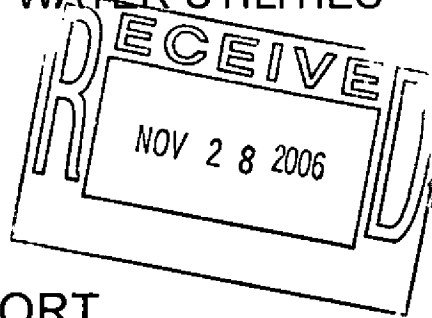


Original ✓

Received 10-30-06  
Examined 11-2-06

CLASS D  
WATER UTILITIES



06:10:27 PM 8-11

RECEIVED  
PUBLIC UTILITIES COMM

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

2005  
ANNUAL REPORT  
OF

\_\_\_\_\_

**SUSAN RIVER WATER COMPANY**

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

\_\_\_\_\_

30 ROOP STREET, SUSANVILLE, CALIFORNIA 96130

(OFFICIAL MAILING ADDRESS)

ZIP

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

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2006  
(FILE TWO COPIES IF THREE RECEIVED)

# CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

**SUSAN RIVER WATER COMPANY**

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

30 Roop Street, Susanville, CA 96130

(Official mailing address)

50 lots in Lassen County

(Service area-town and county)

## GENERAL INFORMATION

RETURN ORIGINAL  
TO COMMISSION  
NO PHOTOCOPIES

- 1 If a corporation show:  
 (A) Date of organization N/A incorporated in the State of \_\_\_\_\_  
 (B) Names, titles and addresses of principal officers:
  
- 2 If unincorporated give the name and address of owner or of each partner:  
 Richard B. Herman, Owner
  
- 3 Name and telephone number of: **(530) 310-2619 cell**  
 (A) One person listed above to receive correspondence:  
 (B) Person responsible for operations and services:
  
- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No)  
 If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?
  
- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

### PUBLIC HEALTH STATUS

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

Yes	No	Latest Date
<b>X</b>		<b>None</b>
<b>X</b>		<b>None</b>
<b>X</b>		<b>None</b>

**SPECIAL INSTRUCTIONS (over)**

**SCHEDULE A - BALANCE SHEET (DECEMBER 31, 20\_\_)**

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

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	Pit Additlons During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant					
17	303	Land					
18	304	Structures					
19	307	Wells					
20	317	Other water source plant					
21	311	Pumping equipment					
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes					
24	331	Water mains					
25	333	Services and meter installations					
26	334	Meters					
27	335	Hydrants					
28	339	Other equipment					
29	340	Office furniture and equipment					
30	341	Transportation equipment					
31		<b>Total water plant in service</b>					

**REFER TO ATTACHMENT A**

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

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

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
32	Balance in reserves at beginning of year			A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate.
34	(a) Charged to Account No. 403			
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	<b>Total credits</b>			covered by this report \$
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired			
42	(b) Cost of removal			C. State method used to compute tax
43	(c) All other debits			depreciation.
44	<b>Total debits</b>			
45	<b>Balance in reserve at end of year (1995)</b>	<b>\$17,457</b>		<b>(depreciation rate of 3% on average pla</b>
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

**SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 20\_\_)**

Line

1	Common - (Shares , \$ par)		List persons owning more than 5% of outstanding stock
2	Preferred - (Shares , \$ par)		and number of shares owned by each:
3	Dividends - Common Rate - \$		<b>NOT APPLICABLE</b>
4	- Preferred Rate - \$		

**SCHEDULE E - LONG TERM DEBT**

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
5								
6	<b>NOT APPLICABLE</b>							
7								
8	Totals							

**SCHEDULE F - INCOME STATEMENT**

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	\$23,137
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	
14	480 Other water revenue	
15	Total Operating Revenue	\$23,137
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	\$6,038
20	618 Other volume related expenses	\$1,323
21	630 Employee labor	\$3,600
22	640 Materials	
23	650 Contract work	
24	660 Transportation expenses	\$7,127
25	664 Other plant maintenance expense	\$12,344
26	670 Office salaries	
27	671 Management salaries	
28	674 Employee pensions and benefits	
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	
31	681 Office supplies and expense	\$830
32	682 Professional services	\$2,862
33	684 Insurance	\$800
34	688 Regulatory commission expense	\$1,544
35	689 General expenses	\$4,159
36	Total Operating Expenses	\$40,627
37	403 Depreciation expense	\$6,332
38	407 SDWBA loan amortization expense	\$0
39	408 Taxes other than income taxes	\$2,000
40	409 State corporate income tax expense	
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	\$48,959
43	Utility Operating Income	
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income (Loss)	(\$25,822)

**SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS**

Location	No.	Diam. Inch	Depth to water feet	Pumping capacity (g.p.m.)	Annual quantities pumped
#1	1	14	30	200	Not Metered
#2	2	16	20	1500+	Not Metered
Johnsonville					

**OTHER**

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

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

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

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Number at end of year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
48	630	Employee Labor	1	\$5,000		
49	670	Office salaries	1	\$3,600		
50	671	Management salaries	0			
51		Total				\$8,600

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	
Additions during year	
Subtotal - Beginning balance plus additions during year	<b>Not Applicable (N/A)</b>
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	

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

Size	Meters	Services
5/8 x 3/4-in		
3/4-in		
1-in	<b>Not Available</b>	
-in		
-in		
Total		

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year		
1	Used, before repair...	<b>N/A</b>
2	Used, after repair .....	
3	Fast, requiring refund ..	
Numbers of meters in service requiring test per General Order No. 103 .....		

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

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences								
Industrial								
Other (specify)		<b>Total Active Service Connections varies</b>						
		<b>1/1/05</b>	<b>39 flat</b>					
Subtotal		<b>12/31/05</b>	<b>47 Flat</b>					
Fire protection (Hydrants)								
Total								

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

**SCHEDULE N - STORAGE FACILITIES**

**SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)**

Description	No.	Combined capacity in gallons	Description	2" and	2 1/4 to	4"	Other sizes (specify)	Totals
				under	3 1/4			
Concrete			Cast Iron					
Earth			Welded steel					
Wood			Standard screw					
Steel	<b>1</b>	<b>2000</b>	Cement-asbestos	<b>NOT AVAILABLE</b>				
Other			Plastic					
			Other (specify)					
Total			Total					

**DECLARATION**

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

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

From and including January 1, 2005 to and including December 31, 2005

Signed Richard B. Herman  
Richard B. Herman

Owner

Title

Date 11-17-06

**ATTACHMENT A**

		SUSAN RIVER WATER COMPANY Plant in Service at 12/31/05											
		1994*	1995*	1996*	1997	1998	1999	2000	2001	2002	2003	2004	2005
		At time of Purchase	Adopted Test Year	Plant Additions									
		1994	1996 (Per Resolution)										
*Estimates based on most recent PUC records (Resolution W-3979-3/13/96 rate increase)													
Prepared by CPUC staff ZWong 10/26/06													
Well #1													
Well #2													
Pumping equipment	Details unavailable												
Holding/Storage tank 2000 gal.													
Water Mains													
Fire Hydrants													
Plant additions		\$53,817.00	\$119,244.00										
Estimated Plant in Service		\$38,000.00	\$53,817.00	\$119,244.00	\$211,061.00								
Average depreciation reserve					(\$17,457.00)								
Net Plant					\$193,604.00								
Contributions		\$43,945.00	\$97,371.00	\$141,316.00									
Rate Base				\$52,288.00									

① Note is I did not furnish the numbers in Attachment F & nor do I agree with them.

② I do not agree with the depreciation Rate of 3%.  
 @ 3% it will take 33 1/3 years to write off a truck, off highway and pump eqpt, etc. Page 2 of 4

Richard B. Harmon

11-2-06