

Received _____
Examined _____

SEWER UTILITIES

U# _____

2000 ANNUAL REPORT OF

INTERSTATE 5 UTILITY COMPANY, INC.

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

2000 18TH STREET

BAKERSFIELD, CA 93301

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2000

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2001
(FILE TWO COPIES IF THREE RECEIVED)

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

INTERSTATE 5 UTILITY COMPANY, INC.

(Name under which corporation, partnership or individual is doing business)

2000 - 18TH STREET, BAKERSFIELD, CA 93301

(Official mailing address)

INTERSTATE 5 AND HIGHWAY 58, NEAR BUTTONWILLOW, KERN COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

1 If a corporation show:

(A) Date of organization 10/25/72 incorporated in the State of CALIFORNIA

(B) Names, titles and addresses of principal officers:

JAMES P. SEARS, PRESIDENT, 2000 - 18TH STREET, BAKERSFIELD, CA 93301

2 If unincorporated give the name and address of owner or of each partner:

N/A

3 Name and telephone number of:

(A) One person listed above to receive correspondence: JAMES P. SEARS (661) 325-5981

(B) Person responsible for operations and services: JAMES P. SEARS

4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) YES

If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged? \$3,150 MANAGEMENT FEE PAID TO DARDANA, INC., CHARGED TO ACCOUNT 671

5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

JAMES P. SEARS, DARDANA INC., HERBERT P. SEARS CO., INC., AND MCKITTRICK 5 PROPERTIES

PUBLIC HEALTH STATUS

6 Has state or local health department inspection been made during the year?

7 Are routine laboratory tests of water being made?

8 Has state health department water supply permit been obtained? (Indicate date)

9 If no permit has been obtained, state whether application has been made and when.

10 Show expiration date if state permit is temporary.

Yes	No	Latest Date
	X	Feb-99
X		WEEKLY
X		Oct-00

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year. Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

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

19____

NAME OF UTILITY INTERSTATE 5 UTILITY COMPANY, INC. PHONE _____

PERSON RESPONSIBLE FOR THIS REPORT DON HALL
 (Prepared from Information in the 2000 Annual Report)

BALANCE SHEET DATA		1/1/2000	12/31/2000	Average
1	Intangible Plant	4320	4320	4320
2	Land and Land Rights			
3	Depreciable Plant	494363	494363	494363
4	Gross Plant in Service	498683	498683	498683
5	Less: Accumulated Depreciation	412667	422871	417769
6	Net Water Plant in Service	86016	75812	79414
7	Water Plant Held for Future Use			
8	Construction Work in Progress			
9	Materials and Supplies			
10	Less: Advances for Construction	()	()	()
11	Less: Contribution in Aid of Construction	()	()	()
12	Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13	Net Plant Investment	86016	75812	79414
CAPITALIZATION				
14	Common Stock	154453	154453	154453
15	Proprietary Capital (Individual or Partnership)			
16	Paid-in Capital			
17	Retained Earnings	12127	18911	15519
18	Common Stock and Equity (Lines 14 through 17)	166580	173364	169987
19	Preferred Stock			
20	Long-Term Debt			
21	Notes Payable	39365	38757	39061
22	Total Capitalization (Lines 18 through 21)	205945	212121	209033

(Revised 10/97)

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

19____

NAME OF UTILITY INTERSTATE 5 UTILITY CO. INC. PHONE (661) 283-0248

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	_____
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	80969
27	Total Operating Revenue	80969
28	<u>Operating Expenses</u>	65321
29	Depreciation Expense (Composite Rate _____)	4857
30	Amortization and Property Losses	_____
31	Property Taxes	1888
32	Taxes Other Than Income Taxes	1214
33	Total Operating Revenue Deduction Before Taxes	73280
34	California Corp. Franchise Tax	513
35	Federal Corporate Income Tax	_____
36	Total Operating Revenue Deduction After Taxes	73793
37	Net Operating Income (Loss) - California Water Operations	7176
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	4200
39	Income Available for Fixed Charges	11376
40	Interest Expense	_____
41	Net Income (Loss) Before Dividends	_____
42	Preferred Stock Dividends	_____
43	Net Income (Loss) Available for Common Stock	11376
 OTHER DATA		
44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	6109
46	Purchased Water	_____
47	Power	12392

	<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Annual Average		
			Jan. 1	Dec. 31	Average
48	Metered Service Connections		18	18	18
49	Flat Rate Service Connections		_____	_____	_____
50	Total Active Service Connections		18	18	18

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2000)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	498,683	201	Common Stock (Corporations only)	154,453
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	105,884
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(272,719)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	38,757
7	124	Other investments				388,757
8	131	Cash	118,057	252	Advances for construction	
9	141	Accounts receivable - customers	15,055	253	Other deferred credits	
10	142	Receivables from associated companies		255	Accumulated deferred investment tax credits	
11	151	Materials and supplies		282	Accumulated deferred income taxes - Acrs	
12	174	Other current assets	3,196		depreciation	
13	180	Deferred charges		283	Accumulated deferred income taxes - other	
14				271	Contributions in aid of construction	232,720
15		Total Assets	362,272	272	Accumulated amortization of contributions	(169,542)
					Total Equity and Liabilities	362,272

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	4,320				4,320
17	303	Land					
18	304	Structures	86,925				86,925
19	307	Wells	20,641				20,641
20	317	Other water source plant					
21	311	Pumping equipment	43,155				43,155
22	320	Water treatment plant	178,411				178,411
23	330	Reservoirs tanks and sandpipes	13,075				13,075
24	331	Water mains	3,145				3,145
25	333	Services and meter installations					
26	334	Meters					
27	335	Hydrants					
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment	575				575
31		Total water plant in service	350,247				350,247

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	150,728		A. Method used to compute depreciation
33	Add: Credits to reserves during year	2,148		expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	4,857		SL 50 YEARS
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	7,005		covered by this report \$ 9,917
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			SL & DB; 12-25 YEARS
45	Balance in reserve at end of year	157,733		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2000)

Line				
1	Common - (10 Shares @ \$100.00 Par)	1000	List persons owning more than 5% of outstanding stock	
2	Common - (153453 Shares @ \$1.00 Par)	153453	and number of shares owned by each:	
3	Dividends - Common Rate - \$		JAMES P. SEARS - 100%	
4	- Preferred Rate - \$			

SCHEDULE E - LONG TERM DEBT

	Class	Date of Issue	Date of Maturity	Principal Amount Authorize	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	XXXXXXXXXX
10	460 Unmetered water revenue	
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	80,969
14	480 Other water revenue	
15	Total Operating Revenue	80,969
16	Operating revenue deductions	XXXXXXXXXX
17	Operating expenses	XXXXXXXXXX
18	610 Purchased water	
19	615 Power	12,392
20	618 Other volume related expenses	
21	630 Employee labor	
22	640 Materials	
23	650 Contract work	17,890
24	660 Transportation expenses	
25	664 Other plant maintenance expense	4,733
26	670 Office salaries	2,959
27	671 Management salaries	3,150
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	18,760
31	681 Office supplies and expense	
32	682 Professional services	3,627
33	684 Insurance	1,696
34	688 Regulatory commission expense	
35	689 General expenses	114
36	Total Operating Expenses	65,321
37	403 Depreciation expense	4,857
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	3,102
40	409 State corporate income tax expense	513
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deduction	73,793
43	Utility Operating Income	7,176
44	421 Non-utility income	4,200
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	11,376

SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped
I-5 & HWY 58	1	12"	500	175/260	2,425,601
I-5 & HWY 58	2	12"	500	320	3,638,402

OTHER

Streams or springs location of diversion point	Flow in (Unit)		Annual quantities diverted (Unit)	
	Priority right	Diversions		
	Claim	Capacity	Max	Min
Purchased water (unit)				Annual quantity
Supplier:				

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business	705665	364202	6,064,003
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total	705665	364202	6,064,003

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at end of year	Salaries Charge to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor				
49	670	Office salaries	1	2959		2959
50	671	Management salaries	1	3150		3150
51		Total	2	6109		6109

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	N/A
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

SCHEDULE K - TOTAL METERS AND SERVICES (active and inactive)

Size	Meters	Services
3/4 x 3/4-in		
3/4-in		
1-in	6	
2-in	6	
3-in	6	
Total	18	

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair	1
2	Used, after repair	1
3	Fast, requiring refund	0
Numbers of meters in service requiring test per General Order No. 103		

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences								
Industrial								
Other (specify)								
BUSINESS	18		18				18	
Subtotal	18		18				18	
Fire protection (Hydrants)								
Total	18		18				18	

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons		Description	2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)		Totals
Concrete				Cast Iron						
Earth				Welded steel						
Wood				Standard screw						
Steel-CONCRETE	1	60000		Cement-asbestos			700	700	4720	6120
Other				Plastic						
METAL WATER	2	80000	40K each	Other (specify)						
COLL/REV	1	50000		CLAY SEWER					7000	7000
				PVC WATER					1880	1880
Total	4	190000		Total			700	700	13600	15000

DECLARATION

(BEFORE SIGNING PLEASE CHECK TO SEE THAT ALL SCHEDULES HAVE BEEN COMPLETED)

I, the undersigned (officer, partner or owner) of INTERSTATE UTILITY COMPANY, INC. 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 operations of its property for the period

From and including JANUARY 1, 2000, to and including DECEMBER 31, 2000

Signed
PRESIDENT
Title

Date



5-11-01