

Received _____
Examined _____

CLASS D
WATER UTILITIES

U# _____

2001
ANNUAL REPORT
OF

Twin Lakes Enterprises, Inc.

Twin Lakes Enterprises, Inc.

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

P.O. Box 455

Bridgeport, CA
(OFFICIAL MAILING ADDRESS)

93517
ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2001

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2002
(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
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.

Financial statements and accountants' compilation report

Twin Lakes Enterprises, Inc.

December 31, 2001

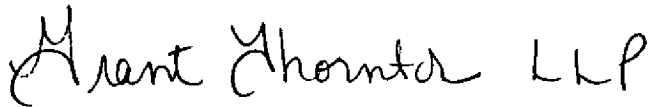
Accountants' Compilation Report

Twin Lakes Enterprises, Inc.

We have compiled the financial statements and additional information of Twin Lakes Enterprises, Inc. for the year ended December 31, 2001, included in Schedules A, B, C, D, E, F, I, M, N and O, the selected financial data, and the supplementary schedules on the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Public Utilities Commission - State of California, information that is the representation of management. We have not audited or reviewed the financial statements, nor the additional information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Utilities Commission - State of California, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.



Reno, Nevada
April 19, 2002

Summary of Earnings
Test Year 2001

Account Number	Operating Revenue	
470	Metered	-
460	Unmetered	40,974
462	Fire protection revenue	-
465	Irrigation	-
462-480	Private Fire Protection	-
	Total Operating Revenue	40,974
	Operating expenses	
610	Purchased Water	-
615	Power	1,737
	Pump Taxes	-
	Purchased Chemicals	-
618	Other Volume Related Expenses	308
630	Employee Labor	2,907
640	Materials	-
650	Contract Work	-
	Water Testing	-
660	Transportation Expenses	-
664	Other Plant Maintenance Expense	14,532
670	Office Salaries	-
671	Management Salaries	-
674	Employee Pensions And Benefits	-
676	Uncollectible Accounts Expense	-
678	Office Services And Rentals	4,736
681	Office Supplies And Expense	15
682	Professional Services	1,925
684	Insurance	2,009
688	Regulatory Commission Expense	1,119
689	General Expenses	-
	Subtotal	29,288
403	Depreciation Expense	2,331
	Ad Valorem Taxes	-
	Payroll Taxes	-
408	Taxes Other Than Income Taxes	505
409	State Corporate Income Tax Expense	800
410	Federal Corporate Income Tax Expense	-
	Total Deductions	32,924
	Net Revenue	8,050
	Rate Base	
	Average Plant	196,702
	Average Depreciation Reserve	160,207
	Net Plant	36,495
	Less: Advances	-
	Less: Contributions	-
	Plus: Construction Work in Progress	-
	Plus: Working Cash	3,191
	Plus: Material & Supplies	-
	Rate Base	39,686
	ROR=Net Rev/Rate Base	20.28%

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

Twin Lakes Enterprises, Inc.

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

PO Box 455, Bridgeport, CA 93519

(Official mailing address)

Twin Lakes, Mono County

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 (A) Date of organization 10/25/1991 incorporated in the State of Nevada
 (B) Names, titles and addresses of principal officers:

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

- 3 Name and telephone number of:
 (A) One person listed above to receive correspondence: Norman W. Annett, Phone: 760-932-7649
 (B) Person responsible for operations and services: Norman W. Annett, Phone: 760-932-7649

- 4 Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) No
 If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?

- 5 State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:
Norman W. Annett

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
✓		Oct-2001
✓		Oct-2001
✓		Sep-1994

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
2001

NAME OF UTILITY Twin Lakes Enterprises, Inc.

PHONE 760-932-7649

PERSON RESPONSIBLE FOR THIS REPORT Norman W. Annett

(Prepared from Information in the 2001 Annual Report)

	1/1/2001	12/31/2002	Average
BALANCE SHEET DATA			
1 Intangible Plant	150	150	150
2 Land and Land Rights	2,000	2,000	2,000
3 Depreciable Plant	194,551	194,551	194,551
4 Gross Plant in Service	196,701	196,701	196,701
5 Less: Accumulated Depreciation	159,041	161,372	160,207
6 Net Water Plant in Service	37,660	35,329	36,495
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies			
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	()	()	()
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	37,660	35,329	36,495
CAPITALIZATION			
14 Common Stock	2,500	2,500	2,500
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital			
17 Retained Earnings	17,503	20,243	18,873
18 Common Stock and Equity (Lines 14 through 17)	20,003	22,743	21,373
19 Preferred Stock			
20 Long-Term Debt	20,150	21,459	20,805
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	40,153	44,202	42,178

(Revised 2/01)

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

2001

(continued)

NAME OF UTILITY Twin Lakes Enterprises, Inc. PHONE 760-932-7649

INCOME STATEMENT

	Annual Amount
23 Unmetered Water Revenue	40,974
24 Fire Protection Revenue	-
25 Irrigation Revenue	-
26 Metered Water Revenue	-
27 Total Operating Revenue	40,974
28 Operating Expenses	29,288
29 Depreciation Expense (Composite Rate _____)	2,331
30 Amortization and Property Losses	-
31 Property Taxes	505
32 Taxes Other Than Income Taxes	-
33 Total Operating Revenue Deduction Before Taxes	32,124
34 California Corp. Franchise Tax	800
35 Federal Corporate Income Tax	-
36 Total Operating Revenue Deduction After Taxes	32,924
37 Net Operating Income (Loss) - California Water Operations	8,050
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	-
39 Income Available for Fixed Charges	8,050
40 Interest Expense	1,310
41 Net Income (Loss) Before Dividends	6,740
42 Preferred Stock Dividends	-
43 Net Income (Loss) Available for Common Stock	6,740

OTHER DATA

44 Refunds of Advances for Construction	-
45 Total Payroll Charged to Operating Expenses	2,907
46 Purchased Water	-
47 Power	1,737

<u>Active Service Connections</u>	(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48 Metered Service Connections		0	0	0
49 Flat Rate Service Connections		146	149	147.5
50 Total Active Service Connections		146	149	147.5

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

Not Applicable

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: _____
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: _____

Not Applicable

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, 2001)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	176,851	201	Common Stock (Corporations only)	2,500
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	20,243
4	105	Water plant construction work in progress	-	218	Proprietary capital	-
5	108	Accumulated depreciation of water plant	(94,229)	224	Long term debt	21,460
6	114	Water plant acquisition adjustments	(55,315)		Current Liabilities	-
7	124	Other investments	-	252	Advances for construction	-
8	131	Cash	6,382	253	Other deferred credits	-
9	141	Accounts receivable - customers	-	255	Accumulated deferred investment tax credits	-
10	142	Receivables from associated companies	2,492	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	(11,828)	271	Contributions in aid of construction	-
14		Abandoned well	19,850	272	Accumulated amortization of contributions	-
15		Total Assets	44,203		Total Equity and Liabilities	44,203

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	150				150
17	303	Land	2,000				2,000
18	304	Structures	-				-
19	307	Wells	44,557				44,557
20	317	Other water source plant	-				-
21	311	Pumping equipment	9,370				9,370
22	320	Water treatment plant	-				-
23	330	Reservoirs tanks and sandpipes	10,001				10,001
24	331	Water mains	102,836				102,836
25	333	Services and meter installations	-				-
26	334	Meters	-				-
27	335	Hydrants	-				-
28	339	Other equipment	7,937				7,937
29	340	Office furniture and equipment	-				-
30	341	Transportation equipment	-				-
31		Total water plant in service	176,851				176,851

* 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	93,133		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	1,096		2.25%
35	(b) Charged to Account No. 272			
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed
37	(d) Salvage recovered			or to be claimed on utility property in
38	(e) All other credits			your federal income tax return for the year
39	Total credits	1,096		covered by this report \$ 2,223
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. 150 DB
44	Total debits	-		
45	Balance in reserve at end of year	94,229		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2001)

Line	Description	Shares	Par Value	Total	Notes
1	Common - (Shares 2,500 , \$1.00 par)	2,500			List persons owning more than 5% of outstanding stock and number of shares owned by each: Norman W. Annett - 2,500 shares
2	Preferred - (Shares , \$ par)				
3	Dividends - Common Rate - \$1.60	4,000			
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	Note Payable	1/1/1996	12/31/2005	42,057	21,460	6.25%	1,310	-
6								
7								
8	Totals			42,057	21,460		1,310	-

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxxx
10	460 Unmetered water revenue	40,974
11	462 Fire protection revenue	-
12	465 Irrigation revenue	-
13	470 Metered water revenue	-
14	480 Other water revenue	-
15	Total Operating Revenue	40,974
16	Operating revenue deductions	xxxxxxxxxxx
17	Operating expenses	xxxxxxxxxxx
18	610 Purchased water	-
19	615 Power	1,737
20	618 Other volume related expenses	308
21	630 Employee labor	2,907
22	640 Materials	-
23	650 Contract work	-
24	660 Transportation expenses	-
25	664 Other plant maintenance expense	14,532
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	4,736
31	681 Office supplies and expense	15
32	682 Professional services	1,925
33	684 Insurance	2,009
34	688 Regulatory commission expense	1,119
35	689 General expenses	-
36	Total Operating Expenses	29,288
37	403 Depreciation expense	2,331
38	407 SDWBA loan amortization expense	-
39	408 Taxes other than income taxes	505
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	-
42	Total Operating Revenue Deductions	3,636
43	Utility Operating Income	8,050
44	421 Non-utility income	-
45	426 Miscellaneous non-utility expense	-
46	427 Interest expense	1,310
47	Net Income	6,740

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
Not Applicable					

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
Not Applicable					
Purchased water (unit) Supplier:					Annual quantity

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	N/A		
Industrial			
Public authorities			
Irrigation			
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		2,907		2,907
49	670	Office salaries				
50	671	Management salaries				
51		Total		2,907		2,907

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	Not Applicable
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions In Aid of Construction	
Balance end of year	Not Applicable

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

Size	Meters	Services
5/8 x 3/4-in	N/A	
3/4-in		
1-in		
-in		
-in		
Total		

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year		
1	Used, before repair...	N/A
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		149	149					149
Industrial								
Other (specify)								
Subtotal		149	149					149
Fire protection (Hydrants)								
Total		149	149					149

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)

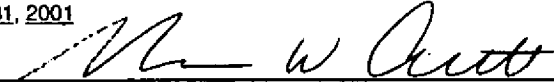
Description	No.	Combined capacity in gallons	Description	2" and under				Other sizes (specify)	Totals
				2 1/4 to 3 1/4	4"	6"	8"		
Concrete	2	80,000	Cast Iron	629		4,140	2,920	6"	7,689
Earth			Welded steel			200			200
Wood			Standard screw						
Steel			Cement-asbestos						
Other			Plastic		450	600	10,800	6"	11,850
			Other (specify)						
Total	2	80,000	Total	629	450	4,940	13,720	6"	19,739

DECLARATION

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

I, the undersigned (officer, partner or owner) of Twin Lakes Enterprises, Inc. (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 January 1, 2001, to and including December 31, 2001


 Signed _____ Norman W. Annett
 Title Owner / President
 Date 4/27/02