

74

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2004
ANNUAL REPORT
OF



SONOMA SPRINGS WATER COMPANY, LLC
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

PO BOX 1175 KENWOOD, CA 95452
(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2004

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2005
(FILE TWO COPIES IF THREE RECEIVED)

INSTRUCTIONS

1. One completed copy of this report (two copies if three received) must be filed **NOT LATER THAN MARCH 31**, following the year covered by the report, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: SEANEEN M WILSON
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath, on the last page, must be signed by an officer, partner or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report.
9. This report must cover a calander year, from January 1 through December 31. Fiscal year reports will not be accepted.

Account Number	Operating Revenue	
470	Metered	\$ 11,310. ⁰⁰
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	\$ 11,310. ⁰⁰
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	\$ 1,000. ⁰⁰
640	Materials	\$ 350. ⁰⁰
650	Contract Work	\$ 1,000. ⁰⁰
	Water Testing	\$ 1,000. ⁰⁰
660	Transportation Expense	
664	Other Plant Maintenance	\$ 350. ⁰⁰
670	Office Salaries	\$ 400. ⁰⁰
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	
681	Office Supplies and Expense	\$ 75. ⁰⁰
682	Professional Services	
684	Insurance	\$ 2,158. ⁰⁰
688	Regulatory Expense	\$ 703 ⁻
689	General Expense	
	Subtotal	\$ 6,536 ⁻
403	Depreciation Expense	\$ 1,023 ⁻
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	\$ 146 ⁻
409	State Income Tax	\$ 800 ⁻
410	Federal Income Tax	
	Total Deductions	\$ 8,505 ⁻
	Net Revenue	\$ 2,805 ⁻
	Rate Base	

	Average Plant	45790
	Average Depreciation Reserve	26023
	Net Plant	19767
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	19767
	ROR=Net Rev/Rate Base	14%

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

SONOMA SPRINGS WATER COMPANY

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

PO BOX 1175 KENWOOD, CA 95452

2.5 MILES SOUTH (Official mailing address)

OF KENWOOD, CA 95452 - SONOMA COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
(A) Date of organization _____ incorporated in the State of _____
(B) Names, titles and addresses of principal officers:
- 2 If unincorporated give the name and address of owner or of each partner: **BERNARD J. MACELHENNY
1651 WARM SPRINGS RD
GLEN ELEN, CA 95452**
- 3 Name and telephone number of:
(A) One person listed above to receive correspondence: **KATIE VILLAR 707-833-5511**
(B) Person responsible for operations and services:
- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) **NO**
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?
- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent: **N/A**

PUBLIC HEALTH STATUS

- 6 Has state or local health department inspection been made during the year?
- 7 Are routine laboratory tests of water being made?
- 8 Has state health department water supply permit been obtained? (Indicate date)
- 9 If no permit has been obtained, state whether application has been made and when.
- 10 Show expiration date if state permit is temporary.

Yes	No	Latest Date
X		4-04
X		3-10-05
X		-04
N/A		
N/A		

- 11 List Name, Grade, and License Number of all Licensed Operators:
JIM BATHKE - JPB ENVIRONMENTAL - LICENSE # 13436

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

- 1 Beginning of year balances must agree with end of year balances shown in report for previous year.
Attach a supplementary statement to explain any differences.
- 2 Attach a supplementary statement to explain adjustments in Schedule B - Water Plant in Service.
- 3 Complete all schedules, using the words "None" or "Not applicable" if appropriate.
- 4 Report must be prepared legibly in ink or by typewriter.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2004

NAME OF UTILITY SONOMA SPRINGS WATER COMPANY PHONE 707-833-5511

PERSON RESPONSIBLE FOR THIS REPORT KATIE VILAR

(Prepared from Information in the 20__ Annual Report)

	1/1/04	12/31/04	Average
BALANCE SHEET DATA			
1 Intangible Plant			
2 Land and Land Rights			
3 Depreciable Plant	<u>45790</u>	<u>45790</u>	<u>45790</u>
4 Gross Plant in Service			
5 Less: Accumulated Depreciation	<u>26023</u>	<u>26023</u>	<u>26023</u>
6 Net Water Plant in Service			
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies			
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	()	()	()
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	<u>19767</u>	<u>19767</u>	<u>19767</u>
CAPITALIZATION			
14 Common Stock			
15 Proprietary Capital (Individual or Partnership)	<u>0</u>	<u>0</u>	<u>0</u>
16 Paid-in Capital			
17 Retained Earnings			
18 Common Stock and Equity (Lines 14 through 17)			
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	<u>0</u>	<u>0</u>	<u>0</u>

(Revised 2/01)

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

2004
(continued)

NAME OF UTILITY SONOMA SPRINGS WATER PHONE 707.833.5511
COMPANY

INCOME STATEMENT		Annual Amount
23	Unmetered Water Revenue	_____
24	Fire Protection Revenue	_____
25	Irrigation Revenue	_____
26	Metered Water Revenue	<u>11,310</u>
27	Total Operating Revenue	<u>11,310</u>
28	<u>Operating Expenses</u>	<u>6,536</u>
29	Depreciation Expense (Composite Rate <u>2.2%</u>)	<u>1,023</u>
30	Amortization and Property Losses	_____
31	Property Taxes	<u>146</u>
32	Taxes Other Than Income Taxes	_____
33	Total Operating Revenue Deduction Before Taxes	<u>7,705</u>
34	California Corp. Franchise Tax	<u>800</u>
35	Federal Corporate Income Tax	_____
36	Total Operating Revenue Deduction After Taxes	<u>8,505</u>
37	Net Operating Income (Loss) - California Water Operations	_____
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	_____
39	Income Available for Fixed Charges	_____
40	Interest Expense	_____
41	Net Income (Loss) Before Dividends	_____
42	Preferred Stock Dividends	_____
43	Net Income (Loss) Available for Common Stock	_____

OTHER DATA

44	Refunds of Advances for Construction	_____
45	Total Payroll Charged to Operating Expenses	<u>1,400</u>
46	Purchased Water	_____
47	Power	<u>500</u>

<u>Active Service Connections</u> (Exc. Fire Protect.) _____		Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	<u>24</u>	<u>24</u>	<u>24</u>
49	Flat Rate Service Connections	_____	_____	_____
50	Total Active Service Connections	<u>24</u>	<u>24</u>	<u>24</u>

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 20__:

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses Incurred to provide Non-Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability Incurred because of non-tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account).	Regulated Asset Account Number
	N/A										

**CLASS B, C AND D WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) loan outstanding during the 12 month reporting period. (Use one sheet for each loan.)

1. Current Fiscal Agent: *N/A*

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

2. Former Fiscal Agent: *N/A*

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

3. Total surcharge collected from customers during the 12 month reporting period: *N/A*

\$ _____

4. Summary of the trust bank account activities showing: *N/A*

Balance at beginning of year	\$ _____
Deposits during the year	_____
Withdrawals made for loan payments	_____
Other withdrawals from this account	_____
Balance at end of year	_____

5. Account information: *N/A*

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

6. Plant amounts included in Schedule A, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant		N/A			
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2004)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	45790	201	Common Stock (Corporations only)	
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	
3	104	Water plant purchased or sold		215	Retained earnings	
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	26023	224	Long term debt	
6	114	Water plant acquisition adjustments			Current Liabilities	
7	124	Other investments		252	Advances for construction	
8	131	Cash		253	Other deferred credits	
9	141	Accounts receivable - customers		255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies			depreciation	
12	174	Other current assets		283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	
14				272	Accumulated amortization of contributions	
15		Total Assets	19767		Total Equity and Liabilities	

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land					
18	304	Structures					
19	307	Wells	5,500				5500
20	317	Other water source plant					
21	311	Pumping equipment	4,666				4666
22	320	Water treatment plant	878				878
23	330	Reservoirs tanks and sandpipes	7,500				7500
24	331	Water mains	11,000				11000
25	333	Services and meter installations	10,340				10340
26	334	Meters	1,256	150			1406
27	335	Hydrants	4,500				4500
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		Total water plant in service	45640	150			45790

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year	25000		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403	1023		2.2%
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	1023		covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	Total debits			
45	Balance in reserve at end of year	26023		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2014)

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

N/A

SCHEDULE E - LONG TERM DEBT

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6					N/A			
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	11,310-
14	480 Other water revenue	
15	Total Operating Revenue	11,310-
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	500-
20	618 Other volume related expenses	
21	630 Employee labor	1,000-
22	640 Materials	350-
23	650 Contract work	1,000-
24	660 Transportation expenses	
25	664 Other plant maintenance expense	350
26	670 Office salaries	400
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	
31	681 Office supplies and expense	75
32	682 Professional services	
33	684 Insurance	2,158-
34	688 Regulatory commission expense permit	703
35	689 General expenses	
36	Total Operating Expenses	6,536
37	403 Depreciation expense	1,023
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	146
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	8,505
43	Utility Operating Income	
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	2,805

SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped
SONOMA SPRINGS	1	12	7	180	1.05 MG

OTHER

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

SCHEDULE H - OPTIONAL WATER DELIVERED TO METERED CUSTOMERS
(If figures are available) (specify unit)

Classification of service	Max. mo. Mo. of	Min. mo. Mo. of	Total for year
Residential & business			1.55 MG
Industrial			
Public authorities			
Irrigation			
Other (specify)			
Total			1.55 MG

SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor	1	1,000		1,000
49	670	Office salaries	1	400		400
50	671	Management salaries				
51		Total	2	1,400		1,400

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

N/A

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

Size	Meters	Services
5/8 x 3/4-in	23	23
3/4-in		
1-in		
2-in	1	1
-in		
Total	24	24

SCHEDULE L - METER-TESTING DATA

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

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	23		23				23	
Industrial								
Other (specify) <i>business</i>	1		1					
Subtotal								
Fire protection (Hydrants)	3		3				3	
Total	27		27				27	

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

SCHEDULE N - STORAGE FACILITIES

SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)

Description	No.	Combined capacity in gallons	Description	Pipe Sizes				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete	1	16,000	Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos			500		500
Other			Plastic	200				200
			Other (specify)					
Total	1	16,000	Total	200		500		700

DECLARATION

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

I, the undersigned (officer, partner or owner) of SONOMA SPRINGS WATER COMPANY (Name of utility), under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period

From and including JAN. 1, 2004, to and including DEC. 31, 2004

Signed [Signature] MANAGER FTR

BERNARD J. MACLENNY - OWNER

Title 3.28.05

Date