

4

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2003
ANNUAL REPORT
OF

Mountain Springs Water Company

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

P.O. Box 237

Tehachapi Ca. 93581

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2003

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2004
(FILE TWO COPIES IF THREE RECEIVED)

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
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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	27,635
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	490
	Total Revenue	28,125.
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	1,538.
	Pump Taxes	
	Purchased Chemicals	254
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	1,639.
650	Contract Work	10,069.
	Water Testing	1,922.
660	Transportation Expense	5,747.
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	.543
678	Office Service and Rentals	
681	Office Supplies and Expense	3,789.
682	Professional Services	208.
684	Insurance	1,692.
688	Regulatory Expense	378
689	General Expense	2,085
	Subtotal	29,864
403	Depreciation Expense	2,071
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	31,935
	Net Revenue	<3,810>
	Rate Base	

	Average Plant	130,025
	Average Depreciation Reserve	26,468
	Net Plant	103,556
	Less: Advances	—
	Less: Contributions	63,049
	Plus: Construction Work in Progress	—
	Plus: Working Cash	2,085
	Plus: Material & Supplies	—
	Rate Base	42,592
	ROR=Net Rev/Rate Base	8.95%

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

Mountain Springs Water Company
(Name under which corporation, partnership or individual is doing business)

P.O. Box 237 Tehachapi Ca. 93581
(Official mailing address)

Tehachapi Ca. 93581 - tract 3312 - Kern County
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
(A) Date of organization NA incorporated in the State of NA
(B) Names, titles and addresses of principal officers:

- 2 If unincorporated give the name and address of owner or of each partner:
Cora Jane Hairline.
- 3 Name and telephone number of: 661-822-4389
(A) One person listed above to receive correspondence:
(B) Person responsible for operations and services: Cora Jane Hairline

- 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)
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
✓		
✓		
✓		10.7.03

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

2003

NAME OF UTILITY Mountain Springs Water Company PHONE 661-822-4389

PERSON RESPONSIBLE FOR THIS REPORT Cora Gene Hainline

(Prepared from Information in the 2003 Annual Report)

	1/1/03	12/31/03	Average
BALANCE SHEET DATA			
1 Intangible Plant	-	-	-
2 Land and Land Rights	<u>1000</u>	<u>1000</u>	<u>1000</u>
3 Depreciable Plant	<u>128302</u>	<u>129748</u>	<u>129625</u>
4 Gross Plant in Service	<u>129302</u>	<u>130748</u>	<u>130025</u>
5 Less: Accumulated Depreciation	<u>25433</u>	<u>27504</u>	<u>26468</u>
6 Net Water Plant in Service	<u>103869</u>	<u>103244</u>	<u>103556</u>
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>103869</u>	<u>103244</u>	<u>103556</u>
CAPITALIZATION			
14 Common Stock	-	-	-
15 Proprietary Capital (Individual or Partnership)	<u>103869</u>	<u>103244</u>	<u>103556</u>
16 Paid-in Capital	-	-	-
17 Retained Earnings	-	-	-
18 Common Stock and Equity (Lines 14 through 17)	-	-	-
19 Preferred Stock	<u>103869</u>	<u>103244</u>	<u>103556</u>
20 Long-Term Debt	-	-	-
21 Notes Payable	-	-	-
22 Total Capitalization (Lines 18 through 21)	<u>103869</u>	<u>103244</u>	<u>103556</u>

(Revised 2/01)

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

20 03
(continued)

NAME OF UTILITY Mt. Springs Water Co. PHONE 661-822-4389

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	<u>490.</u>
24	Fire Protection Revenue	<u> </u>
25	Irrigation Revenue	<u> </u>
26	Metered Water Revenue	<u>276.35</u>
27	Total Operating Revenue	<u>28,125</u>
28	<u>Operating Expenses</u>	
29	Depreciation Expense (Composite Rate _____)	<u>2,071</u>
30	Amortization and Property Losses	<u> </u>
31	Property Taxes	<u> </u>
32	Taxes Other Than Income Taxes	<u> </u>
33	Total Operating Revenue Deduction Before Taxes	<u>3,810.</u>
34	California Corp. Franchise Tax	<u> </u>
35	Federal Corporate Income Tax	<u> </u>
36	Total Operating Revenue Deduction After Taxes	<u>3,810</u>
37	Net Operating Income (Loss) - California Water Operations	<u>3,810</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u>3,810</u>
39	Income Available for Fixed Charges	<u>3,810</u>
40	Interest Expense	<u> </u>
41	Net Income (Loss) Before Dividends	<u>3,810</u>
42	Preferred Stock Dividends	<u> </u>
43	Net Income (Loss) Available for Common Stock	<u>3,810</u>
OTHER DATA		
44	Refunds of Advances for Construction	<u> </u>
45	Total Payroll Charged to Operating Expenses	<u> </u>
46	Purchased Water	<u> </u>
47	Power	<u>15.38.</u>

<u>Active Service Connections</u>		(Exc. Fire Protect.) <u> / </u>		Annual Average
	Jan. 1	Dec. 31		
48	Metered Service Connections	<u>42</u>	<u>42</u>	<u>42</u>
49	Flat Rate Service Connections	<u> </u>	<u> </u>	<u> </u>
50	Total Active Service Connections	<u>37</u>	<u>37</u>	<u>37</u>

**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:

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, 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					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2003)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	130718	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	134240
5	108	Accumulated depreciation of water plant		224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash	2085	253	Other deferred credits	
9	141	Accounts receivable - customers	1407	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		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	134240		Total Equity and Liabilities	134240

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	-				-
17	303	Land	1000				1000
18	304	Structures	8132				8132
19	307	Wells	1800				1800
20	317	Other water source plant	-				-
21	311	Pumping equipment	9881				9881
22	320	Water treatment plant	950	1654			1604
23	330	Reservoirs tanks and sandpipes	15510				15510
24	331	Water mains	12882				12882
25	333	Services and meter installations	63872				63872
26	334	Meters	4132				4132
27	335	Hydrants	260				260
28	339	Other equipment	0				0
29	340	Office furniture and equipment	7883	792			8675
30	341	Transportation equipment	2000				2000
31		Total water plant in service	129302	1446			130748

* 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			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			
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			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			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2003)

Line				
1	Common - (Shares	\$	par)	List persons owning more than 5% of outstanding stock and number of shares owned by each:
2	Preferred - (Shares	\$	par)	
3	Dividends - Common	Rate - \$		
4	- Preferred	Rate - \$		

SCHEDULE E - LONG TERM DEBT

	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
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	27,635
14	480 Other water revenue	490
15	Total Operating Revenue	28,125
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	1,538
20	618 Other volume related expenses	254
21	630 Employee labor	
22	640 Materials	1,039
23	650 Contract work	11,991
24	660 Transportation expenses	5,747
25	664 Other plant maintenance expense	
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	543
30	678 Office services and rentals	
31	681 Office supplies and expense	3,789
32	682 Professional services	208
33	684 Insurance	1,692
34	688 Regulatory commission expense	378
35	689 General expenses	2,085
36	Total Operating Expenses	28,864
37	403 Depreciation expense	2,071
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	
40	409 State corporate income tax expense	
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	31,935
43	Utility Operating Income	
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	(3,810)

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
Lat 33 tract 3312-	1	6	40	45	274,400 gal
7 1/2 miles off Highway 58 north of Sand Canyon Rd.					

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. of year	Min. mo. of year	Total for year
Residential & business	47,623	15,893	315,285 cu ft.
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total	47,623	15,893	315,285 C. ft.

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
48	630	Employee Labor				
49	670	Office salaries				
50	671	Management salaries				
51		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	
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
5/8 x 3/4-in	40	40
3/4-in	2	2
1-in		
-in		
-in		
Total	42	42

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair... <input checked="" type="checkbox"/>
2	Used, after repair <input checked="" type="checkbox"/>
3	Fast, requiring refund .. <input checked="" type="checkbox"/>
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	37		37	5		5	42	
Industrial								
Other (specify)								
Subtotal								
Fire protection (Hydrants)								
Total	37		37	5		5	42	

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	Pipe Sizes				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	2	17500	Cement-asbestos					
Other	2	52	Plastic	5333		7226		12559
			Other (specify)					
Total		17552	Total	5333		7226		12559

DECLARATION

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

I, the undersigned (officer, partner or owner) of Mountain Springs Water Co. (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 1-1, 2003, to and including 12-31, 2003

Signed Cora Jane Hamlin

Title owner

Date 3-31-03