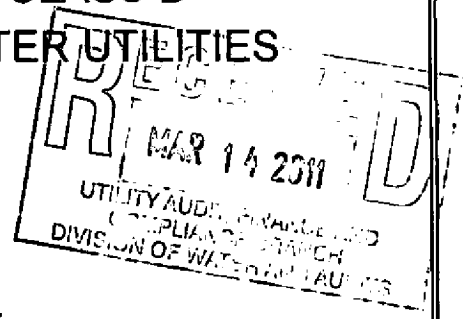


74

Received _____
Examined _____

CLASS D
WATER UTILITIES



U# _____

2010
ANNUAL REPORT
OF

LAWANDA M. STANLEY

DBA: PINON HILL WATER CO.
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. BOX 2645, TEHACHAPI, CA. 93581
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE YEAR ENDED DECEMBER 31, 2010

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, 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, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

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

PINON HILL WATER CO.

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

P.O. BOX 2646, TEHACHAPI, CA. 93581

(Official mailing address)

RURAL AREA - SAND CANYON, TEHACHAPI, KERN CO.

(Service Area - Town and County)

Telephone Number: 661-82

Fax Number: 661-823-1251

Email Address: G

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

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

2. If unincorporated provide the name and address of the owner(s) or the partners:
LAWANDA M. STANLEY, 21260 SIERRA VISTA DR, TEHACHAPI, CA. 93561

3. Name, title, and telephone number of: LAWANDA M. STANLEY, OWNER (661) 823-1251
 (A) One person listed above to receive correspondence:
 (B) Person responsible for operations and services: SAME AS ABOVE.

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) STEVE WHITE DBA SKOOKUM H₂O
 If so, what was the nature and the amount of each payment made under the agreement, to whom were SAMPLING SERVICE payments made, and to what account was each payment charged? YRS CONTRACT #960.-

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:

N/A

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. CHANGE OF OWNERSHIP

Yes	No	Latest Date
	X	2006
X		
	X	
X	1-3	2008

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

STEVE WHITE GRADE 2 LICENSE #16098
DBA: SKOOKUM H₂O MONITORING SERVICE INC.

Excess Capacity and Non-Tariffed Services *N/A*

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 2010:

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**

N/A

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: *N/A*

Name: _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ *N/A* _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

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

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

N/A

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					
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 (AS OF DECEMBER 31, 2010)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	131,363	201	Common Stock (Corporations only)	
2	101.1	SDWA Plant	0	211	Other paid-in capital (Corporations only)	
3	103	Water plant held for future use	0	215	Retained earnings	
4	104	Water plant purchased or sold	0	218	Proprietary capital	138,519
5	105	Water plant construction work in progress	30,000	224	Long term debt	19,200
6	108	Accumulated depreciation of water plant			Current Liabilities (CAPITAL ONE C.O.)	16,374
7	114	Water plant acquisition adjustments		252	Advances for construction	10,000
8	124	Other investments	0	253	Other deferred credits	
9	131	Cash	292	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	3827	282	Accumulated deferred income taxes - ACRS	
11	142	Receivables from associated companies	0		depreciation	
12	151	Materials and supplies <i>3 METERS</i>	363	283	Accumulated deferred income taxes - other	
13	174	Other current assets		271	Contributions in aid of construction	
14	180	Deferred charges		272	Accumulated amortization of contributions	
15		Total Assets	168,474		Total Equity and Liabilities	173,655

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
1	301	Intangible plant					
2	303	Land	1,000				1,000
3	304	Structures	11,632				11,632
4	307	Wells	1,800				1,800
5	317	Other water source plant	0				0
6	311	Pumping equipment	16,119				16,119
7	320	Water treatment plant	30,000	30,000			31,002
8	330	Reservoirs tanks and sandpipes	15,510				15,510
9	331	Water mains	14,459				14,459
10	333	Services and meter installations	64,323				64,323
11	334	Meters	5,151				5,151
12	335	Hydrants	766				766
13	339	Other equipment					
14	340	Office furniture and equipment	1,205				1,205
15	341	Transportation equipment	0				0
16		Total water plant in service	131,363	30,000	0	0	161,363

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

CONSTRUCTION OF ARSENIC TREATMENT SYSTEM COMPLETED, AWAITING PERMIT TO OPERATE

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

N/A

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year			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			
4	(b) Charged to Account No. 403			
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits			covered by this report \$ 1,205. -
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. <i>5/4</i>
13	Total debits			
14	Balance in reserve at end of year			
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

N/A SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2010)

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

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	ASBESTOS TREATMENT	11-2010	11-2014	30,000	19,200	0	0	0
2	SYSTEM							
3								
4	Total			30,000				

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	855
3	462	Fire protection revenue	0
4	465	Irrigation revenue	0
5	470	Metered water revenue	30,731
6	475	Approved Total Surcharge Revenue(s)	0
7	480	Other water revenue	150
8		Total Revenue Received	31,736
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	0
11		Total Operating Revenue	31,736
12		Operating expenses	
13	610	Purchased water	0
14	615	Purchased power	889
15	618	Other volume related expenses	
16	630	Employee labor	0
17	640	Materials CHLORINE	319
18	650	Contract work SAMPLING SERVICE MET.	7,441
19	660	Transportation expenses RDG.	1,123
20	664	Other plant maintenance expense HESB	795
21	670	Office salaries	0
22	671	Management salaries	12,000
23	674	Employee pensions and benefits	0
24	676	Uncollectible accounts expense	
25	678	Office services and rentals P.O. BOX	990
26	681	Office supplies and expense	1,701
27	682	Professional services ELECTRICIAN/PLUMBER	1,095
28	684	Insurance	1286
29	688	Regulatory commission expense #61 #252	703
30	689	General expenses BANK CHGS #126	126
31		Total Operating Expenses	26,778
32	403	Depreciation expense	1,265
33	407	SDWBA loan amortization expense	800
34	408	Taxes other than income taxes UNSE CURED PROP.	231
35	409	State income tax expense	0
36	410	Federal income tax expense	0
37		Total Operating Revenue Deductions	29,094
38		Utility Operating Income	3,073
39	421	Non-utility income	0
40	426	Miscellaneous non-utility expense (RWA FEE)	142
41	427	Interest expense	660
42		Net Income	1,514

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
TRACT 3312 LOT 133	1	6	DEPTH 70 SUCTION INTAKE 29' FT.	45 gpm	200271 CU. FT.
INTERSECTION OF SAND CANYON RD & HORSE SHOE LANE					

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) / Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
		N/A			
Purchased water (unit) N/A			Annual Quantity		
Supplier:					

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	MARCH	200271 CU. FT.
Commercial	22,844	13,844	0
Industrial			0
Fire Protection			0
Irrigation			0
Other (specify)			0
Total			200271 CU. FT.

1,498,027.94L

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION N/A

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	670	Office salaries				
3	671	Management salaries				
4		Total				

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	0
Additions during year	
Subtotal - Beginning balance plus additions during year	\$ 10,000
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	\$ 9,200

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

Size	Meters	Services
5/8 x 3/4-in	43	43
3/4-in		
1-in		
-in		
-in		
Total	43	43

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	6
1 Used, before repair	
2 Used, after repair	0
3 Fast, requiring refund	0
Numbers of meters in service requiring test per General Order No. 103	
	2 REPLACED

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR.

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	39		39	4		4		
Industrial/Commercial								
Irrigation								
Fire Protection (public)								
Fire Protection (private)								
Other (specify)								
Total	39		39	4		4		

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	1	12,500 GAL	Cement-asbestos					
Other			Plastic	5568		7226		12,794
			Other (specify)					
Total		12,500	Total	5568		7226		12,794

N/A FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2010, pursuant to Resolution No. W-4110.

N/A 1. Trust Account Information:

Bank Name: _____
Address: _____
Account Number: _____
Date Opened: _____

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

A. Commercial

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

B. Residential

NAME	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

N/A 3. Summary of the bank account activities showing:

	AMOUNT
Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

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

DECLARATION

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

I, the undersigned LAWANDA M. STANLEY
Officer, Partner, or Owner (Please Print)

of PINON HILL 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 of January 1, 2010, through December 31, 2010.

OWNER

Title (Please Print)

Lawanda M. Stanley

Signature

(661) 823-1251

Telephone Number

2-28-2011

Date

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2010
ANNUAL REPORT
OF

LAWANDA M. STANLEY

DBA: PINON HILL WATER CO.
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. BOX 2645, JEHACHAPI, CA 93581
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
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FOR THE YEAR ENDED DECEMBER 31, 2010

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011