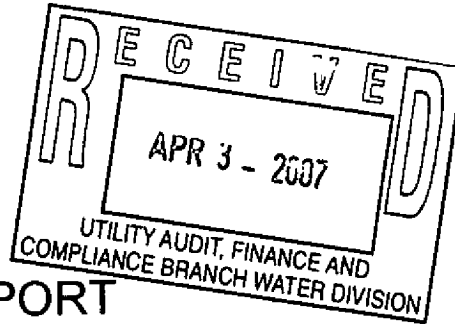


34

Received _____

Examined _____

CLASS A
WATER UTILITIES



U# _____

2006
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, 2006

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2007
(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 calander 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 2006

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTL

(Prepared from Information in the 2006 Annual Report)

	1/1/2006	12/31/2006	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
2 Land and Land Rights	997,457	989,558	993,508
3 Depreciable Plant	136,474,127	147,090,480	141,782,304
4 Gross Plant in Service	138,450,041	149,058,495	143,754,268
5 Less: Accumulated Depreciation	(44,944,267)	(48,531,536)	(46,737,902)
6 Net Water Plant in Service	93,505,774	100,526,959	97,016,367
7 Water Plant Held for Future Use	151,044	186,222	168,633
8 Construction Work in Progress	5,063,051	4,579,026	4,821,039
9 Materials and Supplies	349,461	288,572	319,017
10 Less: Advances for Construction	(5,959,385)	(6,043,333)	(6,001,359)
11 Less: Contributions in Aid of Construction	(14,879,884)	(14,622,901)	(14,751,393)
12 Less: Accym. Deferred Income Taxes and Investment Tax Credits	(12,068,381)	(13,456,712)	(12,762,547)
13 Net Plant Investment	<u>66,161,680</u>	<u>71,457,833</u>	<u>68,809,757</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	37,360,997	41,380,922	39,370,960
18 Common Stock and Equity (Lines 14 through 17)	43,114,771	47,134,696	45,124,734
19 Preferred Stock	3,982,267	3,982,267	3,982,267
20 Long-Term Debt	31,000,000	33,000,000	32,000,000
21 Notes Payable	0	0	0
22 Total Capitalization (Lines 18 through 21)	<u>78,097,038</u>	<u>84,116,963</u>	<u>81,107,001</u>

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

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	198,124
24	Fire Protection Revenue	685,332
25	Irrigation Revenue	0
26	Metered Water Revenue	47,436,610
27	Total Operating Revenue	48,320,066
28	<u>Operating Expenses</u>	28,238,841
29	Depreciation Expense (Recorded Composite Rate <u>2.45%</u>)	3,517,517
30	Amortization and Property Losses	11,398
31	Property Taxes	755,916
32	Taxes Other Than Income Taxes	431,694
33	Total Operating Revenue Deduction Before Taxes	32,955,366
34	California Corp. Franchise Tax	1,252,672
35	Federal Corporate Income Tax	4,422,237
36	Total Operating Revenue Deduction After Taxes	38,630,275
37	Net Operating Income (Loss) - California Water Operations	9,689,791
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	558,866
39	Income Available for Fixed Charges	10,248,657
40	Interest Expenses	1,565,831
41	Net Income (Loss) Before Dividends	8,682,826
42	Preferred Stock Dividends	168,792
43	Net Income (Loss) Available for Common Stock	8,514,034

OTHER DATA

44	Refunds of Advances for Construction	213,047
45	Total Payroll Charged to Operating Expenses	5,346,249
46	Purchased Water (Acct. No 704)	12,260,601
47	Power (Acct. No. 726)	2,716,810
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,001,290
	b. Pre-TRA 1986 Advances for Construction	471,584
	c. Post TRA 1986 Contributions in Aid of Construction	12,621,611
	d. Post TRA 1986 Advances for Construction	5,571,749

Active Service Connections (Exc. Fire Protect.) 600

		Jan. 1	Dec. 31	Annual Average
49	Metered Service Connections	74,877	75,611	75,244
50	Flat Rate Service Connections	0	0	0
51	Total Active Service Connections	74,877	75,611	75,244

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Adjusted to Exclude Non-Regulated Activity
Year 2006

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

PERSON RESPONSIBLE FOR THIS REPORT JOHN BRETTL

(Prepared from Information in the 2006 Annual Report)

	1/1/2006	12/31/2006	Average
BALANCE SHEET DATA			
1 Intangible Plant	978,457	978,457	978,457
2 Land and Land Rights	997,457	989,558	993,508
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4 Gross Plant in Service	138,450,041	149,058,495	143,754,268
5 Less: Accumulated Depreciation	(44,944,267)	(48,531,536)	(46,737,902)
6 Net Water Plant in Service	93,505,774	100,526,959	97,016,367
7 Water Plant Held for Future Use	151,044	186,222	168,633
8 Construction Work in Progress	5,063,051	4,579,026	4,821,039
9 Materials and Supplies	349,461	288,572	319,017
10 Less: Advances for Construction	(5,959,385)	(6,043,333)	(6,001,359)
11 Less: Contributions in Aid of Construction	(14,879,884)	(14,622,901)	(14,751,393)
12 Less: Accum. Deferred Income Taxes and Investment Tax Credits	(12,068,381)	(13,456,712)	(12,762,547)
13 Net Plant Investment	66,161,680	71,457,833	68,809,757
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	36,760,721	40,611,154	38,685,938
18 Common Stock and Equity (Lines 14 through 17)	42,514,495	46,364,928	44,439,712
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)	77,496,762	81,347,195	79,421,979

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
Adjusted to Exclude Non-Regulated Activity
2006

NAME OF UTILITY SUBURBAN WATER SYSTEMS

PHONE (626) 543-2500

INCOME STATEMENT

Annual
Amount

23	Unmetered Water Revenue	198,124
24	Fire Protection Revenue	685,332
25	Irrigation Revenue	0
26	Metered Water Revenue	47,436,610
27	Total Operating Revenue	48,320,066
28	<u>Operating Expenses</u>	28,238,841
29	Depreciation Expense (Recorded Composite Rate 2.45%)	3,517,517
30	Amortization and Property Losses	11,398
31	Property Taxes	755,916
32	Taxes Other Than Income Taxes	431,694
33	Total Operating Revenue Deduction Before Taxes	32,955,366
34	California Corp. Franchise Tax	1,229,062
35	Federal Corporate Income Tax	4,347,046
36	Total Operating Revenue Deduction After Taxes	38,531,474
37	Net Operating Income (Loss) - California Water Operations	9,788,592
38	Other Operating and Nonoper. Income and (Exp.) - Net (Exclude Interest Expense)	290,573
39	Income Available for Fixed Charges	10,079,165
40	Interest Expenses	1,565,831
41	Net Income (Loss) Before Dividends	8,513,334
42	Preferred Stock Dividends	168,792
43	Net Income (Loss) Available for Common Stock	8,344,542

OTHER DATA

44	Refunds of Advances for Construction	213,047
45	Total Payroll Charged to Operating Expenses	5,346,249
46	Purchased Water (Acct. No 704)	12,260,601
47	Power (Acct. No. 726)	2,716,810
48	Class A Water Companies Only:	
	a. Pre-TRA 1986 Contributions in Aid of Construction	2,001,290
	b. Pre-TRA 1986 Advances for Construction	471,584
	c. Post TRA 1986 Contributions in Aid of Construction	12,621,611
	d. Post TRA 1986 Advances for Construction	5,571,749

Active Service Connections (Exc. Fire Protect.) 600

	Jan. 1	Dec. 31	Annual Average
49	74,877	75,611	75,244
50	0	0	0
51	74,877	75,611	75,244

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 (

- 1 Line 34 California Corp. Franchise Tax, Account #50710, \$23,610 (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, \$75,191 (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 #52600, -\$16,089 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 4 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52610, \$141,460 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 5 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52640, \$117,835 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 6 Line 38 Other Operating and Nonoper. Income and (Exp.), Account #52650, \$25,087 (end of year balance), to exclude non-tariff activity (i.e., non-regulated)
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1)file an advice letter request

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2005:

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

Row Number	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue derived from Non-Tariffed Good/Service (by account)	Revenue Account Number	Total Expenses incurred to provide Tariffed Good/Service (by Account)	Expense Account Number	Advice Letter and/or Resolution Number approving Non-Tariffed Good/Service	Total Income Tax Liability incurred because of non-tariffed Good/Service (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets used in the provision of a Non-Tariffed Good/Service (by account).	Regulated Asset Account Number
1	Residential houselime program	Active	334,491	52600 = 90% 61410 = 10%							
2	Antenna-lease	Active	12,800	52600 = 70% 61415 = 30%							
3	Suburban provides no non-tariffed goods/services that require approval by advice letter.										

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:

- Individual (name of owner) _____
 - Partnership (name of partner) _____
 - Partnership (name of partner) _____
 - Partnership (name of partner) _____
 - Corporation (corporate name) SUBURBAN WATER SYSTEMS
- Organized under laws of (state) CALIFORNIA Date: APRIL 15, 1907

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>KOBY COHEN</u>	(Title) <u>V.P.-QUALITY ASSURANCE</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 acquisition:

<u>NONE</u>	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	153,823,744	143,664,136
3	107	Utility plant adjustments			
4		Total utility plant		153,823,744	143,664,136
5	250	Reserve for depreciation of utility plant	A-3	(48,426,695)	(44,850,824)
6	251	Reserve for amortization of limited term utility investments	A-3	(117,473)	(104,683)
7	252	Reserve for amortization of utility plant acquisition adjustment	A-3	12,632	11,240
8		Total utility plant reserves		(48,531,536)	(44,944,267)
9		Total utility plant less reserves		105,292,208	98,719,869
10					
11		II. INVESTMENT AND FUND ACCOUNTS			
12	110	Other physical property	A-2	136,302	135,848
13	253	Reserve for depreciation and amortization of other property	A-3	(41,765)	(39,281)
14		Other physical property less reserve		94,537	96,567
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		94,537	96,567
20					
21		III. CURRENT AND ACCRUED ASSETS			
22	120	Cash			
23	121	Special deposits	A-8		
24	122	Working funds		1,579	1,294
25	123	Temporary cash investments		0	48,613
26	124	Notes receivable	A-9		
27	125	Accounts receivable		3,870,282	5,059,208
28	126	Receivables from associated companies	A-10	13,820,686	11,334,207
29	131	Materials and supplies		288,572	349,461
30	132	Prepayments	A-11	1,280,282	1,434,578
31	133	Other current and accrued assets	A-12		
32		Total current and accrued assets		19,261,401	18,227,361
33					
34		IV. DEFERRED DEBITS			
35	140	Unamortized debt discount and expense	A-13	1,105,964	935,633
36	141	Extraordinary property losses	A-14		
37	142	Preliminary survey and investigation charges		28,161	46,045
38	143	Clearing accounts			
39	145	Other work in progress		10,770	43,851
40	146	Other deferred debits	A-15	3,172,861	2,929,420
41		Total deferred debits		4,315,756	3,954,949
42		Total assets and other debits		128,963,902	120,998,746
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	Eamed surplus	A-21	41,380,922	37,360,997
10		Total corporate capital and surplus		51,116,963	47,097,038
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	33,000,000	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		33,000,000	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		1,157,622	1,634,980
28	223	Payables to associated companies	A-29	84,328	70,588
29	224	Dividends declared			
30	225	Matured long-term debt			
31	226	Matured interest			
32	227	Customers' deposits		264,986	231,428
33	228	Taxes accrued	A-31	783,076	2,377,951
34	229	Interest accrued		596,502	592,473
35	230	Other current and accrued liabilities	A-30	4,016,478	3,242,546
36		Total current and accrued liabilities		6,902,992	8,149,966
37					
38		V. DEFERRED CREDITS			
39	240	Unamortized premium on debt	A-13		
40	241	Advances for construction	A-32	6,043,333	5,959,385
41	242	Other deferred credits	A-33	4,058,088	1,947,892
42		Total deferred credits		10,101,421	7,907,277
43					
44		VI. RESERVES			
45	254	Reserve for uncollectible accounts	A-34	251,065	424,323
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	12,968,560	11,540,258
50		Total reserves		13,219,625	11,964,581
51					
52		VII. CONTRIBUTIONS IN AID OF CONSTRUCTION			
53	265	Contributions in aid of construction	A-35	14,622,901	14,879,884
54		Total liabilities and other credits		128,963,902	120,998,746

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	48,320,066
3				
4		Operating Revenue Deductions:		
5	502	Operating expenses	B-2	28,238,841
6	503	Depreciation	A-3	3,517,517
7	504	Amortization of limited-term utility investments	A-3	12,790
8	505	Amortization of utility plant acquisition adjustments	A-3	(1,392)
9	506	Property losses chargeable to operations	B-3	
10	507	Taxes	B-4	6,862,519
11		Total operating revenue deductions		38,630,275
12		Net operating revenues		9,689,791
13	508	Income from utility plant leased to others		
14	510	Rent for lease of utility plant		
15		Total utility operating income		9,689,791
16				
17		II. OTHER INCOME		
18	521	Income from nonutility operations (Net)	B-6	5,546
19	522	Revenue from lease of other physical property		3,920
20	523	Dividend revenues		
21	524	Interest revenues		
22	525	Revenues from sinking and other funds		
23	526	Miscellaneous nonoperating revenues	B-7	268,293
24	527	Nonoperating revenue deductions - Dr.	B-8	(8,785)
25		Total other income		268,974
26		Net income before income deductions		9,958,765
27				
28		III. INCOME DEDUCTIONS		
29	401	Sale/Assets - Cr.		(404,861)
30	530	Interest on long-term debt		1,553,455
31	531	Amortization of debt discount and expense		63,715
32	532	Amortization of premium on debt - Cr.		
33	533	Taxes assumed on interest		
34	534	Interest on debt to associated companies		
35	535	Other interest charges	B-9	
36	536	Interest charged to construction - Cr.		(51,339)
37	537	Miscellaneous amortization		
38	538	Miscellaneous income deductions	B-10	114,969
39		Total income deductions		1,275,939
40		Net income		8,682,826
41				
42		IV. DISPOSITION OF NET INCOME		
43	540	Miscellaneous reservations of net income		
44				
45		Balance transferred to Earned Surplus or		
46		Proprietary Accounts scheduled on page 21		8,682,826

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)	138,514,081	10,998,326	(389,872)	0	149,122,535
2	100 - 2	Utility plant leased to others	0				0
3	100 - 3	Construction work in progress	5,063,051	(484,025)	xxxxxxxxxx		4,579,026
4	100 - 4	Utility plant held for future use (Sch A-1c)	151,044	35,179			186,223
5	100 - 5	Utility plant acquisition adjustments	(64,040)		xxxxxxxxxx		(64,040)
6	100 - 6	Utility plant in process of reclassification	0				0
7		Total utility plant	143,664,136	10,549,480	(389,872)	0	153,823,744

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	997,457		(7,899)		989,558
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	5,728,680	1,264,856	(15,285)	0	6,978,251
23	316	Supply mains	6,430,939	487,345		0	6,918,284
24	317	Other source of supply plant	329,824				329,824
25		Total source of supply plant	12,489,443	1,752,201	(15,285)	0	14,226,359
26							
27		IV. PUMPING PLANT					
28	321	Structures and improvements	3,476,383	1,028,538	(1,262)	0	4,503,659
29	322	Boiler plant equipment	0				0
30	323	Other power production equipment	0				0
31	324	Pumping equipment	9,213,465	794,616	(51,267)	0	9,956,814
32	325	Other pumping plant	33,865				33,865
33		Total pumping plant	12,723,713	1,823,154	(52,529)	0	14,494,338
34							
35		V. WATER TREATMENT PLANT					
36	331	Structures and improvements	421,979				421,979
37	332	Water treatment equipment	3,066,104				3,066,104
38		Total water treatment plant	3,488,083	0	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	405,137				405,137
3	342	Reservoirs and tanks	15,223,580	916,925	(71,653)		16,068,852
4	343	Transmission and distribution mains	60,654,798	4,135,748	13,404		64,803,950
5	344	Fire mains					0
6	345	Services	14,858,739	632,990	(24,826)		15,466,903
7	346	Meters	3,554,242	356,627	(207,253)		3,703,616
8	347	Meter installations					0
9	348	Hydrants	5,462,497	198,256	(7,074)		5,653,679
10	349	Other transmission and distribution plant					0
11		Total transmission and distribution plant	100,158,993	6,240,546	(297,402)	0	106,102,137
12							
13		VII. GENERAL PLANT					
14	371	Structures and improvements	1,798,546	1,060,431	(16,307)		2,842,670
15	372	Office furniture and equipment	1,928,486	49,303	(450)		1,977,339
16	373	Transportation equipment	17,681				17,681
17	374	Stores equipment	0				0
18	375	Laboratory equipment	0				0
19	376	Communication equipment	2,334,910	53,351			2,388,261
20	377	Power operated equipment	76,800	0			76,800
21	378	Tools, shop and garage equipment	249,535	19,340			268,875
22	379	Other general plant	0				0
23	381	GIS Mapping Facilities	1,271,977	0			1,271,977
24		Total general plant	7,677,935	1,182,425	(16,757)	0	8,843,603
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	138,514,081	10,998,326	(389,872)	0	149,122,535

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	4/21/87	12	9/20/30	5,621	
33	City of Industry	8/13/59	50	6/25/59	251	
34	City of La Puente	9/27/60	50	9/27/60	478	
35	County of Los Angeles	10/27/05	15	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 110	4/05	2008	45,028
2	D Line in Whittier	5/05	Not yet determined	28,735
3	Design of Glendora Transmission Main	10/03	2008	18,379
4	Plant 167 Site Improvement Design	8/05	2007	4,342
5	Plant 505 Site Improvement Design	10/05	2007	3,752
6	Plant 128 New Water Tank	9/05	2007	109
7	Recycled Water Pump Station - West Covina Golf Course	3/06	Not yet determined	11,971
8	Recycled Water Pump Station - (900 RW Zone)	3/06	Not yet determined	11,099
9	Danes Pipeline Replacement	7/06	2007	2,772
10	2.0 MG Recycled Water Reservoir	9/06	2007	20,738
11	Willow, Leland and Bromley Pipeline	9/06	2007	9,736
12	Connection to Walnut Valley Water District	11/06	2008	2,792
13	Valley View and Stage Road Grade Separation	7/06	Not yet determined	17,362
14	Barwood Pipeline Replacement	7/06	2007	3,492
15	Grey Plastic replacements	11/06	2007	3,628
16	Plant 201 W-9 Well Construction	12/06	2007	2,287
17	Total	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx		186,222

SCHEDULE A-2
Account 110 - Other Physical Property

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
18	Land, Structures, Fences, Landscaping, etc.	109,701
19	Other	26,601
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	Total	136,302

**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	138,514,082	149,122,535
5	Construction Work in Progress	5,063,051	4,579,026
6	Materials and Supplies	349,461	288,572
7	Working Cash	977,553	941,066
8	SUBTOTAL	144,904,147	154,931,199
9			
10	LESS DEDUCTIONS FROM RATE BASE		
11	Reserve for Depreciation	44,850,824	48,426,695
12	Unamortized Investment Tax Credits	528,123	488,152
13	Contributions in Aid of Construction	14,879,884	14,622,901
14	Advances for Construction	5,959,385	6,043,333
15	Accumulated Deferred Federal Income Taxes, Depreciation Timing Differences	9,819,840	9,865,175
16	Accumulated Deferred Taxes Associated with Taxable Advances for Construction	(156,047)	(149,912)
17	Accumulated Deferred Taxes Associated with Taxable CIAC	(211,015)	(175,958)
18	Pension Reserve	608,275	434,480
19	Unamortized Deferred Revenues, Taxable C.I.A.C.	127,365	109,633
20	Accumulated Deferred Income Taxes - Pension Reserve	(212,895)	(152,068)
21	SUBTOTAL DEDUCTIONS	76,193,739	79,512,431
22			
23	TOTAL RATE BASE	68,710,408	75,418,768
24			
25			
26	2006 Average Rate Base per Settlement In A.05-08-034	72,064,588	
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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.	28,351,462	27,841,386
5	726	2. Purchased Power & Commodity for Resale*	2,716,810	2,221,926
6		3. Meter Revenues: Bimonthly Billing	4,155,216	5,796,169
7		4. Other Revenues: Flat Rate Monthly Billing	-	-
8		5. Total Revenues (3 + 4)	4,155,216	5,796,169
9		6. Ratio - Flat Rate to Total Revenues (4 / 5)	-	-
10		7. $5/24 \times \text{Line 1} \times (100\% - \text{Line 6})$	5,906,555	5,800,289
11		8. $1/24 \times \text{Line 1} \times \text{Line 6}$	-	-
12		9. $1/12 \times \text{Line 2}$	226,401	185,161
13		10. Operational Cash Requirement (7 + 8 - 9)	5,680,154	5,615,128
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 D. 06-08-017	941,066	977,553
19				
20				
21				
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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	44,850,824	104,683	(11,240)	39,281
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505 (1)	3,517,517	12,790	(1,392)	
4	(b) Charged to Account 266	678,153			
5	(c) Charged to clearing accounts				
6	(d) Salvage recovered	9,793			
7	(e) All other credits (2)				7,750
8	Total credits	4,205,463	12,790	(1,392)	7,750
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	381,973			5,266
11	(b) Cost of removal	247,619			
12	(c) All other debits (3)	0			
13	Total debits	629,592	0	0	5,266
14	Balance in reserve at end of year	48,426,695	117,473	(12,632)	41,765
15					
16	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE: 2.45%				
17					
18	(2) EXPLANATION OF ALL OTHER CREDITS:				
19	Corresponding Transfers in to 110 Property				
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			DOB with change-over to Straight-line (pre 1982 assets)		
44			ACRS (1982 - 1986 assets)		
44			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	(32,182)	277,948	(15,285)	(1,850)	228,631
7	316	Supply mains	1,554,475	151,566	487,345		2,193,386
8	317	Other source of supply plant	347,866	(626)			347,240
9		Total source of supply plant	1,870,159	428,888	472,060	(1,850)	2,769,257
10							
11		II. PUMPING PLANT					
12	321	Structures and improvements	397,942	130,720	(1,262)		527,400
13	322	Boiler plant equipment	0				0
14	323	Other power production equipment	0				0
15	324	Pumping equipment	3,592,537	436,774	(51,267)	(86,721)	3,891,323
16	325	Other pumping plant	(3,855)	1,151			(2,704)
17		Total pumping plant	3,986,624	568,645	(52,529)	(86,721)	4,416,019
18							
19		III. WATER TREATMENT PLANT					
20	331	Structures and improvements	10,317	11,268			21,585
21	332	Water treatment equipment	909,954	161,708			1,071,662
22		Total water treatment plant	920,271	172,976	0	0	1,093,247
23							
24		IV. TRANS. AND DIST. PLANT					
25	341	Structures and improvements	28,754	14,329			43,083
26	342	Reservoirs and tanks	2,178,747	318,080	(71,653)		2,425,174
27	343	Transmission and distribution mains	20,401,977	1,337,583	(473,941)	(52,677)	21,212,942
28	344	Fire mains	0				0
29	345	Services	7,825,412	532,046	(24,826)	(62,348)	8,270,284
30	346	Meters	1,097,878	270,372	(207,253)	9,794	1,170,791
31	347	Meter installation	0				0
32	348	Hydrants	2,713,146	178,481	(7,074)	(22,576)	2,861,977
33	349	Other transmission and distribution plant	0				0
34		Total trans. and distribution plant	34,245,914	2,650,891	(784,747)	(127,807)	35,984,251
35							
36		V. GENERAL PLANT					
37	371	Structures and improvements	(55,315)	46,311	(16,307)	(21,447)	(46,758)
38	372	Office furniture and equipment	1,763,007	9,592	(450)		1,772,149
39	373	Transportation equipment	21,830	(2,189)			19,641
40	374	Stores equipment	0				0
41	375	Laboratory equipment	0				0
42	376	Communication equipment	1,524,202	214,161			1,738,363
43	377	Power operated equipment	71,684	216			71,900
44	378	Tools, shop and garage equipment	245,061	1,430			246,491
45	379	Other general plant	(205)				(205)
46	381	GIS Mapping	257,592	104,748			362,340
46	390	Other tangible property	0				0
47	391	Water plant purchased	0				0
48		Total general plant	3,827,856	374,269	(16,757)	(21,447)	4,163,921
49		Total	44,850,824	4,195,669	(381,973)	(237,825)	48,426,695

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					

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	NDNE					
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	11,560,278	5.64%	583,045	583,045
SOUTHWEST WATER COMPANY	2,000,000	6.295%	20,983	20,983
UTILITY GROUP	260,408			
Totals	13,820,686		604,028	604,028

SCHEDULE A-11
Account 132 - Prepayments

Item (a)	Amount (b)
SEE ATTACHED SCHEDULE	
Totals	1,280,282

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, 2006

DESCRIPTION	ACCT NO.	BALANCE 12/31/05	BALANCE 12/31/06
DIRECTORS INSURANCE	13221	117,140	89,539
UMBRELLA INSURANCE	13222	359,966	334,668
CRIME INSURANCE	13223	1,342	611
GENERAL LIABILITY INSURANCE	13224	63,011	64,738
WORKERS COMP INSURANCE	13225	216,069	127,494
BUSINESS AUTO INSURANCE	13226	138,206	156,716
PROPERTY INSURANCE	13227	197,680	212,745
TRAVEL ACCIDENT INSURANCE	13228	813	827
EMPLOYEE PRACTICES	13229	10,636	5,147
ARCHITECTS & ENGINEERS PROF LIAB	13230	19,601	14,934
COUNTY TAX HEALTH LICENSE	13231	5,886	5,288
FIDUCIARY INSURANCE	13233	4,582	2,434
SECURITY DEPOSIT - CENTER CRT BLD	13235	18,636	18,636
PROPERTY TAXES	13250	11,276	0
SOFTWARE MAINT. & MISC.	13260	40,341	55,503
SAN GABRIEL BASIN WATERMASTER (CYCLIC STORAGE)	13260	208,725	172,138
THE PRICE R.E.I.T. INC (KIMCO REALITY IN PRIOR YEAR)	13260	20,668	18,864
TOTAL		1,434,578	1,280,282

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.

mission's authorization of treatment other than as specified by the Uniform System of Accounts.

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
2	Series B	8,000,000	384,066	02-20-92	02-20-22	206,725		12,804		193,921
3	Series C	8,000,000	126,277	10-21-96	10-20-06	10,523		10,523		0
4	Series D	15,000,000	784,013	10-20-04	10-20-24	718,385		38,201		680,184
5	Series E	10,000,000	234,046	10-20-06	10-20-26	0	234,046	2,187		231,859
6										
7	Total	41,000,000	1,508,402	x x x x x x x	x x x x x x x	935,633	234,046	63,715	0	1,105,964
8										
9										
10										

* Redeemed Series A Bond on 12/2/04. The unamortize cost balance of \$89,275 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	275,204
6	FASB 109, regulatory assets	2,698,115
7	ARO (Asset Retirement Obligation) assets	199,542
8		
9		
10	Total	3,172,861

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	7.5365	4,494,108
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		4,662,900

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		PREFERRED STOCK	
	Name (a)	Number Shares (b)	Name (c)	Number Shares (d)
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	37,360,996
13		CREDITS	
14	400	Credit balance transferred from income account	8,682,826
15	401	Miscellaneous credits to surplus (detail)	
16			
17		Total credits	8,682,826
18		DEBITS	
19	410	Debit balance transferred from income account	
20	411	Dividend appropriations-preferred stock	168,792
21	412	Dividend appropriations-Common stock	4,494,108
22	413	Miscellaneous reservations of surplus	
23	414	Miscellaneous debits to surplus (detail)	
24			
25		Total debits	4,662,900
26		Balance end of year	41,380,922

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	0	7.61%			490,427	608,800
3	Series D	10/20/04	10/01/24	15,000,000	15,000,000	5.64%			846,000	846,000
4	Series E	10/20/06	10/20/26	10,000,000	10,000,000	6.30%			122,402	0
5										
6										
7										
8	Totals			41,000,000	33,000,000				\$2,186,029	\$2,182,000

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

SCHEDULE A-24 (a)
CLASS A WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA

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

1. Current Fiscal Agent:

Name: _____ N/A _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____ N/A _____

3. Summary of the trust bank account activities showing:

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

4. Account information:

Bank Name: _____ N/A _____
Account Number: _____
Date Opened: _____

SCHEDULE A-24 (b)
CLASS A WATER COMPANIES
SAFE DRINKING WATER BOND ACT DATA (continued)

6. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA funds:

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

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							

¹After 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	30,273			
11	Southwest Resource Management	54,055			
12					
13					
14	Totals	84,328			

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

Line No.	Description (a)	Balance End of Year (b)
15	Volume Related	2,189,152
16	Accrued Salaries	465,283
17	WIP Retention	341,437
18	Audit Fees	67,500
19	Legal Costs	25,000
20	Consulting fees	28,750
21	Unclaimed Refund Contract Payments	12,555
22	Franchise Fees Payable	605,426
23	Medical/Dental Accrual	269,841
24	Bond Financing Cost Accrual	11,363
25	Other	171
26		
27		
28		
29		
30		
31	Total	4,016,478

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)	0	11,278	750,848	782,818	0	(11,971)	0
2	Taxes on other personal property			13,853	13,853			
3	State corporation franchise tax (228-2)	223,910		1,251,392	1,305,910		169,392	
4	State unemployment insurance tax			35,422	35,422			
5	Other state and local taxes							
6	Federal unemployment insurance tax			8,337	8,337			
7	Fed. ins. contr. act (old age retire.)			412,005	412,005			
8	Other federal taxes (228-2)	95,541		0	95,541		0	
9	Federal income taxes (228-2)	2,044,620		3,285,113	4,708,207		601,526	
10	Subtotal	2,364,071	11,278	5,736,970	7,342,094	0	758,947	0
11								
12	Accrued payroll tax (228-3)	13,880		24,129	13,880		24,129	
13								
14	Totals	2,377,951	11,278	5,761,099	7,355,974	0	783,076	0

SCHEDULE A-32
Account 241 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year	XXXXXXXXXXXXXXXXXX	5,959,385
2	Additions during year	XXXXXXXXXXXXXXXXXX	296,995
3	Subtotal - Beginning balance plus additions during year	XXXXXXXXXXXXXXXXXX	6,256,380
4	Charges during year	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
5	Refunds	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
6	Percentage of revenue basis	35,363	XXXXXXXXXXXXXXXXXX
7	Proportionate cost basis	172,077	XXXXXXXXXXXXXXXXXX
8	Unclaimed refund payments/scheduled payments to State of California	5,607	XXXXXXXXXXXXXXXXXX
9	Total refunds	XXXXXXXXXXXXXXXXXX	213,047
10	Transfers to Acct 265, Contributions in Aid of Construction	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
11	Due to expiration of contracts		XXXXXXXXXXXXXXXXXX
12	Due to present worth discount		XXXXXXXXXXXXXXXXXX
13	Total transfers to Acct. 265	XXXXXXXXXXXXXXXXXX	0
14	Securities Exchanged for Contracts (enter detail below)		XXXXXXXXXXXXXXXXXX
15	Subtotal-Charges during year	XXXXXXXXXXXXXXXXXX	213,047
16	Balance end of year	XXXXXXXXXXXXXXXXXX	6,043,333

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)
1.00	Deferred Revenue (CIAC) 242-3	79,373
2.00	Developer Deposits 242.00	4,758,492
3.00	Lessee Deposits 242-4	15,000
4.00	Long-term Refund Contracts & Payables Unclaimed 242-89 + 90	10,399
5.00	Deferred ITC 242-96	488,152
6.00	FASB 109 Federal Reg Liability 242-98	250,244
7.00	FASB 109 State Reg Liability 242-99	50,847
8a	ARO (Asset Retirement Obligation) Liability 242-95	199,542
8b	Balancing Account 2002 242-91	72,571
8c	Balancing Account 2003 242-92	358,720
8d	Balancing Account 2004 242-93	250,255
8e	Balancing Account 2005 242-94	(710,298)
8f	Balancing Account 2006 242-80	(1,458,702)
8g	Balancing Account 242-97	(3,008,522)
8h	Balancing Account Contra Pre 11/01 - SJ 242-50	489,406
8i	Balancing Account Contra Pre 11/01 - LM 242-51	2,212,609
	Total	4,058,088

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)	
9.00	#254	424,323	Write-offs	62,559	125 & 775	(110,699)	251,065
10.00							
11.00	#258	11,540,258	Def. Income taxes	(87,104)	228 & 242	1,341,198	12,968,560
12.00							
13.00							
14.00	Totals	11,964,581		(24,545)		1,230,499	13,219,625

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	14,879,884	14,777,083	102,801		
2	Add: Credits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
3	Contributions received during year	421,170	421,170		XXXXXX XX	XXXXXXXX XX
4	Other credits*					0
5	Total credits	421,170	421,170	0	0	0
6	Deduct: Debits to account during year	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
7	Depreciation charges for year	678,153	678,153	XXXXXX XX	XXXXXX XX	XXXXXXXX XX
8	Nondepreciable donated property retired		XXXXXX XX		XXXXXX XX	XXXXXXXX XX
9	Other debits*		0			0
10	Total debits	678,153	678,153	0	0	0
11	Balance end of year	14,622,901	14,520,100	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	36,141,862	34,041,758	2,100,104
3		601.1 Commercial sales	7,781,489	7,501,258	280,231
4		601.2 Industrial sales	564,831	539,790	25,041
5		601.3 Sales to public authorities	2,851,688	2,535,811	315,877
6		Sub-total	47,339,870	44,618,617	2,721,253
7		601.4 Metered flooding	80,715	28,702	52,013
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	80,715	28,702	52,013
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	685,332	653,344	31,988
17	605	Public fire protection service			0
18	606	Sales to other water utilities for resale	16,025	15,136	889
19	607	Sales to governmental agencies by contracts			0
20	608	Interdepartmental sales			0
21	609	Other sales or service			0
22		Sub-total	701,357	668,480	32,877
23		Total other water revenues	48,121,942	45,315,799	2,806,143
24		II. OTHER WATER REVENUES			
25	611	Miscellaneous service revenues	142,497	140,808	1,689
26	612	Rent from water property	7,800	7,800	0
27	613	Interdepartmental rents			0
28	614	Other water revenues	47,827	46,662	1,165
29		Total other water revenues	198,124	195,270	2,854
30	501	Total operating revenues	48,320,066	45,511,069	2,808,997

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	11,936,000
33	Orange County	194,761
34		
35	Operations within incorporated territory	
36	City or town of West Covina	14,429,945
37	City or town of La Puente	2,506,196
38	City or town of Glendora	955,647
39	City or town of Industry	893,521
40	City or town of Walnut	2,019,268
41	City or town of Whittier	6,416,827
42	City or town of La Mirada	8,713,753
43	City or town of Covina	134,886
44	City or town of La Habra	68,450
45	City or town of Buena Park	50,812
46	Total	48,320,066

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			(1,646,704)	854,448	(2,501,152)
7	704	Purchased water	A	B	C	12,260,601	11,130,149	1,130,452
7a	70401	Contributions from cooperating respondents	A	B	C	(2,959,433)	(3,389,093)	429,660
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			63,446	7,568	55,878
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				7,717,910	8,603,072	(885,162)
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		213,993	293,500	(79,507)
28	725	Miscellaneous expenses	A			1,194	1,038	156
29	726	Fuel or power purchased for pumping	A	B	C	2,716,810	2,221,926	494,884
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		41,927	53,192	(11,265)
34	731	Maintenance of power production equipment	A	B				0
35	732	Maintenance of pumping equipment	A	B		366,771	407,611	(40,840)
36	733	Maintenance of other pumping plant	A	B				0
37		Total pumping expenses				3,340,695	2,977,267	363,428

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			401,711	257,077	144,634
6	743	Miscellaneous expenses	A	B		19,884	19,884	0
7	744	Chemicals and filtering materials	A	B		215,457	207,024	8,433
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		17,210	19,473	(2,263)
13		Total water treatment expenses				654,262	503,458	150,804
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			116,614	118,143	(1,529)
19	752	Operation labor and expenses		B				0
20	753	Transmission and distribution lines expenses	A			135,337	85,676	49,661
21	754	Meter expenses	A			68	606	(538)
22	755	Customer installations expenses	A			38,754	38,515	239
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		35,346	17,415	17,931
29	761	Maintenance of trans. and distribution mains	A			1,187,975	1,236,610	(48,635)
30	761	Maintenance of mains		B				0
31	762	Maintenance of fire mains	A					0
32	763	Maintenance of services	A			411,843	299,423	112,420
33	763	Maintenance of other trans. and distribution plant		B				0
34	764	Maintenance of meters	A			255,175	201,857	53,318
35	765	Maintenance of hydrants	A			84,232	80,480	3,752
36	766	Maintenance of miscellaneous plant	A					0
37		Total transmission and distribution expenses				2,265,344	2,078,725	186,619

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		210,448	181,992	28,456
6	773	Customer records and collection expenses	A			1,069,055	952,552	116,503
7	773	Customer records and accounts expenses		B				0
8	774	Miscellaneous customer accounts expenses	A					0
9	775	Uncollectible accounts	A	B	C	(112,621)	47,975	(160,596)
10		Total customer account expenses				1,166,882	1,182,519	(15,637)
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			24,992	26,962	(1,970)
17	784	Miscellaneous sales expenses	A					0
18	785	Merchandising, jobbing and contract work	A					0
19		Total sales expenses				24,992	26,962	(1,970)
20		VII. ADMIN. AND GENERAL EXPENSES						
21		Operation						
22	791	Administrative and general salaries	A	B	C	2,137,746	2,076,667	61,079
23	792	Office supplies and other expenses	A	B	C	800,029	841,673	(41,644)
24	793	Property insurance	A			304,053	176,954	127,099
25	793	Property insurance, injuries and damages		B	C			0
26	794	Injuries and damages	A			1,097,618	1,408,351	(310,733)
27	795	Employees' pensions and benefits	A	B	C	1,909,719	1,715,330	194,389
28	796	Franchise requirements	A	B	C	615,436	577,561	37,875
29	797	Regulatory commission expenses	A	B	C	706,883	671,416	35,467
30	798	Outside services employed	A			507,274	302,629	204,645
31	798	Miscellaneous other general expenses		B				0
32	798	Miscellaneous other general operation expenses			C			0
33	799	Miscellaneous general expenses	A			94,813	99,587	(4,774)
34		Maintenance						
35	805	Maintenance of general plant	A	B	C	283,204	303,595	(20,391)
36		Total administrative and general expenses				8,456,775	8,173,763	283,012
37		VIII. MISCELLANEOUS						
38	811	Rents	A	B	C	321,587	237,258	84,329
39	812	Administrative expenses transferred--Cr.	A	B	C	(773,438)	(711,534)	(61,904)
40	813	Duplicate charges - Cr.	A	B	C			0
40a	901	Charges by associated companies, clearing	A			4,149,000	4,099,000	50,000
40b	902	Stores expense, clearing	A					0
40c	903	Transportation expense, clearing	A			860,535	675,553	184,982
40d	906	Tools and work equipment, clearing	A			54,297	43,318	10,979
41		Total miscellaneous				4,611,981	4,343,595	268,386
42		Total operating expenses				28,238,841	27,889,361	349,480

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

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

SCHEDULE B-4
Account 507 - Taxes Charged During Year

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

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

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

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

5. The total taxes charged as shown in column (b) should agree with the amounts shown by column (d) of schedule entitled "Accrued and Prepaid Taxes," page 26.

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

Line No.	Kind of Tax (a)	Total Taxes Charged During Year (b)	DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)			
			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)	750,848	750,848			
10	Taxes on other real and personal property (PUC 50700)	13,853	5,066		8,785	(SC 604-PUC 527)
11	State corp. franchise tax (PUC 50710)	1,251,392	1,252,672		(1,280)	(PUC 258)
12	State unemployment insurance tax (Source code 428)	35,422	35,422			
13	Other state and local taxes (Source code 430)	0	0			
14	Federal unemployment insurance tax (Source code 432)	8,337	8,337			
15	Federal insurance contributions act (Source code 436)	412,005	412,005			
16	Payroll taxes capitalized (Acc't 661-507)		(24,070)			24,070
17	Federal income tax (630-5072)	3,265,113	4,422,237		(1,157,124)	(PUC 258)
18	Other Federal tax (PUC 50720)	0			0	
19	Accrued payroll taxes (PUC 228-3)	24,129			24,129	
20						
21						
22						
23	Totals	5,761,099	6,662,519	0	(1,125,490)	24,070

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.....	8,682,826
2	Reconciling amounts (list first additional income and unallowable deductions, followed by additional	
3	deductions for non-taxable income):	
4		
5	Federal income taxes	4,422,237
6		
7	State income taxes	1,252,672
8		
9	Taxable income not recorded on books:	
10	Income from deferral of gains on sales of properties	180,466
11		
12	Tax deductions not recorded on books:	
13	Amortization of Contributions	(94,106)
14	State tax (Priv. 2005) California	(1,059,192)
15	2006 Property Taxes	(21,682)
16	Flow-through depreciation	(325,398)
17	Normalized depreciation - 1982 and forward	(720,214)
18	IDC - capitalized interest	(912)
19	Repayment of advances including gross up	(86,774)
20	Book income not recorded on return:	
21	Amortization of deferred revenue associated with contributions	(10,537)
22		
23	Book expenses not deducted on return	(926,796)
24		
25	Federal taxable income	11,292,590
26		
27	Federal tax rate (34%)	3,839,481
28	Federal tax rate based on 35%*	30,348
29	Amortization of ITC on '82-90 Assets	(39,971)
30		
31		
32	Tax per 2006 return	3,829,858
33		
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	5,546		(5,546)
2				-
3				
4				
5	Totals	5,546	0	(5,546)

SCHEDULE B-7
Account 526 - Miscellaneous Nonoperating Revenue

Line No.	Description (a)	Amount (b)
6	Misc. non-operating expenses (revenue)	(268,293)
7		
8		
9		
10		
11		
12		
13	Total	(268,293)

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

Line No.	Description (a)	Amount (b)
14	Ad Valorem Tax Expense	(8,785)
15		
16		
17		
18	Total	(8,785)

SCHEDULE B-9
Account 535 - Other Interest Charges

Line No.	Description (a)	Amount (b)
19		
20		
21		
22	Total	0

SCHEDULE B-10
Account 538 - Miscellaneous Income Deductions

Line No.	Description (a)	Amount (b)
23	Donations	72,675
24	Political Contributions	4,700
25	Other Expenses	37,594
26		
27	Total	114,969

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 \$ 4,149,000 (1)
12	6	To whom paid <i>Southwest Water Company</i>
13	7	Nature of payment (salary, traveling expenses, <i>See Note (1)</i>)
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 \$ 4,149,000
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	\$	1,182,000
	Legal & Audit Fees		498,000
	Facility Expense		163,000
	Sarbox 404 Expense		127,000
	Others		2,179,000
	Total	\$	4,149,000

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	4,334
8	Employees - Pumping	12	606,787
9	Employees - Water treatment	4	175,758
10	Employees - Transmission and distribution	21	1,058,096
11	Employees - Customer account	20	1,003,744
12	Employees - Sales		
13	Employees - Administrative:		
14	General officers	7	(1) 886,734
15	General office	42	1,610,796
16	Totals	107	5,346,249

(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						24	90,331	2	6100
18										
19										
20	Totals	0	0	0	0	0	24	90,331	2	6100

(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 \$4,700

**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	\$ -	\$ 120,000 *
13	Daniel N. Evans	65,832	
14	Paul S. Carver	19,670	
15	John A. Brettl	24,263	
16	Donald King	17,333	
17	Koby Y. Cohen	22,885	
18	Michael De Ghetto	16,156	
	TOTAL	\$ 166,139	\$ 120,000 *

* Bonus paid out of SWCUG

**SUBURBAN WATER SYSTEMS
SCHEDULE C-5
POLITICAL CONTRIBUTIONS
2006**

California Water Association PAC	\$4,200.00
Citizens to Elect Michael Touhey	\$500.00
	<u>\$4,700.00</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 large 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
Schedule D-1 2006
Wells

<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>
San Jose Hills District				
121 W1 Stone	16"	211' PWL	3,000	3,866.36
126 W2 Rio Verde	18"	178' SWL	1,147	0.00
139 W2 La Puente CO.	26"	131' SWL	2,510	0.00
139 W4 La Puente CO.	20"	135' SWL	2,944	78.90
139 W5 La Puente CO.	18"	134' SWL	3,300	0.00
140 W3 La Grande	18"	98' SWL	1,107	0.00
140 W4 La Grande	18"	110' SWL	2,657	0.00
140 W5 La Grande	18"	110' SWL	4,070	3,988.61
142 W2 Vine	16"	178 PWL	3,500	4,310.98
147 W3 Jones	18"	258' PWL	1,300	<u>1,964.84</u>
<u>Total Acre Feet San Jose District</u>				14,209.69

<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>
Whittier \ La Mirada District				
201 W2 Bartolo	14"	30' PWL	1,270	1,322.39
201 W4 Bartolo	16"	71' PWL	2,531	3,255.62
201 W5 Bartolo	16"	150' SWL	1,936	1,555.46
201 W6 Bartolo	24"	57' PWL	1,785	0.00
201 W7 Bartolo	18"	34' PWL	4,195	5,079.75
202 W8 Bartolo	18"	113' PWL	4,268	1,647.20
409 W3 Canary	16"	94' SWL	2,170	2,043.69
<u>Total Acre Feet Whittier \ La Mirada District</u>				<u>14,904.11</u>
<u>Total Acre Feet Company</u>				<u>29,113.80</u>

Purchased Water For Resale

San Jose Hills District	<u>Acre feet Purchased</u>
Azusa Light & Water	1,351.05
City of Covina	0.88
City of Glendora	328.86
Covina Irrigating Company	9,466.85
La Puente Valley County Water District	940.55
Rowland Water District	33.63
Upper San Gabriel Valley Municipal Water District	6,851.36
Valencia Heights Water Company	0.09
Walnut Valley Water District	<u>219.18</u>

Total Acre Feet San Jose District 19,192.45

Whittier \ La Mirada District	<u>Acre Feet Purchased</u>
California Domestic Water Company	8,441.28
Central Basin Municipal Water District	797.11
City of Whittier	0.19
La Habra Heights County Water District	29.93
San Gabriel Valley Water Company	20.74

Total Acre Feet Whittier \ La Mirada District 9,289.25

Total Acre Feet Company 28,481.70

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
 2008 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		18,972	5,873
CAST IRON (CEMENT LINED)										
CEMENT-ASBESTOS						894	510,259	337	1,144,091	1,314,163
CONCRETE										111
COPPER		59	18							
DUCTILE IRON							77		812	2,516
RIVETED STEEL										
GALVANIZED		101	690	2,023			42			
HD PE				550						
PLASTIC		548		13,963			42,293		9,650	
PVC				2,867			9,920		52,378	166,553
STEEL										
TRANSITE										
WELDED STEEL		213	278	6,187	300	582	21,310	3,028	36,240	83,785
BLUE BRUTE										
TOTALS		919	986	25,590	300	1,476	598,173	3,365	1,260,143	1,572,801

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	54,587	441,049	2,275	86,120	11,752	12,664	787	4,270	3,583,248
CONCRETE		401		3,686	24	1,730			5,952
COPPER									77
DUCTILE IRON	10	1,672		34,811	2,935	4,012	19,248	30,572	96,685
RIVETED STEEL									0
GALVANIZED									2,856
HD PE	1,111	4,443					4,315		10,419
PLASTIC									86,452
PVC	1,128	105,753		5,990		6,014			350,603
STEEL									0
TRANSITE									0
WELDED STEEL	18,829	52,454	13,562	30,776	3,913	6,084	54,573	27,758	357,872
BLUE BRUTE									0
TOTALS	73,665	605,772	15,837	161,383	18,624	30,504	78,923	62,600	4,511,061

**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)	73,913	73,905		
Industrial	36	34		
Public Authorities	472	473		
Irrigation	0	0		
Other (specify) Constr Wtr	28	38		
Other Util (GA)	7	7		
Govt Agcy/Resale	0	0		
Sub-total	74,456	74,457		
Private Fire Connections	653	664		
Private Fire Hydrants			61	65
Total	75,109	75,121	61	65

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

Size	Meters	Services
5/8 x 3/4-in	8,035	xxxxxxxxxxxxxxxxxxxx
3/4-in	51,661	
1-in	12,550	
1 1/2-in	1,516	
2-in	1,485	
3-in	212	
4-in	118	
6-in	23	
8-in	11	
Other	0	
Total	75,611	

**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.	20
2. Used, before repair	110
3. Used, after repair	25
4. Found fast, requiring billing adjustment	1
B. Number of Meters in Service Since Last Test:	
1. Ten years or less.	48,578
2. More than 10, but less than 15 years	25,738
3. More than 15 years	458

TOTAL 3 DISTRICTS

SCHEDULE D-7 2006

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	Sub-Total			
Commercial/Res/Irrig	1,417,753	1,382,981	1,343,093	1,216,812	1,383,787	1,962,353	8,706,779			
Industrial	25,820	30,187	27,165	29,350	26,725	31,730	170,977			
Public Authorities	63,115	62,009	60,733	43,122	53,727	111,847	394,553			
Other (specify) Const	419	508	403	90	1,374	1,776	4,570			
Govt Agency/Resale	246	228	230	224	248	354	1,530			
Total	1,507,353	1,475,913	1,431,624	1,289,598	1,465,861	2,108,060	9,278,409			

Classification of Service	During Current Year							Sub-total	Total	Total Prior Year
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Sub-total			
Commercial/Res/Irrig	2,469,845	2,353,218	2,732,821	2,034,711	1,880,797	1,592,808	13,063,898	21,770,777	21,120,105	
Industrial	34,582	37,239	35,128	34,650	30,226	27,146	198,969	369,946	355,125	
Public Authorities	192,378	173,066	239,014	155,099	128,520	102,277	988,354	1,382,907	1,231,090	
Other (specify) Const	11,390	3,091	15,923	987	2,006	3,150	36,547	41,117	29,875	
Govt Agency/Resale	603	749	836	590	356	518	3,452	4,982	4,895	
Total	2,708,798	2,587,361	3,023,320	2,228,037	2,039,905	1,725,899	14,291,320	23,569,729	22,740,890	

¹ 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 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	1,186,813			9,378	(889,685)		306,508
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	2005 Reserve Accounts	D.03-06-072	0		710,298				710,298
6	2006 Reserve Accounts	D.03-06-072	0		1,458,702				1,458,702
7	Rate Case Expense 2002	D.03-05-078	0						0
8	Rate Case Expense 2005	D.06-06-017	207,796	(32,385)	68,892				244,303
9	Water Contamination Litigation Memo Accl.	W-4064	0						0
10	Conservation Objectives OII		0		12,833				12,833
11	Security Measures	D.03-05-078	0		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	1,185,808			9,378	(889,685)		305,499
2	2002 Reserve Accounts	D.03-06-072	(114,064)			(4,887)			(118,951)
3	2003 Reserve Accounts	D.03-06-072	(374,453)			(16,043)			(390,496)
4	2004 Reserve Accounts	D.03-06-072	(303,604)			(13,008)			(316,612)
5	2005 Reserve Accounts	D.03-06-072	710,298			30,433			740,731
6	2006 Reserve Accounts	D.03-06-072	0		1,520,209				1,520,209
7	Rate Case Expense 2002	D.03-05-078	50,354	(50,354)					0
8	Rate Case Expense 2005	D.06-08-017	0	(60,175)	361,050				300,875
9	Security Measures	D.03-05-078	0	0	0				0

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 district. This description shall include but not be limited to the type of program offered and length of time it was offered.

Response:

In 2006 Suburban Water Systems' partnered with Southern California Edison targeted to about 1,156 elementary school students, teaching them the importance of water conservation and energy conservation. It was an in-class conservation/home water audit curriculum program.

Suburban also participated in numerous community events: Earth Day fair, community safety fairs, and an earthquake preparedness fair.

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 use.

Response:

Conservation programs are funded by all customers through rates. This type of funding is used pursuant to Commission decisions in Suburban general rate cases.

3. Cost of each program.

Response: The cost of each individual program is not available.

The total cost = \$25,000

4. The Degree of participation in each district by customer group.

Response: Schools selected to participate were both in the San Jose Hills and the Whittier/la Mirada service areas.


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 01/01/06 to and including 12/31/06
(date) (date)

SIGNED 
Title Vice President Finance & CFO
Date 3-22-07

INDEX

	<i>PAGE</i>		<i>PAGE</i>
Accidents	46	Operating revenues	38
Acres irrigated	51	Organization and control	9
Advances from associated companies	32	Other deferred credits	36
Advances for construction	35	Other deferred debits	25
Assets	10	Other income	12
Assets in special funds	21	Other investments	20
Balance Sheet	10-11	Other physical property	15
Balancing & Memorandum Accounts	53	Payables to associated companies	33
Bonds	29	Political expenditures	47
Bonuses	47	Population served	51
Capital stock	26	Premium on capital stock	26
Capital surplus	27	Prepayments	23
Contributions in aid of construction	37	Proprietary capital	28
Depreciation and amortization reserves	18-19	Purchased water for resale	48
Declaration	55	Rate Base	16
Discount on capital stock	25	Receivables from associated companies	23
Discount and expense on funded debt	24	Revenues apportioned to cities	38
Dividends declared	26	SDWBA Loan Data	30-31
Earned surplus	27	Securities issued or assumed	32
Employees and their compensation	46	Selected Financial Data Excluding Non-Regulated Activity	5-7
Engineering and management fees	45	Service connections	50
Excess Capacity and Non-Tariffed Services	8	Sinking funds	21
Franchises	14	Sources of supply and water developed	48
Income account	12	Special deposits	22
Income deductions	12	Status with Board of Health	52
Investments in associated companies	20	Stockholders	26
Liabilities	11	Storage facilities	48
Loans to officers, directors, or shareholders	47	Taxes	42
Low Income Rate Assistance Program	54	Transmission and distribution facilities	49
Management compensation	45	Unamortized debt discount and expense	24
Meters and services	50	Unamortized premium on debt	24
Miscellaneous long-term debt	32	Undistributed profits	28
Miscellaneous reserves	36	Utility plant	13
Miscellaneous special funds	21	Utility plant in service	13-14
Notes payable	33	Utility plant held for future use	15
Notes receivable	22	Water delivered to metered customers	51
Officers	9	Water Conservation Program(s)	54
Operating expenses	39-41	Working Cash	17