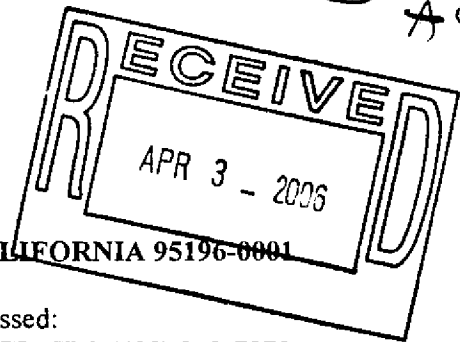


GENERAL INFORMATION



1. Name under which utility is doing business:
SAN JOSE WATER COMPANY
2. Official mailing address:
374 WEST SANTA CLARA STREET, SAN JOSE, CALIFORNIA 95196-0001
3. Name and title of person to whom correspondence should be addressed:
PALLE JENSEN, DIRECTOR OF REGULATORY AFFAIRS (408) 279-7970
4. Address where accounting records are maintained:
374 WEST SANTA CLARA STREET, SAN JOSE, CALIFORNIA 95196-0001
5. Service Area: (Refer to district reports if applicable)
PORTIONS OF CUPERTINO, SAN JOSE AND SANTA CLARA, AND IN CAMPBELL, LOS GATOS, MONTE SERENO, SARATOGA AND IN CONTIGUOUS TERRITORY IN THE COUNTY OF SANTA CLARA.
6. Service Manager (If located in or near Service Area). (Refer to district reports if applicable):
Name: **ROBERT DAY**
Address: **374 W. SANTA CLARA ST., SAN JOSE, CA 95196-001**
Telephone: **(408) 279-7922**
7. Ownership (Check and fill in appropriate line):

<input type="checkbox"/>	Individual	(Name of Owner)	
<input type="checkbox"/>	Partnership	(Name of Partner)	
<input type="checkbox"/>	Partnership	(Name of Partner)	
<input type="checkbox"/>	Partnership	(Name of Partner)	
<input checked="" type="checkbox"/>	Corporation	(Corporate Name)	SAN JOSE WATER COMPANY

Organized under the laws of (State): **CALIFORNIA**
Date: **October 24, 1931**
Principal Officers During 2005:

<u>Name</u>	<u>Title</u>
D. GIBSON	CHAIRMAN
W.R. ROTH	PRESIDENT & CHIEF EXECUTIVE OFFICER
R. J. BALOCCO	VICE PRESIDENT
G. J. BELHUMEUR	SENIOR VICE PRESIDENT
R. S. YOO	CHIEF OPERATING OFFICER
R. J. PARDINI	VICE PRESIDENT
A. YIP	SENIOR VICE PRESIDENT & CHIEF FINANCIAL OFFICER
D.R. DRYSDALE	VICE PRESIDENT
S. PAPAZIAN	CORPORATE SECRETARY
V. K. WONG	CONTROLLER
8. Names of associated companies:
SJW CORP.
SJW LAND COMPANY
9. Names of corporations, firms or individuals whose property have been acquired during the year, together with date of acquisition:
NONE
10. Use the space below for supplementary information or explanations concerning this report:

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

NAME OF UTILITY: San Jose Water Company

PREPARER OF THIS REPORT: PALLE JENSEN Phone: (408) 279-7970
 (Source: Information in 2003 ANNUAL REPORT)

BALANCE SHEET DATA	Jan. 1, 2005	Dec. 31, 2005	Annual Average	
1 Intangible Plant	1,040,137	1,040,137	1,040,137	1
2 Land	1,734,938	1,734,751	1,734,845	2
3 Depreciable Plant	604,063,880	627,047,821	615,555,851	3
4 Gross Plant In Service	606,838,955	629,822,709	618,330,833	4
5 Less: Accum. Depreciation	(187,156,928)	(206,551,237)	(196,854,082)	5
6 Net Water Plant In Service	419,682,027	423,271,472	421,476,751	6
7 Water Plant Held for Future Use	199,044	215,370	207,207	5
8 Construction Work In Progress	4,595,223	5,610,790	5,103,007	8
9 Materials and Supplies	441,672	448,205	444,939	9
10 Less: Advances for Construct.	(65,251,380)	(69,963,462)	(67,607,421)	10
11 Contrib. in Aid of Constr.	(78,654,998)	(84,271,056)	(81,463,027)	11
12 Accum. Deferred Inc. Tax Credits	(1,914,600)	(1,854,600)	(1,884,600)	12
13 Net Plant Investment	279,096,988	273,456,719	276,276,856	13
CAPITALIZATION				
14 Common Stock	6	6	6	14
15 Proprietary Capital (Ind. or Part)	0	0	0	15
16 Paid-in Capital	23,838,561	24,838,185	24,338,373	16
17 Retained Earnings	116,886,114	125,296,291	121,091,203	17
18 Common Equity (14 through 17)	140,724,681	150,134,482	145,429,582	18
19 Preferred Stock	0	0	0	19
20 Long-Term Debt	124,000,000	125,967,357	124,983,679	20
21 Notes Payable	0	0	0	21
22 Total Capitalization (Lines 18 thru 21)	264,724,681	276,101,839	270,413,260	22
INCOME STATEMENT			Annual Amount	
**23 Unmetered Water Revenue			188,611	23*
24 Fire Protection Revenue			1,954,665	24
25 Irrigation Revenue			0	25
**26 Metered Water Revenue			169,490,014	26*
27 Total Operating Revenue			171,633,290	27
28 Total Operating Expenses			105,935,538	28
29 Depreciation Expense (Composite Rate 3.33%)			18,606,686	29
*30 Amortization and Property Losses			16,339	30
31 Property Taxes			3,362,487	31
32 Taxes Other Than Income Taxes			1,995,258	32
33 Regulatory Adjustment			0	
34 Total Operating Rev. Deductions Before Taxes			129,916,309	33
35 Calif. Corp. Franchise Tax			2,987,000	34
36 Fed. Corporate Income Tax			11,813,892	35
37 Total Operating Revenue Deduction After Taxes			144,717,201	36
38 Net Operating Income/(Loss)(Calif. Water Operations)			26,916,089	37
39 Other Operating and Nonoper. Inc. & Exp. - Net (Exclude Interest Expense)			2,305,346	38
40 Income Available for Fixed Charges			29,221,435	39
41 Interest Expense			8,873,988	40
42 Net Income/(Loss) Before Dividends			20,347,447	41
43 Preferred Stock Dividends			0	42
44 Net Income (Loss) Available for Common Stock			20,347,447	43

OTHER DATA

45 Refunds of Advances for Construction	2,134,283	44
46 Total Payroll Charged to Operating Expenses	17,009,158	45
47 Purchased Water (Account No. 810)	43,321,331	46
48 Power (Acct. No. 815)	4,183,582	47

49 CLASS A WATER COMPANIES ONLY:

a. Pre - TRA 1986 Contributions in Aid of Construction	11,705,716	48a
b. Pre - TRA 1986 Advances for Construction	7,418,745	48b
c. Post- TRA 1986 Contributions in Aid of Construction	72,565,339	48c
d. Post- TRA 1986 Advances for Construction	62,544,717	48d

Active Serv. Connections(Excl. Fire Protect.)	Jan. 1	Dec. 31	Annual Average	
50 Metered Service Connections	213,308	214,864	214,086	49
51 Flat Rate Service Connections	2,930	3,059	2,995	50
* 52 Total Active Service Connections	216,238	217,923	217,081	51*

=====

*Must Be Completed by All Utilities in All Classes in Addition to Other Applicable Lines

** Indicate the following revenue:

Sales to Other Utilities for Resale	784,479
Interdepartmental Sales	0

Excess Capacity and Non-Tariffed Services

Based on the information and filings required in D.03-07-018, D.03-04-028 and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2004

Line No.	Description of Non-Tariffed Good/Service (s)	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Income Tax			Gross Value of Regulated Asset used on the provision of a Non-Tariffed Good/Service (by Account)	Regulated Asset Account Number
					Expense Account Number	Liability incurred because of Non-Tariffed Good/Service (by Account)	Income Tax Liability Account Number		
1	Billing Contract with City of San Jose	Active	\$292,955	528					
2	Billing Contract with the City of Mipitas	Active	\$39,476	528					
3	Telecom Leases Backflow Testing Service for South Bay Water Recycling Program	Passive	\$339,164	528					
4	City of Cupertino Water System Lease	Active	\$28,280	528					
5	Maintenance Services for City of San Jose Municipal Water System	Active	\$1,989,609	528					
6	Miscellaneous Services for City of San Jose Municipal Water System	Active	\$633,300	528					
7		Passive	\$529,902	528					
	Total		\$3,810,666						

Applies to all Non-Tariffed Goods/Services that require Approval by Advice Letter

1. Activities presented in A.03-05-035 and authorized in D.04-08-054

SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits

Line No.	Acct. No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
I UTILITY PLANT					
1	100	Utility plant	5	656,173,020	611,633,222
2	107	Utility plant adjustments			
3		Total utility plant		656,173,020	611,633,222
4	250	Reserve for depreciation of utility plant	9	206,235,319	186,857,349
5	251	Reserve for amortization of limited term utility investments	9	315,918	299,580
6	252	Reserve for amortization of utility plant acquisition adjustment			
8		Total utility plant reserves		206,551,236	187,156,929
9		Total utility plant less reserves		449,621,784	424,476,293
10					
11		II INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	6	393,438	1,821,878
13	253	Reserve for depreciation and amortization of other prop.	7		
14		Other physical property less reserve		393,438	1,821,878
15	111	Investments in associated companies	11		
16	112	Other investments	11	(523,770)	(195,907)
17	113	Sinking funds	11		
18	114	Miscellaneous special funds	11		
19		Total investments and fund accounts		(130,332)	1,625,971
20					
21		III CURRENT AND ACCRUED ASSETS			
22	120	Cash		4,690,327	1,465,602
23	121	Special deposits	12	146,024	0
24	122	Working funds		3,000	3,000
25	123	Temporary cash investments		1,000,700	0
26	124	Notes receivable	12	0	0
27	125	Accounts receivable		10,735,940	8,141,217
28	126	Receivables from associated companies	12	7,062,090	4,894,070
29	131	Materials and supplies		448,205	441,672
30	132	Prepayments - Def. Taxes	12	23,908,808	21,154,613
31	133	Other current and accrued assets	12	8,700,000	6,600,000
32		Total current and accrued assets		56,695,094	42,700,174
33					
34		IV DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	13	3,056,197	3,221,620
36	141	Extraordinary property losses	14	0	0
37	142	Preliminary survey and investigation charges		88,512	87,095
38	143	Clearing accounts		2	1
39	145	Other work in progress		1,002,073	918,060
40	146	Other deferred debits	14	18,175,216	14,147,290
41		Total deferred debits		22,322,000	18,374,066
42		Total assets and other debits		528,508,546	487,176,505
43					

COMPARATIVE BALANCE SHEETS

Liabilities and Other Credits

Line No.	Acct No.	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I CORPORATE CAPITAL AND SURPLUS			
2	200	Common capital stock	15	6	6
3	201	Preferred capital stock	15	0	0
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	15	0	0
6	150	Discount on capital stock	14	0	0
7	151	Capital stock expense	14	0	0
8	270	Capital surplus	16	24,838,185	23,838,561
9	271	Earned Surplus	16	125,296,291	116,886,114
10		Total corporate capital and surplus		150,134,482	140,724,681
17		III LONG-TERM DEBT			
18	210	Bonds	17	0	0
19	211	Receivers' certificates			
20	212	Advances from associated companies	17	0	0
21	213	Miscellaneous long-term debt	17	125,967,357	124,000,000
22		Total long-term debt		125,967,357	124,000,000
24		IV CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	18	39,424	0
26	221	Notes receivable discounted			
27	222	Accounts payable		4,683,622	479,380
28	223	Payables to associated companies	18	5,965,394	217,500
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		949,391	837,986
33	228	Taxes accrued	19	845,856	586,662
34	229	Interest accrued		3,577,983	3,578,950
35	230	Other current and accrued liabilities	18	22,746,545	18,687,224
36		Total current and accrued liabilities		38,808,215	24,387,702
38		V DEFERRED CREDITS			
39	240	Unamortized premium on debt	13		
40	241	Advances for construction	20	69,963,462	65,251,380
41	242	Other deferred credits	20	58,222,413	53,182,087
42		Total deferred credits		128,185,875	118,433,467
44		VI RESERVES			
45	254	Reserve for uncollectible accounts	20	160,000	130,000
46	255	Insurance reserve	20		
47	256	Injuries and damages reserve	20	542,905	442,322
48	257	Employees' provident reserve	20	438,656	403,335
49	258	Other reserves	20	0	0
		Total reserves		1,141,561	975,657
52		VII CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	21	84,271,056	78,654,998
54		Total liabilities and other credits		528,508,546	487,176,505

SCHEDULE B
Income Account for the Year

"4"

Line No.	Acct No.	Account (a)	Sched- ule Page No. (b)	Amount (c)
1		I UTILITY OPERATING INCOME		
2	501	Operating revenues	21-23	171,633,290
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	22-24	105,935,538
6	503	Depreciation	9	18,637,887
7	504	Amortization of limited-term utility investments	9	16,339
8	505	Amortization of unrecoverable prepaid Income tax and acquisition adjustment		(25,308)
9	506	Property losses chargeable to operations		
10	507	Taxes	25	19,805,746
11		Total operating revenue deductions		144,370,202
12		Net operating revenues		27,263,088
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		27,263,088
16				
17		II OTHER INCOME		
18	521	Income from nonutility operations (net)	27	
19	522	Revenues from lease of other physical prop.		
20	523	Dividend revenues		
21	524	Interest revenues		270,782
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	27	2,470,260
24	527	Nonoperating revenue deductions (Dr.)	27	0
25		Total other income		2,741,042
26		Gross income		30,004,130
27				
28		III INCOME DEDUCTIONS		
29	530	Interest on long-term debt		9,209,894
30	531	Amortization of debt discount and expense	13	166,673
31	532	Amortization of premium on debt-Cr.	13	0
32	533	Taxes assumed on interest		
33	534	Interest on debt to associated companies		0
34	535	Other interest charges	27	38,595
35	536	Interest charged to construction-Cr.		(335,907)
37	538	Miscellaneous income deductions	27	230,428
38		Total income deductions		9,309,683
39		Net income		20,694,447
40				
41		IV DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or Proprietary		
45		Accounts scheduled on page 16.		20,694,447
46				

(1) The depreciation balance differs from page 9 by \$740,084 due to transfers.

SCHEDULE A-1

Account No. 100-Utility Plant

"5"

Line No.	Acct No.	Account (A)	Balance	Plant	Plant	Other Debits or (Credits)	Balance
			Beginning of Year	Additions During Year	Retirements During Year		End of Year
1	100-1	Utility plant in service (Schedule A-1a)	607,438,977	45,845,834	2,204,032	(187,448)	650,893,331
2	100-2	Utility plant leased to others					
3	100-3	Construction work in progress	4,595,223	0	XXXXXXXX	1,015,567	5,610,790
4	100-4	Util. plant held for future use (Sch. A-1c)	199,044	16,326		0	215,370
5	100-5	Utility plant acquisition adjustments	(600,022)			53,550	(546,472)
6	100-6	Utility plant in process of reclassification			XXXXXXXX		
7		Total utility plant	611,633,223	45,862,160	2,204,032	881,669	656,173,020

SCHEDULE A-1a

Account No. 100-1-Utility Plant in Service

Line No.	Acct No.	Account (a)	Balance	Plant	Plant	Other Debits or (Credits)	Balance
			Beginning of Year	Additions During Year	Retirements During Year		End of Year
8		I. INTANGIBLE PLANT					
9	301	Organization	68,129				68,129
10	302	Franchises and consents (Schedule A-1b)	2,413				2,413
11	303	Other intangible plant	969,594	0	0	0	969,594
12		Total intangible plant	1,040,137	0	0	0	1,040,137
13		II. LANDED CAPITAL					
14	306	Land and land rights	1,734,938	(187)	0	0	1,734,751
15		III. SOURCE OF SUPPLY PLANT					
16	311	Structures and improvements	1,004,011	1,863	2,573		1,003,301
17	312	Collecting and impounding reservoirs	14,077,396	0	0		14,077,396
18	313	Lake, river and other intakes	3,437,897	66,578	108,386		3,396,089
19	314	Springs and tunnels					
20	315	Wells	3,243,308	0	0	0	3,243,308
21	316	Supply mains	6,762,922	1,687,013	30,746	0	8,419,189
22	317	Other source of supply plant	346,082	36,248	0	0	382,330
23		Total source of supply plant	28,871,616	1,791,702	141,705	0	30,521,613
24		IV. PUMPING PLANT					
25	321	Structures and improvements	6,246,080	771,866	(2,344)		7,020,290
26	322	Boiler plant equipment					
27	323	Other power production equipment					
28	324	Pumping equipment	24,993,324	2,166,127	154,301	0	27,005,150
29	325	Other pumping plant	5,055,455	586,778	4,483	0	5,637,750
30		Total pumping plant	36,294,859	3,524,771	156,440	0	39,663,190
31		V. WATER TREATMENT PLANT					
32	331	Structures and improvements	6,557,838	985,444	3,139	0	7,540,143
33	332	Water treatment equipment	19,404,034	740,841	252,898	0	19,891,977
34		Total water treatment plant	25,961,872	1,726,285	256,037	0	27,432,119
35		VI. TRANSMISSION AND DIST. PLANT					
36	341	Structures and improvements	8,038,726	235,159	9,967		8,263,918
37	342	Reservoirs and tanks	28,553,529	3,332,239	110,654		31,775,114
38	343	Transmission and distribution mains	303,790,154	19,607,205	240,955	0	323,156,404
39	344	Fire mains					
40	345	Services	87,196,245	6,928,457	64,735	0	94,059,967
41	346	Meters	15,081,193	615,758	325,690	0	15,371,261
42	347	Meter installations	5,530,725	148,232	954	0	5,678,003
43	348	Hydrants	30,292,478	2,980,126	88,048	(2,920)	33,181,636
44	349	Other transmission and distribution plant	11,143	1,031,189	0	0	1,042,332
45		Total transmission and distribution plant	478,494,194	34,878,365	841,003	(2,920)	512,528,636

SCHEDULE A-1a

75

Account No. 100-1-Utility Plant in Service-Concluded

Line No.	Acct. No.	Account	Balance Beginning of Year	Plant Additions During Year	Plant Retirements During Year	Other Debits or (Credits)	Balance End of Year
VII. GENERAL PLANT							
2	371	Structures and improvements	10,538,057	1,056,972	500	(184,528)	11,410,001
3	372	Office furniture and equipment	16,057,395	1,682,386	232,076	0	17,487,705
4	373	Transportation equipment	5,187,603	995,644	533,359	0	5,649,888
5	374	Stores equipment	116,976	4,054	0	0	121,030
6	375	Laboratory equipment					
7	376	Communication equipment	1,017,609	93,025	1,082	0	1,109,552
8	377	Power operated equipment	186,741	33,370	26,019	0	194,092
9	378	Tools, shop and garage equipment	1,562,537	71,329	15,811	0	1,618,055
10	379	Other general plant	371,806	8,118	0	0	379,924
11		Total general plant	35,038,724	3,924,898	808,847	(184,528)	37,970,247
VIII. UNDISTRIBUTED ITEMS							
13	390	Other tangible property					
14	391	Utility plant purchased					
15	392	Utility plant sold					
16		Total undistributed items					
17		Total utility plant in serv.	607,436,339	45,845,834	2,204,032	(187,448)	650,890,693

SCHEDULE A-1b

Account No. 302-Franchises and Consents

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Amount at Which Carried in Account (1) (e)
18	Santa Clara County	1952	50	1952	162
19	City of Saratoga	1957	perpetual	1957	383
20	City of Monte Sereno	1957	50	1957	967
21	City of Cupertino	1958	50	1958	902
22	TOTAL				2,414

(1) The total should agree with the balance at the end of the year in account No. 302 Schedule A-1a

SCHEDULE A-1c

Account No. 100-4 Utility Plant Held for Future Use

Line No.	Description and Location of Property	Date of Acquisition	Balance End of Year
23	Lot #310 Mckean	1993	215,370

SCHEDULE A-2

Account No. 110-Other Physical Property

Line No.	Name and Description of Property (a)	Book Value End of Year (b)	Line No.	Name and Description of Property (a)	Book Value End of Year (b)
28	Lot #221 Needles	28,106	44	Lot 279 Springfield	2,585
29	Lot #127 Spring	256	45	Lot 181 Doyle Tank	2,852
30	Lot #234 Rio Rinconada	3,769	46	Lot 218 McCoy	5,087
31	Lot #247 St. John	10,304	47	Lot 178 Silver Oak	551
32	Lot #248 18th St.	17,394	48	Lot 213 Via Deste	8,673
33	Lot #268 Metcalf	200	49	Lot 174 Story Rd.	1,867
34	Proprietary membership	38,000	50	Lot 173 Sterling	12,861
35	Lot #209A Bryan Ave	16,404	51	Lot 85R Cavanaugh	4,652
36	Lot #209B Almaden Rd.	15,584	52	Lot 47R Ryland	9,672
37	Lot #244 Lakewood Station	211	53	Lot 29 Los Gatos Watershed	1,700
38	Lot #150,143,3AB, Los Gatos Creek	51,466	54	Lot 51R Moody Gulch	4,793
39	Lot #61 Beardsley Gulch	555	55	Lot 274 S. 1st. Street, Campbell	11,201
40	Lot #34,35,88,91 Beckwith	4,877	56	Metal Storage Facility 1st Street Camp	130,240
41	Lot #8 Lexington	505	57	Lot 94 & 105 Beardsley Intake	3,473
42	Lot #277 David Avenue	2,585			
43	Lot #280 Merimac	3,015			
TOTAL					393,438

Rate Base

Line No.	Title of Account	Schedule Page No (b)	Balance End-of- Year (c)	Balance Beginning - of -Year (c)
1				
2				
3	Utility Plant			
4	Plant in Service	5	650,893,331	607,438,977
5	Construction Work in Progress	5	5,610,790	4,595,223
6	General Office Prorate			
7	Total Gross Plant (Line 4 + Line 5 +Line 6)		656,504,121	612,034,200
8				
9	Less Accumulated Depreciation and Amortization			
10	Plant in Service	9	206,235,319	186,857,349
11	Amortization	9	315,919	299,580
12	Total Accumulated Depreciation (Line 10 + Line 11)		206,551,238	187,156,929
13				
14	Less Other Reserves			
15	Deferred Income Taxes	20	52,956,000	48,228,500
16	less Prepaid Deferred Income Taxes	12	(22,388,265)	(19,637,547)
17	Deferred Investment Tax Credit	20	1,854,600	1,914,600
18	Other Reserves			
19	Total Other Reserves (Line 15 + 16 + 17)		32,422,335	30,505,553
20				
21	Less Adjustments			
22	Contributions in Aid of Construction	21	84,271,056	78,654,998
23	Advances for Construction	20	69,963,462	65,251,380
24	Other			
25	Total Adjustments (Line 22 + 23 + Line 24)		154,234,518	143,906,378
26				
27	Add Materials and Supplies	2	448,205	441,672
28				
29	Add Working Cash (From Schedule A-1d(2))		16,445,433	15,571,279
30				
31	TOTAL RATE BASE		280,189,668	266,478,292
32	=Line 7 - Line 12 - Line 19 - Line 25 + Line 27 + Line 29			
33				
34				
35				
36				
37				
38				
39				

Schedule A-1d (2)
Rate Base
Working Cash Calculation

"8"

Line No.	Title of Account	Schedule Page No (b)	Balance End-of- Year (c)	Balance Beginning - of -Year (c)
1	Working Cash			
2				
3	Determination of Operational Cash Requirments			
4	1. Operating Expenses, Excl Taxes, Pepre. & Uncoll.	24	105,935,538	102,258,390
5	2. Purchased Power, & Commodity for Resale *	22 & 23	64,847,903	66,593,990
6	3. Metered Revenues: Bimonthly Billing	1 or 21	169,490,014	156,254,018
7	4. Other Revenues: Flat Rate Monthly Billing & Other	1 or 21 & 22	2,143,276	1,696,484
8	5. Total Revenues (3+4)	22	171,633,290	157,950,502
9	6. Ratio - Flat Rate to Total Revenews (4/5)		0.01249	0.01074
10	7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$		21,794,305	21,075,015
11	8. $1/24 \times \text{Line 1} \times \text{Line 6}$		55,120	45,763
12	9. $1/12 \times \text{Line 2}$		5,403,992	5,549,499
13	10. Opeational Cash Requirement (7 + 8 -9)		16,445,433	15,571,279
14				
15				
16	* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).			
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				

SCHEDULE A-3

Accounts Nos. 250 to 253, Inclusive-Depreciation and Amortization Reserves

Line No.	Item (a)	Account 250	Account 251	Account 252	Account 253
		Utility Plant (b)	Limited-Term Utility Investments (c)	Utility Plant Acquisition Adjustments (d)	Other Property (e)
1	Balance in reserves at beginning of year	186,857,349	299,580		
2	Add: Credits to reserves during year				
3	(a) Charged to Account No.503(Footnote1)	21,791,887	16,339		
4	(b) Charged to Account No. 265	(2,203,917)			
5	(c) Charged to clearing accounts	0			
6	(d) Salvage recovered	131,948			
7	(e) All other credits(Footnote2)	0			
8	Total credits	19,719,918	16,339	0	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	0			
11	(b) Cost of removal	287,660			
12	(b) All other debits	54,288			
13	Total debits	341,948	0	0	0
14	Balance in reserve at end of year	206,235,319	315,919	0	0
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE 3.55%				
17					
18	(2) Charged to GIS				
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38	(3) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:				
39	(a) STRAIGHT LINE		()		
40	(b) Liberalized		()		
41	(1) Sum of year digits		()		
42	(2) Double declining balance		()		
43	(3) Other		()		
44	(c) Both straight line and				
45	liberalized		(x)		

SJW PowerPlant System

Set of Books Company	Depr Summary2 Depr Group	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
SEC									
San Jose Water Company									
110 - Other Physical Property									
1100 Other Physical Property									
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Depr Summ2 Subtotal:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
303 - Other Intangible Plant									
3030 Other Intangible (Depr) Plant									
		\$299,578.81	\$16,342.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$315,920.98
Depr Summ2 Subtotal:		\$299,578.81	\$16,342.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$315,920.98
311 - Structures & Improvements									
3111 SS S&I Roads									
		\$24,006.69	\$6,876.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,882.93
3112 SS S&I Frame Buildings									
		\$10,410.25	\$2,981.36	(\$165.31)	\$0.00	\$0.00	\$0.00	\$0.00	\$13,226.30
3113 SS S&I Misc & Yard									
		\$107,613.80	\$30,824.92	(\$2,407.59)	\$0.00	\$0.00	\$0.00	\$0.00	\$136,031.13
Depr Summ2 Subtotal:		\$142,030.74	\$40,682.52	(\$2,572.90)	\$0.00	\$0.00	\$0.00	\$0.00	\$180,140.36
312 - Collect & Impound Reservoirs									
3120 SS Collecting/Impound Res									
		\$2,360,905.37	\$141,969.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,502,874.77
Depr Summ2 Subtotal:		\$2,360,905.37	\$141,969.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,502,874.77
313 - Lake, River, & Other Intakes									
3130 SS Lake, River & Other Intake									
		\$221,707.30	\$121,083.92	(\$108,385.80)	\$0.00	\$0.00	\$0.00	\$0.00	\$234,405.42
Depr Summ2 Subtotal:		\$221,707.30	\$121,083.92	(\$108,385.80)	\$0.00	\$0.00	\$0.00	\$0.00	\$234,405.42
315 - Wells									
3150 SS Wells									
		\$3,154,542.03	\$110,611.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,265,153.07
Depr Summ2 Subtotal:		\$3,154,542.03	\$110,611.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,265,153.07
316 - Supply Mains									
3161 SS Mains C/DICL 8" & Over									
		\$100,460.25	\$24,776.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$125,236.25
3162 SS Mains C/DICL 4"									
		\$55.38	\$13.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$69.06
3163 SS Mains Steel 16" & Over									
		\$679,823.81	\$167,628.00	(\$30,746.13)	(\$53,214.12)	\$0.00	\$0.00	\$0.00	\$763,491.56
3164 SS Mains Steel 6" to 16"									
		\$185,267.39	\$45,704.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$230,971.55
3165 SS Mains Redwood Flume									
		\$4,955.65	\$1,222.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,178.01
3166 SS Mains Steel 2"									
		\$1,369.17	\$337.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,706.85
Depr Summ2 Subtotal:		\$971,931.65	\$239,681.88	(\$30,746.13)	(\$53,214.12)	\$0.00	\$0.00	\$0.00	\$1,127,653.28

Monthly Depreciation Reserve Activity

Starting Month: 01/2005
Ending Month: 12/2005

SJW PowerPlant System

Set of Books Company	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
Depr Summary2								
Depr Group								
SEC								
San Jose Water Company								
317 - Other Source of Supply Plant								
3170 Other Source of Supply Plant	\$17,758.24	\$3,486.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21,245.00
Depr Summ2 Subtotal:	\$17,758.24	\$3,486.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21,245.00
321 - Structures & Improvements								
3211 PP S&I Roads & Concrete Bldg.	\$679,083.12	\$61,313.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$740,396.68
3212 PP S&I Fiberglass	\$110,352.51	\$9,966.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$120,319.23
3213 PP S&I Steel Bldgs. & Fences	\$520,087.05	\$46,949.76	(\$2,433.31)	\$0.00	\$0.00	\$0.00	\$0.00	\$564,603.50
3214 PP S&I Frame & Bulkheads	\$268,972.71	\$24,283.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$293,256.47
3215 PP S&I Misc & Yard Impr.	\$1,851,521.75	\$167,180.60	\$4,777.31	(\$13.50)	\$0.00	\$0.00	\$0.00	\$2,023,466.16
Depr Summ2 Subtotal:	\$3,430,017.14	\$309,694.40	\$2,344.00	(\$13.50)	\$0.00	\$0.00	\$0.00	\$3,742,042.04
324 - Pumping Equipment								
3240 Pumping Plant Equipment	\$7,739,624.00	\$1,087,818.88	(\$154,300.49)	(\$15,080.38)	\$17,000.00	\$0.00	\$0.00	\$8,675,062.01
Depr Summ2 Subtotal:	\$7,739,624.00	\$1,087,818.88	(\$154,300.49)	(\$15,080.38)	\$17,000.00	\$0.00	\$0.00	\$8,675,062.01
325 - Other Pumping Plant								
3251 Misc. Pumping Plant	\$156,008.74	\$20,449.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$176,458.10
3254 Telemetry Other Pump Plant	\$2,347,324.56	\$307,838.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,655,163.40
325H Comp. Hardware Pump Plant	\$127,376.67	\$16,702.92	(\$1,285.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$142,794.59
325S Comp. Software Pump Plant	\$282,320.23	\$37,025.68	(\$3,198.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$316,147.91
Depr Summ2 Subtotal:	\$2,913,030.20	\$382,016.80	(\$4,483.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$3,290,564.00
331 - Structures & Improvements								
3311 WT S&I Filter Plant	\$479,864.31	\$196,912.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$676,776.99
3312 WT S&I Fences	\$21,116.67	\$8,662.48	(\$2,500.00)	(\$41,610.44)	\$0.00	\$0.00	\$0.00	(\$14,331.29)
3313 WT S&I Frame Buildings	\$61,462.66	\$25,215.48	(\$461.57)	\$0.00	\$0.00	\$0.00	\$0.00	\$86,216.57
3314 WT S&I Miscellaneous	\$154,414.70	\$63,351.12	(\$176.70)	\$0.00	\$0.00	\$0.00	\$0.00	\$217,589.12
Depr Summ2 Subtotal:	\$716,858.34	\$294,141.76	(\$3,138.27)	(\$41,610.44)	\$0.00	\$0.00	\$0.00	\$966,251.39
332 - Water Treatment Equipment								
3321 WT Equip Filter Plant	\$1,205,452.66	\$284,830.80	(\$29,741.30)	(\$124.84)	\$0.00	\$0.00	\$0.00	\$1,460,417.32
3322 WT Equip Purification Sys	\$3,292,203.01	\$777,592.72	(\$223,157.31)	(\$2,272.39)	\$0.00	\$0.00	\$0.00	\$3,844,366.03
Depr Summ2 Subtotal:	\$4,497,655.67	\$1,062,423.52	(\$252,898.61)	(\$2,397.23)	\$0.00	\$0.00	\$0.00	\$5,304,783.35

SJW PowerPlant System

Set of Books Company	Depr Summary2 Depr Group	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
SEC									
San Jose Water Company									
341 - Structures & Improvements									
	3411 TD S&I Roads	\$393,775.91	\$53,650.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$447,426.63
	3412 TD S&I Fences	\$190,601.50	\$25,960.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$216,562.18
	3413 TD S&I Frame Building	\$40,176.95	\$5,472.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45,649.07
	3414 TD S&I Misc. Yard Improve	\$2,388,099.73	\$325,223.12	(\$9,967.30)	(\$2,153.90)	\$0.00	\$0.00	\$0.00	\$2,701,201.65
	Depr Summ2 Subtotal:	\$3,012,654.09	\$410,306.64	(\$9,967.30)	(\$2,153.90)	\$0.00	\$0.00	\$0.00	\$3,410,839.53
342 - Reservoirs & Tanks									
	3421 TD Res&Tank Earth-Gunite Liner	\$2,255,753.05	\$260,426.80	(\$3,800.00)	(\$1,681.60)	\$0.00	\$0.00	\$0.00	\$2,510,698.25
	3422 TD Res&Tanks Concrete	\$411,938.34	\$47,556.84	(\$10,946.67)	(\$796.94)	\$0.00	\$0.00	\$0.00	\$447,751.57
	3423 TD Res&Tanks Steel	\$4,757,020.17	\$549,137.68	(\$95,906.76)	(\$72,331.20)	\$0.00	\$0.00	\$0.00	\$5,137,919.89
	3424 TD Res&Tanks Redwood	\$120,102.58	\$13,865.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$133,967.58
	Depr Summ2 Subtotal:	\$7,544,814.14	\$870,986.32	(\$110,653.43)	(\$74,809.74)	\$0.00	\$0.00	\$0.00	\$8,230,337.29
343 - Trans & Distr Mains									
	3431 TD Mains C/D/DICL 6" and over	\$42,759,964.01	\$3,514,187.76	(\$79,881.03)	(\$32,447.03)	\$0.00	\$0.00	\$0.00	\$46,161,823.71
	3432 TD Mains C/D/DICL 4" to 5"	\$973,600.95	\$80,098.88	(\$10,863.04)	(\$13,874.94)	\$0.00	\$0.00	\$0.00	\$1,028,961.85
	3433 TD Mains C/D/DICL under 4"	\$58,206.32	\$4,792.56	(\$0.06)	\$0.00	\$0.00	\$0.00	\$0.00	\$62,998.82
	3434 TD Mains Asbestos Cement	\$15,812,268.98	\$1,300,906.92	(\$15,842.85)	(\$12,233.75)	\$0.00	\$0.00	\$0.00	\$17,085,099.30
	3435 TD Mains All other 6" & over	\$39,970,943.43	\$3,287,516.76	(\$108,084.82)	(\$76,870.27)	\$0.00	\$0.00	\$0.00	\$43,073,505.10
	3436 TD Mains All other 4" to 5"	\$1,088,279.63	\$89,517.32	(\$17,730.84)	(\$10,713.85)	\$0.00	\$0.00	\$0.00	\$1,149,352.26
	3437 TD Mains All other under 4"	\$342,071.26	\$28,137.56	(\$8,553.14)	(\$3,608.76)	\$0.00	\$0.00	\$0.00	\$358,046.92
	Depr Summ2 Subtotal:	\$101,005,334.58	\$8,305,157.76	(\$240,955.78)	(\$149,748.60)	\$0.00	\$0.00	\$0.00	\$108,919,787.96
345 - Services									
	3451 Metered Services	\$16,357,955.19	\$3,696,888.28	(\$40,101.93)	\$76,986.77	\$0.00	\$0.00	\$0.00	\$20,091,728.31
	3452 Fire Services	\$2,946,050.03	\$665,764.36	(\$24,633.40)	(\$4,366.64)	\$0.00	\$0.00	\$0.00	\$3,582,814.35
	Depr Summ2 Subtotal:	\$19,304,005.22	\$4,362,652.64	(\$64,735.33)	\$72,620.13	\$0.00	\$0.00	\$0.00	\$23,674,542.66
346 - Meters									
	3460 Meters (Potable)	\$858,851.28	\$309,399.12	(\$325,690.07)	(\$1,117.15)	\$34,246.94	\$0.00	\$0.00	\$875,690.12
	Depr Summ2 Subtotal:	\$858,851.28	\$309,399.12	(\$325,690.07)	(\$1,117.15)	\$34,246.94	\$0.00	\$0.00	\$875,690.12

Monthly Depreciation Reserve Activity

Starting Month: 01/2
Ending Month: 12/2005

SJW PowerPlant System

Set of Books Company	Depr Summary2 Depr Group	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
SEC	San Jose Water Company								
	347 - Meter Installations	\$424,139.47	\$152,536.52	(\$953.82)	\$0.00	\$0.00	\$0.00	\$0.00	\$575,722.17
	3470 Meter Installations	\$424,139.47	\$152,536.52	(\$953.82)	\$0.00	\$0.00	\$0.00	\$0.00	\$575,722.17
	Depr Summ2 Subtotal:								
	348 - Hydrants								
	3480 Hydrants	\$12,364,706.85	\$1,279,212.00	(\$88,047.58)	(\$19,896.14)	\$0.00	\$0.00	\$0.00	\$13,535,975.13
	Depr Summ2 Subtotal:	\$12,364,706.85	\$1,279,212.00	(\$88,047.58)	(\$19,896.14)	\$0.00	\$0.00	\$0.00	\$13,535,975.13
	349 - Other T&D Plant								
	3490 Other T & D Plant	\$1,084.12	\$389.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,473.96
	Depr Summ2 Subtotal:	\$1,084.12	\$389.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,473.96
	371 - Structures & Improvements								
	3711 General S&I Concrete	\$615,221.02	\$77,936.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$693,157.50
	3712 General S&I Brick & Frame	\$282,056.19	\$35,753.32	(\$500.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$317,309.51
	3713 General S&I Chain Link Fence	\$1,201.36	\$152.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,353.88
	3714 General S&I Steel Buildings	\$349,708.54	\$44,320.12	\$0.00	\$0.00	\$0.00	(\$54,287.75)	\$0.00	\$339,740.91
	3715 General S&I Bulkheads	\$55,089.96	\$6,984.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$62,074.36
	3716 General S&I Misc. & Yard Impr	\$1,320,404.20	\$167,321.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,487,725.56
	3717 General S&I Plastic Buildings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Depr Summ2 Subtotal:	\$2,623,681.27	\$332,468.20	(\$500.00)	\$0.00	\$0.00	(\$54,287.75)	\$0.00	\$2,901,361.72
	372 - Office Furniture & Equipment								
	3722 Filing Cabinets	\$91,700.65	\$10,583.20	(\$551.09)	\$0.00	\$0.00	\$0.00	\$0.00	\$101,732.76
	3723 Office Furniture	\$398,132.93	\$45,924.48	(\$23,429.68)	\$50.00	\$0.00	\$0.00	\$0.00	\$420,677.73
	3724 Typewriters, etc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	3725 Electronic Equip & Misc	\$463,306.71	\$53,475.88	(\$34,607.37)	\$0.00	\$0.00	\$0.00	\$0.00	\$482,175.22
	372G GIS	\$1,500,337.10	\$173,222.68	(\$85,517.50)	\$0.00	\$0.00	\$0.00	\$0.00	\$1,588,042.28
	372H Computer Hardware General	\$5,763,721.66	\$665,280.68	(\$87,969.86)	\$0.00	\$190.00	\$0.00	\$0.00	\$6,341,222.48
	372S Computer Software General	\$2,373,434.01	\$273,919.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,647,353.61
	Depr Summ2 Subtotal:	\$10,590,633.06	\$1,222,406.52	(\$232,075.50)	\$50.00	\$190.00	\$0.00	\$0.00	\$11,581,204.08
	373 - Transportation Equipment								
	3730 Transportation Equipment	\$1,399,048.59	\$431,051.00	(\$281,308.20)	\$1,634.16	\$41,399.53	\$0.00	\$0.00	\$1,591,825.08

Monthly Depreciation Reserve Activity
 SJW PowerPlant System

Starting Month: 01/2
 Ending Month: 12/2005

Set of Books Company	Depr Summary2	Depr Group	Beginning Reserve	Provision	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Loss / (Gain)	Ending Reserve
SEC										
San Jose Water Company										
	373 - Transportation Equipment		\$299,015.86	\$92,137.08	(\$252,050.87)	(\$2,622.77)	\$39,461.08	\$0.00	\$0.00	\$175,940.38
	373A Automobiles (Cars only)		\$1,698,064.45	\$523,188.08	(\$533,359.07)	(\$988.61)	\$80,860.61	\$0.00	\$0.00	\$1,767,765.46
	Depr Summ2 Subtotal:									
	374 - Stores Equipment		\$39,015.47	\$4,033.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43,049.35
	3740 Stores Equipment		\$39,015.47	\$4,033.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43,049.35
	Depr Summ2 Subtotal:									
	376 - Communication Equipment		\$555,965.14	\$82,644.24	(\$1,082.50)	\$0.00	\$0.00	\$0.00	\$0.00	\$637,526.88
	3760 Communication Equipment		\$555,965.14	\$82,644.24	(\$1,082.50)	\$0.00	\$0.00	\$0.00	\$0.00	\$637,526.88
	Depr Summ2 Subtotal:									
	377 - Power Operated Equipment		\$80,236.32	\$10,892.28	(\$26,019.37)	\$700.00	(\$350.00)	\$0.00	\$0.00	\$85,459.23
	3770 Power Operated Equipment		\$80,236.32	\$10,892.28	(\$26,019.37)	\$700.00	(\$350.00)	\$0.00	\$0.00	\$85,459.23
	Depr Summ2 Subtotal:									
	378 - Tools, Shop, & Garage Equip		\$302,082.42	\$63,846.72	(\$12,873.97)	\$0.00	\$0.00	\$0.00	\$0.00	\$353,055.17
	3781 Field Tools		\$302,082.42	\$63,846.72	(\$12,873.97)	\$0.00	\$0.00	\$0.00	\$0.00	\$353,055.17
	3782 Miscellaneous Tools		\$208,425.41	\$44,053.88	(\$2,937.14)	\$0.00	\$0.00	\$0.00	\$0.00	\$249,542.15
	Depr Summ2 Subtotal:		\$510,507.83	\$107,900.60	(\$15,811.11)	\$0.00	\$0.00	\$0.00	\$0.00	\$602,597.32
	379 - Other General Plant		\$75,837.71	\$23,469.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99,306.75
	3790 Other General Plant		\$75,837.71	\$23,469.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99,306.75
	Depr Summ2 Subtotal:		\$75,837.71	\$23,469.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99,306.75
Other Water Company										
	1021 Util Plant Acq Adj		(\$249,560.20)	(\$31,200.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$280,760.20)
	1021.02 Util Plant Reg Adj		(\$83,468.03)	(\$22,143.08)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$105,611.11)
	Depr Summ2 Subtotal:		(\$333,028.23)	(\$53,343.08)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$386,371.31)
	Company Subtotal:		\$186,822,142.26	\$21,754,253.65	(\$2,204,032.06)	(\$287,659.68)	\$131,947.55	(\$54,287.75)	\$0.00	\$206,162,363.97
	Grand Total:		\$186,822,142.26	\$21,754,253.65	(\$2,204,032.06)	(\$287,659.68)	\$131,947.55	(\$54,287.75)	\$0.00	\$206,162,363.97

SCHEDULE A-4

"11"

Account No. 111-Investments in Associated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	End of Year (c)	End of (d)	Interest (e)	During Year (f)	During Year (g)
1		NONE					
7					Totals		

1. The total should agree with the balance at the end of the year in Account No. 111 on page 2

SCHEDULE A-5

Account No. 112-Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
8	Investment in Cupertino Water System Lease	
16	Total	(523,770)

SCHEDULE A-6

Account No. 113-Sinking Funds

Additions During Year						
Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Principal (c)	Income (d)	Deductions During Year (e)	Balance End of Year (f)
17		NONE				
24						
25					Totals	

SCHEDULE A-7

Account No. 114-Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Principal (c)	Income (d)	Deductions During Year (e)
26					
32		NONE			
33					Totals

SCHEDULE A-8
Account No. 121-Special Deposits

"12"

Name of Depository	Purpose of Deposit	Balance End of Year
	NONE	0
Total		0

SCHEDULE A-9
Account No. 124-Notes Receivable

Maker (a)	Date of Issue (b)	Date Payable (c)	Balance End of Year (d)	Interest Rate (e)	Interest Accrued During Year (f)
NONE					0

SCHEDULE A-10
Account No. 126-Receivables from Associated Companies

Due from Whom (a)	Amount (b)	Interest Rate	Interest Accrued During Year (d)	Interest Received During Year (e)
SJW Land Co.	1,055,256	N/A	N/A	N/A
SJW Corp	6,006,834	N/A	N/A	N/A
Total	7,062,090	N/A	N/A	N/A

SCHEDULE A-11
Account No. 132-Prepayments - Def. Taxes

Item (a)	Amount (b)
Insurance	998,283
Rent	491,260
Taxes	22,388,265
Misc	31,000
Total	23,908,808

SCHEDULE A-12
Account No. 133-Other Current and Accrued Assets

Item (a)	Amount (b)
Unbilled Revenue	8,700,000
Total	8,700,000

SCHEDULE A-13

"13"

Accounts Nos. 140 and 240-Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense of premium applicable to each class and series of long-term debt.
 2. Show premium amounts in red or by enclosure in parentheses.
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
 4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
 5. Furnish particulars regarding the treatment of un-amortized debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Com-mission's authorization of treatment other than as specified by the Uniform System of Accounts.
 6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.
 7. Explain any debits and credits other than amortiza-tion debited to Account 531, Amortization of Debt Dis-count and Expense, or credited to Account 532, Amortiza-tion of Premium on Debt-Credit.

Line No.	Designation of long-term debt (a)	Principal amount of securities to which discount and expense, or premium minus expense, relates (b)	Total discount and expense or net Premium (c)	AMORTIZATION PERIOD				Debits during year (g)	Credits during year (h)		Balance end of year (i)
				From- (d)	To- (e)	Balance beginning of year (f)	Amortization		Other		
1	Senior Notes Series A	20,000,000	276,589	08-31-92	07-01-22	162,245		9,271		152,974	
2	B	30,000,000	484,576	11-01-83	01-01-24	2,500,414		131,597		2,368,818	
3	C	10,000,000	197,409	11-01-83	11-01-20	115,796		7,311		108,485	
4	D	15,000,000	184,617	01-01-86	01-01-28	129,232		6,153		123,079	
5	E	8,000,000	111,224	12-01-98	12-01-28	88,102	155	4,321	0	83,936	
6	F	20,000,000	100,294	09-24-01	09-01-31	90,289	0	3,386		86,903	
7	G	20,000,000	92,280	09-02-03	09-01-33	135,540	1,095	3,997	22,060	110,578	
8	SRF	2,006,782	0	06-01-05	05-01-25	0	22,060	637	0	21,423	
		125,006,782	1,446,988			3,221,619	1,250	186,673	22,060	3,056,196	

SCHEDULE A-14
Account 141-Extraordinary Property Losses

"14"

WRITTEN OFF DURING YEAR						
Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	Account Charged (d)	Amount (e)	Balance End of year (f)
1	NONE					
8	Total					

SCHEDULE A-15

Account No. 146-Other Deferred Debits

Line No.	Item (a)	Balance End of year (b)
9	Congress Springs Trade Mark	3,859
10	Regulatory Asset PBOP	0
11	Regulatory Asset - Income Taxes	12,891,000
12	Regulatory Asset - Asset Retirement Obligation	1,219,640
13	Intangible Pension Asset	3,953,462
14	Other Deferred Charges Related To Nonutility Property	103,518
15	Finance Charges	3,737
	Total	18,175,216

SCHEDULE A-16

Account 150-Discount on Capital Stock

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class of series of stock, attach a statement giving particulars of the change. State the reason for any charge-off during the year and specify the amount charged.

Line No.	Item (a)	Balance End of year (b)
16	NONE	
24	Total	

SCHEDULE A-17

Account 151 Capital Stock Expense

1. Report the balance at end of year of capital stock expense for each class and series of capital stock.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance End of year (b)
25	NONE	
34	Total	

SCHEDULE A-18
Accounts Nos. 200 and 201-Capital Stock

"15"

Line No.	Class of Stock (a)	Number of Shares Authorized by Articles of Incorporation (b)	Par Value of Stock Authorized by Articles of Incorporation (c)	Number of Shares Outstanding ¹ (d)	Total Par Value ² Outstanding End of Year (e)
1	Common Stock	3,000,000	6.25	1	6.25
12	Totals	3,000,000	6.25	1	6.25

1. After deduction for amount of reacquired stock held by or for the respondent.
2. If shares of stock have no par value, show value assigned to stock outstanding.

SCHEDULE A-18a
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number Shares (b)	PREFERRED STOCK Name (c)	Number Shares (d)
13	SJW Corp.	1		
36	Total number of shares	1	Total no. of shares	

SCHEDULE A-19
Account 203-Premiums and Assessments on Capital Stock

Line No.	Class of Stock (a)	Balance End of Yr (b)
37		0
38		
39		
40		
41	NONE	0
43		
Total		0

SCHEDULE A-20
Account No. 270-Capital Surplus (For use by Corporations only)

"16"

	Item (a)	Amount (b)
Balance beginning of year		23,838,561
CREDITS(Give nature of each credit and state account charged)		
		0
DEBITS(Give nature of each debit and state account credited)		
Stock-based compensation SJW Corp.		999,624
	Total debit	999,624
Balance end of year		24,838,185

SCHEDULE A-21
Account No.271-Earned Surplus (For use by Corporations only)

Acct. No.	Account (a)		Amount (b)
	Balance beginning of year		116,886,115
CREDITS			
400	Credit balance transferred from income account		20,694,447
401	Miscellaneous credits to surplus		0
		Total credit	0 20,694,447
DEBITS			
410	Debit balance transferred from income account		
411	Dividend appropriations-preferred stock		0
412	Dividend appropriations-Common stock		0
413	Miscellaneous reservations of surplus (Dividend to SJW Corp.)		10,000,000
414	Miscellaneous debits to surplus (Additional Pension Liability)		2,284,271
		Total debits	12,284,271
	Balance end of year		125,296,291

SCHEDULE A-28
Account No. 220-Notes Payable

Line No.	In Favor of (a)	Date of Issue (b)	Date of Maturity (c)	Balance End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest Paid During Year (g)
1	SDWSRF	Current Portion		39,424	2.39%	0	0
2							0
3							0
4							0
5							0
6							0
7							0
8	TOTALS			39,424		0	0

SCHEDULE A-29
Account No. 223-Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
9	None		N/A	N/A	N/A
10			N/A	N/A	N/A
11			N/A	N/A	N/A
12	Totals				

SCHEDULE A-30
Account No. 230-Other Current and Accrued Liabilities

Line No.	Description (a)	Balance End of Year (c)
14	Salaries & Wages	1,905,068
15	Pump Taxes	1,457,337
16	Audit & Legal Fees	784,463
17	Purchased Water	2,454,854
18	Utilities user tax City of San Jose	468,984
19	Cost Order advance payments	485,706
20	Unidentified customer overpayments	659
21	Other current and accrued liabilities	99,580
22	Power accrual	548,402
23	P.U.C. surcharge	655,799
24	Retirement Plan Employer	13,885,693
25	Due to Ratepayers	0
26	Total	22,746,545

1. This schedule is intended to give particulars of the combined prepaid and accrued tax accounts and to show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the material on which the tax was levied was charged.

2. Taxes, paid during the year and charged direct to final accounts, that is, not charged to prepaid or accrued taxes, should be included in the schedule. Enter the amounts both in columns (d) and (e). The balancing of the schedule is not affected by the inclusion of these taxes.

3. Taxes charged during the year, column (d), include taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to prepaid taxes for proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. If any tax covers more than 1 year, the required information of all columns should be show separately for each year

5. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.

6. See schedule entitled "TAXES CHARGED DURING YEAR," page 23, for a distribution of taxes charged, column (d) according to utility departments and accounts.

7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

BALANCE BEGINNING OF YEAR

BALANCE END OF YEAR

Line No.	Kind of Tax (See instructions)	BALANCE BEGINNING OF YEAR		Taxes		Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)	Charged During Year (d)	Taxes Accrued (Account 228) (g)			Prepaid Taxes (Incl. in Acct. 132) (h)	
1	Taxes on real and personal property	4,271	0	3,362,487	3,299,536	21,293	45,929	0	
2	State corporation franchise tax	(81,844)		2,987,000	3,735,000	(741,889)	(87,955)		
3	State unemployment insurance tax	812		50,909	50,760	(15,578)	16,539		
4	Other state and local taxes	426,618	20,383	487,344	448,745		465,217	20,383	
5	Federal unemployment insurance tax	309		26,320	19,337		7,292		
6	Fed. ins. constr. act (old age retire.)	50,904		1,662,775	1,634,598		79,081		
7	Other federal taxes	0							
8	Federal income taxes (1)	185,592		11,813,892	12,378,500	(698,769)	319,753		
9									
10									
11									
12									
13	Total	586,662	20,383	20,390,727	21,566,476	(1,434,943)	845,856	20,383	

(1) Fed. Adjustment due to refund balance at year end reclassified to a receivable.

SCHEDULE A-32
Account No. 241-Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		65,251,380
2	Additions during year		13,782,627
3	Subtotal-Beginning balance plus additions during year		79,034,007
4	Charges during year:		
6	Percentage of revenue basis	295,308	
7	40-Year Contract	1,838,975	
	Special facilities	0	
8	Other	0	
9	Total refunds		2,134,283
10	Transfers:		
	Contributions in aid of construction	6,827,661	
	Reserve for depreciation - salvage	108,601	
	Construction work in progress		
13	Total transfers		6,936,262
16	Balance end of year		69,963,462

SCHEDULE A-33
Account No. 242-Other Deferred Credits

Line No.	(a)	Balance End of Year (b)
26	Deferred Income Tax	52,956,000
27	Investment Tax Credit	1,854,600
28	Deferred Revenue	1,272,578
29	Regulatory Liability - Income Taxes	1,074,000
30	Deferred Compensation	334,595
31	Regulatory Liability - Asset Retirement Obligation	730,640
	Total	58,222,413

SCHEDULE A-34
Accounts Nos. 254 to 258, Inclusive-Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	Nature of Items (c)	DEBITS		CREDIT		Balance End of Year (g)
				Amount (d)	Account Charged (e)	Amount (f)		
34	254	130,000	Bad debt write off	280,920	775	271,829		
35					125	39,091	160,000	
36	256	442,321	Inj. & damage	89,140	794	189,724	542,905	
38	257	403,335	Post Retir. Contr.	165,132	795	200,453	438,656	
39	258	0		0	131	0		
40				0	103	0	0	
41	Totals	975,656		535,192		701,097	1,141,561	

SCHEDULE A-35

"21"

Account No. 265-Contributions in Aid of Construction

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954 (c)	Non-Depreciable (d)	Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
1	Balance beginning of year	78,654,998	78,636,340	18,658		
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXX XX	XXXXXXX XX
3	Contributions received during year	7,886,851	7,886,851			
4	Other credits*					
5	Total credits	7,886,851	7,886,851	0		
6	Deduct: Debits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXX XX	XXXXXXX XX
7	Depreciation charges for year	2,270,793	2,270,793	XXXXXX XX	XXXXX XX	XXXXXXX XX
8	Nondepreciable donated property retired		XXXXXX XX		XXXXX XX	XXXXXXX XX
9	Other debits*					
10	Total debits	2,270,793	2,270,793	0		
11	Balance end of year	84,271,056	84,252,398	18,658		

*Indicate nature of these items and show the accounts affected by the contra entries.

SCHEDULE B-1

Account No. 501-Operating Revenues

Line No.	Acct. No.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Brackets) (d)
18	601	1. WATER SERVICE REVENUES			
19		Metered sales to general customers			
20	601.1	Commercial sales	158,371,889	145,255,837	13,116,052
21	601.2	Industrial sales	676,047	646,536	29,511
22	601.3	Sales to public authorities	8,635,306	8,541,780	93,526
23		Sub-total	167,683,242	154,444,153	13,239,089
24	602	Unmetered sales to general customers			0
25	602.1	Commercial sales			0
26	602.2	Industrial sales			0
27	602.3	Sales to public authorities			0
28		Sub-total	0	0	0
29	603	Sales to irrigation customers			0
30	603.1	Metered sales			0
31	603.2	Unmetered sales			0
32		Sub-total	0	0	0
33	604	Private fire protection service	1,954,665	1,514,939	439,726
34	605	Public fire protection service	0	0	0
35	606	Sales to other water utilities - resale	784,479	607,947	176,532
36	607	Sales to governmental agencies by contracts			0
37	608	Interdepartmental sales			0
38	609	Other sales or service	1,022,293	1,201,918	(179,625)
39		Sub-total	3,761,437	3,324,804	436,633
40		Total water service revenues	171,444,679	157,768,957	13,675,722

SCHEDULE B-1
Account No. 501-Operating Revenues-Concluded

Line No.	Acct. No.	ACCOUNT (a)	Amount		Net Changes During Year Show Decrease in (brackets) (d)
			Current Year (b)	Preceding Year (c)	
		FWD FROM PAGE 19	171,444,679	157,768,957	13,675,722
1		II. OTHER WATER REVENUES			
2	611	Miscellaneous service revenues	181,190	172,350	8,840
3	612	Rent from water property	25	191	(166)
4	613	Interdepartmental rents			
5	614	Other water revenues	7,396	9,004	(1,608)
6		Total other water revenues	188,611	181,545	7,066
7	501	Total operating revenues	171,633,290	157,950,502	13,682,788

SCHEDULE B-1a
Operating Revenues Apportioned to Cities and Towns

Line No.	Location (a)	Operating Revenues (b)
8	Operations not within incorporated cities (1)	21,249,314
19	Operations within incorporated territory	
20	City or town of San Jose	112,426,347
21	City or town of Campbell	9,831,441
22	City or town of Cupertino	6,641,478
23	City or town of Los Gatos	10,063,822
24	City or town of Monte Sereno	1,074,385
25	City or town of Saratoga	10,346,503
35		
36	Total	171,633,290

1. Should be segregated to operating districts.

SCHEDULE B-2
Account No. 502-Operating Expenses-Class A, B, and C Water Utilities
Respondent should use the group of accounts applicable to its class

Line No.	Acct. No.	Account (a)	Class A B C	Amount		Net Change During Year Show Decrease in (Brackets) (d)
				Current Year (b)	Preceding Year (c)	
33		I. SOURCE OF SUPPLY EXPENSE				
34		Operation				
35	701	Operation supervision and engineering	A B	137,709	104,402	33,307
36	701	Operation supervision, labor and expenses	C	0	0	
37	702	Operation labor and expenses	A B	294,103	274,143	19,960
38	703	Miscellaneous expenses	A	534,104	367,359	166,745
39	704	Purchased water	A B C	43,321,331	39,488,085	3,833,246

SCHEDULE B-2

"23"

Account No. 502-Operating Expenses-Class A, B, and C Water Utilities (Continued)

Line No.	Acct. No.	Account (a)	Class A B C	Amount	Amount	Net Change
				Current Year (b)	Preceding Year (c)	During Year Show Dec. (.) (d)
2	706	Maintenance supervision and engineering	A B	8,344	2,536	5,808
3	706	Maintenance of structures and facilities	C	0		
4	707	Maintenance of structures and improvements	A B	223,582	160,220	63,362
5	708	Maintenance of collect and impound reservoirs	A	39,208	45,516	(6,308)
6	708	Maintenance of source of supply facilities	B			
7	709	Maintenance of lake, river and other intakes	A	26,772	23,127	3,645
8	710	Maintenance of springs and tunnels	A	0	0	0
9	711	Maintenance of wells	A	93,926	74,406	19,520
10	712	Maintenance of supply mains	A	3,082	6,148	(3,066)
11	713	Maintenance of other source of supply plant	A B	0	0	0
12		Total source of supply expense		44,682,163	40,545,942	4,136,221
13		II. PUMPING EXPENSES				
14		Operation				
15	721	Operation supervision and engineering	A B	163,497	146,967	16,530
16	721	Operation supervision labor and expenses	C	0		
17	722	Power production labor and expenses	A			
18	722	Power production labor, expenses and fuel	B			
19	723	Fuel for power production	A			
20	724	Pumping labor and expenses	A B	580,757	476,270	104,487
21	725	Miscellaneous expenses	A	871,847	818,372	53,475
22	726	Fuel or power purchases for pumping	A B C	4,183,582	5,354,832	(1,171,250)
23	727	Pump taxes		17,342,990	21,751,073	(4,408,083)
24	729	Maintenance supervision and engineering	A B	68,596	71,063	(2,467)
25	729	Maintenance of structures and equipment	C	0	0	
26	730	Maintenance of structures and improvements	A B	118,641	28,941	89,700
27	731	Maintenance of power production equipment	A B	0	0	
28	732	Maintenance of pumping equipment	A B	511,170	471,530	39,640
29	733	Maintenance of other pumping plant	A B	11,009	4,417	6,592
30		Total pumping expenses		23,852,088	29,123,465	(5,271,377)
31		III. WATER TREATMENT EXPENSES				
32		Operation				
33	741	Operation supervision and engineering	A B	351,579	352,360	(781)
34	741	Operation supervision, labor and expenses	C			
35	742	Operation labor and expenses	A	673,278	571,906	101,372
36	743	Miscellaneous expenses	A B	491,516	305,397	186,119
37	744	Chemical and filtering materials Maintenance	A B	227,957	184,053	43,904
38	745	Water quality regulatory costs	A B	280,200	59,347	220,853
39	746	Maintenance supervision and engineering	A B	3,577	1,946	1,631
40	746	Maintenance of structures and equipment	C			
41	747	Maintenance of structures and improvements	A B	33,336	11,727	21,609
42	748	Maintenance of water treatment equipment	A B	285,787	174,114	111,673
43		Total water treatment expenses		2,347,230	1,660,850	686,380
44		IV. TRANS. AND DISTRIB. EXPENSES				
45		Operation				
46	751	Operation supervision and engineering	A B	396,256	387,071	9,185
47	751	Operation supervision, labor and expenses	C			
48	752	Storage facilities expenses	A	24,128	36,758	(12,630)
49	752	Operation labor and expenses	B			
50	753	Transmission and distribution lines expenses	A	479,298	495,891	(16,593)
51	754	Meter expenses	A	44,386	40,901	3,485
52	755	Customer installations expenses	A	0	0	0
53	756	Miscellaneous expenses	A	2,422,236	2,160,182	262,054

Line No.	Acct. No.	Account (a)	Class			Amount Current Yr. (b)	Amount Preceding Yr. (c)	Net Change During Year Show Decrease in (Brackets) (d)
			A	B	C			
1		Maintenance						
2	758	Maintenance supervision and engineering	A	B	489,098	456,068	33,030	
3	758	Maintenance of structures and plant						
4	759	Maintenance of structures and improvements	A	B	258,674	190,466	68,208	
5	760	Maintenance of reservoirs and tanks	A	B	230,002	55,393	174,609	
6	761	Maintenance of trans. and distribution mains	A		2,276,774	1,926,224	350,550	
7	761	Maintenance of mains		B				
8	762	Maintenance of fire mains	A					
9	763	Maintenance of services	A		730,319	656,118	74,201	
10	763	Maintenance of other trans. and distribution plant		B				
11	764	Maintenance of meters	A		481,025	521,147	(40,122)	
12	765	Maintenance of hydrants	A		525,206	680,585	(155,379)	
13	766	Maintenance of miscellaneous plant	A		2,751,488	2,705,793	45,695	
14		Total transmission and distribution expenses			11,108,888	10,312,597	796,291	
15		V. CUSTOMER ACCOUNT EXPENSES						
16		Operation						
17	771	Supervision	A	B	252,100	248,358	3,742	
18	771	Superv., meter read., other customer acct. expense		C				
19	772	Meter reading expenses	A	B	1,127,748	1,086,691	41,057	
20	773	Customer records and collection expenses	A		2,858,742	2,713,761	144,981	
21	773	Customer records and accounts expenses		B				
22	774	Miscellaneous customer accounts expenses	A		285,608	260,448	25,160	
23	775	Uncollectible accounts	A	B	271,829	227,442	44,387	
24		Total customer account expenses			4,796,027	4,536,700	259,327	
25		VI. SALES EXPENSES						
26		Total sales expenses			NONE	NONE	NONE	
34		VII. ADMIN. AND GENERAL EXPENSES						
35		OPERATION						
36	791	Administrative and general salaries	A	B	4,002,692	3,721,523	281,169	
37	792	Office supplies and other expenses	A	B	875,320	714,247	161,073	
38	793	Property insurance	A		0	0	0	
39	793	Property insurance, injuries and damages		B				
40	794	Injuries and damages	A		2,232,851	1,799,517	433,334	
41	795	Employees' pensions and benefits	A	B	9,467,985	7,719,495	1,748,490	
42	796	Franchise requirements	A	B				
43	797	Regulatory commission expenses	A	B	2,362,664	2,218,753	143,911	
44	798	Outside services employed	A		1,478,010	1,209,829	268,181	
45	798	Miscellaneous other general expenses		B				
46	798	Miscellaneous other general operation expenses		C				
47	799	Miscellaneous general expenses	A		1,445,255	1,021,305	423,950	
48		Maintenance						
49	805	Maintenance of general plant	A	B	422,841	471,330	(48,489)	
50		Total administrative and general expenses			22,287,618	18,875,999	3,411,619	
51		VIII. MISCELLANEOUS						
52	811	Rents	A	B	485,687	444,658	41,029	
53	812	Administrative expenses transferred-Cr.	A	B	(3,624,162)	(3,241,821)	(382,341)	
54	813	Duplicate charges-Cr.	A	B				
55		Total miscellaneous			(3,138,475)	(2,797,163)	(341,312)	
56		Total operating expenses			105,935,538	102,258,390	3,677,148	

SCHEDULE B-3
Account 506-Property Losses Chargeable to Operations

Line No.	Description (a)	Amount
1	NONE	
13		
Total		

SCHEDULE B-4
Account 507-Taxes Charged During Year

1. This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.

2. Do not include gasoline and other sales taxes which have been charged to accounts to which the material on which the tax was levied was charged. If the actual or estimated amounts of such taxes are known, they should be shown as a footnote and designated whether estimated or actual amounts.

3. The accounts to which taxes charged were distributed should be shown in columns (c) to (f). Show both the utility department and number of account charged except for taxes capitalized.

4. For any tax which it was necessary to apportion to more than one utility department or account, state in a footnote the basis of apportioning such tax.

5. The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 17.

6. Do not include in this schedule entries with respect to deferred income taxes, or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)				Capitalized (Omit Account) (f)
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account 143) (e)		
14	Taxes on real and personal property	3,363,680	3,299,536	62,951			1,194
15	State corp. franchise tax	2,987,000	2,987,000				
16	State unemployment insurance tax						
17	Other state and local taxes	487,344	487,344				
18	Federal unemployment insurance tax						
19	Federal insurance contributions act						
20	Other federal taxes	0	0				
21	Federal income tax (1)	11,461,000	11,461,000				
22	SUI, FUI & FICA	1,755,583	1,507,915		(101,144)		348,812
23							
24							
25							
26							
27	Totals	20,054,607	19,742,795	62,951	(101,144)		350,006

Reconciliation of Reported Net Income With Taxable Income for Federal Taxes

1. Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net in-

come as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

3. Show taxable year if other than calendar year from----to----

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4.....	20,694,447
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional deductions and non-taxable income):	
4	Add:	
5	Federal Income Tax	12,146,000
6	Recoveries of Uncollectible Accounts written off	39,091
7	Regulatory liability - Ratebase writedown and related revenue adjustment	0
8	Provision for doubtful accounts	271,829
9	Dues	126,254
10	Non-deductible retirement expenses	5,710,386
11	California Franchise Tax current year, per books	3,202,000
12	Non-deductible meals, entertainment & travel	50,281
13	Taxable contributions & advances	2,482,909
14	Amortization of debt reacquisition cost and nonrecoverable taxes	127,548
15	Book Tax Depreciation in Excess of Federal	2,708,592
16	Uninsured losses paid	143,998
17	Retirement Proceeds	17,107
18	Executive Deferred Compensation Accrual	307,332
19	Deduct:	
20	Non-Cash Deductible Contributions	179,050
21	Bad Debts written off	280,920
22	Contribution to Pension Plan & Pension Payments	3,683,021
23	California Franchise Tax prior year	2,434,516
24	Loss on dispositions (ACRS/MACRS property)	387,441
25	Imputed Interest on post 6/12/96 contracts	513,915
26	Def. revenue	289,900
27	Inventory Gain	(1,841,320)
27	Amortization of lease concession fee	181,336
28	Cost of retirement	126,516
29	Federal tax net income.....	<u>41,792,479</u>
30	Computation of tax:	
31	Tax at 35%	14,627,369
32		
33		
34	Tax per return (1)	<u>14,627,369</u>

Group members included in consolidated Federal tax return:

Name	2005 Tax
SJW Corp. (1)	(357,456)
SJW Land Co. (1)	413,416

Tax allocated to each group member based on separate company taxable income.

(1) Estimate only - tax returns are on extension and not yet completed.

SCHEDULE B-6
Account 521-Income from Nonutility Operations

"27"

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1				
2				
3				
9	Totals			

SCHEDULE B-7
Account 526-Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
10	Lease SJW Land Co. telecommunication	235,825
11	Amort. Def. Rev. for CIAC 1987-2000	289,900
12	Billing Service for City of San Jose "Recycle Plus" program	104,543
13	Billing Service for Marin County and City of Milpitas	21,847
14	Backflow Prevention Service for SBWR	12,475
15	Lease Cupertino Water System	623,645
16	Gain on sale of property	1,091,320
17	Maintenance Contract for City of San Jose	82,630
17	Miscellaneous	8,075
	Total	2,470,260

SCHEDULE B-8
Account 527-Nonoperating Revenue Deductions (Dr.)

Line No.	Description (a)	Amount (b)
19	NONE	0
20		
25		

SCHEDULE B-9
Account 535-Other Interest Charges

Line No.	Description (a)	Amount (b)
27	Line of credit interest	0
28	Inter-company interest income	21,725
29	Interest on customer deposits	16,870
30	Unclaimed Property	0
	Total	38,595

SCHEDULE B-10
Account 538-Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
34	See attached	230,428
35		0
36		0
37		
42	Total	230,428

Name of Organization	Total
Almaden Valley Counseling Srvc	1,000
Alquist, E State Senator	1,500
American Cancer Society	100
American Diabetes Assc	1,000
American Ground Water Trust	5,000
American Heart Assc	3,000
American Musical Theatre	173
ASU Benefit Golf Tournament	500
Ballet San Jose	410
Big Brothers/Big Sisters	2,500
Building Trades Council	125
Campbell Historical Museum	840
Children's Discovery Museum	50,000
Cohn, Rebecca State Senate	500
Compac/820668	3,200
Cupertino Library Foundation	2,000
Dr Martin L King Library	5,000
Girl Scouts of SCC	2,500
Gonzalez, R-Mayor	500
Guadalupe River Park & Gardens	320
IISME	2,500
Innvision	500
J Beall for Assembly	500
Joint Venture Silicon Valley	2,500
Junior Achievement	1,500
K Yeager-Souny Supvr	500
L Figueroa-Lt Gov	2,000
L Lezotte-Supervisor	500
Lakeside School Community	1,000
Larry Stone-Assessor	250
Latino Journal	1,000
Lieberman for Assembly 2006	1,000
M Nguyen-City Council	250
Maldonado, Abel-Assembly	1,000
Monta Vista HS Aqualics	2,500
Newspapers in Education	1,000
Pyle, Nancy - City Council	250
Rebuild Together S.V.(Xmas in Apr)	10,300
Rotary Endowment, fines, etc.	2,310
Ruskin Democrat for Assembly	1,500
San Jose Conservation Corp.	2,500
San Jose Emergency Response Team	2,000
San Jose Family Shelter	5,000
San Jose Museum of Art	2,500
San Jose Repertory Theater	2,500
San Jose Sports Authority	3,700
San Jose/Silicon Valley NAACP	1,500
Santa Clara County FireSafe Council	2,500
Santa Clara Family Health Foundation	750
Santa Clara University	200
Santa Visits Alviso Foundation	500
Silicon Valley Leadership Group	1,675
Simitian for State Senate	1,000
SJ Silicon Valley CofC - 501(c)(6)	15,000
SJPOA Foundation	500
SJSU Athletics/Spartan Foundation	600
SJSU College of Engineering	1,100
SJSU Foundation MTI	500
SJWC Employees Community Fund Inc.	10,000
Stroke Awareness Foundation	1,700
The Commonwealth Club	250
Torrico, Alberto for Assembly	2,000
United Way of Santa Clara County	40,000
Valle Monte League	1,000
Villa Montalvo	4,775
Walden West School Foundation	2,500
Water for People	1,500
Westly 2008	1,000
YMCA (Southwest)	1,000
YWCA	7,650

Grand Total

230,428

SCHEDULE C-1
Engineering and Management Fees and Expenses, etc., During Year

		Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership or person covering supervision and/or management of any department of the respondents affairs such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.
Line No.		
1	1	Did the respondent have a contract or other agreement with any organization or person
2		covering supervision and/or management of its own affairs during the year?
3		Answer (Yes or No) NO
4	2	Name of each organization or person that was a party to such a contract or agreement.
5		
6	3	Date of original contract or agreement.
7	4	Date of each supplement or agreement.
8		Note: File with report a copy of every contract, agreement, supplement or amendment mentioned above
9		unless a copy of the instrument in due form has been furnished in which case a definite reference to the report
10		of the respondent relative to which it was furnished will suffice.
11	5	Amount of compensation paid during the year for supervision or management
12		To whom paid
13	7	Nature of payment (salary, traveling expenses, etc.)
14	8	Amounts paid for each class of service
15		
16	9	Base for determination of such amounts
17		
18	10	Distribution of payments:
19		(a) Charged to operating expenses
20		(b) Charged to capital accounts
21		(c) Charged to other accounts
22		Total
23	11	Distribution of charges to operating expenses by primary accounts.
24		Number and Title of Account
25		
26		
27		
28		Total
29	12	What relationship, if any, exists between respondent and supervisory and/or
30		managing concerns?

SCHEDULE C-3
 Employees and Their Compensation
 (Charged to Account 502-Operating Expenses-Schedule B-2)

"29"

Line No.	Classification (a)	Number at End of Year (b)	Total Salaries and Wages Paid During Year (c)
1	Employees-Source of supply	5	647,871
2	Employees-Pumping	24	1,161,336
3	Employees-Water treatment	16	1,164,448
4	Employees-Transmission and distribution	129	7,038,311
5	Employees-Customer account	51	3,377,988
6	Employees-Sales		
7	Employees-Administrative:		
8	General officers	9	1,364,188
9	General office	23	2,255,016
10	Totals	257	17,009,158

SCHEDULE C-4
 Record of Accidents During Year

Line No.	Date of Accident (a)	TO PERSONS					Date of Accident	TO PROPERTY			
		Employees on Duty		Public 1		Total Number (f)		Company		Other Number (i)	Amount (j)
		Killed (b)	Injured (c)	Killed (d)	Injured (e)			Number (g)	Amount (h)		
11	01-03	0	1	0	0	1	2/3	1	\$773.83	0	
12	01-13	0	1	0	0	1	2/25	1	\$568.71	0	
13	02-05	0	1	0	0	1	3/29	1	\$1,085.52	0	
14	02-07	0	1	0	0	1	4/7	1	\$6,297.99	1	\$2,500.00
15	02-10	0	1	0	0	1	4/13	1	\$681.26	0	
16	02-11	0	1	0	0	1	4/27	1	\$1,084.24	0	
17	02-18	0	1	0	0	1	5/1	1	\$1,162.63	0	
18	03-04	0	1	0	0	1	5/23	1	\$804.50	0	
19	03-10	0	1	0	0	1	5/23	1		0	
20	03-17	0	1	0	0	1	6/14	1		0	
21	03-23	0	1	0	0	1	6/15	1	\$1,012.05	0	
22	03-28	0	1	0	0	1	6/21	1		1	\$402.90
23	04-04	0	1	0	0	1	7/12	1		1	\$592.82
24	04-29	0	1	0	0	1	7/15	1	\$56.74	0	
25	05-31	0	2	0	0	2	7/25	1	\$768.95	0	
26	06-06	0	1	0	0	1	7/28	1	\$897.66	0	
27	06-07	0	1	0	0	1	8/16	1	\$250.00	0	
28	07-01	0	1	0	0	1	8/17	1	\$1,093.87	0	
29	07-25	0	1	0	0	1	8/29	1		0	
30	07-26	0	1	0	0	1	10/3	1		0	
31	08-03	0	1	0	0	1	10/11	1	\$10,102.06	0	
32	08-05	0	1	0	0	1	10/11	1		0	
33	08-09	0	1	0	0	1	11/1	1	\$231.53	0	
34	08-12	0	1	0	0	1	12/15	1	\$1,722.69	0	
35	08-24	0	1	0	0	1					
36	08-31	0	2	0	0	2					
37	09-06	0	2	0	0	2					
38	09-07	0	1	0	0	1					

39	09-26	0	1	0	0	1			
40	10-28	0	1	0	0	1			
41	10-30	0	1	0	0	1			
42	11-14	0	1	0	0	1			
43	12-1	0	1	0	0	1			
44	12-2	0	1	0	0	1			
45	12-23	0	1	0	0	1			
Totals		38	0	0	38	24	28,594	3	3,496

1. Accidents to employees not on duty should be included in "Public" accidents.

SCHEDULE C-5

46 NONE

SCHEDULE C-6

47 NONE

SCHEDULE C-7

Bonuses Paid to Executives & Officers

STI

Cash Value

48	Balocco	Vice President	\$5,000
49	Belheumer	Senior Vice President	\$15,000
50	Drysdale	Vice President	\$5,000
51	Pardini	Vice President	\$5,000
52	Roth	President & CEO	\$125,000
53	Wong	Controller	\$12,000
54	Yip	Senior Vice President & CFO	\$20,000
55	Yoo	Chief Operating Officer	\$20,000

1. STI Short Term Cash Incentive Award

SCHEDULE D-1
Sources of Supply and Water Developed

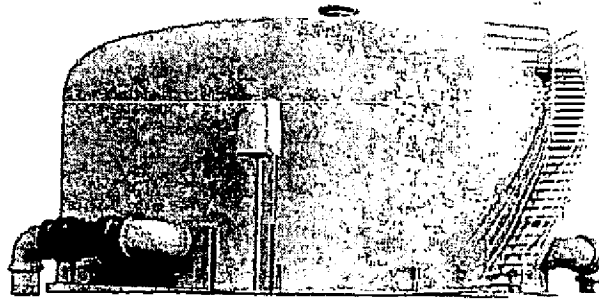
"30"

		STREAMS		FLOW IN M. G.			Annual Quantities
Line No.	Diverted Into*	From Stream or Creek (name)	Location of Diversion Point	Priority Right		diversions	Diverted M. G.
				Claim	Capacity		
1	Almaden Pipe	Alamito	Almaden Intake				0.000
2	Saratoga Filter	Saratoga	Congress Springs				339.462
3	Montevina	Los Gatos	Ryland Intake				4,598.800
4							
5						Total Gravity Supply	4,938.262

WELLS							Annual Quantities
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	Pumping 1 Depth to Capacity	Water	Pumped M. G.
6	Bascom	San Jose					292.396
7	Berryessa	San Jose					0.591
8	Branham	San Jose					0.000
9	Breeding	San Jose					97.550
10	Bryan	San Jose					0.000
11	Buena Vista	San Jose					1,617.999
12	Cottage Grove	San Jose					403.367
13	Cropley	San Jose					0.000
14	David	San Jose					0.000
15	Delmas	San Jose					2.205
16	Gish	San Jose					0.046
17	Grant	San Jose					678.278
18	Home	San Jose					153.697
19	Jackson	San Jose					0.055
20	Mabury	San Jose					0.000
21	Main Station	San Jose					505.345
22	Malone	San Jose					751.710
23	Meridian	San Jose					396.760
24	Merrimac	San Jose					0.000
25	Needles	San Jose					2.551
26	Ridgeley	San Jose					0.000
27	Senter	San Jose					509.046
28	Seventeen St.	San Jose					846.104
29	Springfield	San Jose					0.000
30	San Tomas	San Jose					0.000
31	Sterling	San Jose					0.000
32	3- Mile	San Jose					510.635
33	Twelve St.	San Jose					2,525.623
34	Tully	San Jose					1,323.870
35	Virginia	San Jose					33.114
36	Williams	San Jose					1,616.210
37	Willow Glen Wy.	San Jose					1,366.260
					Totals Wells		13,633.412

38 Water Purchased from Santa Clara Valley Water District 28,153.476

STORAGE FACILITIES



DEFINITIONS

Impound - Stores runoff water in a water-storage basin created by a dam in a valley. Not roofed.

Distribution - Roofed basin or tank for storage and distribution of potable water.

Collection - Roofed basin or tank for storage and distribution of potable water from wells.

Pressure Tank - Used to sustain a given pressure in a zone so the booster can shut down when demands are low, not used for storage.

STORAGE FACILITIES

a. Impound

<u>Site</u>	<u>Facility</u>	<u>Capacity (gals.)</u>
Lake Cozzens	Earth-filled dam	50,160,000
Lake Elsmar	Earth-filled dam	2,005,000,000
Lake Kittredge	Earth-filled dam	79,600,000
Lake McKenzie	Earth-filled dam	70,000,000
Lake Williams	Concrete dam	51,173,000
	Total	<u>2,255,933,000</u>

NOTE: Total Distribution Storage – 247,725,000 Gal.

Total Number of Distribution Reservoirs -	<u>Basins</u>	<u>Tanks</u>	<u>Total</u>
	24	67	<u>91</u>

b. Pressure Tanks*

<u>Storage Site</u>	<u>Capacity (gals.)</u>
Batista	2,500
Bear Creek	110.5
Central Avenue	80
Chablis	2,000
Glenview	132
Kyburtz	119
Montevina	9,500
Montgomery Highlands	119
Perie	500
San Ramon	10,000
Santa Rosa	165
Tybalt	1,000
Varner Ct.	1,000
	<u>27,225.5</u>

Not included in storage capacity totals.

All Storage Facilities (in alphabetical order)

Note: () = year installed
R = Replaced
P = Purchased

CODE (CD)
I-Impounding
D-Distribution
C-Collection
PT-Pressure Tank

<u>Storage Site</u>		<u>#</u>	<u>Type Facility</u>	<u>CD</u>	<u>Capacity Gal.</u>	<u>Total Capacity Gal. (Per Storage Site)</u>
Alamitos	(8/57)	#2	Redwood	D	97,000	196,000
	(10/63)	#3	Steel, bolted	D	99,000	
Almaden Valley	(12/65)		Earth, concrete-lined	D	8,896,000	8,896,000
Alum Rock	(1927)	#1	Steel	D	290,000	1,792,000
	(4/61)	#2	Steel	D	1,502,000	
Aztec Ridge	(R 2002)		Steel, bolted	D	157,000	157,000
Batista	(2004)		Steel, welded	D	1,800,000	1,800,000
	(2004)		Pressure Tank	PT	N/A	
Bascom	(1927)		Concrete	C	42,000	42,000
Bear Creek	(1973)		Pressure tank	PT	N/A	N/A
Beckwith	(R 1985)		Steel, bolted	D	77,000	77,000
Belgatos	(1/57)	#1	Earth, asphalt-plank-lined	D	4,715,000	9,485,000
	(1/57)	#2	Earth, asphalt-plank-lined			
Big Basin	(R 1998)	#1	Steel, bolted	D	404,000	888,000
	(10/49)	#2	Steel	D	484,000	
Branham	(1960)		Redwood	C	96,000	96,000
Breeding	(5/68)		Steel, bolted	C	81,000	81,000
Buena Vista	(1940)	#1	Steel	C	193,000	274,000
	(1964)	#2	Steel	C	81,000	
Cahalan	(6/72)		Steel	D	9,193,000	9,193,000
Cambrian	(1890)	#1	Earth, gunite-lined	D	3,904,000	16,050,000
	(1921)	#2	Earth, gunite-lined	D	12,146,000	
Canyon View	(1974)	#1	Steel, bolted	D	42,000	42,000
Central	(R 1994)		Pressure tank	PT	N/A	N/A
Chablis	(12/67)		Pressure tank	PT	N/A	N/A
Cheim	(1984)		Steel	D	2,500,000	2,500,000
Clayton	(10/72)		Steel	D	494,000	494,000
Columbine	(5/63)		Earth, concrete-lined	D	19,568,000	19,568,000
Cottage Grove	(R 7/89)		Steel, bolted	C	65,000	65,000
Cox	(3/55)	#1	Earth, concrete-lined	D	5,280,000	20,587,000
	(3/55)	#2	Earth, concrete-lined			
	(12/61)	#3	Earth, concrete-lined			

<u>Storage Site</u>	<u>#</u>	<u>Type Facility</u>	<u>CD</u>	<u>Capacity Gal.</u>	<u>Total Capacity Gal. (Per Storage Site)</u>
Cristo Rey	(leased)	Steel	D	2,000,000	2,000,000
Cropley	(1963)	Steel, bolted	C	81,000	81,000
Crothers	(1980)	Steel	D	420,000	420,000
Cypress	(R 1998)	Steel, bolted	D	154,000	154,000
Dow	(R 2003) #1	Steel, welded	D	15,430,000	31,762,000
	(8/70) #2	Steel	D	16,332,000	
Dutard Heights	(R 1992)	Steel	D	259,000	259,000
Dutard	(2/59)	Earth, asphalt-plank-lined	D	5,223,000	5,223,000
Elwood	(7/63) #1	Steel	D	1,036,000	1,036,000
Fleming	(1927) #2	Earth, gunite-lined	D	2,675,000	6,837,000
	(7/51) #3	Steel	D	1,002,000	
	(10/63) #4	Earth, concrete-lined	D	3,160,000	
Fleury	(6/63)	Steel	C	42,000	42,000
Franciscan	(12/67)	Fabritank	D	1,018,000	1,018,000
Glenview	(1998)	Steel, welded	D	190,000	190,000
	(1998)	Pressure tank	PT	N/A	
Graystone	(P 1985)	Concrete block	D	22,000	22,000
Greenridge	(7/51) #1	Steel	D	1,003,000	2,254,000
	(4/61) #2	Steel	D	1,251,000	
Harwood Court	(1980)	Steel	D	500,000	500,000
Hickerson	(4/53) #1	Steel	D	1,000,000	2,013,000
	(9/58) #2	Steel	D	1,013,000	
High	(9/64)	Steel, bolted	D	100,000	100,000
Koch	(7/62)	Redwood	C	96,000	96,000
Kyburtz	(1997)	Pressure tank	PT	N/A	N/A
Lake Cozzens		Earth-filled dam	I	50,160,000	50,160,000
Lake Elsman		Earth-filled dam	I	2,005,000,000	2,005,000,000
Lake Kittredge		Earth-filled dam	I	79,600,000	79,618,000
	(R 1989) #1	Steel	D	10,000	
	(8/59) #2	Redwood	D	5,000	
	(1/64) #3	Redwood	D	3,000	
Lake McKenzie		Earth-filled dam	I	70,000,000	70,000,000
Lake Williams		Concrete dam	I	51,173,000	51,173,000
Lumbertown	(R 1994)	Steel, bolted	D	249,000	249,000
Mabury	(11/65)	Steel, bolted	C	81,000	81,000
Main Station	(1918) #1	Concrete	C	62,000	62,000
Mann	(leased)	Steel	C	187,000	187,000
Malone	(1960)	Redwood	C	55,000	55,000
Mercedes	(leased) #1	Steel	D	2,000,000	4,000,000
	(leased) #2	Steel	D	2,000,000	

<u>Storage Site</u>		<u>#</u>	<u>Type Facility</u>	<u>CD</u>	<u>Capacity Gal.</u>	<u>Total Capacity Gal. (Per Storage Site)</u>
Meridian	(R 1992)		Steel	C	141,000	141,000
Miguelito	(1927)	#1	Earth, gunite-lined	D	1,769,000	
	(7/52)	#2	Steel	D	68,000	
	(12/62)	#3	Earth, concrete-lined	D	2,012,000	3,849,000
Mireval	(9/64)		Steel, bolted	D	81,000	81,000
Montego	(8/70)		Steel	D	497,000	497,000
Montevina	(1898)	#1	Earth, synthetic-rubber-lined	D	2,584,000	
	(9/64)	#3	Steel	D	6,973,000	
	(1981)	#5	Pressure tank	PT	N/A	9,557,000
Montgomery Highlands	(R 2003)		Steel, welded	D	160,000	160,000
More	(12/63)	#1	Earth, concrete-lined	D	11,787,000	
	(6/65)	#2	Earth, concrete-lined	D	11,668,000	23,455,000
Mountain Springs	(1896)		Earth, gunite-lined	D	4,040,000	4,040,000
Northwood, Lower	(12/64)		Steel	D	990,000	990,000
Northwood, Upper	(7/65)	#1	Steel	D	1,498,000	
	(10/70)	#2	Steel	D	1,498,000	2,996,000
Overlook	(1918)	#1	Concrete	D	713,000	
	(12/63)	#2	Steel	D	1,020,000	1,733,000
Perie	(P 1980)		Steel	D	500,000	
	(P 1980)		Pressure tank	PT	N/A	500,000
Phillips	(9/60)		Steel	D	477,000	477,000
Picea	(1984)		Steel	D	250,000	250,000
Pike	(1982)		Steel	D	175,000	175,000
Pleasant Vista	(R 1990)	#1	Steel	D	207,000	207,000
Prospect	(1/62)		Prestressed concrete	D	4,072,000	4,072,000
Rainbows End	(leased)		Redwood	D	30,000	30,000
Ravinia	(3/99)		Steel, bolted	D	115,000	115,000
Redhill	(R 1990)	#1	Steel	D	120,000	
	(R 1998)	#2	Steel, bolted	D	123,000	243,000
Regnart	(8/59)	#1	Earth, gunite-lined	D	10,625,000	
	(2/62)	#2	Earth, gunite-lined	D	10,263,000	20,888,000
Regnart Canyon	(R 1995)		Steel, bolted	D	158,000	158,000
Regnart Heights	(P 1994)		Steel	D	140,000	140,000
Ridgeley	(1963)		Earth, gunite-lined	C	22,000	22,000
Rosemar	(P 1991)		Redwood	C	350	350
San Ramon	(12/67)		Pressure Tank	PT	N/A	N/A
Santa Rosa	(1980)		Steel	D	298,000	
	(1991)		Pressure Tank	PT	N/A	298,000

<u>Storage Site</u>	<u>#</u>	<u>Type Facility</u>	<u>CD</u>	<u>Capacity Gal.</u>	<u>Total Capacity Gal. (Per Storage Site)</u>
Saratoga Hills	(7/31) #1	Concrete	D	995,000	2,064,000
	(8/60) #2	Steel	D	1,069,000	
Scenic Vista Res.	(R 1995)	Steel, bolted	D	172,000	172,000
Seven Mile	(1871) #1	Earth, gunite-lined	D	5,620,000	11,500,000
	(3/59) #2	Earth, gunite-lined	D	5,880,000	
Seventeenth St.	(1911)	Concrete	C	226,000	226,000
Sweigert	(9/90)	Steel	D	205,000	205,000
Three Mile	(R 1997)	Steel, welded	C	140,000	140,000
Tully	(R 1993)	Steel, bolted	C	168,000	168,000
Twelfth Street	(1988)	Steel, bolted	C	207,000	207,000
Tybalt	(P 1990)	Steel	D	150,000	150,000
		Pressure Tank	PT	N/A	
Varner Ct.	(P 1995)	Pressure Tank	PT	N/A	N/A
Via Campagna	(1997)	Steel, bolted	D	450,000	450,000
Vickery	(12/61)	Earth, asphalt-plank-lined	D	7,672,000	7,672,000
		Steel, bolted	D	172,000	172,000
View Oaks	(R 1996)	Earth, gunite-lined	C	55,000	55,000
Webb Canyon	(12/67)	Steel	D	499,000	499,000
Williams	(R 1993) #2	Steel, bolted	C	132,000	332,000
	(R 1994) #3	Steel, bolted	C	200,000	
Willow Glen	(R 1990)	Steel	C	107,000	107,000
Wooded View	(R 1991) #1	Steel	D	150,000	150,000

d. Storage Totals

	<u>Number</u>	<u>Capacity</u>
Impounding Storage (I)	5	2,255,933,000 Gal.
Distribution Storage (D)	91	247,725,000 Gal.
Collection Storage (C)	24	2,560,350 Gal.
Pressure Tank (PT)	13	N/A
Total	<u>133</u>	<u>2,506,218,350 Gal.</u>

SCHEDULE D-3

DESCRIPTION OF TRANSMISSION AND DISTRIBUTION FACILITIES

B. FOOTAGE OF PIPE BY INSIDE DIAMETER IN INCHES - NOT INCLUDING SERVICE PIPING

31"

	3/4"	1"	1-1/4"	1-1/2"	2"	2-1/2"	3"	3-1/2"	4"	4-1/2"	5"	6"	6-3/8"
Welded Steel													
Std. Screw	372	2,262	105	1,521	140,503	544	5,146	3,297	134,210	17,220	2,555	572,827	2,487,089
Cast Iron				4,692	1,962		17,779		473,579		22,707	23,112	
Copper		748										1,727,735	
Transite							1,563		179,750			1,192,428	
Concrete													
Plastic					1,357		1,000		137,409			9,486	
Polyethylene					1,771								
Polybutyl					266								
Total	372	3,010	105	1,521	150,551	544	30,820	3,297	932,353	17,220	25,262	3,525,386	2,487,089

	7"	8"	8-5/8"	10"	10-3/4"	11"	12"	12-3/4"	13"	14"	15-3/10"	16"	17"
Welded Steel													
Std. Screw	1,864	114,013	667,076	25,344	180,944	489	149,784	638,055	135	5,729	566	104,471	52,339
Cast Iron	154	2,884	287	8,076	152		4,185					7,205	
Copper		789,292		342,481			480,888					139,768	
Transite				126,927			192,785					56,955	
Concrete				120			2,062						
Plastic		7,401		1,078			545						
Total	2,018	1,335,018	667,363	506,026	181,096	489	830,227	638,055	135	5,729	566	308,389	52,339

SCHEDULE D-4
Number of Active Service Connections

Classification	Metered-Dec.31		Flat Rate-Dec.31	
	Prior Year	Current Year	Prior Year	Current Year
	Commercial (including Res. and Bus.)	211,277	212,843	
Industrial	67	62		
Public authorities	1,677	1,677		
Irrigation	0	0		
Other water utility	30	30		
Misc.	257	252		
Sub-total	213,308	214,864		
Private fire connections			2,930	3,059
Public fire hydrants				
Total	213,308	214,864	2,930	3,059

SCHEDULE D-5

Number of Meters and Services on Pipe Systems at End of Year

Size	Meters	Size	Services
5/8 & 3/4-in	172,228	1/2-in installati	704
1-in	29,266	3/4-in "	118,534
1-1/2-in	5,187	1-in s	43,232
2-in	7,807	1-in sp	21,384
3-in	876	1-1/4in S	951
3 1/2-in	20	" Sp	1,377
4-in	319	1-1/2in S	5,362
6-in	92	" Sp	1,230
8-in	28	2-in S	6,239
Kennedy Mutual	32	2-in Sp	78
Little Creek	46	Misc Svcs & S	376
8-in Manifold	7	3-in S	157
10-in Meter	8	2x2 manf=3"	852
Santa Teresa	1	4-in S	1,268
Reclaimed water 1"	2	6-in S	1,425
Reclaimed water 3"	9	8-in S	920
Reclaimed water 4"	21	10-in S	136
Reclaimed water 6"	1	12-in S	13
Reclaimed water 8"	3	18-in S	1
Reclaimed water 10"	1	Manifolds	1,753
		Regulators	33
		Graystone Hts	24
Total	215,954		206,049

SCHEDULE D-6

Meter Testing Data

A. Number of Meters Tested During Year as Prescribed	
1. New, after being received	342
2. Used, before repair	287
3. Used, after repair	4,226
4. Found fast, requiring billing adjmt.	0
B. Number of Meters in Service Since Last Test.	
1. Ten year or less	111,795
2. More than 10, but less than 15 yrs.	57,634
3. More than 15 years	46,852

SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in KCCF

"33"

During Current Year							
Classification of Service	Jan	Feb	Mar	Apr	May	June	Subtotal
Commercial	3,515	3,051	2,954	2,906	3,479	4,191	20,096
Industrial	13	20	18	19	20	26	116
Public authorities	89	79	96	143	221	370	998
Irrigation	0	0	0	0	0	0	0
Other water utilities	16	14	12	12	27	30	111
Misc. (1)	16	12	13	27	39	78	185
Total	3,649	3,176	3,093	3,107	3,786	4,695	21,506

During Current Year										
Classification of Service	Jul	Aug	Sept	Oct	Nov	Dec	Subtotal	Total	Total Prior Year	
Commercial	5,437	6,213	6,964	6,060	5,544	4,411	34,629	54,725	57,495	
Industrial	19	30	23	28	22	21	143	259	280	
Public authorities	494	578	448	384	233	131	2,268	3,266	3,621	
Irrigation	0	0	0	0	0	0	0	0	0	
Other water utilities	39	44	38	32	28	19	200	311	334	
Misc. (1)	104	94	85	71	47	11	412	597	727	
Total	6,093	6,959	7,558	6,575	5,874	4,593	37,652	59,158	62,457	
Total population served							990,000	Estimated		

(1) Includes recycled water

SCHEDULE E-1
Balancing and Memorandum Accounts

Line No.	Description (a)	Authorized by Decision or Resolution No. (b)	Beginning of Year Balance (c)	Offset Revenues (d)	Offset Expenses (e)	Interest (f)	Surcharge (g)	Surcredit (h)	End of Year Balance (i)
1	Balancing Account	AL345	\$114,132	\$0	\$0	\$3,901	0	0	\$118,033
2	Balancing Account	AL346	\$275,648	\$0	\$0	\$9,421	0	0	\$285,069
3	Balancing Account	AL 353	(\$760,077)	\$0	\$0	(\$25,980)	0	0	(\$786,057)
4									
5	<u>Memorandum Account</u>								
6	Purchased Power	Pending	\$0	\$0	\$80,546	(\$1,028)	0	0	(\$81,574)
7	Purchased Power	Pending	\$0	\$0	(\$26,585)	\$300	0	0	\$26,885
8	Purchased Power	Pending	\$0	\$0	(\$133,127)	\$1,281	0	0	\$134,408
9	Purchased Power	Pending	\$0	\$0	\$3,909	(\$16)	0	0	(\$3,925)
10	Purchased Water	AL354	\$0	\$441,399	\$550,451	(\$1,756)	0	0	(\$110,807)
11	Pump Tax	AL354	\$0	\$487,718	\$358,334	\$120	0	0	\$129,504
12									
13	Balancing Account	D.04-08-054	\$241,098	\$0	\$0	\$0	197,866	0	\$43,232
14									
15	<u>Memorandum Acct</u>								
16	Water Contamination	AL 301 & Res. W-4094	(\$7,278)	\$0	\$0	(\$117)	(71,752)	0	\$64,357
17	Calero Tank	D.97-07-047	(\$237,296)	\$0	\$16,326	(\$8,150)	0	0	(\$261,772)
18	Catastrophic Events	State Of Emergency proclaimed 2/21/03	(\$55,675)	\$0	\$0	(\$1,905)	0	0	(\$57,580)

1. For Columns d, e, f, g & h provide those amounts booked in the current year.

2. The detail for each individual account includes the Beginning of Year Balance, End of Year Balance, each Offset Expense adjustment during the year, each Offset Revenue adjustment during the year, each Surcharge adjustment during the year, each Surcredit adjustment during the year, and the decision or resolution number associated with each item of detail.

SCHEDULE E-2
Description of Low-Income Rate Assistance Program

SJWC's last General Rate Case Decision D.04-08-054 adopted a settlement agreement between the Office of Ratepayer Advocates (ORA) and SJWC which allowed SJWC to implement a modified version of the WRAP program for low income customers which provides a 15% discount on the total water bill for the customers eligible for the program based on the same income qualification guidelines as is use by PG&E's CARE program (175% of federal poverty level). The program would automatically qualify customers already part of PG&E's CARE program, while customers without PG&E service in their name would qualify by providing income verification in accordance with the program guidelines. The modified program will also extend eligibility to customers in mobile homes behind master-meters. In order to fund this program SJWC implemented a monthly surcharge of \$0.41 per bill that began appearing on bills in 2006. The surcharge is identified separately on the customer bill and is applied to all SJWC customers who are not recipients of the WRAP program benefits. In accordance with the Settlement Agreement adopted in D.04-08-054, SJWC will also maintain a WRAP balancing account to which all revenue and expenses associated with the program will be booked for later recovery or refund.

SJWC implemented enrollment of the program in late 2005 and of December 31, 2005, 14 low income households had been approved. A bill insert that included an application and described the program was sent to all customers bills in the 1st quarter of 2006.

SCHEDULE E-2
Description of Water Conservation Program

SCVWD operates a comprehensive water conservation program that serves each of its 13 retailers. SJWC operates its own water audit program, but refers customers to the SCVWD to take advantage of technical program offerings or relevant rebates. There is virtually no overlapping of service. In promoting its "House Call" program, the SCVWD recommends that SJWC's customers contact SJWC directly for water audit services. Additionally, we coordinate the production of customer brochures and bill inserts, as appropriate. In March and April, bill inserts are distributed to SJWC customers promoting Water Audit program and methods to reduce water consumption. In May and June, SCVWD conducts annual media campaign promoting its "House Call" program and cross-promoting SJWC's Water Audit program. In September to October SCVWD and SJWC jointly prepare and distribute in SJWC bills a brochure encouraging customers to reduce outdoor watering during the fall and winter months.

The conservation expenses are part of Customer Account expenses. In accordance with the Commission's guidelines for rate design 50% of Customer Account expenses is recovered in the service charge and 50% in the quantity rate. The \$276,000 amounts to about \$0.10 per customer per month

DECLARATION
Before Signing, Please Check to See That All Schedules Have Been Completed


I, the undersigned W.R. Roth, President

Officer, Partner or Owner

of San Jose 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 of January 1, 2005 to and including of December 31, 2005
(date) (date)

SIGNED 

Title President, Chief Executive Officer

Date 8/2/02
