booster A	1980	310	67	11N35W24J01	615	14	350	DWT	Elec	75	340	370		Pumps through filter to La Serena tanks
	Booster B	1982	308						VT	Elec	40	600	210		Boosters from tank to system.
	Booster C	1987	309						VT	Elec	40	600	210		Boosters from tank to system.
	Booster D	2006	308						E.S.	Gas	45	600	200		Emergency back-up unit.
	Reservoir	1982	310						VT	Elec	50	600	210		Boosters from tank to system.
	Reservoir	2006	310											0.50 Ground W. Steel 0.50 Ground W. Steel	
Osage	Well No. 1	1988	320	111	11N35W24A01	520	14	420	Subm	Elec	75	355	586		Well to system through filter.
	Connection Booster A			2											Interconnection with NCS
Primavera	Well No. 3	1967			11N34W19L03	521	12	294	Subm	Elec	15	80	520		Pumps from Main Zone to NCS
	Well No. 5	1992	308	0	11N34W19L04	435	14" w/ 12" liner	350	DWT	Elec	50	250	545		Standby due to surface water influence Well pumps thru filter to Vista tank.
Vista Resv	Booster A								E.S.	Elec	20	300	150		Vista Resv to system. Off due to resv condition
	Booster B								E.S.	Elec	20	300	150		Vista Resv to system. Off due to resv condition
	Booster C								E.S.	Elec	20	300	150		Vista Resv to system. Off due to resv condition
	Reservoir	1979	309											0.10 Ground B. Steel	Out of service. Damaged by earthquake.

Plant Facility Index

Region: I
 District: Coastal
 CSA: Santa Maria
 System: Orcutt

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)	Flow (gpm)	Design Head (ft)	Volume (MG)		Type
Crescent	Well No. 1	1982			1,021	09N34W14G01	795	16	438	Subm	Elec	200	1,000	626		Pumps to Orcutt Booster Zone.
Dartmouth	Booster									Vert. In-Line	Elec	20	400	115		Boost water from Evergreen Zone to Patterson Zone.
Evergreen # 1	Well No. 1	pre-1960			0	10N34W35P01	400	10	320	Subm	Elec	60	550	320		Well off due to nitrates.
	Booster A									VT	Elec	40	675	185		Evergreen storage fills thru altitude valve.
	Booster B									VT	Elec	40	675	185		Boosters to Evergreen Gradient.
	Booster C									VT	Elec	40	675	185		Boosts from tank to system
	Reservoir										Elec	40	675	185		Boosts from tank to system
Evergreen # 2	Well No. 2	pre-1960			0	10N34W35P02	448	16	320	DWT	Elec	100	1,000	324		Fills off Altitude Valve
Kenneth	Well No. 1	1981			1,033	09N34W12L01	875	16	500	DWT	Elec	200	1,100	580		Well off due to nitrates.
Mesa Verde	Booster A									H.E.S	Elec	5	135	75		To Patterson Zone through pressure regulator.
	Booster B									H.E.S	Elec	5	135	75		Pump from Orcutt Hill Zone to Mesa Verde Zone. Emergency Generator
	Booster C									H.E.S	Elec	75	1,250	140		
Miller St Connection					48											
Mira Flores No. 1	Well No. 1	1958			361	09N34W02E02	495	14	300	DWT	Elec	100	1,050	300		Connection with City of Santa Maria
	Booster A									VT	Elec	40	550	175		Pumps to Mira Flores #1 Reservoir
	Booster B									VT	Elec	30	550	175		Boosters to Evergreen Zone.
	Booster C									VT	Elec	40	407	200		Boosters to Evergreen Zone.
	Reservoir															Boosters to Evergreen Zone.
Mira Flores No. 2	Well No. 2	1958			338	09N34W12P03	780	16	540	DWT	Elec	250	850	744		Well to Orcutt Hill Zone.
Mira Flores No. 3	Well No. 3	1960			0	09N34W12O01	788	14	550	Subm	Elec	150	500	752		Well to Orcutt Hill Zone. Inactive
Mira Flores No. 4 & 7	Well No. 4	1964			438	09N34W13B01	830	16	570	DWT	Elec	200	700	761		Well to Orcutt Hill Zone.
	Well No. 7	2004			976	09N34W13772	1000	18		DWT	Elec	200	900	700		Well to Orcutt Hill Zone.
Oak	Well No. 1	1989			433	09NR34W15A0	1000	16	390	DWT	Elec	200	1,000	471		Well to Foxenwood Zone.
Olive Hill	Olive Hill Well # 1	2008					905	18								Under Construction
	Mira Flores Well No. 5	1966			608	09N34W13F01	802	14	540	DWT	Elec	250	1,000	795		Pumps thru sand trap to Orcutt Hill Zone. A PRV can be used to operate under closed system.
	Mira Flores Well No. 6	1978			1,055	09N34W13F02	800	16	605	DWT	Elec	250	850	825		Well to Orcutt Hill Zone.
Orcutt	Well No. 1	1959			131	9N34W14C01	790	10	460	DWT	Elec	100	800	405		Pumps into Orcutt Tank (forebay)
	Booster A									H.E.S	Elec	25	300	195		Boosts through hydro pneumatic tank to Orcutt Zone
	Booster B									H.E.S	Elec	40	450	210		
	Booster C									H.E.S	Elec	40	450	210		
	Reservoir															
Orcutt Hill	Reservoir No. 1															0.10 Forebay
	Reservoir No. 2	2006														1.50 Elev. Resv.
Sunrise	Well No. 1	1987			0	10N34W35C01	463	16	362	DWT	Elec	125	600	440		Floats on Orcutt Hill Zone.
	Connection															Floats on Orcutt Hill Zone.
	Booster A	2000								VT	Elec	40	1000	108		Off due to nitrates.
Woodmere	Well No. 1	1986			757	09N34W11B01	880	16	442	DWT	Elec	200	1,100	570		Connection with City of Santa Maria
	Well No. 2	1991			1,354	09N34W11B02	830	16	440	DWT	Elec	200	980	612		Pumps from City of SM connection to Evergreen zone
																Well thru PRV to Patterson Zone.
																Well thru PRV to Patterson Zone.

Plant Facility Index

Region: I
 District: Coastal
 CSA: Santa Maria
 System: Sisquoc

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)	
Foxen Canyon	Well No. 4	2000		57	580			Subm	Elec	15	100	315			Well pumps to system and elevated storage tanks.
Sisquoc Tanks	Reservoir No. 1 Reservoir No. 2												0.01 0.01	Elev Resv Elev Resv	P E P.E.

Plant Facility Index

Region: I
 District: Coastal
 CSA: Santa Maria
 System: Tanglewood

Plant	Major Facility Connection	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
Black Road Tanglewood #1	Well No. 1	1959		25	10N34W32L01	308	14	220		DWT	Elec	75	450	320		SWP water to system
Tanglewood #2	Well No 2	1961		1	10N34W32Q01	327	14	180		DWT	Gas	100	800	330		Well through PRV sand trap and pressure tank. Ion exchange unit to treat nitrates. Well thru sand trap to system. Inactive

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	-	-	-	-	-	-	-	-
12	Ductile iron (cement lined)	-	-	-	-	-	352	-	1,583
13	Concrete	-	-	-	-	-	-	-	-
14	Copper	-	-	-	-	-	-	-	-
15	Riveted Steel	-	-	-	-	-	-	-	-
16	Standard Steel	-	-	-	-	-	-	-	-
17	Screw or Welded Casing	-	-	-	-	-	-	-	-
18	Cement - Asbestos	-	-	227	-	412	52,007	-	325,308
19	Welded Steel	-	-	-	-	13,656	4,619	-	8,646
20	Polyvinylchloride	-	-	685	-	-	8,030	-	41,715
21	Other - Plastic	-	-	-	-	-	-	-	-
22	Totals	-	-	912	-	13,966	65,997	-	377,343

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	-	-	-	-	-	-	-	-	-
24	Ductile iron (cement lined)	6,343	222	599	-	-	-	-	-	9,068
25	Concrete	-	-	-	-	-	-	-	-	-
26	Copper	-	-	-	-	-	-	-	-	-
27	Riveted Steel	-	-	-	-	-	-	-	-	-
28	Standard Steel	-	-	-	-	-	-	-	-	-
29	Screw or Welded Casing	-	-	-	-	-	-	-	-	-
30	Cement - Asbestos	242,266	81,979	19,939	-	2,845	-	-	-	726,063
31	Welded Steel	9,993	1,943	-	447	-	-	-	-	39,202
32	Polyvinylchloride	106,378	3,683	699	-	-	-	-	-	161,191
33	Other - Plastic	-	-	-	-	-	-	-	-	-
33a	Unclassified	-	-	-	-	-	-	-	39,790	39,790
34	Totals	364,980	87,827	21,207	447	2,845	-	-	39,790	975,313

**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)	13,107	13,103	-	-
Industrial	5	5	-	-
Public authorities	16	15	-	-
Irrigation	23	33	-	-
Other (specify)	-	-	-	-
Subtotal	13,151	13,156	-	-
Private fire connections	-	-	42	51
Public fire hydrants	-	-	-	-
Total	13,151	13,156	42	51

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

Size	Meters	Services
5/8 x 3/4 - in	11,654	11,662
3/4 - in	230	536
1 - in	816	971
1 1/2 - in	62	69
2 - in	212	211
3 - in	99	104
4 - in	2	3
6 - in	3	2
8 - in	4	3
Other	-	-
Total	13,082	13,561

**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	209,141	178,024	209,991	302,919	398,524	420,967	459,184
Industrial	14	14	25	29	35	44	102	263
Public authorities	5,540	3,470	4,730	7,980	10,572	13,029	12,360	57,681
Irrigation	1,404	573	1,083	3,627	4,662	5,327	5,979	22,655
Other (specify)	-	-	-	-	-	-	-	-
Total	216,099	182,081	215,829	314,555	413,793	439,367	477,625	2,259,349

Classification of Service	August	September	October	November	December	Subtotal	Total	Total Prior Year
	Commercial	456,582	417,344	372,634	356,592	228,246	1,831,398	4,010,148
Industrial	(8)	45	38	35	24	134	397	138
Public authorities	13,114	13,809	11,790	10,756	6,094	55,563	113,244	110,099
Irrigation	5,731	16,162	11,136	8,164	4,641	45,834	68,489	40,903
Other (specify)	-	-	-	-	-	-	-	-
Total	475,419	447,360	395,598	375,547	239,005	1,932,929	4,192,278	4,306,223

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 53,356

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	\$	49,929
100.3	Construction work in progress	\$	1,674,247
241	Advances for construction	\$	6,750,276
265	Contributions in aid of construction	\$	1,583,203

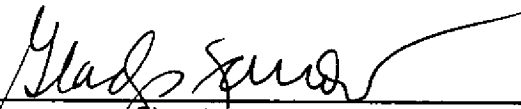
SIGNATURE

District Management

Name of District Manager: Skip Faria Telephone: (805) 349-7407

Address: 2330 A Street, #A, Santa Maria, CA 93455

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



 Signature
 Vice President - Finance, Treasurer and Assistant Secretary

 Title
 4/30/2008

 Date

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