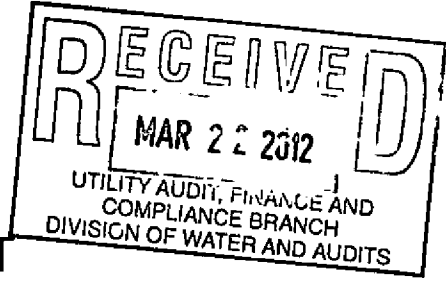


File AY

Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# 021-0001



**2011
ANNUAL REPORT
OF**

 Lake Alpine Water Company, Inc.
 (NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

 PO Box 5013 Bear Valley, CA 95223
 (OFFICIAL MAILING ADDRESS) ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2011**

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov**

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 Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
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 flow 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. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2011, through December 31, 2011. Fiscal year reports will not be accepted.

TABLE OF CONTENTS

	<u>Page</u>
Instructions	2
General Information	3
Excess Capacity and Non-Tariffed Services	4
Safe Drinking Water Bond Act / State Revolving Fund Data	5-6
Schedule A - Balance Sheet	7
Schedule B - Water Plant In Service	7
Schedule C - Reserve for Depreciation of Utility Plant	7
Schedule D - Capital Stock Outstanding (As of December 31, 2009)	8
Schedule E - Long-Term Debts	8
Schedule F - Income Statement	8
Schedule G - Source of Supply and Water Developed Wells	9
Schedule H - Water Delivered to Metered Customers	9
Schedule I - Employees and Their Compensation	9
Schedule J - Advances for Construction	10
Schedule K - Total Meters and Services (Active and Inactive)	10
Schedule L - Meter Testing Data	10
Schedule M - Service Connections at End of Year	10
Schedule N - Storage Facilities	10
Schedule O - Footages of Pipe (Excluding Service Pipes)	10
Facility Fees Data	11
Declaration	12

CLASS D WATER UTILITIES
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Lake Alpine Water Company, Inc.
(Name under which corporation, partnership or individual is doing business)

PO Box 5013 Bear Valley, CA 95223
(Official mailing address)

Bear Valley New Subdivision, Alpine County
(Service Area - Town and County)

Telephone Number: 209-753-2409 Fax Number: 209-753-2345

Email Address: info@lakealpinewater.com

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
(A) Date of organization 6/30/1964 incorporated in the State of California

(B) Names, titles and addresses of principal officers: Roma Orvis, Sec-Treas. 9601 E. Hwy 4; Farmington, CA 95
Charles Toeniskoetter, Chairman, 1690 The Alameda, San Jose, CA 95126.

2. If unincorporated provide the name and address of the owner(s) or the partners:

3. Name, title, and telephone number of:

(A) One person listed above to receive correspondence: Roma Orvis, Secretary, 209-899-2460

(B) Person responsible for operations and services: Kimi Johnson, General Manager, 209-753-2409

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) NO
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?

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:

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		6.21.2011
X		01.04.2012
X		10.15.2008

11. List Name, Grade, and License Number of all Licensed Operators:

Adam Werte	T2: 27000	D2: 30564
Jeremy Ellsworth	T2: 31901	D2: 37754

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 goods and services provided in calendar year 2011:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/Services (by Account)	Regulated Asset Account Number

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: California Bank & Trust
 Address: 1331 Broadway Sacramento, CA 95818
 Phone Number: 800-499-4614
 Account Number: 1030123689
 Date Hired: 1/19/2005

2. Total surcharge collected from customers during the 12 month reporting period:

\$ 157331.94

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch	480	29.13/22.08
1 inch	3	48.55/36.81
1 1/2 inch	2	97.11/73.62
2 inch	2	155.37/117.79
3 inch	0	291.32/220.85
4 inch	1	485.54/368.09
6 inch	0	na
Number of Flat Rate Customers	0	
Total	488	

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ \$ 468,689.54
Deposits during the year*	\$ 166,883.92
Interest earned for calendar year	\$ 995.10
Withdrawals from this account	\$ 232,812.97
Balance at end of year	\$ 403,755.59

* includes \$19619.60 returned by the state

4. Reason or Purpose of Withdrawal from this bank account:

3 payments sent to state for a total of \$232677.97
3 payments retained by bank for service fees for a total of \$135

FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF 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					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures	\$ 494,244				\$ 494,244
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant	\$ 1,862,190				\$ 1,862,190
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant	\$ 2,356,434				\$ 2,356,434
20		Total water plant in service	\$ 2,356,434	0	0	0	\$ 2,356,434

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2011)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	2089821	201	Common Stock (Corporations only)	100000
2	101.1	SDWA Plant	2356434	211	Other paid-in capital (Corporations only)	156480
3	103	Water plant held for future use	0	215	Retained earnings	160371
4	104	Water plant purchased or sold	0	218	Proprietary capital	0
5	105	Water plant construction work in progress	0	224	Long term debt	2120940
6	108	Accumulated depreciation of water plant	-845860		Current Liabilities	67716
	108.1	SDW Plant Depreciation	-573046			
7	114	Water plant acquisition adjustments	0	252	Advances for construction	0
8	124	Other investments	0	253	Other deferred credits	4000
9	131	Cash	9385	255	Accumulated deferred investment tax credits	0
	132	Restricted Cash-SDW surcharges	420323	253	Deferred Revenue-SDW	777240
10	141	Accounts receivable - customers	37108	282	Accumulated deferred income taxes - ACRS	68711
11	142	Receivables from associated companies	0		depreciation	
12	151	Materials and supplies	0	283	Accumulated deferred income taxes - other	1437
13	174	Other current assets	15390	271	Contributions in aid of construction	520262
14	180	Deferred charges	329249	272	Accumulated amortization of contributions	-138353
15		Total Assets	3838804.25		Total Equity and Liabilities	3838804

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
1	301	Intangible plant					
2	303	Land	28433				28433
3	304	Structures	155924	8702			164626
4	307	Wells	0				0
5	317	Other water source plant	13851	8625			22476
6	311	Pumping equipment	50945				50945
7	320	Water treatment plant	237652	3713			241365
8	330	Reservoirs tanks and sandpipes	520459	8427			528886
9	331	Water mains	394859	14810			409669
10	333	Services and meter installations	144851	307			145158
11	334	Meters	107969	1133			109102
12	335	Hydrants	218412	5147			223559
13	339	Other equipment	57143	1569			58712
14	340	Office furniture and equipment	23929				23929
15	341	Transportation equipment	82481	480			82961
16		Total water plant in service	2036908	52913			2089821

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 108 Water Plant	Account 108.1 SDWBA Loans	
1	Balance in reserves at beginning of year	778971	455440	A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272	10819		Plant in service less SDWBA and land x 2.72%
4	(b) Charged to Account No. 403	56070		
5	(c) Charged to Account No. 407		117606	B. Amount of depreciation expense claimed
6	(d) Salvage recovered	0		or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits	66889	117606	covered by this report \$ 79573
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation. accelerated
13	Total debits			
14	Balance in reserve at end of year	845860	573046	
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2011)

Line				
1	Common - (Shares 10,000	\$	10	par)
2	Preferred - (Shares	\$		par)
3	Dividends - Common	Rate - \$		
4	- Preferred	Rate - \$		

List persons owning more than 5% of outstanding stock and number of shares owned by each: Aspen Forest LLC: 5000
 RP Orvis: 1040; CBO Orvis III: 2180; PD Orvis: 1780

SCHEDULE E - LONG-TERM DEBTS

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
1	Term Loan	7/20/2009	9/10/2012	\$ 216,154	\$ 42,887.39	4.75%	\$ 3,853.08	\$ 3,853.08
2	Truck Lease	11/12/2009	11/27/2012	\$28,507	\$ 8,710.67	0	\$ -	\$ -
3	SDWBA Loan	12/1/2004	7/1/2028	\$ 2,537,554	\$ 2,069,341.96	2.39%	\$ 51,275.36	\$ 43,554.20 *
4	Total			\$ 2,782,215	\$ 2,120,940.02		\$ 55,128.44	\$ 47,407.28

* includes \$7721.16 returned by the state

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	\$0
3	462	Fire protection revenue	\$4,510
4	465	Irrigation revenue	\$0
5	470	Metered water revenue	\$542,305
6	475	Approved Total Surcharge Revenue(s)	\$88,807
7	480	Other water revenue	\$12,664
8		Total Revenue Received	\$648,286
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	-\$88,807
11		Total Operating Revenue	\$559,479
12		Operating expenses	
13	610	Purchased water	\$0
14	615	Purchased power	\$21,683
15	618	Other volume related expenses	\$7,210
16	630	Employee labor	\$88,928
17	640	Materials	\$7,991
18	650	Contract work	\$22,209
19	660	Transportation expenses	\$15,002
20	664	Other plant maintenance expense	\$5,281
21	670	Office salaries	\$28,238
22	671	Management salaries	\$8,000
23	674	Employee pensions and benefits	\$22,207
24	676	Uncollectible accounts expense	\$0
25	678	Office services and rentals	\$4,680
26	681	Office supplies and expense	\$11,174
27	682	Professional services	\$117,230
28	684	Insurance	\$26,432
29	688	Regulatory commission expense	\$0
30	689	General expenses	\$7,209
31		Total Operating Expenses	\$393,474
32	403	Depreciation expense	\$56,070
33	407	SDWBA loan amortization expense	\$117,606
34	408	Taxes other than income taxes	\$30,409
35	409	State income tax expense	\$3,310
36	410	Federal income tax expense	\$5,122
37		Total Operating Revenue Deductions	\$212,517
38		Utility Operating Income	-\$46,512
39	421	Non-utility income	\$18
40	426	Miscellaneous non-utility expense	\$0
41	427	Interest expense	\$3,869
42		Net Income	-\$50,363

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
	NA				

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Unspecified Spring	.075 CFS		42 AF		15.9 AF
Bear Creek	.05 CFS		140 AF		81.8 AF
Purchased water (unit)	NA				
Supplier:			Annual Quantity		

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential	July	May	8789 CCF
Commercial	Nov	May	1972 CCF
Industrial			
Fire Protection			
Irrigation	August	Nov-Apr	775 CCF
Other (specify)	Sept	Nov-May	197 CCF
	Dec	Jan-Nov	26057 CCF
Total			37790 CCF

Road Construction
Raw water for snowmaking

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at End of Year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
1	630	Employee Labor	2	\$ 88,928.00	\$ 7,380.00	\$ 96,308.00
2	670	Office salaries	1	\$ 28,238.00	\$ -	\$ 28,238.00
3	671	Management salaries	5	\$ 8,000.00	\$ -	\$ 8,000.00
4		Total		\$ 125,166.00	\$ 7,380.00	\$ 132,546.00

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	0
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	0

**SCHEDULE K - TOTAL METERS
AND SERVICES (Active and Inactive)**

Size	Meters	Services
5/8 x 3/4-in	298	298
condos	179	179
3/4-in	11	11
1-in	3	3
1.5-in	2	2
2-in	2	2
4-in	1	1
Total	496	496

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair	14
2	Used, after repair	14
3	Fast, requiring refund	0
Numbers of meters in service requiring test per General Order No. 103		0

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	471		471	6		6	477	0
Industrial/Commercial	16	0	16	1	0	1	17	0
Irrigation	2	0	2			0	2	0
Fire Protection (public)			0			0	0	0
Fire Protection (private)		6	6			0	0	6
Other (specify)			0			0	0	0
			0			0	0	0
Total	489	6	495	7	0	7	496	6

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
							6"	8"	10 12"	
Concrete			Cast Iron							0
Earth			Welded steel							0
Wood	2	300000	Standard screw							0
Steel	1	300000	Cement-asbestos			34545	14222	280	4105	53152
Other			Plastic	280	6302	7577	2395	400	500	17454
			Other (specify)							

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2011, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name:	Bank of Stockton
Address:	PO Box 1110 Stockton, CA 95201
Account Number:	4340000170
Date Opened:	7/12/2007

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
	\$ -
	\$
	\$
	\$

B. Residential

NAME	AMOUNT
	\$ -
	\$
	\$
	\$

3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	\$ 7,615.30
Deposits during the year	\$ -
Interest earned for calendar year	\$ 17.78
Withdrawals from this account	\$ -
Balance at end of year	\$ 7,633.08

4. Reason or Purpose of Withdrawal from this bank account:

NA

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned Charles Toeniskoetter
Officer, Partner, or Owner (Please Print)

of Lake Alpine Water Company
Name of Utility

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 of January 1, 2011, through December 31, 2011.

President
Title (Please Print)


Signature

209-753-2409
Telephone Number

3.12.12
Date

COMPUTATION OF DEFERRED TAXES - ACR/SIMACRS

Item	Income Determination													
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Financial Reporting Purposes														
2	22,896	22,434	22,257	22,602	22,623	22,636	37,916	41,344	41,880	46,932	50,824	54,631	56,070	465,246
Tax Purposes:														
5	64,110	63,421	61,245	71,247	59,426	64,819	37,112	44,638	42,277	58,188	59,515	75,686	68,754	625,999
6	41,214	40,987	38,988	48,445	36,803	42,183	-804	3,294	397	11,257	8,691	21,055	12,684	160,754
Tax Expense Determination*														
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
9	9,278.92	9,227.81	8,777.76	10,906.91	8,286.63	9,497.08	-181.01	741.61	89.38	2,634.40	1,956.69	4,740.32	2,855.68	68,711.38

Normalization Method:
 9 Deferred tax expense*** 9,278.92 9,227.81 8,777.76 10,906.91 8,286.63 9,497.08 -181.01 741.61 89.38 2,634.40 1,956.69 4,740.32 2,855.68 68,711.38

Flow-through Method:
 11 Taxable Income (from above)
 12 Total Tax Expense**

* Assuming \$900 minimum or 8.84% State Taxes and Federal Taxes of
 15% for 1st \$50,000 of Taxable Income
 25% for next \$25,000 of Taxable Income
 34% for next \$25,000 of Taxable Income
 39% for next \$235,000 of Taxable Income
 *** Difference between straight line and accelerated depreciation x .0684+((1-.0684)ⁿ): 15