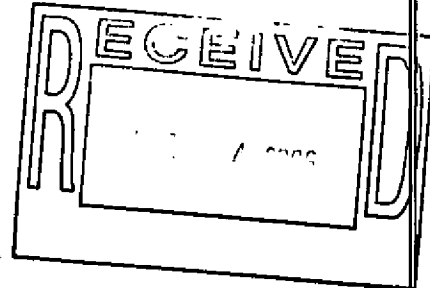


Received _____

Examined _____

CLASS A
WATER UTILITIES

U# _____



2005
ANNUAL REPORT
OF

SUBURBAN WATER SYSTEMS

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

1211 E. CENTER COURT DRIVE

COVINA, CA 91724-3603

(OFFICIAL MAILING ADDRESS)

ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2005

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2006
(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: KAYODE KAJOPAIYE
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 calendar year, from January 1 through December 31. Fiscal year reports will not be accepted.

INSTRUCTIONS

FOR PREPARATION OF

SELECTED FINANCIAL DATA SHEET

FOR CLASS A, B, C AND D, WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Year 2005

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTL

(Prepared from Information in the 2005 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
2 Land and Land Rights	856,568	997,457	927,013
3 Depreciable Plant	128,183,564	136,474,127	132,328,846
4 Gross Plant in Service	130,018,589	138,450,041	134,234,315
5 Less: Accumulated Depreciation	(43,099,899)	(44,944,267)	(44,022,083)
6 Net Water Plant in Service	86,918,690	93,505,774	90,212,232
7 Water Plant Held for Future Use	18,379	151,044	84,712
8 Construction Work in Progress	6,249,718	5,063,051	5,656,385
9 Materials and Supplies	391,106	349,461	370,284
10 Less: Advances for Construction	(5,511,064)	(5,959,385)	(5,735,225)
11 Less: Contributions in Aid of Construction	(12,509,590)	(14,879,884)	(13,694,737)
12 Less: Accum. Deferred Income Taxes and Investment Tax Credits	(11,949,098)	(12,068,381)	(12,008,740)
13 Net Plant Investment	<u>63,608,141</u>	<u>66,161,680</u>	<u>64,884,911</u>
CAPITALIZATION			
14 Common Stock	745,380	745,380	745,380
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,008,394	5,008,394	5,008,394
17 Retained Earnings	33,948,677	37,360,997	35,654,837
18 Common Stock and Equity (Lines 14 through 17)	39,702,451	43,114,771	41,408,611
19 Preferred Stock	3,982,267	3,982,267	3,982,267
20 Long-Term Debt	31,000,000	31,000,000	31,000,000
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	<u>74,684,718</u>	<u>78,097,038</u>	<u>76,390,878</u>

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Adjusted to Exclude Non-Regulated Activity
Year 2005

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTL

(Prepared from Information in the 2005 Annual Report)

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
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9 Materials and Supplies	391,106	349,461	370,284
10 Less: Advances for Construction	(5,511,064)	(5,959,385)	(5,735,225)
11 Less: Contributions in Aid of Construction	(12,509,590)	(14,879,884)	(13,694,737)
12 Less: Accum. Deferred Income Taxes and Investment Tax Credits	(11,949,098)	(12,068,381)	(12,008,740)
13 Net Plant Investment	<u>63,608,141</u>	<u>66,161,680</u>	<u>64,884,911</u>
CAPITALIZATION			
14 Common Stock	745,380	745,380	745,380
15 Proprietary Capital (Individual or Partnership)	0	0	0
16 Paid-in Capital	5,008,394	5,008,394	5,008,394
17 Retained Earnings	33,526,808	36,760,721	35,143,765
18 Common Stock and Equity (Lines 14 through 17)	<u>39,280,582</u>	<u>42,514,495</u>	<u>40,897,539</u>
19 Preferred Stock	3,982,267	3,982,267	3,982,267
20 Long-Term Debt	31,000,000	31,000,000	31,000,000
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	<u>74,262,849</u>	<u>77,496,762</u>	<u>75,879,806</u>

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2005

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	195,270
24	Fire Protection Revenue	653,344
25	Irrigation Revenue	0
26	Metered Water Revenue	44,662,455
27	Total Operating Revenue	45,511,069
28	<u>Operating Expenses</u>	27,889,361
29	Depreciation Expense (Recorded Composite Rate <u>2.4%</u>)	3,109,372
30	Amortization and Property Losses	11,498
31	Property Taxes	536,272
32	Taxes Other Than Income Taxes	416,764
33	Total Operating Revenue Deduction Before Taxes	31,963,267
34	California Corp. Franchise Tax	1,059,192
35	Federal Corporate Income Tax	3,791,297
36	Total Operating Revenue Deduction After Taxes	36,813,756
37	Net Operating Income (Loss) - California Water Operations	8,697,313
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	203,576
39	Income Available for Fixed Charges	8,900,889
40	Interest Expenses	1,318,469
41	Net Income (Loss) Before Dividends	7,582,420
42	Preferred Stock Dividends	168,792
43	Net Income (Loss) Available for Common Stock	7,413,628

OTHER DATA

44	Refunds of Advances for Construction	222,123
45	Total Payroll Charged to Operating Expenses	5,206,082
46	Purchased Water (Acct. No 704)	11,130,149
47	Power (Acct. No. 726)	2,221,926
48 Class A Water Companies Only:		
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,096,854
	b. Pre-TRA 1986 Advances for Construction	532,337
	c. Post TRA 1986 Contributions in Aid of Construction	12,783,030
	d. Post TRA 1986 Advances for Construction	5,427,048

Active Service Connections (Exc. Fire Protect.) 600

		Jan. 1	Dec. 31	Annual Average
49	Metered Service Connections	74,791	74,877	74,834
50	Flat Rate Service Connections	0	0	0
51	Total Active Service Connections	74,791	74,877	74,834

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Adjusted to Exclude Non-Regulated Activity
2005

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

INCOME STATEMENT

		Annual Amount
23	Unmetered Water Revenue	195,270
24	Fire Protection Revenue	653,344
25	Irrigation Revenue	0
26	Metered Water Revenue	44,662,455
27	Total Operating Revenue	45,511,069
28	<u>Operating Expenses</u>	27,889,361
29	Depreciation Expense (Recorded Composite Rate 2.4%)	3,109,372
30	Amortization and Property Losses	11,498
31	Property Taxes	536,272
32	Taxes Other Than Income Taxes	416,764
33	Total Operating Revenue Deduction Before Taxes	31,963,267
34	California Corp. Franchise Tax	1,032,708
35	Federal Corporate Income Tax	3,695,232
36	Total Operating Revenue Deduction After Taxes	36,691,207
37	Net Operating Income (Loss) - California Water Operations	8,819,862
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	(97,380)
39	Income Available for Fixed Charges	8,722,482
40	Interest Expenses	1,318,469
41	Net Income (Loss) Before Dividends	7,404,013
42	Preferred Stock Dividends	168,792
43	Net Income (Loss) Available for Common Stock	7,235,221

OTHER DATA

44	Refunds of Advances for Construction	222,123
45	Total Payroll Charged to Operating Expenses	5,206,082
46	Purchased Water (Acct. No 704)	11,130,149
47	Power (Acct. No. 726)	2,221,926
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,096,854
	b. Pre-TRA 1986 Advances for Construction	532,337
	c. Post TRA 1986 Contributions in Aid of Construction	12,783,030
	d. Post TRA 1986 Advances for Construction	5,427,048

Active Service Connections (Exc. Fire Protect.) 600

		Jan. 1	Dec. 31	Annual Average
49	Metered Service Connections	74,791	74,877	74,834
50	Flat Rate Service Connections	0	0	0
51	Total Active Service Connections	74,791	74,877	74,834

Notes to Adjusted Selected Financial Data

Instructions: Provide reasons for each adjustment to the Selected Financial Data due to non-regulated activities. Detail this information by name of line item (Gross Plant, Operating Revenues, etc.), account number, dollar amount, and by point in time (end of year, beginning of year, or average).

- 1 Line 34 California Corp. Franchise Tax, Account #50710, \$26,484 (end of year balance), to exclude state tax on non-tariff activity (i.e., non-regulated)
- 2 Line 35 Federal Corporate Income Tax, Account #50720, \$96,065 (end of year balance), to exclude federal tax on non-tariff activity (i.e., non-regulated)
- 3 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52610, \$151,831 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 4 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52640, \$125,036 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 5 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52650, \$24,089 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16

GENERAL INFORMATION

- 1 Name under which utility is doing business: SUBURBAN WATER SYSTEMS
- 2 Official mailing address: 1211 E. CENTER COURT DRIVE
COVINA, CALIFORNIA ZIP 91724-3603
- 3 Name and title of person to whom correspondence should be addressed:
JOHN A. BRETTL, VICE PRESIDENT-FINANCE & C.F.O. Telephone: (626) 543-2500
- 4 Address where accounting records are maintained: 1211 E. CENTER COURT DRIVE
COVINA, CALIFORNIA 91724-3603
- 5 Service Area: (Refer to district reports if applicable): IN OR NEAR WEST COVINA, COVINA, WHITTIER,
LA PUENTE, VALINDA, GLENDORA, LA MIRADA, HACIENDA HGHTS, INDUSTRY, LA HABRA &
PORTIONS OF LOS ANGELES AND ORANGE COUNTIES.
- 6 Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)
 Name: DANIEL N. EVANS, CHIEF ADMINISTRATIVE OFFICER
 Address: 1211 E. CENTER COURT DRIVE Telephone: (626) 543-2500
COVINA, CALIFORNIA 91724-3603

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)	<u>SUBURBAN WATER SYSTEMS</u>
	Organized under laws of (state)	<u>CALIFORNIA</u> Date: <u>APRIL 15, 1907</u>

Principal Officers:

(Name) <u>MICHAEL O. QUINN</u>	(Title) <u>PRESIDENT</u>
(Name) <u>DANIEL N. EVANS</u>	(Title) <u>CHIEF ADMINISTRATIVE OFFICER</u>
(Name) <u>JOHN A. BRETTL</u>	(Title) <u>V.P.- FIN. & C.F.O.</u>
(Name) <u>PAUL S. CARVER</u>	(Title) <u>V.P.-ENGINEERING</u>
(Name) <u>MICHAEL DE GHETTO</u>	(Title) <u>V.P.-REGIONAL</u>
(Name) <u>DONALD F. KING</u>	(Title) <u>V.P.-REGIONAL</u>

8 Names of associated companies: SOUTHWEST WATER COMPANY
WATER SUPPLIERS MOBILE COMMUNICATIONS

9 Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each aquisition:
NONE Date: _____
 Date: _____
 Date: _____
 Date: _____

10 Use the space below for supplementary information or explanations concerning this report:

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Assets and Other Debits**

Line No.	Acct	Title of Account (a)	Schedule Page No. (b)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		I. UTILITY PLANT			
2	100	Utility plant	A-1	143,664,136	136,286,686
3	107	Utility plant adjustments			
4		Total utility plant		143,664,136	136,286,686
5	250	Reserve for depreciation of utility plant	A-3	(44,850,824)	(43,017,954)
6	251	Reserve for amortization of limited term utility investments	A-3	(104,683)	(91,889)
7	252	Reserve for amortization of utility plant acquisition adjustment	A-3	11,240	9,944
8		Total utility plant reserves		(44,944,267)	(43,099,899)
9		Total utility plant less reserves		98,719,869	93,186,787
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	A-2	135,848	144,107
13	253	Reserve for depreciation and amortization of other property	A-3	(39,281)	(39,908)
14		Other physical property less reserve		96,567	104,199
15	111	Investments in associated companies	A-4		
16	112	Other investments	A-5		
17	113	Sinking funds	A-6		
18	114	Miscellaneous special funds	A-7		
19		Total investments and fund accounts		96,567	104,199
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash			
23	121	Special deposits	A-8		
24	122	Working funds		1,294	1,188
25	123	Temporary cash investments		48,613	49,236
26	124	Notes receivable	A-9		
27	125	Accounts receivable		5,059,208	4,659,120
28	126	Receivables from associated companies	A-10	11,334,207	13,693,945
29	131	Materials and supplies		349,461	391,106
30	132	Prepayments	A-11	1,434,578	1,718,058
31	133	Other current and accrued assets	A-12		
32		Total current and accrued assets		18,227,361	20,512,653
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	A-13	935,633	992,715
36	141	Extraordinary property losses	A-14		
37	142	Preliminary survey and investigation charges		46,045	65,929
38	143	Clearing accounts			
39	145	Other work in progress		43,851	22,086
40	146	Other deferred debits	A-15	2,929,420	2,322,603
41		Total deferred debits		3,954,949	3,403,333
42		Total assets and other debits		120,998,746	117,206,972
43					

**SCHEDULE A
COMPARATIVE BALANCE SHEETS
Liabilities and Other Credits**

Line No.	Acct	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	A-18	745,380	745,380
3	201	Preferred capital stock	A-18	3,982,267	3,982,267
4	202	Stock liability for conversion			
5	203	Premiums and assessments on capital stock	A-19	126,550	126,550
6	150	Discount on capital stock	A-16		
7	151	Capital stock expense	A-17		
8	270	Capital surplus	A-20	4,881,844	4,881,844
9	271	Earned surplus	A-21	37,360,997	33,948,677
10		Total corporate capital and surplus		47,097,038	43,684,718
11					
12		II. PROPRIETARY CAPITAL			
13	204	Proprietary capital (Individual or partnership)	A-22		
14	205	Undistributed profits of proprietorship or partnership	A-23		
15		Total proprietary capital		0	0
16					
17		III. LONG-TERM DEBT			
18	210	Bonds	A-24	31,000,000	31,000,000
19	211	Receivers' certificates			
20	212	Advances from associated companies	A-25		
21	213	Miscellaneous long-term debt	A-26		
22		Total long-term debt		31,000,000	31,000,000
23					
24		IV. CURRENT AND ACCRUED LIABILITIES			
25	220	Notes payable	A-28		
26	221	Notes receivable discounted			
27	222	Accounts payable		1,634,980	989,015
28	223	Payables to associated companies	A-29	70,588	65,476
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		231,428	208,661
33	228	Taxes accrued	A-31	2,377,951	3,854,413
34	229	Interest accrued		592,473	548,193
35	230	Other current and accrued liabilities	A-30	3,242,546	3,802,862
36		Total current and accrued liabilities		8,149,966	9,468,620
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	A-13		
40	241	Advances for construction	A-32	5,959,385	5,511,064
41	242	Other deferred credits	A-33	1,947,892	3,227,655
42		Total deferred credits		7,907,277	8,738,719
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	A-34	424,323	424,321
46	255	Insurance reserve	A-34		
47	256	Injuries and damages reserve	A-34		
48	257	Employees' provident reserve	A-34		
49	258	Deferred income taxes	A-34	11,540,258	11,381,004
50		Total reserves		11,964,581	11,805,325
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	A-35	14,879,884	12,509,590
54		Total liabilities and other credits		120,998,746	117,206,972

SCHEDULE B
Income Account for the Year

Line No.	Acct.	Account (a)	Schedule Page No. (b)	Amount (c)
1		I. UTILITY OPERATING INCOME		
2	501	Operating revenues	B-1	45,511,069
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	B-2	27,889,361
6	503	Depreciation	A-3	3,109,372
7	504	Amortization of limited-term utility investments	A-3	12,794
8	505	Amortization of utility plant acquisition adjustments	A-3	(1,296)
9	506	Property losses chargeable to operations	B-3	
10	507	Taxes	B-4	5,803,526
11		Total operating revenue deductions		36,813,757
12		Net operating revenues		8,697,312
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		8,697,312
16				
17		II. OTHER INCOME		
18	521	Income from nonutility operations (Net)	B-6	22,186
19	522	Revenue from lease of other physical property		12,420
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	B-7	300,957
24		Total other income		335,563
25		Net income before income deductions		9,032,875
26				
27		III. INCOME DEDUCTIONS		
28	527	Nonoperating revenue deductions - Dr.	B-8	8,610
29	530	Interest on long-term debt		1,422,410
30	531	Amortization of debt discount and expense		65,418
31	532	Amortization of premium on debt - Cr.		
32	533	Taxes assumed on interest		
33	534	Interest on debt to associated companies		
34	535	Other interest charges	B-9	33
35	536	Interest charged to construction - Cr.		(169,392)
36	537	Miscellaneous amortization		
37	538	Miscellaneous income deductions	B-10	123,376
38		Total income deductions		1,450,455
39		Net income		7,582,420
40				
41		IV. DISPOSITION OF NET INCOME		
42	540	Miscellaneous reservations of net income		
43				
44		Balance transferred to Earned Surplus or		
45		Proprietary Accounts scheduled on page 21		7,582,420

SCHEDULE A-1
Account 100 - Utility Plant

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1	100 - 1	Utility plant in service (Schedule A-1a)	130,082,629	10,019,083	(1,535,848)	(51,783)	138,514,081
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	6,249,718	(1,186,667)	xxxxxxxx		5,063,051
4	100 - 4	Utility plant held for future use (Sch A-1c)	18,379	132,665			151,044
5	100 - 5	Utility plant acquisition adjustments	(64,040)		xxxxxxxx		(64,040)
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	136,286,686	8,965,081	(1,535,848)	(51,783)	143,664,136

SCHEDULE A-1a
Account 100.1 - Utility Plant in Service

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
8		I. INTANGIBLE PLANT					
9	301	Organization	24,996				24,996
10	302	Franchises and consents (Schedule A-1b)	8,040				8,040
11	303	Other intangible plant	945,421				945,421
12		Total intangible plant	978,457	0	0	0	978,457
13							
14		II. LANDED CAPITAL					
15	306	Land and land rights	856,568	140,889			997,457
16							
17		III. SOURCE OF SUPPLY PLANT					
18	311	Structures and improvements	0				0
19	312	Collecting and impounding reservoirs	0				0
20	313	Lake, river and other intakes	0				0
21	314	Springs and tunnels	0				0
22	315	Wells	5,129,261	1,444,486	(845,067)		5,728,680
23	316	Supply mains	6,430,939				6,430,939
24	317	Other source of supply plant	329,824				329,824
25		Total source of supply plant	11,890,024	1,444,486	(845,067)	0	12,489,443
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	2,390,344	1,092,395	(6,356)		3,476,383
29	322	Boiler plant equipment	0				0
30	323	Other power production equipment	0				0
31	324	Pumping equipment	8,907,149	306,316			9,213,465
32	325	Other pumping plant	33,865				33,865
33		Total pumping plant	11,331,358	1,398,711	(6,356)	0	12,723,713
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements	190,715	231,264			421,979
37	332	Water treatment equipment	3,066,104				3,066,104
38		Total water treatment plant	3,256,819	231,264	0	0	3,488,083

Schedule A-1a
Account 100.1 - Utility Plant in Service - Concluded

Line No.	Acct	Title of Account (a)	Balance Beg of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
1		VI. TRANSMISSION AND DIST. PLANT					
2	341	Structures and improvements	207,387	197,750			405,137
3	342	Reservoirs and tanks	12,239,600	3,116,174	(132,194)		15,223,580
4	343	Transmission and distribution mains	59,361,884	1,416,506	(71,809)	(51,783)	60,654,798
5	344	Fire mains					0
6	345	Services	14,007,639	885,847	(34,747)		14,858,739
7	346	Meters	3,493,133	340,072	(278,963)		3,554,242
8	347	Meter installations					0
9	348	Hydrants	5,338,810	128,826	(5,139)		5,462,497
10	349	Other transmission and distribution plant					0
11		Total transmission and distribution plant	94,648,453	6,085,175	(522,852)	(51,783)	100,158,993
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	1,666,081	142,546	(10,081)		1,798,546
15	372	Office furniture and equipment	1,876,605	200,090	(148,209)		1,928,486
16	373	Transportation equipment	20,964		(3,283)		17,681
17	374	Stores equipment	0				0
18	375	Laboratory equipment	0				0
19	376	Communication equipment	2,229,100	105,810			2,334,910
20	377	Power operated equipment	76,800	0			76,800
21	378	Tools, shop and garage equipment	224,076	25,459			249,535
22	379	Other general plant	0				0
23	381	GIS Mapping Facilities	1,027,324	244,653			1,271,977
24		Total general plant	7,120,950	718,558	(161,573)	0	7,677,934
25							
26		VIII. UNDISTRIBUTED ITEMS					
27	390	Other tangible property	0				0
28	391	Utility plant purchased	0				0
29	392	Utility plant sold	0				0
30		Total undistributed items	0	0	0	0	0
31		Total utility plant in service	130,082,629	10,019,083	(1,535,848)	(51,783)	138,514,081

SCHEDULE A-1b
Account 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)	
32	City of Whittier	09/20/30	40	09/20/30	5,621	
33	City of Industry	09/27/60	50	09/27/60	251	
34	City of La Puente		50		478	
35	City of Los Angeles	11/28/80	25	11/28/80	1,690	
36		Total			XXXXXXXXXXXXXXXXXXXXXXXXXXXX	8,040

1 The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 10.

SCHEDULE A-1c
Account 100.4 - Utility Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property Will be Placed in Service (c)	Balance End of Year (d)
1	New Booster Pump Station Plant 217	4/05	2007	40,398
2	New Booster Pump Station Plant 110	4/05	2007	37,804
3	T & D Line	5/05	Not yet determined	28,735
4	Design of Glendora Transmission Main	10/03	2010	18,379
5	Sunset Avenue Pipeline Design	10/05	2007	11,341
6	Lark Ellen Emergency Pipeline	11/05	2007	6,035
7	Plant 167 Tank Painting and Coating and Site Work	8/05	2007	4,342
8	Plant 505 Tank Recoating	10/05	2007	3,752
9	Plant 238 Tank Painting and Coating	9/05	2006	149
10	Plant 128 New Water Tank	9/05	2007	109
11	Total	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	151,044

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
12	Land, Structures, Fences, Landscaping, etc.	109,248
13	Other	26,600
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26	Total	135,848

**SCHEDULE A-1d
RATE BASE**

Line No.	Title of Account (a)	Balance Beginning of Year (c)	Balance End of Year (d)
1	RATE BASE		
2			
3	TOTAL COMPANY		
4	Utility Plant	130,082,629	136,130,719
5	Construction Work in Progress	5,819,718	5,819,718
6	Materials and Supplies	322,808	322,808
7	Working Cash	-	1,955,106
8	SUBTOTAL	136,225,155	144,228,351
9			
10	LESS DEDUCTIONS FROM RATE BASE		
11	Reserve for Depreciation	43,017,954	42,783,808
12	Unamortized Investment Tax Credits	568,094	528,123
13	Contributions in Aid of Construction	8,465,795	10,163,339
14	Advances for Construction	5,609,546	5,472,881
15	Accumulated Deferred Federal Income Taxes, Depreciation Timing Differences	9,737,688	9,901,992
16	Accumulated Deferred Taxes Associated with Taxable Advances for Construction	(159,115)	(152,980)
17	Accumulated Deferred Taxes Associated with Taxable CIAC	(228,544)	(193,487)
18	Pension Reserve	695,168	521,376
19	Unamortized Deferred Revenue, Taxable C.I.A.C.	136,531	118,199
20	SUBTOTAL DEDUCTIONS	67,843,117	69,143,251
21			
22	TOTAL RATE BASE	68,382,038	75,085,100
23			
24	2005 Average Rate Base per Settlement in A.05-08-034	71,733,568	
25			
26			
27			
28			
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30			
31			
32			
33			
34			
35			
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SCHEDULE A-1d (2)
RATE BASE
Working Cash Calculation

Line No.	Acct.	Title of Account (a)	Balance End-of-Year (c)	Balance Beginning of Year (d)
1		Working Cash		
2				
3		Determination of Operational Cash Requirement		
4		1. Operating Expenses, Excl Taxes, Depr. & Uncoll.	27,841,386	29,876,390
5	726	2. Purchased Power & Commodity for Resale*	2,221,926	1,852,696
6		3. Meter Revenues: Bimonthly Billing	5,796,169	6,070,816
7		4. Other Revenues: Flat Rate Monthly Billing	-	-
8		5. Total Revenues (3 + 4)	5,796,169	6,070,816
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)	-	-
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$	5,800,289	6,224,248
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$	-	-
12		9. $1/12 \times \text{Line 2}$	185,161	154,391
13		10. Operational Cash Requirement (7 + 8 - 9)	5,615,128	6,069,857
14				
15				
16		* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).		
17				
18		Working cash per settlement in A.05-08-034	1,955,106	-
19				
20				
21				
22				
23				
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SCHEDULE A-3
Accounts 250 to 253, Inclusive - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)
1	Balance in reserves at beginning of year	43,017,954	91,889	(9,944)	39,908
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 (1)	3,109,372	12,794	(1,296)	
4	(b) Charged to Account 266	572,833			
5	(c) Charged to clearing accounts	1,661			
6	(d) Salvage recovered				
7	(e) All other credits (2)				
8	Total credits	3,683,866	12,794	(1,296)	0
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	1,535,848			627
11	(b) Cost of removal	315,148			
12	(c) All other debits (3)	0			
13	Total debits	1,850,996	0	0	627
14	Balance in reserve at end of year	44,850,824	104,683	(11,240)	39,281
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.834%				
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
19	Adjust general ledger balance to sub ledger balance				
20					
21					
22					
23					
24					
25					
26					
27	(3) EXPLANATION OF ALL OTHER DEBITS:				
28					
29	NONE				
30					
31					
32					
33					
34					
35	METHOD USED TO COMPUTE INCOME TAX DEPRECIATION:				
36	(a) Straight Line	()			
37	(b) Liberalized	()			
38	(1) Double declining balance	()			
39	(2) ACRS	()			
40	(3) MACRS	()			
41	(4) Other	()			
42	(c) Both straight line and liberalized	(X)			
43				DDB with change-over to Straight-line (pre 1982 assets)	
44				ACRS (1982 - 1986 assets)	
				Macrs (1987 - Present)	

SCHEDULE A-3a

Account 250 - Analysis of Entries in Depreciation Reserve

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserves During Year Excl. Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
1		I. SOURCE OF SUPPLY PLANT					
2	311	Structures and improvements	0				0
3	312	Collecting and impounding reservoirs	0				0
4	313	Lake, river and other intakes	0				0
5	314	Springs and tunnels	0				0
6	315	Wells	682,799	230,623	(845,067)	(100,537)	(32,182)
7	316	Supply mains	1,419,941	134,534			1,554,475
8	317	Other source of supply plant	347,058	808			347,866
9		Total source of supply plant	2,449,798	365,965	(845,067)	(100,537)	1,870,159
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	300,487	103,811	(6,356)		397,942
13	322	Boiler plant equipment	0				0
14	323	Other power production equipment	0				0
15	324	Pumping equipment	3,185,367	407,170			3,592,537
16	325	Other pumping plant	(4,495)	640			(3,855)
17		Total pumping plant	3,481,359	511,621	(6,356)	0	3,986,624
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	5,002	5,315			10,317
21	332	Water treatment equipment	746,194	163,760			909,954
22		Total water treatment plant	751,196	169,075	0	0	920,271
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and improvements	19,566	9,188			28,754
26	342	Reservoirs and tanks	2,129,865	238,106	(132,194)	(57,030)	2,178,747
27	343	Transmission and distribution mains	19,333,333	1,212,768	(72,140)	(71,984)	20,401,977
28	344	Fire mains	0				0
29	345	Services	7,457,798	449,013	(34,747)	(46,652)	7,825,412
30	346	Meters	1,119,326	255,854	(278,963)	1,661	1,097,878
31	347	Meter installation	0				0
32	348	Hydrants	2,573,144	147,655	(4,809)	(2,844)	2,713,146
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	32,633,032	2,312,584	(522,853)	(176,849)	34,245,914
35							
36		V. GENERAL PLANT					
37	371	Structures and improvements	(46,418)	37,285	(10,081)	(36,101)	(55,315)
38	372	Office furniture and equipment	1,883,876	27,340	(148,209)		1,763,007
39	373	Transportation equipment	25,112		(3,282)		21,830
40	374	Stores equipment	0				0
41	375	Laboratory equipment	0				0
42	376	Communication equipment	1,315,606	208,596			1,524,202
43	377	Power operated equipment	71,601	83			71,684
44	378	Tools, shop and garage equipment	241,393	3,668			245,061
45	379	Other general plant	(205)				(205)
46	381	GIS Mapping	211,604	45,988			257,592
46	390	Other tangible property	0				0
47	391	Water plant purchased	0				0
48		Total general plant	3,702,569	322,960	(161,572)	(36,101)	3,827,856
49		Total	43,017,954	3,682,205	(1,535,848)	(313,487)	44,850,824

SCHEDULE A-4
Account 111 - Investments in Associated Companies

Line No.	Class of Security (a)	Name of Issuing Company (b)	Par Value End of Year (c)	Ledger Value End of Year (d)	Rate of Interest (e)	Interest Accrued During Year (f)	Interest and Dividends Received During Year (g)
1							
2							
3	NONE						
4							
5							
6							
7		Totals ¹					

¹ The total should agree with the balance at the end of the year in Account 111 on page 5.

SCHEDULE A-5
Account 112 - Other Investments

Line No.	Name and Description of Property (a)	Balance End of Year (b)
8		
9		
10		
11		
12	NONE	
13		
14		
15		
16	Total	

SCHEDULE A-6
Account 113 - Sinking Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
1						
2						
3						
4						
5	NONE					
6						
7						
8						
9	Totals					

SCHEDULE A-7
Account 114 - Miscellaneous Special Funds

Line No.	Name of Fund (a)	Balance Beginning of Year (b)	Additions During Year		Deductions During Year (e)	Balance End of Year (f)
			Principal (c)	Income (d)		
10						
11						
12						
13	NONE					
14						
15						
17						
18						
19	Totals					

SCHEDULE A-8
Account 121 - Special Deposits

Name of Depository (a)	Purpose of Deposit (b)	Balance End of Year (c)
NONE		

SCHEDULE A-9
Account 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)	Interest Received During Year (g)
NONE						
Totals						

SCHEDULE A-10
Account 126 - Receivables from Associated Companies

Due from Whom (a)	Amount (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Received During Year (e)
SOUTHWEST WATER COMPANY	11,201,672	5.64%	737,767	737,767
UTILITY GROUP	132,535			
Totals	11,334,207		737,767	737,767

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
SEE ATTACHED SCHEDULE	
Totals	1,434,578

SCHEDULE A-12
Account 133 - Other Current and Accrued Assets

Item (a)	Amount (b)
NONE	
Totals	

SUBURBAN WATER SYSTEMS
ANALYSIS OF ACCT. 132
A-11
DECEMBER 31, 2005

DESCRIPTION	ACCT NO.	BALANCE 12/31/04	BALANCE 12/31/05
DIRECTORS INSURANCE	13221	122,018	117,140
UMBRELLA INSURANCE	13222	352,684	359,966
CRIME INSURANCE	13223	1,961	1,342
GENERAL LIABILITY INSURANCE	13224	209,600	63,011
WORKERS COMP INSURANCE	13225	296,215	216,069
BUSINESS AUTO INSURANCE	13226	19,130	138,206
PROPERTY INSURANCE	13227	78,114	197,680
TRAVEL ACCIDENT INSURANCE	13228	759	813
EMPLOYEE PRACTICES	13229	14,279	10,636
ARCHITECTS & ENGINEERS PROF LIAB	13230	15,167	19,601
COUNTY TAX HEALTH LICENSE	13231	5,641	5,886
FIDUCIARY INSURANCE	13233	4,478	4,582
SECURITY DEPOSIT - CENTER CRT BLD	13235	18,636	18,636
INTERCOMPANY PAYROLL	13236	0	0
INTERCOMPANY PAYROLL TAXES	13237	0	0
PROPERTY TAXES	13250	371,977	11,276
SOFTWARE MAINT. & MISC.	13260	(1,326)	40,341
SAN GABRIEL BASIN WATERMASTER (CYCLIC STORAGE)	13260	208,725	208,725
KIMCO REALTY CORPORATION	13260	0	20,668
TOTAL		1,718,058	1,434,578

SCHEDULE A-13

Accounts 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 or 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 unamortized debt discount and expense or premium, redemption premium, and redemption expense associated with issues redeemed during the year, also, date of the Commission'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 amortization debited to Account 531, Amortization of Debt Discount and Expense, or credited to Account 532, Amortization 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		Balance beginning of year (f)	Debits during year (g)	Credits during year (h)	Credits adjust during year (i)	Balance end of year (j)
				From - (d)	To - (e)					
1	Series A*	0	857,038	11-18-86	12-02-04	0				0
2	Series B	8,000,000	384,066	02-20-92	02-20-22	219,528		12,803		206,725
3	Series C	8,000,000	126,277	10-21-96	10-20-06	23,151		12,628		10,523
4	Series D	15,000,000	764,013	10-20-04	10-20-24	750,036	8,336	39,987		718,385
5										
6										
7	Total	31,000,000	2,131,394	x x x x x x	x x x x x x	992,715	8,336	65,418	0	935,633
8										
9										
10										

* Redeemed Series A Bond on 12/2/04. The unamortized cost balance was combined with Series D Bond cost for annual amortization.

SCHEDULE A-14
Account 141 - Extraordinary Property Losses

Line No.	Description of Property Loss or Damage (a)	Total Amount of Loss (b)	Previously Written off (c)	WRITTEN OFF DURING YEAR		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2		NONE				
3						
4	Total			XXXXXXXXXXXX		0

SCHEDULE A-15
Account 146 - Other Deferred Debits

Line No.	Item (a)	Balance End of Year (b)
5	Miscellaneous	233,607
6	FASB 109, regulatory assets	2,506,250
7	ARO (Asset Retirement Obligation) assets	189,563
8		
9		
10	Total	2,929,420

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

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
11		
12	NONE	
13	Total	0

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. 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.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance End of Year (b)
14		
15	NONE	
16	Total	0

SCHEDULE A-18
Accounts 200 and 201 - Capital Stock

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)	Dividends Declared During Year	
						Rate (f)	Amount (g)
1	Common Stock	500,000	5	149,076.00	745,380	6.7100	4,001,308
2	Series A - Preferred (20110)	100,000	50	43,843.83	2,192,192	0.6563	115,092
3	Series B- Preferred (20120)	80,000	50	35,801.50	1,790,075	0.3750	53,700
4							
5							
6	Totals	680,000		228,721.33	4,727,647		4,170,100

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	Number Shares (b)	PREFERRED STOCK	Number Shares (d)
	Name (a)		Name (c)	
7	Southwest Water Company	149,076.0	Southwest Water Company	43,843.8
8			Southwest Water Company	35,801.5
9				
10				
11				
12				
13				
14				
15	Total number of shares	149,076.0	Total number of shares	79,645.3

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

Line No.	Class of Stock (a)	Balance End of Year (b)
16	Common Stock	126,550
17		
18		
19		
20		
21		
22		
23		
24	Total	126,550

SCHEDULE A-20
Account 270 - Capital Surplus (For use by Corporations only)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	4,881,844
2	CREDITS (Give nature of each credit and state account charged)	
3		
4		
5	Total credits	
6	DEBITS (Give nature of each debit and state account credited)	
7		
8		
9		
10	Total debits	
11	Balance end of year	4,881,844

SCHEDULE A-21
Account 271 - Earned Surplus (For use by Corporations only)

Line No.	Acct	Account (a)	Amount (b)
12		Balance beginning of year	33,948,677
13		CREDITS	
14	400	Credit balance transferred from income account	7,582,420
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	7,582,420
18		DEBITS	
19	410	Debit balance transferred from income account	
20	411	Dividend appropriations-preferred stock	168,792
21	412	Dividend appropriations-Common stock	4,001,308
22	413	Miscellaneous reservations of surplus	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	4,170,100
26		Balance end of year	37,360,997

SCHEDULE A-22

**Account 204 - Proprietary Capital
(Sole Proprietor or Partnership)**

Line No.	Item (a)	Amount (b)
1	Balance Beginning of year	0
2	CREDITS	
3	Net income for year	NONE
4	Additional investments during year	
5	Other credits (detail)	
6		
7	Total credits	0
8	DEBITS	
9	Net loss for year	
10	Withdrawals during year	
11	Other debits (detail)	
12		
13	Total debits	0
14	Balance end of year	0

SCHEDULE A-23

**Account 205 - Undistributed Profits
of Proprietorship or Partnership**
(The use of this account is optional)

Line No.	Item (a)	Amount (b)
15	Balance Beginning of year	0
16	CREDITS	
17	Net income for year	NONE
18	Other credits (detail)	
19		
20	Total credits	0
21	DEBITS	
22	Net loss for year	
23	Withdrawals during year	
24	Other debits (detail)	
25		
26		
27	Total debits	0
28	Balance end of year	0

SCHEDULE A-24
Account 210 - Bonds

Line No.	Class of Bond (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding ¹ Per Balance Sheet (e)	Rate of Interest (f)	Sinking Fund Added in Current Year (g)	Cost of Issuance (h)	Interest Accrued During Year (i)	Interest Paid During Year (j)
1	Series B	02/20/92	02/20/22	8,000,000	8,000,000	9.09%			727,200	727,200
2	Series C	10/21/96	10/20/06	8,000,000	8,000,000	7.61%			606,080	608,800
3	Series D	10/20/04	10/01/24	15,000,000	15,000,000	5.64%			846,000	799,000
4										
5										
6										
7										
8	Totals			31,000,000	31,000,000				\$2,179,280	2,135,000

¹ After deduction for amount of reacquired bonds held by or for the respondent.

SCHEDULE A-25
Account 212 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Rate of Interest (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
9					
10	NONE				
11					
12					
13	Totals				

SCHEDULE A-26
Account 213 - Miscellaneous Long Term Debt

Line No.	Nature of Obligation (a)	Date of Issue (b)	Date of Maturity (c)	Principal Amount Authorized (d)	Outstanding ¹ Per Balance Sheet (e)	Rate of Interest (f)	Interest Accrued During Year (g)	Interest Paid During Year (h)
14								
15								
16	NONE							
17								
18								
19								
20								
21	Totals							

¹ After deduction for amount of reacquired debt held by or for the respondent.

SCHEDULE A-27
Securities Issued or Assumed During Year

Line No.	Class of Security (a)	Commission Authorization (b)	Amount Issued During Year (omit cents) (c)	Discount or Premium (d)	Expenses (e)
22					
23	NONE				
24					
25					
26	Totals				

SCHEDULE A-28
Account 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							
2							
3	NONE						
4							
5							
6							
7							
8							
9	Totals						

SCHEDULE A-29
Account 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)
10	Water Suppliers Mobile Communications	30,018			
11	Southwest Resource Management	40,570			
12					
13					
14	Totals	70,588			

SCHEDULE A-30
Account 230 - Other Current and Accrued Liabilities

Line No.	Description (a)	Balance End of Year (b)
15	Volume Related	1,672,692
16	Accrued Salaries	383,035
17	WIP Retention	265,577
18	Audit Fees	50,000
19	Legal Costs	25,000
20	Consulting fees	28,750
21	Unclaimed Refund Contract Payments	13,478
22	Franchise Fees Payable	556,243
23	Medical/Dental Accrual	247,542
24	Other	229
25		
26		
27		
28		
29		
30		
31	Total	3,242,546

SCHEDULE A-31
Account 228 - Accrued and Prepaid Taxes

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 shown 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 34, 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.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE BEGINNING OF YEAR		Taxes Charged During Year (d)	Paid During Year (e)	Adjustments (f)	BALANCE END OF YEAR	
		Taxes Accrued (b)	Prepaid Taxes (c)				Taxes Accrued (Account 228) (g)	Prepaid Taxes (Incl. In Acct. 132) (h)
1	Taxes on real and personal property (228-1)	558,361	371,977	366,562	718,768	206,155	0	11,276
2	Taxes on other personal property			178,320	178,320			
3	State corporation franchise tax (228-2)	984,893		1,057,910	1,818,893		223,910	
4	State unemployment insurance tax			31,563	31,563			
5	Other state and local taxes							
6	Federal unemployment insurance tax			6,568	6,568			
7	Fed. ins. contr. act (old age retire.)			401,128	401,128			
8	Other federal taxes (228-2)	2,298,904		3,913,196	4,167,480		95,541	
9	Federal income taxes (228-2)	3,842,158	371,977	6,050,788	7,322,720	206,155	2,044,620	11,276
10	Subtotal							
11		12,255		13,880	12,255		13,880	
12	Accrued payroll tax (228-3)							
13								
14	Totals	3,854,413	371,977	6,064,668	7,334,975	206,155	2,377,951	11,276

(1) Represents property tax liability as of 12/31/05

(2) Cash basis vs accrual basis difference

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXXXX	5,511,064
2	Additions during year	XXXXXXXXXXXXXXXXXXXX	670,444
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXXXX	6,181,508
4	Charges during year	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	35,363	XXXXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	172,077	XXXXXXXXXXXXXXXXXXXX
8	Unclaimed refund payments/scheduled payments to State of California	14,683	XXXXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXXXXXXXX	222,123
10	Transfers to Acct 265, Contributions in Aid of Construction	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXXXXXXXX	0
14	Securities Exchanged for Contracts (enter detail below)		XXXXXXXXXXXXXXXXXXXX
15	Subtotal-Charges during year	XXXXXXXXXXXXXXXXXXXX	222,123
16	Balance end of year	XXXXXXXXXXXXXXXXXXXX	5,959,385

If stock, bonds, etc., were issued in exchange for construction advance contracts give details below.

Line No.	Type of Security or Other Consideration (Other than Cash) (a)	Dividend or Interest Rate (b)	PUC Decision Number (c)	Amount Issued (d)
17	Common stock			0
18	Preferred stock			0
19	Bonds			0
20	Other (describe)			0
21				
22				

SCHEDULE A-33
Account 242 - Other Deferred Credits

Line No.	Item (a)	Balance End of Year (b)
1	Deferred Revenue (CIAC)	89,910
2	Developer Deposits	1,291,750
3	Long-term Refund Contracts & Payables Unclaimed	14,662
4	Deferred ITC	528,123
5	FASB 109 Federal Reg Liability	273,664
6	FASB 109 State Reg Liability	65,487
7	ARO (Asset Retirement Obligation) Liability	189,563
8a	Balancing Account 2002	72,571
8b	Balancing Account 2003	358,720
8c	Balancing Account 2004	250,255
8d	Balancing Account	(2,999,144)
8e	Balancing Account Contra Pre 11/01 - SJ	489,407
8f	Balancing Account Contra Pre 11/01 - LM	1,322,924
	Total	1,947,892

SCHEDULE A-34
Account 254 to 258, Inclusive-Miscellaneous Reserves

Line No.	Account (a)	Balance Beginning of Year (b)	DEBITS		CREDITS		Balance End of Year (g)
			Nature of Items (c)	Amount (d)	Account Charged (e)	Amount (f)	
9	#254	424,321	Write-offs	57,679	125 & 775	57,681	424,323
10							
11	#258	11,381,004	Def. Income taxes	764,088	228 & 242	923,342	11,540,258
12							
13							
14	Totals	11,805,325		821,767		981,023	11,964,581

SCHEDULE A-35
Account 265 - Contributions in Aid of Construction

Instructions for Preparation of Schedule of Contributions in Aid Construction

1 The credit balance in the account other than that portion of the balance relating to nondepreciable property (column d), to property retired prior to January 1, 1955 (column e), and to the estimated amount of depreciation accrued to January 1, 1955 (column f), shall be written off through charges to this account and credits to Account 250 - Reserve for Depreciation of Utility Plant over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account 250. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.

2 That portion of the balance applicable to nondepreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such nondepreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.

3 That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Item (a)	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 (e)	Depreciation Accrued through Dec. 31, 1954 on Property in Service at Dec. 31, 1954 (f)
			Depreciable (c)	Non-Depreciable (d)		
1	Balance beginning of year	12,509,590	12,406,789	102,801		
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXX XX
3	Contributions received during year	2,943,126	2,943,126		XXXXXX XX	XXXXXXX XX
4	Other credits*					0
5	Total credits	2,943,126	2,943,126	0	0	0
6	Deduct: Debits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXX XX
7	Depreciation charges for year	572,832	572,832	XXXXXX XX	XXXXXX XX	XXXXXXX XX
8	Nondepreciable donated property retired		XXXXXX XX		XXXXXX XX	XXXXXXX XX
9	Other debits*		0			0
10	Total debits	572,832	572,832	0	0	0
11	Balance end of year	14,879,884	14,777,083	102,801	0	0

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

SCHEDULE B-1
Account 501 - Operating Revenues

Line No.	Acct	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in {Brackets} (d)
1		I. WATER SERVICE REVENUES			
2	601	Metered sales to general customers 601-11 Res	34,041,758	34,891,325	(849,567)
3		601.1 Commercial sales	7,501,258	7,678,478	(177,220)
4		601.2 Industrial sales	539,790	502,030	37,760
5		601.3 Sales to public authorities	2,535,811	2,818,829	(283,018)
6		Sub-total	44,618,617	45,890,662	(1,272,045)
7		601.4 Metered flooding	28,702	36,502	(7,800)
8	602	Unmetered sales to general customers			0
8a		602.1 Commercial sales			0
9		602.2 Industrial sales			0
10		602.3 Sales to public authorities			0
11		Sub-total	28,702	36,502	(7,800)
12	603	Sales to irrigation customers			0
13		603.1 Metered sales			0
14		603.2 Unmetered sales			0
15		Sub-total	0	0	0
16	604	Private fire protection service	653,344	636,906	16,438
17	605	Public fire protection service			0
18	606	Sales to other water utilities for resale	15,136	14,442	694
19	607	Sales to governmental agencies by contracts			0
20	608	Interdepartmental sales			0
21	609	Other sales or service			0
22		Sub-total	668,480	651,348	17,132
23		Total other water revenues	45,315,799	46,578,512	(1,262,713)
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	140,808	132,007	8,801
26	612	Rent from water property	7,800	7,800	0
27	613	Interdepartmental rents			0
28	614	Other water revenues	46,662	49,616	(2,954)
29		Total other water revenues	195,270	189,423	5,847
30	501	Total operating revenues	45,511,069	46,767,935	(1,256,866)

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

Line No.	Location (a)	Operating Revenues (b)
31	Operations not within incorporated cities 1	
32	Los Angeles County	11,405,074
33	Orange County	177,493
34		
35	Operations within incorporated territory	
36	City or town of West Covina	13,626,014
37	City or town of La Puente	2,439,393
38	City or town of Glendora	923,875
39	City or town of Industry	882,915
40	City or town of Walnut	1,756,727
41	City or town of Whittier	5,866,377
42	City or town of La Mirada	8,196,544
43	City or town of Covina	127,431
44	City or town of La Habra	63,715
45	City or town of Buena Park	45,511
46	Total	45,511,069

1 Should be segregated to operating districts.

SCHEDULE B-2
Account 502 - Operating Expenses - Class A,B, and C Water Utilities

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in {Brackets} (d)
			A	B	C			
1		I. SOURCE OF SUPPLY EXPENSE						
2		Operation						
3	701	Operation supervision and engineering	A	B				0
4	701	Operation supervision, labor and expenses			C			0
5	702	Operation labor and expenses	A	B				0
6	703	Miscellaneous expenses	A			854,448	989,701	(135,253)
7	704	Purchased water	A	B	C	11,130,149	13,823,997	(2,693,848)
7a	70401	Contributions from cooperating respondents	A	B	C	(3,389,093)	(3,291,062)	(98,031)
8		Maintenance						
9	706	Maintenance supervision and engineering	A	B				0
10	706	Maintenance of structures and facilities			C			0
11	707	Maintenance of structures and improvements	A	B				0
12	708	Maintenance of collect and impound reservoirs	A					0
13	708	Maintenance of source of supply facilities		B				0
14	709	Maintenance of lake, river and other intakes	A					0
15	710	Maintenance of springs and tunnels	A					0
16	711	Maintenance of wells	A			7,568	16,403	(8,835)
17	712	Maintenance of supply mains	A					0
18	713	Maintenance of other source of supply plant	A	B				0
19		Total source of supply expense				8,603,072	11,539,039	(2,935,967)
20		II. PUMPING EXPENSES						
21		Operation						
22	721	Operation supervision and engineering	A	B				0
23	721	Operation supervision labor and expenses			C			0
24	722	Power production labor and expense	A					0
25	722	Power production labor, expenses and fuel		B				0
26	723	Fuel for power production	A					0
27	724	Pumping labor and expenses	A	B		293,500	312,744	(19,244)
28	725	Miscellaneous expenses	A			1,038	1,422	(384)
29	726	Fuel or power purchased for pumping	A	B	C	2,221,926	1,852,696	369,230
30		Maintenance						
31	729	Maintenance of supervision and engineering	A	B				0
32	729	Maintenance of structures and equipment			C			0
33	730	Maintenance of structures and improvements	A	B		53,192	104,022	(50,830)
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		407,611	322,551	85,060
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				2,977,267	2,593,435	383,832

SCHEDULE B-2
Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Continued)

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in {Brackets} (d)
			A	B	C			
1		III. WATER TREATMENT EXPENSES						
2		Operation						
3	741	Operation supervision and engineering	A	B			0	
4	741	Operation supervision, labor and expenses			C		0	
5	742	Operation labor and expenses	A			257,077	248,248	8,829
6	743	Miscellaneous expenses	A	B		19,884	19,884	0
7	744	Chemicals and filtering materials	A	B		207,024	161,775	45,249
8		Maintenance						
9	746	Maintenance of supervision and engineering	A	B			0	
10	746	Maintenance of structures and equipment			C		0	
11	747	Maintenance of structures and improvements	A	B			0	
12	748	Maintenance of water treatment equipment	A	B		19,473	23,910	(4,437)
13		Total water treatment expenses				503,458	453,817	49,641
14		IV. TRANS. AND DIST. EXPENSES						
15		Operation						
16	751	Operation supervision and engineering	A	B			0	
17	751	Operation supervision, labor and expenses			C		0	
18	752	Storage facilities expenses	A			118,143	106,477	11,666
19	752	Operation labor and expenses		B			0	
20	753	Transmission and distribution lines expenses	A			85,676	63,047	22,629
21	754	Meter expenses	A			606	350	256
22	755	Customer installations expenses	A			38,515	21,608	16,907
23	756	Miscellaneous expenses	A					0
24		Maintenance						
25	758	Maintenance supervision and engineering	A	B			0	
26	758	Maintenance of structures and plant			C		0	
27	759	Maintenance of structures and improvements	A	B			0	
28	760	Maintenance of reservoirs and tanks	A	B		17,415	20,148	(2,733)
29	761	Maintenance of trans. and distribution mains	A			1,236,610	1,293,890	(57,280)
30	761	Maintenance of mains		B			0	
31	762	Maintenance of fire mains	A				0	
32	763	Maintenance of services	A			299,423	309,245	(9,822)
33	763	Maintenance of other trans. and distribution plant		B			0	
34	764	Maintenance of meters	A			201,857	190,747	11,110
35	765	Maintenance of hydrants	A			80,480	77,814	2,666
36	766	Maintenance of miscellaneous plant	A				0	
37		Total transmission and distribution expenses				2,078,725	2,083,326	(4,601)

SCHEDULE B-2

Account 502 - Operating Expenses - Class A, B, and C Water Utilities (Concluded)

Respondent should use the group of accounts applicable to its class

Line No.	Acct	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in {Brackets} (d)
			A	B	C			
1		V. CUSTOMER ACCOUNT EXPENSES						
2		Operation						
3	771	Supervision	A	B			0	
4	771	Superv., meter read, other customer acct. expenses			C		0	
5	772	Meter reading expenses	A	B		181,992	188,304	(6,312)
6	773	Customer records and collection expenses	A			952,552	981,315	(28,763)
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A					0
9	775	Uncollectible accounts	A	B	C	47,975	407,779	(359,804)
10		Total customer account expenses				1,182,519	1,577,398	(394,879)
11		VI. SALES EXPENSES						
12		Operation						
13	781	Supervision	A	B				0
14	781	Sales expenses			C			0
15	782	Demonstrating and selling expenses	A					0
16	783	Advertising expenses	A			26,962	20,225	6,737
17	784	Miscellaneous sales expenses	A					0
18	785	Merchandising, jobbing and contract work	A					0
19		Total sales expenses				26,962	20,225	6,737
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	2,076,667	2,112,068	(35,401)
23	792	Office supplies and other expenses	A	B	C	841,673	730,995	110,678
24	793	Property insurance	A			176,954	140,987	35,967
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			1,408,351	1,525,914	(117,563)
27	795	Employees' pensions and benefits	A	B	C	1,715,330	2,018,248	(302,918)
28	796	Franchise requirements	A	B	C	577,561	602,562	(25,001)
29	797	Regulatory commission expenses	A	B	C	671,416	680,692	(9,276)
30	798	Outside services employed	A			302,629	368,161	(65,532)
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			99,587	54,229	45,358
34		Maintenance						
35	805	Maintenance of general plant	A	B	C	303,595	268,482	35,113
36		Total administrative and general expenses				8,173,763	8,502,338	(328,575)
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	237,258	230,053	7,205
39	812	Administrative expenses transferred--Cr.	A	B	C	(711,534)	(815,076)	103,542
40	813	Duplicate charges - Cr.	A	B	C			0
40a	901	Charges by associated companies, clearing	A			4,099,000	3,481,000	618,000
40b	902	Stores expense, clearing	A					0
40c	903	Transportation expense, clearing	A			675,553	601,201	74,352
40d	906	Tools and work equipment, clearing	A			43,318	17,413	25,905
41		Total miscellaneous				4,343,595	3,514,591	829,004
42		Total operating expenses				27,889,361	30,284,169	(2,394,808)

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

Line No.	Description (a)	Amount
1		
2		
3		
4	NONE	
5		
6		
7		
8		

SCHEDULE B-4
Account 507 - Taxes Charged During Year

- This schedule is intended to give the account distribution of total taxes charged to operations and other final accounts during the year.
- 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.
- 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.
- 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.
- The total taxes charged as shown in column (b) should agree with the amounts shown by column (g) of schedule entitled "Accrued and Prepaid Taxes," page 26.
- 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)			
			Water (Account 507) (c)	Nonutility (Account 521) (d)	Other (Account----) (e)	Capitalized (Omit Account) (f)
9	Taxes on real and personal property (Acc't 228-1)(604-507)	366,562	366,562			
10	Taxes on other real and personal property (PUC 50700)	178,320	169,710		8,610	(SC 604-PUC 527)
11	State corp. franchise tax (PUC 50710)	1,057,910	1,059,192		(1,282)	(PUC 258)
12	State unemployment insurance tax (Source code 428)	31,563	31,563			
13	Other state and local taxes (Source code 430)	0	0			
14	Federal unemployment insurance tax (Source code 432)	6,568	6,568			
15	Federal insurance contributions act (Source code 436)	401,128	401,128			
16	Payroll taxes capitalized (Acct 661-507)	(22,494)	(22,494)			22,494
17	Federal income tax (630-5072)	3,913,196	3,791,297		121,899	(PUC 258)
18	Other Federal tax (PUC 50720)	95,541			95,541	
19	Accrued payroll taxes (PUC 228-3)	13,880			13,880	
20						
21						
22						
23	Totals	6,064,668	5,803,526	0	238,648	22,494

SCHEDULE B-5

Reconciliation of Reported Net Income With Taxable Income for Federal Income 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 7.....	7,582,420
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional	
3	deductions for non-taxable income):	
4		
5	Federal income taxes	3,791,297
6		
7	State income taxes	1,059,192
8		
9	Taxable income not recorded on books:	
10	Income from deferral of gains on sales of properties	180,474
11		
12	Tax deductions not recorded on books:	
13	Amortization of Contributions	(94,106)
14	State tax (Priv. 2004) California	(984,053)
15	2003 Stock Options Exercised	-
16	2005 Property Taxes	1,655
17	Flow-through depreciation	(292,467)
18	Normalized depreciation - pre 1994	(1,817,305)
19	Repayment of advances including gross up	(86,774)
20		
21	Book income not recorded on return:	
22	Amortization of deferred revenue associated with contributions	(11,743)
23		
24	Book expenses not deducted on return	2,144,579
25		
26	Federal taxable income	11,473,169
27		
28	Federal tax rate (34%)	3,900,877
29	Federal tax rate based on 35%*	12,322
30	Amortization of ITC on '82-90 Assets	(39,971)
31		
32		
33	Tax per 2005 return	3,873,228
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		

* Federal tax rate is 35% if federal taxable income is over \$10,000,000

SCHEDULE B-6
Account 521 - Income from Nonutility Operations

Line No.	Description (a)	Revenue (b)	Expenses (c)	Net Income (d)
1	Baldwin Park Operable Unit reimbursement for interest	22,186		(22,186)
2				-
3				
4				
5	Totals	22,186	0	(22,186)

SCHEDULE B-7
Account 526 - Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
6	Misc. non-operating expenses (revenue)	(300,956)
7		
8		
9		
10		
11		
12		
13	Total	(300,956)

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

Line No.	Description (a)	Amount (b)
14	Ad Valorem Tax Expense	(8,610)
15		
16		
17		
18	Total	(8,610)

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
19	Interest Expense on Customer Deposit Accounts	33
20		
21		
22	Total	33

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	Donations	73,622
24	Political Contributions	11,300
25	Other Expenses	38,454
26		
27	Total	123,376

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 covering supervision and/or management of its own affairs during the year?	
2			
3		Answer (Yes or No)	Yes
4	2	Name of each organization or person that was a party to such a contract or agreement.	
5			<i>Suburban Water Systems and Southwest Water Company</i>
6	3	Date of original contract or agreement.	<i>July 14, 1993</i>
7	4	Date of each supplement or agreement.	<i>None</i>
8		Note: File with the report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	
9			
10			
11	5	Amount of compensation paid during the year for supervisor or management	<i>\$ 4,099,000 (1)</i>
12	6	To whom paid	<i>Southwest Water Company</i>
13	7	Nature of payment (salary, traveling expenses, See Note (1))	
14	8	Amounts paid for each class of service	<i>See Note (2)</i>
15			
16	9	Basis for determination of such amounts	<i>4 Factor Allocation</i>
17			
18	10	Distribution of payments:	
19		(a) Charged to operating expenses	<i>100%</i>
20		(b) Charged to capital accounts	<i>0%</i>
21		(c) Charged to other accounts	<i>0%</i>
22		Total	<i>100%</i>
23	11	Distribution of charges to operating expenses by primary accounts.	
24		Number and Title of Account	
25			<i>Account 901 - Charge Associated Company</i>
26			
27			
28		Total	<i>\$ 4,099,000</i>
29	12	What relationship, if any, exists between respondent and supervisory and/or managing concerns?	
30			<i>Suburban Water Systems is a wholly owned subsidiary of Southwest Water Company</i>

Note (1) Represents allocation of all indirect costs which includes supervision and management.

Note (2)	Salaries & Wages	\$	1,163,000
	Legal & Audit Fees		443,000
	Facility Expense		214,000
	Sarbox 404 Expense		264,000
	Others		2,015,000
	Total	\$	<u>4,099,000</u>

SCHEDULE C-2
Compensation of Individual Proprietor or Partners

Do operating expenses include any charge for owner's compensation in the form of salary or wages, rental allowances, or for the use of a private automobile. (If the word "none" truly states the fact it should be given as the answer to this inquiry.)

Line No.	Nature of Allowance (a)	Account Charged (b)	Amount (c)
1			
2			
3	NONE		
4			
5			
6	Total		

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

Line No.	Classification (a)	Number at End of Year (b)	Total Salaries and Wages Paid During Year (c)
7	Employees - Source of supply	1	6,121
8	Employees - Pumping	13	646,833
9	Employees - Water treatment	2	79,625
10	Employees - Transmission and distribution	23	1,127,772
11	Employees - Customer account	19	944,597
12	Employees - Sales		
13	Employees - Administrative:		
14	General officers	7	(1) 846,484
15	General office	40	1,554,650
16	Totals	105	5,206,082

(1) This amount excluded President's salaries which paid out of SWCUG

SCHEDULE C-4
Record of Accidents During Year

Line No.	Date of Accident (a)	TO PERSONS				Total Number (f)	TO PROPERTY			
		Employees on Duty		Public (1)			Company		Other	
		Killed (b)	Injured (c)	Killed (d)	Injured (e)		Number (g)	Amount (h)	Number (i)	Amount (j)
17	Various	0	1	0		23	44,741	6	11757	
18										
19										
20	Totals	0	1	0	0	23	44,741	6	11757	

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

**SCHEDULE C-5
Expenditures for Political Purposes**

Hereunder report all direct or indirect expenditures incurred or made to elect or defeat a candidate for public office; or to place any measure on the ballot; at any election, or to keep it from being placed on the ballot at any election, or to support or defeat any measure on the ballot; at an election, or to support or defeat any proposed legislation, also name the account or accounts to which the expenditures herein mentioned have been charged. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

1	
2	
3	SEE ATTACHED
4	
5	TOTAL \$11,300

**SCHEDULE C-6
Loans to Directors, or Officers, or Shareholders**

Show hereunder the amount of loans to directors, or officers, or shareholders and the terms and conditions of such loans. Among other things, show the name of each director, or officer, or shareholder, receiving a loan or loans, the amount of each loan, the rate of interest payable on such loan or loans, the maturity date of each loan or loans, the security given and the date when the shareholders authorized each loan. If such authorization was given. (If the word "none" truly states the fact, it should be given as the answer to this inquiry.)

6	
7	
8	NONE
9	
10	
11	

**SCHEDULE C-7
Bonuses Paid to Executives & Officers**

Show hereunder the amount of bonuses paid to Executives and Officers, both cash and non-cash. List by the name of each Executive or Officer receiving the bonus, the dollar value of that bonus, and a description of the bonus if it is non-cash.

12	Michael O. Quinn	\$	-	\$	75,000 *
13	Daniel N. Evans		58,500		
14	Paul S. Carver		17,031		
15	John A. Brettl		22,907		
16	Donald King		20,395		
17	Koby Y. Cohen		22,005		
18	Michael De Ghetto		19,116		
		TOTAL \$	159,954	\$	75,000 *

* Bonus paid out of SWCUG

**SUBURBAN WATER SYSTEMS
SCHEDULE C-5
POLITICAL CONTRIBUTIONS
2005**

Consumers for Clean Water	\$5,000.00
Friends of John King - Covina city council	\$200.00
Ronald Calderon for senate	\$500.00
CWA Dues	\$5,600.00
	<u><u>\$11,300.00</u></u>

**SCHEDULE D-1
Sources of Supply and Water Developed**

STREAMS				FLOW IN(unit) ²				Annual Quantities Diverted(Unit) ²	Remarks
Line No.	Diverted Into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1									
2									
3	----- NONE -----								
4									
5									
WELLS							Annual Quantities Pumped(Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	Depth to Water	Pumping Capacity(Unit) ²			
6									
7									
8	----- SEE ATTACHED -----								
9									
10									
TUNNELS AND SPRINGS				FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks		
Line No.	Designation	Location	Number	Maximum	Minimum				
11									
12									
13	----- NONE -----								
14									
15									
Purchased Water for Resale									
16	Purchased from								
17	Annual quantities purchased (Unit chosen) ²								
18	----- SEE ATTACHED -----								
19									

- * State ditch, pipe line, reservoir, etc. with name if any.
- 1 Average depth to water surface below ground surface
- 2 The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallons or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's Inch. Please be careful to state the unit used.

**SCHEDULE D-2
Description of Storage Facilities**

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
20	A. Collecting Reservoirs			
21	Concrete			
22	Earth			
23	Wood			
24	B. Distribution Reservoirs			
25	Concrete	7	17,869,491 Gallons	
26	Earth			
27	Wood			
28	C. Tanks			
29	Wood			
30	Metal	25	56,030,659 Gallons	
31	Concrete			
32	Totals	32	73,900,150 Gallons	

Suburban Water Systems

Wells

Schedule D-1 2005

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M.</u>	<u>Acre Feet Pumped</u>
<i>San Jose Hills</i>				
121 W1 Stone	16"	211' PWL	2,518	3,807.56
126 W2 Rio Verde	18"	186' SWL	1,147	0.00
139 W2 La Puente CO.	26"	130' SWL	2,510	0.00
139 W4 La Puente CO.	20"	134' SWL	2,944	0.00
139 W5 La Puente CO.	18"	134' SWL	3,300	0.00
140 W3 La Grande	18"	105' SWL	1,107	0.00
140 W4 La Grande	18"	110' SWL	2,657	0.00
140 W5 La Grande	18"	104' SWL	4,080	3,243.71
142 W2 Vine	16"	177' PWL	3,230	4,650.01
147 W3 Jones	18"	276' PWL	1,400	1,856.02
<u>Total Acre Feet San Jose Hills</u>				13,557.30

<u>Plant and Location</u>	<u>Dimensions of Casing</u>	<u>Water Depth</u>	<u>Capacity in G. P. M.</u>	<u>Acre Feet Pumped</u>
<i>Whittier \ La Mirada</i>				
201 W2 Bartolo	14"	55' PWL	1,519	2,078.27
201 W4 Bartolo	16"	80' PWL	2,758	4,066.98
201 W5 Bartolo	16"	36' SWL	1,892	2,397.66
201 W6 Bartolo	24"	60' PWL	1,785	1,842.35
201 W7 Bartolo	18"	103' PWL	4,174	1,720.68
409 W3 Canary	16"	99' SWL	2,066	478.54
<u>Total Acre Feet Whittier \ La Mirada</u>				12,584.48
<u>Total Acre Feet Company</u>				26,141.78

Purchased Water for Resale

<i>San Jose Hills</i>	<u>Acre feet Purchased</u>
City of Azusa Light & Water Department	518.88
City of Covina	2.90
City of Glendora	416.91
Covina Irrigating Company	7,832.12
La Puente Valley County Water District	1,599.13
Rowland Water District	11.20
Upper San Gabriel Valley Municipal Water District	7,032.39
Valencia Heights Water Company	2.47
Walnut Valley Water District	<u>1,193.34</u>
<u>Total Acre Feet San Jose</u>	18,609.34

<i>Whittier \ La Mirada</i>	<u>Acre feet Purchased</u>
California Domestic Water Company	8,486.90
Central Basin Municipal Water District	2,613.49
City of Whittier	5.62
La Habra Heights County Water District	0.02
San Gabriel Valley Water Company	19.86
<u>Total Acre Feet Whittier \ La Mirada</u>	11,125.89
<u>Total Acre Feet Company</u>	29,735.23

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
 Capacities in Cubic Feet per Second or Miner's Inches (State Which) _____

Line No.		0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined Conduit					----- NONE -----			
4									
5	Totals								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Concluded
 Capacities in Cubic Feet per Second or Miner's Inches (State Which) _____

Line No.		101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined Conduit					----- NONE -----			
9									
10	Totals								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.		1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel			*****SEE ATTACHED****						
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos									
19	Welded steel									
20	Galvanized									
21	Other (specify) Ductile Iron									
22	Totals									

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Concluded

Line No.		10	12	14	16	18	20	Other Sizes (Specify Sizes)		Total All Sizes
								21 TO 29	30 & OVER	
23	Cast Iron									0
24	Cast Iron (cement lined)									
25	Concrete									
26	Copper									0
27	Riveted Steel									
28	Standard Screw			*****SEE ATTACHED****						
29	Screw or Welded Casing									
30	Cement-Asbestos									
31	Welded Steel									
32	Galvanized									0
33	Other (specify) Ductile Iron									
34	Totals									

SUBURBAN WATER SYSTEMS
 2005 PUC REPORT SCHEDULE D-3 B.
 TOTAL COMPANY

SIZE	1"	1 1/2"	2"	2 1/2"	3"	4"	5"	6"	8"
CAST IRON						14,272		16,972	5,673
CAST IRON (CEMENT LINED)									
CEMENT-ASBESTOS					894	510,865	337	1,144,295	1,314,508
CONCRETE									111
COPPER	59	18							
DUCTILE IRON						77		812	2,516
RIVETED STEEL									
GALVANIZED	101	690	2,023			42			
HD PE			550						
PLASTIC	546		13,963			42,315		9,650	
PVC			2,867			9,872		52,308	165,577
STEEL									
TRANSITE									
WELDED STEEL	213	278	6,188	300	582	21,310	3,028	36,246	83,948
BLUE BRUTE									
TOTALS	919	986	25,591	300	1,476	598,753	3,365	1,260,283	1,572,333

SIZE	10"	12"	14"	16"	18"	20"	21-29"	30"-OVER	TOTAL ALL SIZES
CAST IRON									36,917
CAST IRON (CEMENT LINED)									0
CEMENT-ASBESTOS	54,989	440,678	2,275	86,142	11,670	12,664	787	4,270	3,584,374
CONCRETE		401		3,686	24	1,730			5,952
COPPER									77
DUCTILE IRON	10	1,672		34,811	2,935	3,986	19,248	30,652	96,719
RIVETED STEEL									0
GALVANIZED									2,856
HD PE	1,111	4,443					4,315		10,419
PLASTIC									66,474
PVC	1,128	105,400		5,990		5,981			349,123
STEEL									0
TRANSITE									0
WELDED STEEL	16,851	52,746	13,611	37,672	4,903	8,385	29,983	27,758	344,002
BLUE BRUTE									0
TOTALS	74,089	605,340	15,886	168,301	19,532	32,746	54,333	62,680	4,496,913

**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 domestic)	73,844	73,913		
Industrial	38	36		
Public Authorities	472	472		
Irrigation	0	0		
Other (specify) Constr Wtr	23	28		
Other Util (GA)	7	7		
Govt Agcy/Resale	0	0		
Sub-total	74,384	74,456		
Private Fire Connections	634	653		
Private Fire Hydrants			59	61
Total	75,018	75,109	59	61

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4-in	7,501	xxxxxxxxxxxxxxxxxxxx
3/4-in	51,555	
1-in	12,471	
1 1/2-in	1,511	
2-in	1,477	
3-in	209	
4-in	118	
6-in	22	
8-in	10	
Other	3	
Total	74,877	

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received	15
2. Used, before repair	90
3. Used, after repair	19
4. Found fast, requiring billing adjustment	
B. Number of Meters in Service Since Last Test:	
1. Ten years or less	49,701
2. More than 10, but less than 15 years	23,997
3. More than 15 years	1,816

(totco

**SCHEDULE D-7 2005
Water Delivered to Metered Customers by Months and Years in.....(Unit chosen)1**

CCF

Classification of Service	During Current Year												Sub-Total	Total	Total Prior Year	
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.				
Commercial/Res	1,252,124	1,150,030	1,174,310	1,421,884	1,634,320	2,096,319								8,728,987	21,120,105	22,467,784
Industrial	23,840	28,904	27,327	25,046	24,658	33,524								163,299	355,125	330,235
Public Authorities	33,264	29,891	29,276	56,129	96,646	124,505								369,711	1,231,090	1,468,935
Irrigation	0	0	0	0	0	0								0	0	0
Other (specify) Const	426	1,275	57	6,663	1,207	18,505								28,133	29,675	7,536
Govt Agency/Resale	139	77	106	145	292	482								1,241	4,895	4,755
Total	1,309,793	1,210,177	1,231,076	1,509,867	1,757,123	2,273,335								9,291,371	22,740,890	24,279,245
Classification of Service	During Current Year												Sub-total	Total	Total Prior Year	
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June				
Commercial/Res	2,280,238	2,460,205	2,405,287	2,131,915	1,533,453	1,580,020								12,391,118	21,120,105	22,467,784
Industrial	28,118	32,258	38,770	32,980	30,354	29,346								191,826	355,125	330,235
Public Authorities	170,352	164,757	205,362	148,190	94,622	78,096								861,379	1,231,090	1,468,935
Irrigation	0	0	0	0	0	0								0	0	0
Other (specify) Const	864	405	685	672	(1,620)	536								1,542	29,675	7,536
Govt Agency/Resale	725	591	712	704	485	337								3,654	4,895	4,755
Total	2,480,297	2,658,316	2,650,816	2,314,461	1,657,294	1,688,335								13,449,519	22,740,890	24,279,245

† Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated N/A

Total population served 311,385

SCHEDULE D-8
Status With State Board of Public Health

1	Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year?	YES
2	Are you having routine laboratory tests made of water served to your consumers?	YES
3	Do you have a permit from the State Board of Public Health for operation of your water system?	YES
4	Date of full permits:	
		San Jose Hills System - System No. 1910205 - permit date: May 23, 2001
		La Mirada System - System No. 1910059 - permit date: December 1, 1967
		Whittier System - System No. 1010174 - permit date: October 25, 1962
		Glendora System - System No. 1910046 - permit date: February 2, 1962
	Covina Knolls System - System No. 1910200 - permit date: November 27, 1961	
5	If permit is "temporary", what is the expiration date?	n/a
6	If you do not hold a permit, has an application been made for such permit?	n/a
	7 If so, on what date?	n/a

SCHEDULE D-9
Statement of Material Financial Interest

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

<p align="center">A copy of Southwest Water Company's 2005 proxy statement sent to its shareholders, containing the information required by the rules of the Securities Exchange Commission, will be forwarded at a later date.</p>	

SCHEDULE E-1
Balancing & 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	2001 Reserve Accounts	D.02-12-055	2,286,528			19,103	(1,118,818)		1,186,813
2	2002 Reserve Accounts	D.03-06-072	(72,571)						(72,571)
3	2003 Reserve Accounts	D.03-06-072	(358,720)						(358,720)
4	2004 Reserve Accounts	D.03-06-072	(250,255)						(250,255)
5	Rate Case Expense 2002	D.03-05-078	30,967		(30,967)				0
6	Rate Case Expense 2005		0		207,796				207,796
7	Water Contamination Litigation Memo Acct.	W-4094	0						0

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

Note 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.

Note 3: The following table reflects certain of the above memorandum accounts on a PUC reporting basis irrespective of financial accounting requirements

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	2001 Reserve Accounts	D.02-12-055	2,285,521			19,103	(1,118,818)		1,185,806
2	Rate Case Expense 2002	D.03-05-078	171,203		(120,849)				50,354
3	2002 Reserve Accounts	D.03-06-072	(110,905)			(3,159)			(114,064)
4	2003 Reserve Accounts	D.03-06-072	(364,083)			(10,370)			(374,453)
5	2004 Reserve Accounts	D.03-06-072	(295,196)			(8,408)			(303,604)
6	2005 Reserve Accounts	D.03-06-072			700,852	9,446			710,298

Schedule E- 2 Description of Low-Income Rate Assistance Program(s)
NONE
For all low income rate assistance programs offered by water utility, provide detailed responses to the following items:
<ol style="list-style-type: none"> 1. Brief description of each low-income rate assistance program provided, by district. This shall include but is not limited to the percent of discount, the dollar amount of discount, what rate is discounted (service charge, quantity, or total bill), qualifying income level, dollar rate increase to remaining customers to pay for this program. 2. Participation rate for Year 200_ (as a percent of total customers served). 3. Detail of balancing or memorandum account authorized to record expenses incurred and revenues collected for low income rate assistance program.

Schedule E- 3 Description of Water Conservation Program(s)
For all water conservation programs offered by water utility, provide detailed responses to the following items:
SEE ATTACHMENT
<ol style="list-style-type: none"> 1. Brief description of each water conservation program provided, by district. This description shall include but not be limited to the type of program offered (such as provision of low-flow plumbing fixtures, leak detection, leak repair, written water conservation tips, or other similar programs to its customers) and length of time it was offered. 2. Discuss how is each water conservation assistance program funded, for example, through rates charged to all customers, rates charged to customer receiving water conservation assistance, shareholder contribution, community funding, government funding, or other funding method. Explain why this type of funding was used. 3. Cost of each program. 4. The degree of participation in each district by customer group.

Schedule E-3

- (1) Brief description of each water conservation program provided by Suburban,
- (3) Cost of each program totaling \$28,462,
- (4) Degree of participation,

Ultra Low Flow Toilet Rebates - In the Whittier/La Mirada service area, Suburban offers in cooperation with Central Basin Municipal Water District ("Central Basin") a \$75 toilet rebate program. The cost to Suburban was \$25 per toilet. Central Basin's cost of \$50 per toilet was reimbursed by MWD, and also reimbursed an additional \$10 to cover the cost of a consultant who managed the program. This rebate amounts to about 80 percent of the estimated cost of an ultra low flush toilet. From April 2004 – February 2005 Suburban issued 361 rebates.

Ultra Low Flow Toilet Exchanges - On April 16, 2005, Suburban and the Upper San Gabriel Valley Municipal Water District sponsored an ultra low flow toilet exchange program for San Jose Hills customers. After identifying themselves by showing personal identification and their water bill, customers were given free ultra low flush toilets. They were required to return their old toilets two weeks later. Four hundred toilets were exchanged. The total cost to Suburban was \$10,000. Upper Basin's share of the cost of \$24,000 was reimbursed by MWD.

High-Efficiency Washing Machine Rebate Program – Suburban does not implement this program directly, but participates in Upper District's high-efficiency washing machine rebate program. Upper District implements this program in conjunction with MWD. Residential dwellings (single-family homes, condominiums, townhouses, apartments or mobile homes) that are located within the San Jose Hills District service area can install a high-efficiency washing machine in place of standard-efficiency washing machine for a rebate. High-efficiency washers can use up to 50 percent less water and 50 percent less energy compared to standard-efficiency washers. Residences that install a high efficiency washing machine receive a rebate of \$275. Upper Basin commenced this program in August 2005 and in the following five months of 2005 made 31 rebates to Suburban customers. Annual water savings are estimated at 16,000 gallons for a four-member household doing 400 loads of laundry a year.

Conservation Coloring and Activity Book geared towards elementary school students. Approximately 500 books were distributed at the NAWC annual meeting in Colorado Springs (October 30 – November 2, 2005) and at La Mirada's PTA Health and Safety Fair (October 26, 2005).

- (2) Discuss how each water conservation assistance program is funded.

Cost incurred by Suburban are funded as part of the service charge. This method of charging is consistent with the Commission's policy on rate design.

Water Conservation Costs In Rates = \$34,000
Total Fixed Costs = \$25,993,813

Ratio = .00065
Service Charge for a 3/4" Meter = \$12.29

Amount of Service Charge that
Supports Water Conservation = \$.008

DECLARATION

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

I, the undersigned

John A. Brett

Officer, Partner or Owner

of

Suburban Water Systems

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 1-1-5 to and including 12-31-5 (date)

SIGNED



Title

Vice President Finance & CFO

Date

3-24-6

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