

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION

2120 MAIN STREET, SUITE 265
HUNTINGTON BEACH, CALIFORNIA 92648

MATT A. PEASLEY, CPA
CHRISTIAN L. ALDINGER, CPA

(714) 536-4418
FAX (714) 536-2039

ACCOUNTANT'S COMPILATION REPORT

July 25, 2007

Hillview Water Company
P.O. Box 2269
Oakhurst, CA 93644

We have compiled the balance sheets of Hillview Water Company as of December 31, 2006 and 2005, and the related income statement for the year ended December 31, 2006, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information included on pages 12 (Schedule A-1) through 22 (Schedule A-17), pages 24 (Schedule B-1) through 28 (Schedule C-2), and pages 4 and 5 of Selected Financial Data - Class A, B, C, and D Water Companies 2006, page 6 - Excess Capacity, and pages 7 and 8 - Class B, C, and D Water Companies Safe Drinking Water Bond Act Data, and supplementary page 1 of 1 Status of Collected Supply and Storage Fees Ordered Refunded.

Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission of the State of California, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Public Utilities Commission of the State of California, which differ from U.S. generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information contained on page 9 (General Information) and pages 28 (Schedule C-3) through page 32 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

We are not independent with respect to Hillview Water Company, Inc.

PEASLEY, ALDINGER & O'BYMACHOW
AN ACCOUNTANCY CORPORATION



Matt A. Peasley
Certified Public Accountant

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed NOT LATER THAN MARCH 31, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath, on the last page, must be signed by an officer, partner or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. LEAVE NO SCHEDULE BLANK. Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report.
9. This report must cover a calander year, from Janauary 1 through December 31. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF

SELECTED FINANCIAL DATA SHEET

FOR CLASS A, B, C AND D, WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instruction below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

**SELECTED FINANCIAL DATA - CLASS A, B, C, AND D WATER COMPANIES
2006**

NAME OF UTILITY: HILLVIEW WATER COMPANY, INC. **PHONE:** 559-683-4322

PERSON RESPONSIBLE FOR THIS REPORT ROGER FORRESTER
(Prepared from Information in the 2006 Annual Report)

BALANCE SHEET DATA		January 1, 2006	December 31, 2006	Average
1	Intangible Plant	1,961	1,961	1,961
2	Land and Land Rights	125,494	125,494	125,494
3	Depreciable Plant	6,175,727	6,344,717	6,260,222
4	Gross Plant In Service	6,303,182	6,472,172	6,387,677
5	Less: Accumulated Depreciation	(2,539,679)	(2,731,796)	(2,635,738)
6	Net Water Plant In Service	3,763,503	3,740,376	3,751,939
	Water Plant Held for Future Use	0	0	0
8	Construction Work In Progress	425,817	2,800,833	1,613,325
9	Materials and Supplies	74,628	75,845	75,237
10	Less: Advances for Construct.	(153,846)	(151,375)	(152,611)
11	Contributions in Aid of Construction	(1,775,554)	(1,687,362)	(1,731,458)
12	Accum. Deferred Inc. Tax Credits	250,484	235,337	242,911
13	Net Plant Investment	2,585,032	5,013,654	3,799,343

CAPITALIZATION

14	Common Stock	49,500	49,500	49,500
15	Proprietary Capital (Ind. or Part)	0	0	0
16	Paid-in Capital	273,062	273,062	273,062
17	Retained Earnings	(317,222)	(298,666)	(307,944)
18	Common Stock Equity (14 through 17)	5,340	23,896	14,618
19	Preferred Stock	0	0	0
20	Long-Term Debt	1,497,156	3,988,464	2,742,810
21	Notes Payable	0	0	0
22	Total Capitalization (Lines 18 thru 21)	1,502,496	4,012,360	2,757,428

**SELECTED FINANCIAL DATA - CLASS A, B, C, AND D WATER COMPANIES
2006**

NAME OF UTILITY: HILLVIEW WATER COMPANY, INC. **PHONE:** 559-683-4322

INCOME STATEMENT

Annual
Amount

23	Unmetered Water Revenue	496
24	Fire Protection Revenue	24,348
25	Irrigation Revenue	0
26	Metered Water Revenue	1,112,090
27	Total Operating Revenue	<u>1,136,934</u>
28	Operating Expenses	786,684
29	Depreciation Expense (Composite Rate 3.25%)	67,709
30	Amortization and Property Losses	49,275
31	Property Taxes	21,276
32	Taxes Other Than Income Taxes	24,210
33	Total Operating Rev. Deductions Before Taxes	<u>949,154</u>
34	Calif. Corp. Franchise Tax	800
35	Fed. Corporate Income Tax	15,147
36	Total Operating Revenue Deduction After Taxes	<u>965,101</u>
37	Net Operating Income/(Loss)(Calif. Water Operations)	171,833
38	Other Oper. and Nonoper. Inc/Exp. - Net (Excl. Interest Exp.)	16,222
39	Income Available for Fixed Charges	<u>188,055</u>
40	Interest Expense	<u>(169,499)</u>
41	Net Income/(Loss) Before Dividends	18,556
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	<u>18,556</u>

OTHER DATA

44	Refunds of Advances for Construction	2,471
45	Total Payroll Charged to Operating Expenses	<u>285,421</u>
46	Purchased Water	0
47	Power	<u>157,059</u>

Active Serv. Connections(Excl. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	1,390	1,403
49	Flat Rate Service Connections	0	0
50	Total Active Service Connections	<u>1,390</u>	<u>1,397</u>

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D.04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2006:

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Non-Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability incurred because of non-tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account)	Regulated Asset Account Number
	The Company charges customers for backflow testing when the customer has failed to perform such testing when it is required. Customers are charged for the Company's out of pocket costs plus an administrative charge.	Active	12,377	480	7,500	480	N/A	1,951	236	N/A	N/A

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information related to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period.

1 Current Fiscal Agent:

**Original SDWBA loan was refinanced in 1995: replaced with CoBank loan.
New DWR loan is still in process - final payment and repayment schedule not yet determined.**

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

2 Former Fiscal Agent:

Name: _____
Address: _____
Phone Number: _____
Date Hired: _____

3 Total surcharge collected from customers during the 12 month reporting period

\$ _____

4 Summary of bank account activity showing:

Balance at beginning of year	\$	0
Deposits during the year		0
Withdrawals made for loan payments		0
Other withdrawals from this account		0
Balance at end of year		0

5 Account information:

Bank name: _____
Account Number: _____
Date Opened: _____

CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA (continued)

6 Plant amounts included in Schedule A-1a, Account No. 101 -- Water Plant in Service
which were funded using SDWBA funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant	1,452				1,452
3	303	Land					0
4		Total non depreciable plant	1,452	0	0	0	1,452
5		DEPRECIABLE PLANT					0
6	304	Structures					0
7	307	Wells	57,890				57,890
8	317	Other water source plant					0
9	311	Pumping equipment	37,569				37,569
10	320	Water treatment plant	13,888				13,888
11	330	Reservoirs, tanks & sandpipes	97,512				97,512
12	331	Water mains	341,344		1,334		340,010
13	333	Services and meter install	10,910				10,910
14	334	Meters					0
15	335	Hydrants					0
16	339	Other equipment					0
17	340	Office furniture and equipment					0
18	341	Transportation equipment					0
19		Total depreciable plant	559,113	0	1,334	0	557,779
20		Total water plant in service	560,565	0	1,334	0	559,231

GENERAL INFORMATION

1. Name under which utility is doing business: Hillview Water Company, Inc.

2. Official mailing address: P.O. Box 2269 Oakhurst, CA 93644

3. Name and title of person to whom correspondence should be addressed: Roger L. Forrester Telephone: (559) 683-4322

4. Address where accounting records are maintained: 40312 Greenwood Way, Oakhurst, CA 93644

5. Service Area: (Refer to district reports if applicable): Oakhurst, CA and portions of Coarsegold and Raymond, CA

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.): Name: Roger Forrester Address: same as above Telephone: (559) 683-4322

7. OWNERSHIP. Check and fill in appropriate line: [] Individual (name of owner) [] Partnership (name of partner) [] Partnership (name of partner) [] Partnership (name of partner) [X] Corporation (corporate name): Hillview Water Company Organized under laws of (state) California Date: 7/28/78

Principal Officers: (Name) Roger Forrester (Title) President (Name) Jerry Moore (Title) CFO (Name) (Title) (Name) (Title)

8. Names of associated companies: NA none

9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition: none Date: Date: Date:

10. Use the space below for supplementary information or explanations concerning this report: none

11. List Name, Grade, and License Number of all Licensed Operators: Roger L. Forrester, Grade T3, License #21567 & Grade D3, License #14724 Greg Harris, Grade T1, License #27338 Ray Sanders, Grade T2, License #25994 & Grade D2, License #25257

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits**

Line No.	Acct. No.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water plant in service	A-1	6,472,172	6,303,182
3	103	Water plant held for future use	A-1 & A-1b	0	0
4	104	Water plant purchased or sold	A-1	0	0
5	105	Water plant construction work in progress	A-1	2,800,833	425,817
6		Total utility plant		9,273,005	6,728,999
7	108	Accumulated depreciation of water plant	A-3	(2,731,796)	(2,539,679)
8	114	Water plant acquisition adjustments	A-1	0	0
9		Total amortization and adjustments		(2,731,796)	(2,539,679)
10		Net utility plant		6,541,209	4,189,320
11		INVESTMENTS			
12	121	Non-utility property and other assets		0	0
13	122	Accumulated depreciation of non-utility property	A-3	0	0
14		Net non-utility property		0	0
15	123	Investments in associated companies		0	0
16	124	Other investments		0	0
17		Total investments		0	0
18		CURRENT AND ACCRUED ASSETS			
19	131	Cash		4,703	61,844
20	132	Special accounts		618,753	598,609
21	141	Accounts receivable - customers		108,330	107,586
22	142	Receivables from associated companies		0	0
23	143	Accumulated provision for uncollectible accounts		(1,343)	(1,130)
24	151	Materials and supplies		75,845	74,628
25	174	Other current assets		1,986,706	73,014
26		Total current and accrued assets		2,792,994	914,551
27	180	Deferred Charges		112,621	121,855
28		Total assets and deferred charges	A-5	9,446,824	5,225,726

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits

Line No.	Acct No.	Title of Account (a)	Schedule No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		CORPORATE CAPITAL AND SURPLUS			
2	201	Common stock	A-6	49,500	49,500
3	204	Preferred stock	A-6	0	0
4	211	Other paid-in capital	A-6	273,062	273,062
5	215	Retained Earnings	A-9	(298,666)	(317,222)
6		Total corporate capital and retained earnings		23,896	5,340
7		PROPRIETARY CAPITAL			
8	218	Proprietary Capital	A-10	0	0
9	218.1	Proprietary drawings			
10		Total Proprietary Capital		0	0
11		LONG-TERM DEBT			
12	224	Long term debt	A-11	3,988,464	1,405,808
13	225	Advances from associated companies	A-12	0	0
14		CURRENT AND ACCRUED LIABILITIES			
15	231	Accounts payable		2,180,330	391,181
16	232	Short term notes payable		821,377	897,705
17	233	Customer deposits		19,734	18,109
18	235	Payables to associated companies	A-13	0	0
19	236	Accrued taxes		0	0
20	237	Accrued interest		89,919	80,012
21	241	Other current liabilities	A-14	71,734	75,588
22		Total current and accrued liabilities		3,183,094	1,462,595
23		DEFERRED CREDITS			
24	252	Advances for construction	A-15	89,631	94,398
25	253	Other credits		709,714	732,515
26	255	Accumulated deferred investment tax credits	A-16	11,731	13,671
27	282	Accumulated deferred income taxes-ACRS depreciation	A-16	0	0
28	283	Accumulated deferred income taxes-other	A-16	(247,068)	(264,155)
29		Total deferred credits		564,008	576,429
30		CONTRIBUTIONS IN AID OF CONSTRUCTION			
31	271	Contributions in aid of construction	A-17	3,338,974	3,318,974
32	272	Accumulated amortization of contributions		(1,651,612)	(1,543,420)
33		Net contributions in aid of construction		1,687,362	1,775,554
34		Total liabilities and other credits		9,446,824	5,225,726

SCHEDULE A-1
Account No. 100-Utility Plant

Line	Acct	Account	Balance Beginning of Year	Plant Additions During Year	Plant Retirements During Year	Other Debits or (Credits)	Balance End of Year
1	101	Water plant in service	6,303,182	207,772	38,782	0	6,472,172
2	103	Water plant held for future use					0
3	104	Water plant purchased or sold					0
4	105	Construction work in progress-water plant	425,817	2,375,016			2,800,833
5	114	Water plant acquisition adjustments					0
6		Total utility plant	6,728,999	2,582,788	38,782	0	9,273,005

SCHEDULE A-1a
Account No. 101-Water Plant in Service

Line No.	Acct No.	Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant	1,961				1,961
3	303	Land	125,494				125,494
4		Total non-depreciable plant	127,455	0	0	0	127,455
5		DEPRECIABLE PLANT					
6	304	Structures	95,326	6,201			101,527
7	307	Wells	437,275	12,153			449,428
8	317	Other water source plant	0				0
9	311	Pumping equipment	569,754	27,742	1,690		595,806
10	320	Water treatment plant	265,441	15,209			280,650
11	330	Reservoirs, tanks and standpipes	744,376	25,300			769,676
12	331	Water mains	2,847,727	29,231	685		2,876,273
13	333	Services and meter installations	339,015	13,375	156		352,234
14	334	Meters	155,279	1,455	392		156,342
15	335	Hydrants	303,144	6,364			309,508
16	339	Other equipment	162,309	4,535			166,844
17	340	Office furniture and equipment	109,325	11,040			120,365
18	341	Transportation equipment	146,756	55,167	35,859		166,064
19		Total depreciable plant	6,175,727	207,772	38,782	0	6,344,717
20		Total water plant in service	6,303,182	207,772	38,782	0	6,472,172

SCHEDULE A-1b
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property	Date of Acquisition (b)	Approximate Date When Property Will be Placed in Service (d)	Balance End of Year (e)
1				
2	NONE			
3				
4				
5				
6				
7				
8				
9				
10	Total			0

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2	NONE	
3		
4		
5		
6		
7		
8		
9		
10	Total	0

SCHEDULE A-3
Accounts Nos. 108 and 122-Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108	Account 108.1	Account 122
		Water Plant (b)	SDWBA Loans (c)	Non-utility Property (d)
1	Balance in reserves at beginning of year	2,151,973	387,706	0
2	Add: Credits to reserves during year			
3	(a) Charged to Account No.403(Footnote1)	67,709		
4	(b) Charged to Account No. 272	108,192		
5	(c) Charged to clearing accounts			
6	(d) Salvage recovered	7,000		
7	(e) All other credits(Footnote2)		49,275	
8	Total credits	182,901	49,275	0
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired	38,782		
11	(b) Cost of removal	1,277		
12	(b) All other debits(Footnote3)			
13	Total debits	40,059	0	0
14	Balance in reserve at end of year	2,294,815	436,981	0
15	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE:			
16				3.25%
17	(2) EXPLANATION OF ALL OTHER CREDITS:			
18	Amortization of surcharge plant	49,275		
19				
20				
21				
22				
23	(3) EXPLANATION OF ALL OTHER DEBITS			
24				
25				
26				
27				
28				
29	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:			
30	(a) Straight line	<input checked="" type="checkbox"/>		
31	(b) Liberalized	<input type="checkbox"/>		
32	(1) Sum of year digits	<input type="checkbox"/>		
33	(2) Double declining balance	<input type="checkbox"/>		
34	(3) Other ACRS/MACRS	<input checked="" type="checkbox"/>		
35	(c) Both straight line and liberalized	<input checked="" type="checkbox"/>		

SCHEDULE A-3a
Account No. 108--Analysis of Entries in Depreciation Reserve

Line No.	Acct. No.	Depreciable Plant (a)	Balance Beginning of Year (b) (1)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1	304	Structures (1)	2,151,973	175,901	38,782	5,723	2,294,815
2	307	Wells					0
3	317	Other Water Source Plant					0
4	311	Pumping equipment					0
5	320	Water treatment plant					0
6	330	Reservoirs, tanks and standpipes					0
7	331	Water mains					0
8	333	Services and meter installations					0
9	334	Meters					0
10	335	Hydrants					0
11	339	Other equipment					0
12	340	Office furniture and equipment					0
13	341	Transportation equipment					0
14		Total	2,151,973	175,901	38,782	5,723	2,294,815

(1) Hillview Water Co. has not segregated depreciation reserve since all categories are using the same depreciation rate.

SCHEDULE A-4
Account No. 174--Other Current Assets

Line No.	Item (a)	Amount (b)
1	Prepaid Insurance	11,410
2	Regulatory balancing accounts	28,317
3	Miscellaneous receivables	8,945
4	Prepaid property tax	4,470
5	Funds receivable from SRF	1,933,564
6		
7		
8		
9		
10	Total	1,986,706

SCHEDULE A-5
Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt

- 1 Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
- 2 Show premium amounts in red or by enclosure in parentheses.
- 3 In column (b) show the principal amount of bonds or other long-term debt originally issued.
- 4 In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
- 5 Furnish particulars regarding the treatment of unamortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year.
- 6 Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net Premium (c)	AMORTIZATION PERIOD		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Balance end of year (i)
				From- (d)	To- (e)				
1	CoBank Surcharge Loan	950,000	4,800	1995	2020	2,764		192	2,592
2	CoBank Loan #1	640,000	3,700	1995	2015	1,758		185	1,573
3									
4									
5									
6									
7						4,542	0	377	4,165
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

SCHEDULE A-6
Accounts Nos. 201 and 204-Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common stock		1,000		990	49,500		NONE
2								
3								
4								
5								
6								
7	Totals		1,000		990	49,500		\$0.00

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK	Number Shares (b)	PREFERRED STOCK	Number Shares (d)	
	Name (a)		Name (c)		
1	Roger Forrester	500			
2	Diane Forrester Moore	490	N/A		
3					
4					
5					
6					
7					
8	Total number of shares		990	Total number of shares 0	

SCHEDULE A-8
Account No. 211 -- Other Paid in Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Yr (b)
1	Contributions to capital by stockholders	273,062
2		
3		
4	Total	273,062

SCHEDULE A-9
Account No. 215 -- Retained Earnings
(Corporations Only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	(317,222)
2	CREDITS	
3	Net Income	18,556
4	Prior period adjustments	
5		
5	Total credits	18,556
7	DEBITS	
8	Net Losses	
9	Rounding	
10	Dividend appropriations-preferred stock	
11	Dividend appropriations-common stock	
12	Total debits	0
13	Balance end of year	(298,666)

SCHEDULE A-10
Account No.218--Proprietary Capital
Sole Proprietor or Partnership

Line No.	Account (a)	Amount (b)
		N/A
1	Balance beginning of year N/A	
2	CREDITS	
3	Net Income	
4	Additional investments during year	
5	Other credits (detail) Prior year income adjustment	
6	Total credits	0
7	DEBITS	
8	Net Losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total debits	0
12	Balance end of year	0

SCHEDULE A-11
Account No.224--Long Term Debt

Line No.	Class (a)	Dates of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
1	CoBank Loan #1	1995	2015	640,000	372,188	9.49%	42,904	40,798
2	CoBank Surcharge Loan	1995	2020	960,000	605,691	variable	66,549	63,144
3	Auto loan	2006	2009		20,289	0.00%	0	0
4	Auto loan	2003	2008		399	0.00%	0	0
5	SRF liability	2001	pending	100,000	2,755,126	0.00%	0	0
6	Auto loan	2004	2010		13,757	4.09%	851	851
7	Equipment loan	2004	2009		22,167	11.48%	3,711	3,711
8	DWR Liability		pending		99,054	0.00%	0	0
9								
10	Current portion of long term debt				99,793			
11								
12								
13	Totals				3,988,464		114,015	108,504

SCHEDULE A-12
Account No. 225 Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	NONE				
2					
3					
4	Totals	0		0	0

SCHEDULE A-13
Account No. 235 --Payables to Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1	NONE				
2					
3					
4	Totals	0		0	0

SCHEDULE A-14
Account No. 241-Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1	Accrued benefits	(25)
2	Accrued payroll taxes	(67)
3	Refundable fees and interest	10,082
4	Currently refundable advances for construction	61,744
5		
6		
7	Total	71,734

SCHEDULE A-15
Account No. 252--Advances for Construction

Line No.	NONE (a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXX	153,846
2	Additions during year (prior year adjustments)	XXXXXXXXXXXX	
3	Subtotal-Beginning balance plus additions during year	XXXXXXXXXXXX	153,846
4	Charges during year:	XXXXXXXXXXXX	XXXXXXX
5	Refunds	XXXXXXXXXXXX	XXXXXXX
6	Percentage of revenue basis	0	XXXXXXX
7	Proportionate cost basis	2,471	XXXXXXX
8	Present Worth Basis		XXXXXXX
9	Total refunds	2,471	XXXXXXX
10	Transfers to Acct. 271, CIAC	XXXXXXXXXXXX	XXXXXXX
11	Due to Expiration of Contracts		
12	Due to present worth discount	XXXXXXXXXXXX	
13	Total transfers to Acct. 271	0	
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - Charges during the year	2,471	
16	Balance end of year		151,375
17	Less Currently refundable portion		(61,744)
18	Balance end of year		89,631

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 Other (d)
1	Deferred Income Taxes - depreciation		0	298,090
2	Deferred Income Taxes - FAS 109			(99,124)
3	Deferred Income Taxes - other			(446,034)
4	Deferred ITC	11,731		
5	Totals	11,731	0	(247,068)

SCHEDULE A-17

Account No. 271-Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid of Construction

- 1 The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 106, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 106. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

- 2 That portion of the balance applicable to nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

- 3 That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	3,318,974	3,318,974			
2	Add: Credits to account during year					
3	Contributions received during year	20,000	20,000			
4	Other credits*					
5	Total credits	20,000	20,000			
6	Deduct: Debits to account during year					
7	Depreciation charges for year	0	0			
8	Nondepreciable donated property retired					
9	Other debits*					
10	Total debits	0	0			
11	Balance end of year	3,338,974	3,338,974	0	0	0

SCHEDULE B-1
Account No. 400-Operating Revenues

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Changes During Year Show Decrease in (Brackets) (d)
1		WATER SERVICE REVENUES			
2	460	Unmetered water revenue			0
3		460.1 Single-family residential	0	0	0
4		460.2 Commercial and multi-residential	0	0	0
5		460.3 Large water users	0	0	0
6		460.5 Safe Drinking Water Bond Surcharge	0	0	0
7		460.9 Other unmetered revenue	496	468	28
8		Subtotal	496	468	28
9	462	Fire protection revenue			
10		462.1 Public fire protection	24,348	19,814	4,534
11		462.2 Private fire protection	0	0	0
12		Subtotal	24,348	19,814	4,534
13	465	Irrigation revenue	0	0	0
14	470	Metered water revenue			0
15		470.1 Single family residential	984,552	888,572	95,980
16		470.2 Commercial and multi-residential	0	0	0
17		470.3 Large water users	0	0	0
18		470.5 Safe Drinking Water Bond Surcharge	88,467	104,310	(15,843)
19		470.9 Other metered revenue	0	0	0
20		Subtotal	1,073,019	992,882	80,137
21		Total water service revenues	1,097,863	1,013,164	84,699
22	480	Other water revenue	39,071	111,718	(72,647)
23		Total operating revenue	1,136,934	1,124,882	12,052

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
1		PLANT OPERATION AND MAINTENANCE EXPENSES			
2		VOLUME RELATED EXPENSES			
3	610	Purchased Water	0	0	0
4	615	Power	157,059	148,678	8,381
5	618	Other volume related expenses	18,483	16,459	2,024
6		Total volume related expenses	175,542	165,137	10,405
7		NON-VOLUME RELATED EXPENSES			
8	630	Employee Labor	97,631	88,530	9,101
9	640	Materials	26,375	21,188	5,187
10	650	Contract work	42,395	35,199	7,196
11	660	Transportation expenses	39,443	35,833	3,610
12	664	Other plant maintenance expenses	5,930	4,998	932
13		Total non-volume related expenses	211,774	185,748	26,026
14		Total plant operation and maintenance exp.	387,316	350,885	36,431
15		ADMINISTRATIVE AND GENERAL EXPENSES			
16	670	Office salaries	85,667	59,691	25,976
17	671	Management salaries	105,053	95,286	9,767
18	674	Employee pensions and benefits	46,445	26,241	20,204
19	676	Uncollectible accounts expense	784	623	161
20	678	Office services and rentals	10,828	19,039	(8,211)
21	681	Office supplies and expenses	66,709	53,481	13,228
22	682	Professional services	39,437	38,449	988
23	684	Insurance	33,870	36,903	(3,033)
24	688	Regulatory commission expenses	11,707	42,986	(31,279)
25	689	General expenses	2,863	2,102	761
26		Total administrative and general expenses	403,363	374,801	28,562
27	800	Expenses capitalized	(3,995)	(1,516)	(2,479)
28		Net administrative and general expenses	399,368	373,285	26,083
29		Total operating expenses	786,684	724,170	62,514

SCHEDULE B-3
Account No. 408,409,410 --Taxes Charged During Year

Line No.	Type of Tax (a)	Total taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	21,276	21,276	
2	State corp. franchise tax	800	800	
3	State unemployment insurance tax	1,323	1,323	
4	Other state and local taxes	0	0	
5	Federal unemployment insurance tax	392	392	
6	Federal insurance contributions act	17,809	17,809	
7	Other federal taxes - Medicare	4,373	4,373	
8	Federal income tax	15,147	15,147	
9	Penalties	313	313	0
10				
11	Totals	61,433	61,433	0

SCHEDULE B-4
Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

- 1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.
- 2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
- 3 Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	18,556
2	Reconciling amounts (list first additional income and unallowable deductions, followed by	
3	additional deductions and non-taxable income):	
4	Income tax provision	15,947
5	Deferred portion of Surcharge Income	26,955
6	Rounding	(1)
7	Nondeductible expenses	9,049
8	Regulatory liability and balancing account adjustments	(19,589)
9	Tax depreciation in excess of books	31,667
10	NOL deduction	(82,584)
11		
12	Federal tax net income	0
13	Computation of tax:	
14	Current Fed & State tax	800
	Deferred Income tax	15,147
14	Total tax provision	15,947

SCHEDULE B-5
Account 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	Interest Income	23,783		
2	CoBank patronage dividend	10,797		
3	Reversal of interest accrual on CIAC and other	2,989		
4	Charitable contributions, donations and other		21,347	
5	Totals	37,569	21,347	16,222

SCHEDULE B-6
Account No. 427 -- Interest Expense

Line No.	Description (a)	Amount (b)
1	Long and short term debt	169,122
2	Other	377
3		
4		
5		
6		
7		
8		
9	Totals	169,499

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Chg to Exp (c)	Salaries Chg to Plant (d)	Total Salaries and Wages Pd (e)
1	630	Employee Labor	3	94,701	2,930	97,631
2	670	Office Salaries	2	85,667		85,667
3	671	Management Salaries	1	105,053		105,053
4						0
5						
6		Total	6	285,421	2,930	288,351

SCHEDULE C-2
Loans to Directors, Officers, or Shareholders

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (f)	Security Given (g)	Date of Shareholder Authorization (h)	Other Information (i)
1								
2	NONE							
3								
4								
5								
6								
7	Total		0					

SCHEDULE C-3
Engineering and Management Fees and Expenses, Etc., During Year

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1	1. Did the respondent have a contract or other agreement with any organization or person covering supervision	
2	and/or management of its own affairs during the year? Answer: (Yes or No.) NO	
3	(If the answer is in the affirmative, make appropriate replies to the following questions.)	
4	2. Name of each organization or person that was a party to such a contract or agreement.	
5		
6	3. Date of original contract or agreement.	
7	4. Date of each supplement or agreement.	
8	5. Amount of compensation paid during the year for supervision or management.....	
9	6. To whom paid.	
10	7. Nature of payment (salary, traveling expenses, etc.).	
11	8. Amounts paid for each class of service.	
12		
13	9. Basis for determination of such amounts.	
14		
15	10. Distribution of payments: Amount	
16	(a) Charged to operating expenses	
17	(b) Charged to capital accounts	
18	(c) Charged to other accounts	
19	Total	
20	11. Distribution of charges to operating expenses by primary accounts.	
21	Number and Title of Account Amount	
22		
23		
24		
25	Total	
26	12. What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
27		
	* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	

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

STREAMS			FLOW IN _____ (Unit) ²				Annual Quantities Diverted (Unit) ²	Remarks
Line No. Diverted Into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
			Claim	Capacity	Max	Min		
1	N/A							
WELLS								
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	1 Depth to Water	Pumping Capacity (Unit) ²	Annual Quantities Pumped (Unit) ²	Remarks
6	See Attached Schedule							
7								
8								
9								
10								
TUNNELS AND SPRINGS								
Line no	Designation	Location	Number	Maximum	FLOW IN (Unit) ²		Quantities Used (Unit) ²	Remarks
					Minimum			
11								
12	N/A							
13								
14								
15								
Purchased Water for Resale								
16	Purchased from	N/A						
17	Annual quantities purchased						(Unit chosen) ¹	cu. feet
18								

*State ditch, pipe line, reservoir, etc., with name, if any.
¹Average depth to water surface below ground surface.
²The 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 gallon 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.

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs	4	91,800 gal	steel forebay tanks
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution reservoirs			
25	Concrete	3	579,000 gal	in ground concrete
26	Earth			
27	Wood			
28	C. Tanks	12	29,100 gal	steel pressure tanks
29	Wood			
30	Metal	24	1,459,700 gal	steel above ground tanks
31	Concrete			
32	Totals	43	2,159,600	

ATTACHMENT TO 2006
ANNUAL REPORT, C.P.U.C.
HILLVIEW WATER CO., INC.
OAKHURST, CA

DISTRICT	LOCATION	NO.	WELL DATA		PUMPING CAPACITY (GPM)	ANNUAL QUANTITY PUMPED (CCF)
			DIAMETER (INCHES)	DEPTH TO WATER (FEET)		
A	Yosemite High School	2	8 5/8	45	11	2,082
A	Yosemite High School	3	8 5/8	47	25	1,574
A	Ditton	1	8 5/8	53	30	0
A	Ditton	2	8 5/8	53	125	19,061
A	Ditton	3	8 5/8	106	60	9,517
A	Ditton	4	8 5/8	141	50	6,487
A	Pierce Lake	1	8 5/8	42	47	3,863
A	Highland View	1	8 5/8		10	2,236
A	Junction	1	8 5/8	53	15	4,445
A	Junction	2	8	32	35	5,880
A	Highland View	2	8 5/8		22	0
E	Coarsegold Highlands	1	8	110	75	Inactive
E	Coarsegold Highlands	2	8 5/8	183	17	3,684
C	Hillview (Next To Reservoir)	1	7	88	5	3,039
C	Miami Creek	1	6 5/8		70	3,258
C	River Creek	1	8 5/8	41	18	957
C	River Creek	2	8 5/8	45	18	790
C	Goldside (Most Northern)	1	6 5/8	95	5	Inactive
C	Goldside (Most Southern)	3	6 5/8	51	10	Inactive
C	Goldside (Middle)	2	8 5/8	59	12	9,089
C	Goldside (25' South Of #3)	4	8 5/8	58	52	14,924
C	Goldside	5	8 5/8	New	6	Inactive
C	Goldside	6	6 5/8		90	13,644
B	Sierra Lakes	1A	8 5/8	115	200	55,078
B	Sierra Lakes	3	8 5/8	58	150	50,917
B	Sierra Lakes	4	8 5/8	72	330	92,633
B	Sierra Lakes	5	8 5/8	340	97	
B	Sierra Lakes	6	8 5/8	250	60	
B	Sierra Lakes	7	8 5/8	138	384	
B	Sierra Lakes	8	8 5/8	368	171	
B	Sierra Lakes	9	8 5/8	149	50	

ATTACHMENT TO 2006
ANNUAL REPORT, C.P.U.C.
HILLVIEW WATER CO., INC.
OAKHURST, CA

WELL DATA

D	Raymond (East Property)	2	6	45	5	2,520
D	Raymond (Storage)	5	6	35	1.5	538
D	Raymond (Storage)	6	6	35	0.5	Inactive
D	Raymond (East Property)	7	6	46	6	395
D	Raymond	8	6 5/8	71	20	7,322
D	Raymond	9	6 5/8		4	Standby
D	Raymond (East Property)	10	6 5/8			2,021

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES

1	
2	NONE
3	
4	
5	

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Concluded)

1	
2	NONE
3	
4	
5	

B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING ^(A)

Line No.		1	1.5	2	3	3.5	4	5	6	8
11	Cast Iron				18		128		172	327
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	HDPE						2,170			7,965
16	Standard screw									
17	Screw or welded casing									
18	Cement-asbestos			863	4,800		8,855		5,590	240
19	Welded steel						1,040		5,560	195
20	Galvanized			8,140						
21	Other PVC	6,401	5,601	50,146	15,951		57,460		54,589	32,108
22	Totals	6,401	5,601	59,149	20,789	0	69,653	0	65,911	40,835

B. FOOTAGES OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING ^(A)

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Totals All Sizes
23	Cast Iron/Ductile Iron	414	689							1,748
24	Cast Iron (cement lined)									0
25	Concrete									0
26	Copper									0
27	HDPE	4,875								15,010
28	Standard screw									0
29	Screw or welded casing									0
30	Cement-asbestos									20,348
31	Welded steel	190	146							7,131
32	Galvanized									8,140
33	Other--PVC	13,034	25,937							261,227
34	Totals	18,513	26,772	0	0	0	0	0	0	313,604

**SCHEDULE D-4
Number of Active Service Connections**

Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year(a)	Prior Year	Current Year
Single family residential	1,083	1,096		
Commercial	307	307		
Large water users				
Public authorities				
Irrigation				
Other (specify)				
Sub-total	1,390	1,403	0	0
Private fire connections			137	140
Public fire hydrants			125	125
Total	1,390	1,403	262	265

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

Size	Meters	Services
5/8 x 3/4-in.		XXXXXXXX
3/4-in.	1,267	
1-in.	64	
1-1/2-in.	34	
2-in.	34	
3-in.	4	
4-in.	0	
6-in.	0	
8-in.		
10- & 12-in.		
Total	1,403	0

SCHEDULE D-6

Meter Testing Data

A. Number of Meters Tested During Year as Prescribed	
1. New, after being received	testd by mfg
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)¹ (a)**

Classification of Service	During Current Year								Subtotal
	January	February	March	April	May	June	July		
Single Family Residential	13,280	13,795	13,688	13,864	19,006	25,945	33,265	132,843	
Commercial								0	
Industrial								0	
Public Auth.								0	
Irrigation								0	
Other								0	
Total	13,280	13,795	13,688	13,864	19,006	25,945	33,265	132,843	
Classification of Service	During Current Year							Total	Total Prior Year
	August	September	October	November	December	Subtotal			
Single Family residential	36,779	32,256	25,936	22,752	16,129	133,852	266,695	285,114	
Commercial							0	0	
Industrial							0	0	
Public Auth.							0	0	
Irrigation							0	0	
Other							0	0	
Total	36,779	32,256	25,936	22,752	16,129	133,852	266,695	285,114	

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

Total acres irrigated: n/a Total population served 4,157

**SCHEDULE D-8
Status With State Board of Public Health**

- | | |
|--|--|
| 1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year? Yes | |
| 2. Are you having routine laboratory tests made of water served to your consumers? Yes | |
| 3. Do you have a permit from the State Board of Public Health for operation of your water system? Yes | |
| 4. Date of Permit: 12/96, 8/14/86, 11/84, 2/28/90 | 5. If permit is "temporary" what is the expiration date? |
| 6. If you do not hold a permit has an application been made for such permit? | 7. If so, on what date? |

**SCHEDULE D-9
Statement of Material Financial Interest**

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

Hillview Water Company has no financial interest in any other company.

DECLARATION

Before Signing Please Check to See That All Schedules Have Been Completed
(See Instruction 3 on front cover)

I, the undersigned Roger L. Forrester of Hillview Water Company under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operation of its property for the period from and including January 1, 2006, to and including December 31, 2006.

Signed Roger L. Forrester
 Title President
 Date 7-26-07

INDEX

	PAGE	WORK SHEET		PAGE	WORK SHEET
Advances from associated companies -----	12	A-12	Organization and control -----	1	GenInfo
Advances for construction -----	13	A-15	Other assets -----	7	A-4
Assets -----	2	Assets	Other income -----	15	B
Balance sheet -----	2-3	Liabilities	Other paid in capital -----	9	A-8
Capital stock -----	9	A-6	Payables to associated companies -----	12	A-13
Contributions in aid of construction -----	14	A-17	Population served -----	23	D-4
Depreciation and amortization reserves -----	6	A-3	Proprietary capital -----	10	A-10
Declaration -----	24	D-9	Purchased water for resale -----	21	D-1
Deferred taxes -----	13	A-16	Retained earnings -----	10	A-9
Dividends appropriations -----	10	A-9	Service connections -----	23	D-4
Employees and their compensation -----	19	C-1	Sources of supply and water developed --	21	D-1
Engineering and management fees -----	20	C-3	Status with Board of Health -----	24	D-8
Income statement -----	15	Income	Stockholders -----	9	A-7
Liabilities -----	3	Liabilities	Storage facilities -----	21	D-2
Loans to officers, directors, or shareholders --	20	C-2	Taxes -----	18	B-3
Long term debt -----	11	A-11	Transmission and distribution facilities --	22	D-3
Management compensation -----	17	B-2	Unamortized debt discount and expense -	8	A-5
Meters and services -----	23	D-5	Unamortized premium on debt -----	8	A-5
Non-utility property -----	5	A-2	Utility plant -----	4	A-1
Officers -----	1	GenInfo	Water delivered to metered customers ---	23	D-7
Operating expenses -----	17	B-2	Water plant in service -----	4	A-1a
Operating revenues -----	16	B-1	Water plant held for future use -----	5	A-1b

HILLVIEW WATER COMPANY
 STATUS OF COLLECTED SUPPLY AND
 STORAGE FEES ORDERED REFUNDED
 YEAR ENDED DECEMBER 31, 2006

#	NAME	ORIGINAL REFUND DUE	# YEARS	BALANCE 12/31/2005	2006 PAYMENTS	BALANCE 12/31/2006
1	Lynn C. Terry	1,000.00	40	925.00	925.00	0.00
2	Judy Teeters	696.00	40	643.80	643.80	0.00
3	Diane Leslie	710.00	40	656.75	656.75	0.00
4	Helder Fagundes	1,000.00	40	925.00	925.00	0.00
5	Nancy McFee	1,000.00	40	925.00	25.00	900.00
6	William L. Henneman	710.00	40	674.50	35.50	639.00
7	Jot & Imogene Home	710.00	40	674.50	35.50	639.00
8	Margaret Bitters	1,000.00	40	950.00	25.00	925.00
9	Charles Burcham	1,000.00	40	950.00	25.00	925.00
10	Glenn S. Retter	710.00	40	674.50	17.75	656.75
11	LeRoy Pack	1,000.00	40	950.00	25.00	925.00
12	Rhonda Rarick	1,000.00	40	950.00	25.00	925.00
13	John Kanode & Ramona Scott	2,000.00	40	1,900.00	50.00	1,850.00
14	David & Marie Larkin	1,000.00	40	950.00	25.00	925.00
15	Paul Peterson	835.00	40	793.24	20.88	772.36
	TOTAL	14,371.00		13,542.29	3,460.18	10,082.11