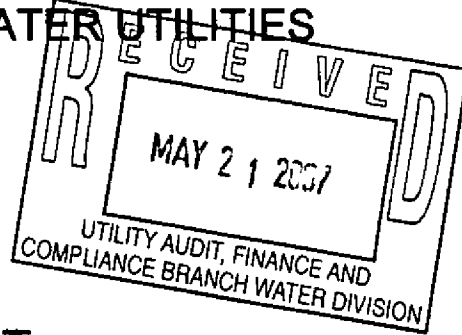


34

Received _____
Examined _____

CLASS D  
WATER UTILITIES



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

**2006  
ANNUAL REPORT  
OF**

**Rolling Green Utilities, Inc.**  
Water

---

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

---

**139 Elmcrest St. Big Pine, CA 93513**  
(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)

**Rolling Green Utilities, Inc.**

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

**139 Elmcrest St. Big Pine, CA 93513**

(Official mailing address)

**Big Pine - Inyo County**

(Service area-town and county)

## GENERAL INFORMATION

**RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES**

- 1 If a corporation show:
  - (A) Date of organization **3/29/1965** incorporated in the State of **California**
  - (B) Names, titles and addresses of principal officers: Don Kanen, VP, PO Box 995 Alamosa, CO 81101; Arnold Peterson, GM 139 Elmcrest St, Big Pine, CA 93513, Kathy Peterson, Sec. 139 Elmcrest St. Big Pine, CA 93513
- 2 If unincorporated give the name and address of owner or of each partner:
  
- 3 Name and telephone number of:
  - (A) One person listed above to receive correspondence: **Kathy Peterson 760-938-3311**
  - (B) Person responsible for operations and services: **Arnold Peterson 760-938-3311**
- 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		Dec - '04
X		1965

**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  
2006

NAME OF UTILITY Rolling Green Utilities, Inc.

PHONE 760-938-3311

PERSON RESPONSIBLE FOR THIS REPORT: Frank Brommenschenkel, Consultant  
(Prepared from Information in the 2005 Annual Report)

<b>BALANCE SHEET DATA</b>		<b>1/1/2006</b>	<b>12/31/2006</b>	<b>Average</b>
1	Intangible Plant	\$ -	\$ -	\$ -
2	Land and Land Rights	\$ 12,783	\$ 12,783	\$ 12,783
3	Depreciable Plant	\$ 166,201	\$ 166,201	\$ 166,201
4	Gross Plant in Service	\$ 178,984	\$ 178,984	\$ 178,984
5	Less: Accumulated Depreciation	\$ 125,995	\$ 130,333	\$ 128,164
6	Net Water Plant in Service	\$ 52,989	\$ 48,651	\$ 50,820
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>\$ 52,989</u>	<u>\$ 48,651</u>	<u>\$ 50,820</u>
<b>CAPITALIZATION</b>				
14	Common Stock	\$ 54,300	\$ 54,300	\$ 54,300
15	Proprietary Capital (Individual or Partnership)			\$ -
16	Paid-in Capital	\$ (60,981)	\$ (60,981)	\$ (60,981)
17	Retained Earnings	\$ 155,431	\$ 153,947	\$ 154,689
18	Common Stock and Equity (Lines 14 through 17)	\$ 148,750	\$ 147,266	\$ 148,008
19	Preferred Stock			\$ -
20	Long-Term Debt			\$ -
21	Notes Payable			\$ -
22	Total Capitalization (Lines 18 through 21)	<u>\$ 148,750</u>	<u>\$ 147,266</u>	<u>\$ 148,008</u>

(Revised 10/97)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES  
2006

NAME OF UTILITY Rolling Green Utilities, Inc.

PHONE 760-938-3311

**INCOME STATEMENT**

		Annual Amount
23	Unmetered Water Revenue	\$ -
24	Fire Protection Revenue	-
25	Other Water Revenue	\$ 18
26	Metered Water Revenue	\$ 84,787
27	Total Operating Revenue	\$ 84,805
28	<u>Operating Expenses</u>	\$ 70,903
29	Depreciation Expense (Composite Rate 1.7%)	\$ 4,338
30	Amortization and Property Losses	-
31	Property Taxes	\$ 2,141
32	Taxes Other Than Income Taxes	\$ 1,678
33	Total Operating Revenue Deduction Before Taxes	\$ 79,059
34	California Corp. Franchise Tax	\$ 1,681
35	Federal Corporate Income Tax	-
36	Total Operating Revenue Deduction After Taxes	\$ 80,740
37	Net Operating Income (Loss) - California Water Operations	\$ 4,064
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense) Non Util Income	-
39	Income Available for Fixed Charges	-
40	Interest Expense	\$ 3,345
41	Net Income (Loss) Before Dividends	\$ 720
42	Preferred Stock Dividends	-
43	Net Income (Loss) Available for Common Stock	\$ 720
 <b>OTHER DATA</b>		
44	Refunds of Advances for Construction	-
45	Total Payroll Charged to Operating Expenses	\$ 30,348
46	Purchased Water	\$ -
47	Power	\$ 10,910

	<u>Active Service Connections</u>			Annual Average
		(Exc. Fire Protect.)	Jan. 1	Dec. 31
48	Metered Service Connections		280	280
49	Flat Rate Service Connections		-	-
50	Total Active Service Connections		280	280

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

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	\$ 178,984	201	Common Stock (Corporations only)	\$ 54,300
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	\$ (60,981)
3	104	Water plant purchased or sold		215	Retained earnings	\$ 153,947
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	\$ (130,333)	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	\$ 10,824
7	124	Other investments		252	Advances for construction	
8	131	Cash	\$ 5,358	253	Other deferred credits	\$ 7,995
9	141	Accounts receivable - customers	\$ 3,052	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies	\$ 22,850	282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets	\$ 543	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14		Inter-division accounts receivable	\$ 85,631	272	Accumulated amortization of contributions	
15		<b>Total Assets</b>	<b>\$ 166,085</b>		<b>Total Equity and Liabilities</b>	<b>\$ 166,085</b>

**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	\$ 12,783				\$ 12,783
18	304	Structures	\$ 10,246				\$ 10,246
19	307	Wells	\$ 25,095				\$ 25,095
20	317	Other water source plant	\$ -				\$ -
21	311	Pumping equipment	\$ 40,601				\$ 40,601
22	320	Water treatment plant	\$ 991				\$ 991
23	330	Reservoirs tanks and sandpipes	\$ 1,575				\$ 1,575
24	331	Water mains	\$ 34,597				\$ 34,597
25	333	Services and meter installations	\$ 9,385				\$ 9,385
26	334	Meters	\$ 17,232				\$ 17,232
27	335	Hydrants	\$ 4,614				\$ 4,614
28	339	Other equipment	\$ 10,404				\$ 10,404
29	340	Office furniture and equipment	\$ 9,707				\$ 9,707
30	341	Transportation equipment	\$ 1,754				\$ 1,754
31		<b>Total water plant in service</b>	<b>\$ 178,984</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 178,984</b>

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

**SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Account 108 Water Plant	Account 108.1 SDWBA Loans	
32	Balance in reserves at beginning of year	\$ 125,995		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	4,338		Straight line Remaining Life 2.61%
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	\$ 4,338		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			C. State method used to compute tax
42	(b) Cost of removal			depreciation.
43	(c) All other debits			
44	Total debits			
45	Balance in reserve at end of year	\$ 130,333	\$ -	
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 54,300	\$1.00 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 - \$		Kanen 50%
4	- Preferred	Rate - \$		Peterson 50%

**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	xxxxxxxxxxx
10	460 Unmetered water revenue	
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	\$ 84,787
14	480 Other water revenue	\$ 18
15	Total Operating Revenue	\$ 84,805
16	Operating revenue deductions	xxxxxxxxxxx
17	Operating expenses (DHS Fees)	
18	610 Purchased water	
19	615 Power	\$ 10,910
20	618 Other volume related expenses	
21	630 Employee labor	\$ 6,263
22	640 Materials	\$ 1,112
23	650 Contract work	\$ 131
24	660 Transportation expenses	\$ 4,102
25	664 Other plant maintenance expense	
26	670 Office salaries	\$ 4,085
27	671 Management salaries	\$ 20,000
28	674 Employee pensions and benefits	\$ 8,088
29	676 Uncollectible accounts expense	\$ 848
30	678 Office services and rentals	\$ 1,522
31	681 Office supplies and expense	\$ 2,885
32	682 Professional services	\$ 5,627
33	684 Insurance	\$ 3,014
34	688 Regulatory commission expense	
35	689 General expenses	\$ 2,315
36	Total Operating Expenses	\$ 70,903
37	403 Depreciation expense	\$ 4,338
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	\$ 3,819
40	409 State corporate income tax expense	\$ 1,681
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deduction:	\$ 80,740
43	Utility Operating Income	\$ 4,064
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	\$ (3,345)
47	Net Income	\$ 720

**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
Well	1	6	250	30	48 AF

**OTHER**

Streams or springs location of diversion point	Flow in (Unit)		Annual quantities diverted (Unit)	
	Priority right	Diversions		
	Claim	Capacity	Max	Min
				N/A
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			
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			

**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	1	\$ 6,263		\$ 6,263
49	670	Office salaries		\$ 4,085		\$ 4,085
50	671	Management salaries	1	\$ 20,000		\$ 20,000
51		Total	2	\$ 30,348		\$ 30,348

**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	279	279
10-in		
1-in	1	1
1.5-in		
2-in		
3-in		
<b>Total</b>	<b>280</b>	<b>280</b>

**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	
	1

**SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR**

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	280		280			0	280	0
Parks			0				0	
Industrial/Commercial			0				0	
Other (specify) Fire			0					
Subtotal	280	0	280		0	0	280	0
Fire protection (Hydrants)			0					0
<b>Total</b>	<b>280</b>	<b>0</b>	<b>280</b>				<b>280</b>	<b>0</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"	10"			
Concrete			Cast Iron						-	
Earth			Welded steel				6,520		6,520	
Wood			Standard screw						-	
Steel	1	5,000	Cement-asbestos			3,000			3,000	
Other			Plastic		3,000		9,000		12,000	
			Other (specify)						-	
			Other (specify)						-	
			3/4" Gal Steel						-	
<b>Total</b>		<b>5,000</b>	<b>Total</b>		<b>3,000</b>	<b>3,000</b>	<b>15,520</b>	<b>0</b>	<b>21,520</b>	

**DECLARATION**

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

I, the undersigned (officer, partner or owner) of General Manager, Arnie Anderson (Name of utility), Rolling Green Utilities, Inc. 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, 2006, to and including December 31, 2006

*Arnie Peterson*  
 Signed  
 Owner  
 Title President  
 Date 5-15-07