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Received _____
Examined _____

CLASS D  
WATER UTILITIES

U# \_\_\_\_\_

2000  
ANNUAL REPORT  
OF

---

MHC Acquisition One L.L. C.

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

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Two North Riverside Plaza

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Chicago, IL 60606

(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)

# 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.

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

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent: N/A

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 the trust bank account activities showing:

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

5. Account information:

Bank Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Date Opened: \_\_\_\_\_

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	-				-
3	303	Land	-				-
4		Total non-depreciable plant	-	-	-	-	-
5		DEPRECIABLE PLANT					
6	304	Structures	-				-
7	307	Wells	-				-
8	317	Other water source plant	-				-
9	311	Pumping equipment	-				-
10	320	Water treatment plant	-				-
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	-	-	-	-	-
20		Total water plant in service	-	-	-	-	-

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2000

NAME OF UTILITY MHC Acquisition One, L.L.C. PHONE 312-279-1418

PERSON RESPONSIBLE FOR THIS REPORT Anne Bucher

(Prepared from Information in the 2000 Annual Report)

	1/1/00	12/31/00	Average
<b>BALANCE SHEET DATA</b>			
1 Intangible Plant	10,000	10,000	10,000
2 Land and Land Rights	-	-	-
3 Depreciable Plant	159,556	159,556	159,556
4     Gross Plant in Service	169,556	169,556	169,556
5 Less: Accumulated Depreciation	(76,151)	(80,026)	(78,089)
6     Net Water Plant in Service	93,405	89,530	91,467
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	<u>93,405</u>	<u>89,530</u>	<u>91,467</u>
<b>CAPITALIZATION</b>			
14 Common Stock	-	-	-
15 Proprietary Capital (Individual or Partnership)	170,959	178,774	174,867
16 Paid-in Capital	-	-	-
17 Retained Earnings	-	-	-
18     Common Stock and Equity (Lines 14 through 17)	170,959	178,774	174,867
19 Preferred Stock	-	-	-
20 Long-Term Debt	-	-	-
21 Notes Payable	-	-	-
22     Total Capitalization (Lines 18 through 21)	<u>170,959</u>	<u>178,774</u>	<u>174,867</u>

(Revised 2/01)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2000

NAME OF UTILITY MHC Acquisition One, L.L.C. PHONE 312-279-1418

**INCOME STATEMENT**

		Annual Amount
23	Unmetered Water Revenue	-
24	Fire Protection Revenue	-
25	Irrigation Revenue	-
26	Metered Water Revenue	47,754
27	Total Operating Revenue	47,754
28	<u>Operating Expenses</u>	374,927
29	Depreciation Expense (Composite Rate _1.42%_)	3,875
30	Amortization and Property Losses	-
31	Property Taxes	987
32	Taxes Other Than Income Taxes	-
33	Total Operating Revenue Deduction Before Taxes	379,789
34	California Corp. Franchise Tax	400
35	Federal Corporate Income Tax	-
36	Total Operating Revenue Deduction After Taxes	380,189
37	Net Operating Income (Loss) - California Water Operations	(332,435)
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	2,640
39	Income Available for Fixed Charges	(329,795)
40	Interest Expense	-
41	Net Income (Loss) Before Dividends	(329,795)
42	Preferred Stock Dividends	-
43	Net Income (Loss) Available for Common Stock	(329,795)

**OTHER DATA**

44	Refunds of Advances for Construction	-
45	Total Payroll Charged to Operating Expenses	-
46	Purchased Water	34,660
47	Power	-

	<u>Active Service Connections</u> (Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	202	202	202
49	Flat Rate Service Connections	-	-	-
50	Total Active Service Connections	202	202	202



## 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.



**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2000)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	169,556	201	Common Stock (Corporations only)	-
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	-
4	105	Water plant construction work in progress	-	218	Proprietary capital	178,774
5	108	Accumulated depreciation of water plant	(80,026)	224	Long term debt	-
6	114	Water plant acquisition adjustments	-		Current Liabilities	11,192
7	124	Other investments	-	252	Advances for construction	-
8	131	Cash	9,191	253	Other deferred credits	-
9	141	Accounts receivable - customers	(202)	255	Accumulated deferred investment tax credits	-
10	142	Receivables from associated companies	-	282	Accumulated deferred income taxes - Acrs	-
11	151	Materials and supplies	-		depreciation	-
12	174	Other current assets	1,558	283	Accumulated deferred income taxes - other	-
13	180	Deferred charges	89,889	271	Contributions in aid of construction	-
14				272	Accumulated amortization of contributions	-
15		<b>Total Assets</b>	<b>189,966</b>		<b>Total Equity and Liabilities</b>	<b>189,966</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	10,000				10,000
17	303	Land	-				-
18	304	Structures	-				-
19	307	Wells	-				-
20	317	Other water source plant	-				-
21	311	Pumping equipment	-				-
22	320	Water treatment plant	-				-
23	330	Reservoirs tanks and sandpipes	-				-
24	331	Water mains	97,400				97,400
25	333	Services and meter installations	23,562				23,562
26	334	Meters	24,661				24,661
27	335	Hydrants	3,696				3,696
28	339	Other equipment	10,237				10,237
29	340	Office furniture and equipment	-				-
30	341	Transportation equipment	-				-
31		<b>Total water plant in service</b>	<b>169,556</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169,556</b>

\* 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	76,151		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	3,875		
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	3,875		covered by this report \$
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	-		
45	Balance in reserve at end of year	80,026		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			



**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	n/a
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	202	202
1-in		
-in		
-in		
<b>Total</b>	<b>202</b>	<b>202</b>

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year	47
1 Used, before repair	
2 Used, after repair	
3 Fast, requiring refund	
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	202	-	202	-	-	-	202	-
Industrial	-	-	-	-	-	-	-	-
Other (specify)	-	-	-	-	-	-	-	-
Subtotal	202	-	202	-	-	-	202	-
Fire protection (Hydrants)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>202</b>	<b>-</b>	<b>202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>202</b>	<b>-</b>

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				6" Other sizes (specify)	Totals
				2"	2 1/4 to 3 1/4"	4"	6"		
Concrete			Cast Iron						
Earth	n/a		Welded steel						
Wood			Standard screw						
Steel			Cement-asbestos						
Other			Plastic						
			Other (specify)	4,858	50	-	4,943	9,851	
<b>Total</b>			<b>Total</b>	<b>4,858</b>	<b>50</b>	<b>-</b>	<b>4,943</b>	<b>9,851</b>	

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of      MHC Acquisition One, L.L.C.      (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

From and including      January 1     , 2000, to and including      December 31     , 2000

*M. E. N. A.*  
 Signed       
 Title     VICE PRESIDENT      
 Date     3/29/01