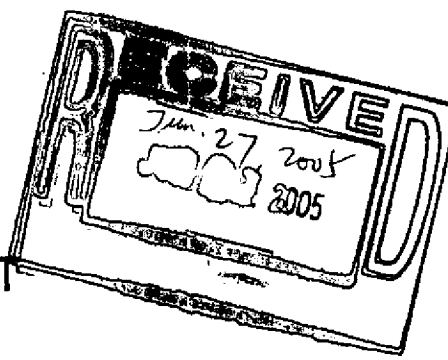
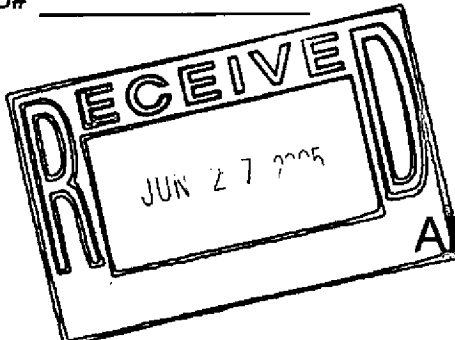


A4

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____



2004
ANNUAL REPORT
OF

Mountain Springs Water Company 426 WTD

Corporation
(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, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005
(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
ATTN: SEANEEN M WILSON
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 January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	25,346
460	Unmetered	3,275
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	28,621
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	1,327
	Pump Taxes	
	Purchased Chemicals	332
618	Other Vol. Related exp.	
630	Employee Labor	1817
640	Materials	1,678
650	Contract Work	2,173
	Water Testing	2,203
660	Transportation Expense	5,615
664	Other Plant Maintenance	274
670	Office Salaries	1,405
671	Management Salaries	1,765
674	Employee Pensions and Benefits	
676	Uncollectables	543
678	Office Service and Rentals	550
681	Office Supplies and Expense	3,160
682	Professional Services	2,448
684	Insurance	2,350
688	Regulatory Expense	417
689	General Expense	1,266
	Subtotal	29,265
403	Depreciation Expense	2,438
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	31,761
	Net Revenue	(3,141)
	Rate Base	

	Average Plant	140847
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	5
	Less: Contributions	5336
	Plus: Construction Work in Progress	
	Plus: Working Cash	100
	Plus: Material & Supplies	200
	Rate Base	
	ROR=Net Rev/Rate Base	

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
(Official mailing address)

Tehachape Ca. 93581
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
(A) Date of organization _____ incorporated in the State of _____
(B) Names, titles and addresses of principal officers:
- 2 If unincorporated give the name and address of owner or of each partner:
Cora Jane Hamline P.O. Box 237 Tehachape Ca. 93561
- 3 Name and telephone number of: 661-822-4389
(A) One person listed above to receive correspondence: Cora Jane Hamline
(B) Person responsible for operations and services:
- 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
X		
X		
X		10-14-04

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

<u>Stephen White</u>	<u>DH+2</u>	<u>#16098</u>	<u>Expires 4-08</u>
<u>DHS D3</u>	<u>#2575</u>		<u>11 " 3-06</u>
<u>wwtp operator II</u>	<u>#94090</u>		<u>" " 6-06</u>

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

20 04

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

PERSON RESPONSIBLE FOR THIS REPORT Cora Jane Hamline
 (Prepared from Information in the 2004 Annual Report)

BALANCE SHEET DATA		11/1/04	12/31/04	Average
1	Intangible Plant	—	—	—
2	Land and Land Rights	1000	1000	—
3	Depreciable Plant	29748	134961	—
4	Gross Plant in Service	30748	135961	—
5	Less: Accumulated Depreciation	27504	28906	—
6	Net Water Plant in Service	—	—	—
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	()	4	()
13	Net Plant Investment	<u>103244</u>	<u>107065</u>	—

CAPITALIZATION		11/1/04	12/31/04	Average
14	Common Stock	—	—	—
15	Proprietary Capital (Individual or Partnership)	103244	107053	—
16	Paid-in Capital	—	—	—
17	Retained Earnings	—	—	—
18	Common Stock and Equity (Lines 14 through 17)	—	—	—
19	Preferred Stock	103244	107053	—
20	Long-Term Debt	60980	63241	—
21	Notes Payable	—	—	—
22	Total Capitalization (Lines 18 through 21)	<u>164124</u>	<u>170296</u>	—

(Revised 2/01)

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

20 9 4
(continued)

NAME OF UTILITY North Springs Water Co PHONE 661-822-4399

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	<u>3275</u>
24 Fire Protection Revenue	_____
25 Irrigation Revenue	_____
26 Metered Water Revenue	<u>25346</u>
27 Total Operating Revenue	<u>28621</u>
28 <u>Operating Expenses</u>	
29 Depreciation Expense (Composite Rate _____)	<u>2438</u>
30 Amortization and Property Losses	_____
31 Property Taxes	_____
32 Taxes Other Than Income Taxes	_____
33 Total Operating Revenue Deduction Before Taxes	<u><3140></u>
34 California Corp. Franchise Tax	_____
35 Federal Corporate Income Tax	_____
36 Total Operating Revenue Deduction After Taxes	_____
37 Net Operating Income (Loss) - California Water Operations	_____
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39 Income Available for Fixed Charges	_____
40 Interest Expense	_____
41 Net Income (Loss) Before Dividends	<u><3140></u>
42 Preferred Stock Dividends	_____
43 Net Income (Loss) Available for Common Stock	<u><3140></u>

OTHER DATA

44 Refunds of Advances for Construction	_____
45 Total Payroll Charged to Operating Expenses	_____
46 Purchased Water	_____
47 Power	<u>1327</u>

	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections	_____	<u>42</u>	<u>42</u>	<u>42</u>
49 Flat Rate Service Connections	_____	_____	_____	_____
50 Total Active Service Connections	_____	<u>37</u>	<u>37</u>	<u>37</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 200...

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

**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, 20__)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	140847	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	107 053
5	108	Accumulated depreciation of water plant	28906	224	Long term debt	63 247
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	
9	141	Accounts receivable - customers	543	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	170296		Total Equity and Liabilities	170 296

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	12 856	3 263		16 119	16 119
22	320	Water treatment plant	16 04				16 04
23	330	Reservoirs tanks and sandpipes	15510				15510
24	331	Water mains	14 006	4 48		14 454	14 454
25	333	Services and meter installations	6 387.2	4 53		6 43 25	6 43 25
26	334	Meters	4 13 2	6 66		4 79 8	4 79 8
27	335	Hydrants	260	5 06		7 66	7 66
28	339	Other equipment					
29	340	Office furniture and equipment	9 339				9 339
30	341	Transportation equipment	3 000				3 000
31		Total water plant in service	135 511	5 33 6			140 847

* 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, 20__)

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	3275
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	35346
14	480 Other water revenue	
15	Total Operating Revenue	28621
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	1327
20	618 Other volume related expenses	332
21	630 Employee labor	1817
22	640 Materials	1678
23	650 Contract work	4376
24	660 Transportation expenses	5616
25	664 Other plant maintenance expense	274
26	670 Office salaries	1405
27	671 Management salaries	1765
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	543
30	678 Office services and rentals	550
31	681 Office supplies and expense	2160
32	682 Professional services	2448
33	684 Insurance	2350
34	688 Regulatory commission expense	417
35	689 General expenses	1266
36	Total Operating Expenses	29323
37	403 Depreciation expense	2438
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	31761
43	Utility Operating Income	
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	3140

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
Lot 133					
Tract 3312	1	10	181	45	
7 1/2 miles north of Hwy-58					
Sand Layer					
Office/1800 Rounding Point					

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

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	43076	18669	277552
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total	43076	18669	267,552 Cubft.

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	37	5
3/4-in		
1-in		
-in		
-in		
Total	37	5

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
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	37	/	37	5	/		42	
Industrial								
Other (specify)								
Subtotal	37	/	37	5	/			
Fire protection (Hydrants)	4	/	4					
Total				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	2" and	2 1/4 to	4"	Other sizes (specify)	Totals
				under	3 1/4			
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	2	17500	Cement-asbestos					
Other	2	52	Plastic	5332		7226		12809
			Other (specify)					
			new pipe	235				235
Total		17552	Total	5568		7226		13044

DECLARATION

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

I, the undersigned (officer, partner or owner) of Mt Springs 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

From and including January 1, 2004, to and including Dec 31, 2004

Signed Coca Jane Hamilton
 Title owner

Date 3-31-05