

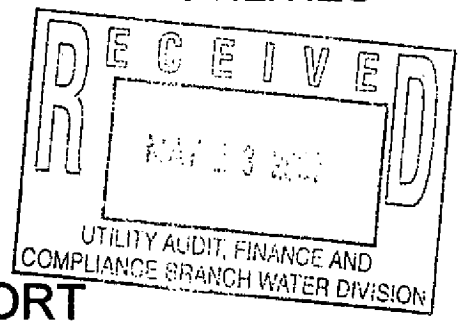
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Received _____
Examined _____

**CLASS D  
WATER UTILITIES**

U# 83W



**2006  
ANNUAL REPORT  
OF**

R.R. LEWIS SMALL WATER COMPANY

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

4500 East Fremont Street, Stockton, CA 95215

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE  
YEAR ENDED DECEMBER 31, 2006**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007  
(FILE TWO COPIES IF THREE RECEIVED)

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

R.R. Lewis Small Water Company  
 (Name under which corporation, partnership or individual is doing business)

(Official mailing address)

Sierra City, Sierra County  
 (Service area-town and county)

Telephone Number:  
209-948-8817

Fax Number:  
209-948-1959

Email Address:  
[rrlewish2o@aol.com](mailto:rrlewish2o@aol.com)

### GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

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 provide the name and address of the owner(s) or the partners:  
 The Ostrom Family Trust, dba R.R. Lewis Small Water Company - 4500 East Fremont Street, Stockton, CA 95215
- 3 Name, title, and telephone number of:  
 (A) One person listed above to receive correspondence: Larry Ostrom, Manager, 209-948-8817  
 (B) Person responsible for operations and services: Larry Ostrom, Manager, 209-948-8817
- 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? N/A
- 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: None

### PUBLIC HEALTH STATUS

	Yes	No	Latest Date
6 Has state or local health department inspection been made during the year?	X		July 2006
7 Are routine laboratory tests of water being made?	X		Dec. 2006
8 Has state health department water supply permit been obtained? (Indicate date)	X		Feb. 1994
9 If no permit has been obtained, state whether application has been made and when.			N/A
10 Show expiration date if state permit is temporary.			N/A

- 11 List Name, Grade, and License Number of all Licensed Operators:  
 Larry Ostrom Grade D2 License #21478

Revised page

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SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	317929	201	Common Stock (Corporations only)	6545
2	103	Water plant held for future use	0	211	Other paid-in capital (Corporations only)	0
3	104	Water plant purchased or sold	0	215	Retained earnings	(631)
4	105	Water plant construction work in progress	0	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	268785	224	Long term debt	18773
6	114	Water plant acquisition adjustments	0		Current Liabilities	12634
7	124	Other investments	0	252	Advances for construction	11823
8	131	Cash	366	253	Other deferred credits	0
9	141	Accounts receivable - customers	5354	255	Accumulated deferred investment tax credits	0
10	142	Receivables from associated companies	0	282	Accumulated deferred income taxes - Acrs	0
11	151	Materials and supplies	1852		depreciation	
12	174	Other current assets	0	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	0	271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	49144		Total Equity and Liabilities	49144

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					
18	304	Structures	2860				2860
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes	26784				26734
24	331	Water mains	203896	12067			215963
25	333	Services and meter installations	23942				23942
26	334	Meters	7908				7908
27	335	Hydrants	38162				38162
28	339	Other equipment	2368				2360
29	340	Office furniture and equipment					
30	341	Transportation equipment	14846		14846		0
31		Total water plant in service	320708	12067	14846		317929

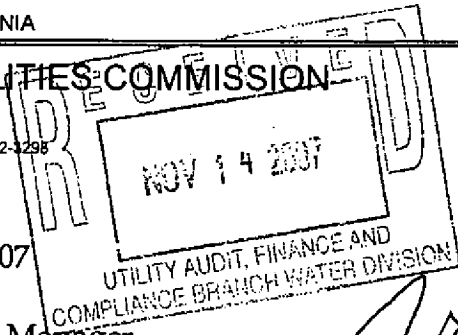
\* Debit or credit entries should be explained by footnotes or supplementary schedules

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	260911		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 272	4790		1.5% STRAIGHT LINE
35	(b) Charged to Account No. 403	3084		
36	(c) Charged to Account No. 407			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	7874		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	268785		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 23, 2007

Larry Ostrom, Manager  
R.R. Lewis Small Water Company  
3802A North Wilcox Road  
Stockton, CA 95215

REVISIONS  
ATTACHED  
AS REQUESTED  
THANKS

Re: Ostrom Family Trust Debt

In connection with your letter dated October 12, 2007, it is recommended that the Ostrom Family Trust long-term debt of \$46,235.15 (which have been carried in your books since 1988, and apparently created as a balancing amount), be re-classified to retained earnings. The retained earnings account accumulates as the company earns profits and reinvests or retains profits in the company.

Using your 2006 Annual Report, the following entries are suggested:

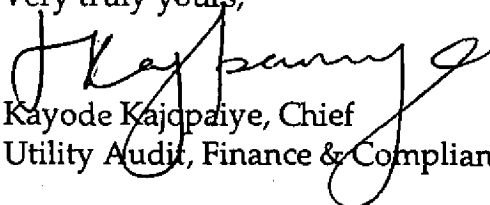
	<u>Debit</u>	<u>Credit</u>
Long-term debt	\$46,235.15	
Retained Earnings		\$46,235.15

The above entries will reduce long-term debt to \$18,772.85 and produce a net negative balance in retained earnings of \$630.85. Total Equity and Liabilities remain at \$49,144.00.

Please do the necessary corrections, and provide us with the revised Schedule A-Balance Sheet (December 31, 2006) and revised Schedule E - Long Term Debt, by November 5, 2007.

If you have any questions, please call Ramon Go at (415) 703-1350.

Very truly yours,

  
Kayode Kajopaiye, Chief  
Utility Audit, Finance & Compliance Branch

Revised  
2006  
11/20/07  
File

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2006)**

Line	Acct	Assets	Balance	Acct	Equity and Liabilities	Balance
1	101	Water plant in service	317929	201	Common Stock (Corporations only)	6545
2	103	Water plant held for future use	0	211	Other paid-in capital (Corporations only)	0
3	104	Water plant purchased or sold	0	215	Retained earnings	(48,868)
4	105	Water plant construction work in progress	0	218	Proprietary capital	
5	108	Accumulated depreciation of water plant	268785	224	Long term debt	65008
6	114	Water plant acquisition adjustments	0		Current Liabilities	12634
7	124	Other investments	0	252	Advances for construction	11823
8	131	Cash	366	253	Other deferred credits	0
9	141	Accounts receivable - customers	5354	255	Accumulated deferred investment tax credits	0
10	142	Receivables from associated companies	0	282	Accumulated deferred income taxes - Acrs	0
11	151	Materials and supplies	1852		depreciation	
12	174	Other current assets	0	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	0	271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>49144</b>		<b>Total Equity and Liabilities</b>	<b>49144</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Or or
16	301	Intangible plant				
17	303	Land				
18	304	Structures	2860			
19	307	Wells				
20	317	Other water source plant				
21	311	Pumping equipment				
22	320	Water treatment plant				
23	330	Reservoirs tanks and sandpipes	26734			26734
24	331	Water mains	203896	12067		215963
25	333	Services and meter installations	23942			23942
26	334	Meters	7908			7908
27	335	Hydrants	38162			38162
28	339	Other equipment	2360			2360
29	340	Office furniture and equipment				
30	341	Transportation equipment	14846		14846	0
31		<b>Total water plant in service</b>	<b>320708</b>	<b>12067</b>	<b>14846</b>	<b>317929</b>

*Handwritten notes:*  
 65008  
 48235  
 18773  
 11,972.15  
 630.15  
 41,846  
 - 235  
 41,611

\* Debt 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 108.1 SDWBA Loans	
32	Balance in reserves at beginning of year	260911		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 272	4790		1.5% STRAIGHT LINE
35	(b) Charged to Account No. 403	3084		
36	(c) Charged to Account No. 407			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	7874		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	268785		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2006)**

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	224 OSTROM TRUST	May-93	2010	46235	46235	6	0	0
6	224 PAMELA OSTROM	2003	2009	22414	18773	0	0	0
7								
8	Totals				65008			

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	x000000000x
10	460 Unmetered water revenue	8619
11	462 Fire protection revenue	0
12	465 Irrigation revenue	0
13	470 Metered water revenue	25819
14	480 Other water revenue	15703
15	Total Operating Revenue	50141
16	Operating revenue deductions	x000000000x
17	Operating expenses	x000000000x
18	610 Purchased water	0
19	615 Purchased power	3086
20	618 Other volume related expenses	0
21	630 Employee labor	0
22	640 Materials	2862
23	650 Contract work	9620
24	660 Transportation expenses	4369
25	664 Meter Install Labor and Material	9667
26	670 Office Labor Contracted	1150
27	671 Management Labor Contracted	500
28	674 Employee pensions and benefits	0
29	676 Uncollectible accounts expense	0
30	678 Office services and rentals	0
31	681 Office supplies and expense	405
32	682 Professional services	2577
33	684 Insurance	7217
34	688 Regulatory commission expense	668
35	689 General expenses	3948
36	Total Operating Expenses	46067
37	403 Depreciation expense	4790
38	407 SDWBA loan amortization expense	0
39	408 Taxes other than income taxes	3759
40	409 State Income tax expense	0
41	410 Federal income tax expense	0
42	Total Operating Revenue Deductions	8549
43	Utility Operating Income	(4475)
44	421 Non-utility income	0
45	428 Miscellaneous non-utility expense	0
46	427 Interest expense	0
47	Net Income	(4,475)

**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
Not Applicable					

**OTHER**

Streams or springs location of diversion point	Flow in Priority right		(Unit) Diversions		Annual Quantities Diverted Unit
	Claim	Capacity	Max	Min	
Anderson Spring					80.4
Wixson Spring					22.6
Purchased water (unit) Supplier:	None			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			
Industrial/Commercial			
Fire Protection			
Irrigation			
Other (specify)			
<b>Total</b>	N/A		

**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 Labor Contracted	1	1150		1150
50	671	Mgmt Labor Contracted	1	500		500
51		<b>Total</b>		<b>1650</b>		<b>1650</b>

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	14907
Additions during year	0
Subtotal - Beginning balance plus additions during year	14907
Refunds	0
Transfers to Acct. 271 - Contributions in Aid of Construction	3084
Balance end of year	11823

**SCHEDULE K - TOTAL METERS AND SERVICES (active and inactive)**

Size	Meters	Services
5/8 x 3/4-in	105	
3/4-in		
1-in	2	
2-in	1	
4-in	1	
<b>Total</b>	<b>109</b>	

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year		
1	Used, before repair...	N/A
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	106	11	117					
Industrial/Commercial				1	51	52	107	62
Irrigation								
Fire Protection (public)								
Fire Protection (private)		7	7					
Other (specify)					One Removed 05			
<b>Total</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				Other sizes (specify)		Totals
				2 1/4 to 3 1/4	4"	6"	12"			
Concrete	2	25000	Cast Iron							
Earth			Welded steel			1639		2630	8069	
Wood			Standard screw	2239	4380	42			6661	
Steel	3	20750	Cement-asbestos							
Other			Plastic	2186		1890			4076	
*Wixson shared not shown, included in capacity			Other (specify)							
			Wixson			300			300	
			Fire Line						2500	
<b>Total</b>		<b>45750</b>	<b>Total</b>	<b>4425</b>	<b>4380</b>	<b>3871</b>	<b>2630</b>	<b>6300</b>	<b>21606</b>	

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of \_\_\_\_\_ R.R. Lewis Small Water Company under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, documents, 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 calendar year.

January 1, 2006 through December 31, 2006.

Signed \_\_\_\_\_  
 Manager  
 Title  
 20-May-07  
 Date