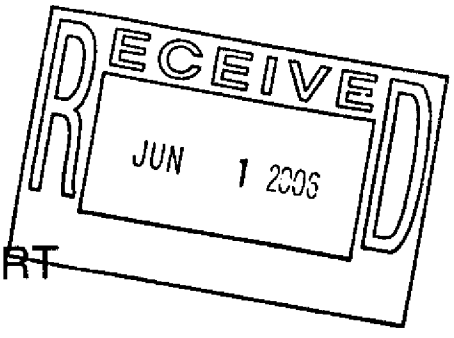


Received _____
Examined _____

CLASS D
WATER UTILITIES

U# 436 W



2005
ANNUAL REPORT
OF

THE CASMITE CORPORATION

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

P.O. BOX 1069, SAN LUIS OBISPO, CALIFORNIA
(OFFICIAL MAILING ADDRESS)

93406
ZIP

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

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

INSTRUCTIONS

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

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTENTION: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298**

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

Account Number	Operating Revenue	
470	Metered	27,763.17
460	Unmetered	
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	27,763.17
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	
630	Employee Labor	
640	Materials	
650	Contract Work	55,872.56
	Water Testing	
660	Transportation Expense	
664	Other Plant Maintenance	
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	34,528.04
681	Office Supplies and Expense	9,717.53
682	Professional Services	
684	Insurance	
688	Regulatory Expense	
689	General Expense	
	Subtotal	100,118.13
403	Depreciation Expense	2,381.67
	Ad Valorem Taxes	207.99
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	
410	Federal Income Tax	
	Total Deductions	102,707.79
	Net Revenue	(74,944.62)

	Rate Base	
	Average Plant	177,238.67
	Average Depreciation Reserve	(95,124.07)
	Net Plant	82,114.60
	Less: Advances	-
	Less: Contributions	-
	Plus: Construction Work in Progress	-
	Plus: Working Cash	-
	Plus: Material & Supplies	-
	Rate Base	82,114.60
	ROR=Net Rev/Rate Base	-91.27%

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

THE CASMITE CORPORATION

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

P.O. BOX 1069, SAN LUIS OBISPO, CALIFORNIA 93406

(Official mailing address)

CASMALIA AND NEARBY AREA, SANTA BARBARA COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 (A) Date of organization 30-Oct-36 incorporated in the State of Nevada
 (B) Names, titles and addresses of principal officers:
 Kari H. Endries, President, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Steven A. Berg, Vice President, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Brian J. Kelly, Vice President, 145 State College Blvd., 4th Floor, Brea, CA 92821
 Frank G. Soler, Vice President/Secretary, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Howard B. Sheppard, Treasurer, 6001 Bollinger Canyon Road, San Ramon, CA 94528
 Kelly A. Duran, Assistant Secretary, 276 Tank Farm Road, P.O. Box 1069, San Luis Obispo, CA 93406

- 2 If unincorporated give the name and address of owner or of each partner: n/a

- 3 Name and telephone number of:
 (A) One person listed above to receive correspondence: Kelly A. Duran, 805-784-0492
 (B) Person responsible for operations and services: Kelly A. Duran, 805-784-0492

- 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) Yes
 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?
\$55,872.56; Operation/maintenance; David McNabb Construction, P.O. Box 645, Santa Maria, CA 93456

- 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:
 The Casmite Corporation is, indirectly, a wholly owned subsidiary of Chevron Corporation, an entity which has over 2,000 subsidiaries.

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)

Yes	No	Latest Date
<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	12/31/2005
<input checked="" type="checkbox"/>	<input type="checkbox"/>	9/30/1969

9 If no permit has been obtained, state whether application has been made and when.

10 Show expiration date if state permit is temporary.

		n/a
		n/a

SPECIAL INSTRUCTIONS (over)

SPECIAL INSTRUCTIONS

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

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

NAME OF UTILITY THE CASMITE CORPORATION

PHONE 805-310-1006

PERSON RESPONSIBLE FOR THIS REPORT _____

KELLY DURAN

	1/1/2005	12/31/2005	Average
BALANCE SHEET DATA			
1 Intangible Plant	n/a	n/a	n/a
2 Land and Land Rights	tbd*	n/a	n/a
3 Depreciable Plant	149,717.81	204,759.52	177,238.67
4 Gross Plant in Service	n/a	n/a	n/a
5 Less: Accumulated Depreciation	93,933.43	96,314.70	95,124.07
6 Net Water Plant in Service	55,784.38	108,444.82	82,114.60
7 Water Plant Held for Future Use	n/a	n/a	n/a
8 Construction Work in Progress	n/a	n/a	n/a
9 Materials and Supplies	n/a	n/a	n/a
10 Less: Advances for Construction	n/a	n/a	n/a
11 Less: Contribution in Aid of Construction	n/a	n/a	n/a
12 Less: Accumulated Deferred Income and Investment Tax Credits	n/a	n/a	n/a
13 Net Plant Investment	55,784.38	108,444.82	82,114.60
CAPITALIZATION			
14 Common Stock	500.00	500.00	500.00
15 Proprietary Capital (Individual or Partnership)	n/a	n/a	n/a
16 Paid-in Capital	20,600.00	984,063.00	502,331.50
17 Retained Earnings	(764,454.15)	(874,398.77)	(819,426.46)
18 Common Stock and Equity (Lines 14 through 17)	(743,354.15)	110,164.23	(316,594.96)
19 Preferred Stock	n/a	n/a	n/a
20 Long-Term Debt	n/a	n/a	n/a
21 Notes Payable	n/a	n/a	n/a
22 Total Capitalization (Lines 18 through 21)	(743,354.15)	110,164.23	(316,594.96)

(Revised 2/01)

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

NAME OF UTILITY THE CASMITE CORPORATION PHONE 805-310-1006

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	0
24	Fire Protection Revenue	0
25	Irrigation Revenue	0
26	Metered Water Revenue	27,763.17
27	Total Operating Revenue	27,763.17
28	<u>Operating Expenses</u>	2,381.67
29	Depreciation Expense (Composite Rate _____)	0
30	Amortization and Property Losses	207.99
31	Property Taxes	0
32	Taxes Other Than Income Taxes	0
33	Total Operating Revenue Deduction Before Taxes	2,589.66
34	California Corp. Franchise Tax	0
35	Federal Corporate Income Tax	0
36	Total Operating Revenue Deduction After Taxes	2,589.66
37	Net Operating Income (Loss) - California Water Operations	25,173.51
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	100,118.13
39	Income Available for Fixed Charges	(74,944.62)
40	Interest Expense	0
41	Net Income (Loss) Before Dividends	0
42	Preferred Stock Dividends	0
43	Net Income (Loss) Available for Common Stock	(74,944.62)
OTHER DATA		
44	Refunds of Advances for Construction	0
45	Total Payroll Charged to Operating Expenses	0
46	Purchased Water	0
47	Power	0

	Active Service Connections	(Exc. Fire Protect.)	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections		11	11	11
49	Flat Rate Service Connections		1	1	1
50	Total Active Service Connections		12	12	12

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

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

1. Current Fiscal Agent: **not applicable**

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

2. Former Fiscal Agent:

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

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

\$ _____

4. Summary of the trust bank account activities showing:

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

5. Account information:

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

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

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

SCHEDULE A - BALANCE SHEET (DECEMBER 31, 2005)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	204,759.52	201	Common Stock (Corporations only)	500.00
2	103	Water plant held for future use	n/a	211	Other paid-in capital (Corporations only) (a)	984,063.00
3	104	Water plant purchased or sold	n/a	215	Retained earnings	(874,398.77)
4	105	Water plant construction work in progress	n/a	218	Proprietary capital	n/a
5	108	Accumulated depreciation of water plant	(96,314.70)	224	Intercompany payable	-
6	114	Water plant acquisition adjustments	n/a		Current Liabilities	23,116.79
7	124	Other investments	n/a	252	Advances for construction	n/a
8	131	Cash	320.28	253	Other deferred credits	n/a
9	141	Accounts receivable - customers	16,492.92	255	Accumulated deferred investment tax credits	n/a
10	142	Receivables from associated companies	n/a	282	Accumulated deferred income taxes - Acrs	n/a
11	151	Materials and supplies	n/a		depreciation	n/a
12	174	Other current assets	8,023.00	283	Accumulated deferred income taxes - other	n/a
13	180	Deferred charges	n/a	271	Contributions in aid of construction	n/a
14			n/a	272	Accumulated amortization of contributions	n/a
15		Total Assets	133,281.02		Total Equity and Liabilities	133,281.02

(a) adjusted as per ordering paragraph 5 of D. 05-11-030

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Plt Additions During year	Plt Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	n/a	n/a	n/a	n/a	n/a
17	303	Land	n/a	n/a	n/a	n/a	n/a
18	304	Structures	n/a	n/a	n/a	n/a	n/a
19	307	Wells	n/a	n/a	n/a	n/a	n/a
20	317	Other water source plant	n/a	n/a	n/a	n/a	n/a
21	311	Pumping equipment	149,717.81	90,041.71	n/a	(35,000.00)	204,759.52
22	320	Water treatment plant	n/a	n/a	n/a	n/a	n/a
23	330	Reservoirs tanks and sandpipes	n/a	n/a	n/a	n/a	n/a
24	331	Water mains	n/a	n/a	n/a	n/a	n/a
25	333	Services and meter installations	n/a	n/a	n/a	n/a	n/a
26	334	Meters	n/a	n/a	n/a	n/a	n/a
27	335	Hydrants	n/a	n/a	n/a	n/a	n/a
28	339	Other equipment	n/a	n/a	n/a	n/a	n/a
29	340	Office furniture and equipment	n/a	n/a	n/a	n/a	n/a
30	341	Transportation equipment	n/a	n/a	n/a	n/a	n/a
31		Total water plant in service	149,717.81	90,041.71		(35,000.00)	204,759.52

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

see (1) below

(1) As per ordering paragraph 3 of D. 05-11-030

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	93,933.03	n/a	A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate. n/a
34	(a) Charged to Account No. 403	2,381.67	n/a	
35	(b) Charged to Account No. 272	n/a	n/a	
36	(c) Charged to clearing accounts	n/a	n/a	B. Amount of depreciation expense claimed
37	(d) Salvage recovered	n/a	n/a	or to be claimed on utility property in
38	(e) All other credits	n/a	n/a	your federal income tax return for the year
39	Total credits	96,314.70	n/a	covered by this report \$ n/a
40	Deduct: Debits to reserves during year			
41	(a) Book cost of property retired	n/a	n/a	
42	(b) Cost of removal	n/a	n/a	C. State method used to compute tax
43	(c) All other debits		n/a	depreciation.
44	Total debits	-	n/a	
45	Balance in reserve at end of year	96,314.70	n/a	
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

Size	Meters	Services
5/8 x 3/4-in	n/a	n/a
3/4-in	n/a	n/a
1-in	11	n/a
2-in	2	n/a
XXX	n/a	n/a
Total	13	n/a

SCHEDULE L - METER-TESTING DATA

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

SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	3	1	4	1	0	1	4	1
Industrial	2	0	2	0	0	0	2	0
Other (specify) Casmallia CSD	1	0	1	0	0	0	1	0
Water Troughs	5	0	5	0	0	0	5	0
Subtotal	6	0	6	0	0	0	6	0
Fire protection (Hydrants)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total	11	1	12	1	0	0	12	1

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	n/a	n/a	Cast Iron	n/a	n/a	n/a				
Earth	n/a	n/a	Welded steel	n/a	n/a	*tbd				
Wood	n/a	n/a	Standard screw	n/a	n/a	n/a				
Steel	1	84,000	Cement-asbestos	n/a	n/a	n/a				
Other			Plastic	n/a	n/a	n/a				
Black Poly	2	21,000	Other (specify)	n/a	n/a	n/a				
			HDPE pipe		*tbd	*tbd				
Total	3	105,000	Total	n/a	*tbd	*tbd				

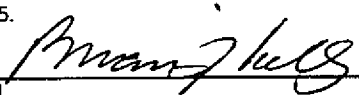
* The Casmite Corporation will undertake a survey to determine complete footages of pipe.

DECLARATION

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

I, the undersigned (officer, partner or owner) of THE CASMITE CORPORATION 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 _____
 Vice President
 Title _____
 Date 5/31/06



Kelly A. Duran
Real Estate
Representative

**Chevron Business and Real
Estate Services**
A Division of Chevron U.S.A. Inc.
P.O. Box 1069
276 Tank Farm Road (93401)
San Luis Obispo, CA 93406
Tel 805 784 0492
Fax 805 784 0493
Email: kaduran@chevron.com

Via E-Mail and Overnight Delivery

May 31, 2006

Mr. Kayode Kajopaiye
California Public Utility Commission Water Division
Room 3105
505 Van Ness Avenue
San Francisco, California 94102

Re: 2005 Annual Report

Dear Mr. Kajopaiye:

Pursuant to the California Public Utilities Commission's General Order 104-A, the Casmite Corporation ("Casmite") hereby submits its Annual Report for the year ended December 31, 2005. Casmite's request for an extension to file its Annual Report by May 31, 2006 was granted by yourself on May 2, 2006. Thank you for agreeing to allow Casmite to transmit a scanned, signed copy of Casmite's Annual Report by e-mail on May 31, 2006 and to send the original signed copy of the Annual Report to your attention via overnight delivery.

As noted in the footnotes to Schedules A, B, and F, Casmite made certain adjustments to reflect Ordering Paragraph Nos. 3 and 5 of Decision 05-11-030, including a \$35,000 reduction in utility plant and a reclassification of all prior Unocal intercompany payables.

Please do not hesitate to call me at (805) 784-0492 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Kelly A. Duran".

Kelly A. Duran

Enclosure