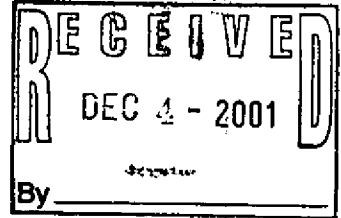


A

Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# _____



**2000
ANNUAL REPORT
OF**

WEST SAN MARTIN WATER WORKS, INC.

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

1005 HIGHLAND AVENUE

SAN MARTIN, CA 95046

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2000**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2001
(FILE TWO COPIES IF THREE RECEIVED)

**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:

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-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					
5		DEPRECIABLE PLANT					
6	304	Structures			N/A		
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					

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2000

NAME OF UTILITY West San Martin Water Works, Inc. (408)683-2098

PERSON RESPONSIBLE FOR THIS REPORT Marino A. Rodriguez
(Prepared from Information in the 2000 Annual Report)

	1/1/00	12/31/00	Average
BALANCE SHEET DATA			
1 Intangible Plant	4,272	4,272	4,272
2 Land and Land Rights	4,030	4,030	4,030
3 Depreciable Plant	1,557,297	1,578,279	1,567,788
4 Gross Plant in Service	1,565,599	1,586,581	1,576,090
5 Less: Accumulated Depreciation	(634,723)	(677,224)	(655,973)
6 Net Water Plant in Service	930,876	909,357	920,117
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies	1,654	1,843	1,748
10 Less: Advances for Construction	(177,093)	(173,928)	(175,510)
11 Less: Contribution in Aid of Construction	(740,209)	(721,019)	(730,614)
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	15,228	16,253	15,741
CAPITALIZATION			
14 Common Stock	15,794	15,794	15,794
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	44,570	44,570	44,570
17 Retained Earnings	27,033	30,909	28,971
18 Common Stock and Equity (Lines 14 through 17)	87,397	91,273	89,335
19 Preferred Stock			
20 Long-Term Debt			
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	87,397	91,273	89,335

(Revised 10/97)

SELECTED FINANCIAL DATA - CLASS A, B, C AND D WATER COMPANIES
2000

NAME OF UTILITY West San Martin Water Works, Inc. PHONE (408)-683-2098

INCOME STATEMENT	Annual Amount
23 Unmetered Water Revenue	3,937
24 Fire Protection Revenue	_____
25 Sewer Revenue	_____
26 Metered Water Revenue	156,725
27 Total Operating Revenue	160,662
28 <u>Operating Expenses</u>	138,388
29 Depreciation Expense (Composite Rate: 2.7%)	10,876
30 Amortization and Property Losses	_____
31 Property Taxes	3,868
32 Taxes Other Than Income Taxes	4,452
33 Total Operating Revenue Deduction Before Taxes	157,584
34 California Corp. Franchise Tax	800
35 Federal Corporate Income Tax	684
36 Total Operating Revenue Deduction After Taxes	159,068
37 Net Operating Income (Loss) - California Water Operations	1,594
38 Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	2,282
39 Income Available for Fixed Charges	3,876
40 Interest Expense	_____
41 Net Income (Loss) Before Dividends	3,876
42 Preferred Stock Dividends	_____
43 Net Income (Loss) Available for Common Stock	3,876

OTHER DATA	Annual Amount
44 Refunds of Advances for Construction	3165
45 Total Payroll Charged to Operating Expenses	50,773
46 Purchased Water	_____
47 Power	22,430

<u>Active Service Connections</u>	(Exc. Fire Protect.)	1-Jan	De.31	Annual Average
48 Metered Service Connections				
49 Flat Rate Service Connections		196	203	200
50 Total Active Service Connections		196	203	200

CLASS D WATER UTILITIES

(HAVING LESS THAN 500 SERVICE CONNECTIONS)

WEST SAN MARTIN WATER WORKS, INC.

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

1005 HIGHLAND AVENUE
(Official mailing address)

SAN MARTIN, CA 95046 - COUNTY OF SANTA CLARA
(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 11/22/67 incorporated in the State of California
 - (B) Names, titles and addresses of principal officers: Esther Monschke Hughes, President
2395 Delaware, Santa Cruz, CA 95060
- 2 If unincorporated give the name and address of owner or of each partner:
 - Lyle Hughes, Vice President (same address)
 - Royanne Ukestad, Secretary/Treasurer
 - 1005 Highland Ave. San Martin CA 95046
- 3 Name and telephone number of:
 - (A) One person listed above to receive correspondence: Royanne Ukestad (408) 683-4062
 - (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) 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
X		
X		

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.

SCHEDULE A - BALANCE SHEET (DECEMBER 31,2000)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1,586,581	201	Common Stock (Corporations only)	15,794
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	44,570
3	104	Water plant purchased or sold		215	Retained earnings	30,910
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	(677,223)	224	Long term debt	
6	114	Water plant acquisition adjustments	7,986		Current Liabilities	29,033
7	124	Other investments		252	Advances for construction	173,928
8	131	Cash	68,289	253	Other deferred credits	
9	141	Accounts receivable - customers	4,947	255	Accumulated deferred investment tax credits	
10	142	Receivables from associated companies		282	Accumulated deferred income taxes - Acrs	
11	151	Materials and supplies	1,843		depreciation	
12	174	Other current assets	19,389	283	Accumulated deferred income taxes - other	
13	180	Deferred charges	3,442	271	Contributions in aid of construction	1,177,506
14				272	Accumulated amortization of contributions	(456,487)
15		Total Assets	1,015,254		Total Equity and Liabilities	1,015,254

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	4,272				4,272
17	303	Land	4,030				4,030
18	304	Structures	1,409				1,409
19	307	Wells	60644				60,644
20	317	Other water source plant					
21	311	Pumping equipment	51,908				51,908
22	320	Water treatment plant					
23	330	Reservoirs tanks and sandpipes	158,670				158,670
24	331	Water mains	1,232,195	4,920			1,237,115
25	333	Services and meter installations	11,194	256		1	11,451
26	334	Meters	17,617	10,276			27,893
27	335	Hydrants	845				845
28	339	Other equipment	15,272				15,272
29	340	Office furniture and equipment	1,000	5,529			6,529
30	341	Transportation equipment	6,543				6,543
31		Total water plant in service	1,565,599	20,981		1	1,586,581

* 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	634,723		A. Method used to compute depreciation
33	Add: Credits to reserves during year			expense (Acct. 403) and rate. 2.70%
34	(a) Charged to Account No. 403	10,875		Straight line ramaling life
35	(b) Charged to Account No. 272	31,625		
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			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	Total debits			
45	Balance in reserve at end of year	677,223		
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (DECEMBER 31, 2000)

Line					
1	Common - (Shares	1200 \$	13.16par)	15,794	List persons owning more than 5% of outstanding stock and number of shares owned by each:
2	Preferred - (Shares				
3	Dividends - Common	Rate - \$			
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								
7								
8	Totals							

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxx
10	460 Unmetered water revenue	3,937
11	462 Fire protection revenue	
12	465 Sewer revenue	
13	470 Metered water revenue	156,725
14	480 Other water revenue	
15	Total Operating Revenue	160,662
16	Operating revenue deductions	xxxxxxx
17	Operating expenses	xxxxxxx
18	610 Purchased water	
19	615 Power	22,430
20	618 Other volume related expenses	27,494
21	630 Employee labor	11,374
22	640 Materials	523
23	650 Contract work	2,806
24	660 Transportation expenses	2,080
25	664 Other plant maintenance expense	10,528
26	670 Office salaries	6,135
27	671 Management salaries	33,264
28	674 Employee pensions and benefits	2,917
29	676 Uncollectible accounts expense	
30	678 Office services and rentals	3,000
31	681 Office supplies and expense	6,903
32	682 Professional services	
33	684 Insurance	4,634
34	688 PUC Fee	1,891
35	689 General expenses	2,409
36	Total Operating Expenses	138,388
37	403 Depreciation expense	10,876
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	8,320
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	684
42	Total Operating Revenue Deductions	159,068
43	Utility Operating Income	1,594
44	421 Non-utility income	2,282
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	
47	Net Income	3,876

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
Chester and Sewel Streets	1	12	354 *	290	
Colony and Cox Avenues	2	10	371 #	500	
Monterey Road	3	10	382 *	600	
			*DEPTH OF WELL		

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Divisions		Annual quantities diverted (Unit)
	Claim	Capacity	Max	Min	
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			
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	11,374		11,374
49	670	Office salaries	1	6,135		6,135
50	671	Management salaries	2	33,264		33,264
51		Total	5	50,773		50,773

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	177,093
Additions during year	
Subtotal - Beginning balance plus additions during year	177,093
Refunds	3,165
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	173,928

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

Size	Meters	Services
5/8-in	106	106
3/4-in	3	3
1-in	44	44
1 1/2-in	30	30
2-in	17	17
3-in	1	1
4-in	2	2
Total	203	203

SCHEDULE L - METER-TESTING DATA

Number Used, before repair
1 Used, after repair
2 Fast, requiring refund
3
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	203		203				203	
Industrial								
Other (specify)								
Subtotal	203		203				203	
Fire protection (Hydrants)								
Total	203		203				203	

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	4"	6"	8"	10"	12"	Totals
				Concrete			Cast Iron		
Earth			Welded steel						
Wood			Standard screw						
Steel			Cement-asbestos						
Other			Plastic	2790	16693	40338	12048	9360	81,229
			Other (specify)						
Total			Total	2790	16693	40338	12048	9360	81,229

DECLARATION

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

I, the undersigned (officer, partner or owner) of West San Martin Water Works, Inc. WSMWW (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, 2000, to and including DECEMBER 31, 2000

Signed Bob Ulvestad
 Title MANAGER
 Date NOV 29, 2001