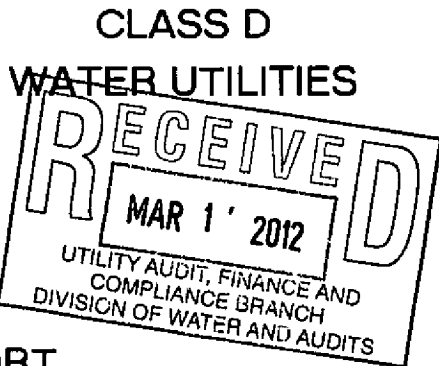


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Received _____
Examined _____



U# WTD-170

2011
**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 (OFFICIAL MAILING ADDRESS)	_____ 95046 ZIP
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TO THE
 PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA
 FOR THE YEAR ENDED DECEMBER 31, 2011

REPORT MUST BE FILED NOT LATER THAN APRIL 2, 2012

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INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN APRIL 2, 2012**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS
ATTN: KAYODE KAJOPAIYE
505 VAN NESS AVENUE, ROOM 3105
SAN FRANCISCO, CALIFORNIA 94102-3298
kok@cpuc.ca.gov**

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 Page12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
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 flow 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. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2011, through December 31, 2011. Fiscal year reports will not be accepted.

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, SAN MARTIN CA 95046

(Official mailing address)

WEST SAN MARTIN, SAN MARTIN, SANTA CLARA COUNTY

(Service Area - Town and County)

Telephone Number: (408) 683-2098 Fax Number: (408) 686-9633

Email Address: _____

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
(A) Date of organization 11/22/1967 incorporated in the State of CALIFORNIA

(B) Names, titles and addresses of principal officers: Robert Ukestad, President; Royanne Ukestad, Secretary

2. If unincorporated provide the name and address of the owner(s) or the partners:

3. Name, title, and telephone number of:

(A) One person listed above to receive correspondence: ROYANNE UKESTAD

(B) Person responsible for operations and services: ROBERT UKESTAD

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	June. 2010
X		Dec. 2011
X		

11. List Name, Grade, and License Number of all Licensed Operators:

ROBERT UKESTAD: GRADE D-2, LICENSE No. 31578

TRAVIS UKESTAD: GRADE D-1, LICENSE No. 37489; GRADE T-1, LICENSE No. 32232

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 requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

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 goods and services provided in calendar year 2011:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/ Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/ Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/ Services (by Account)	Regulated Asset Account Number

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: NOT APPLICABLE
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

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

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF 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				NOT APPLICABLE	
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 (AS OF DECEMBER 31, 2011)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1,967,086	201	Common Stock (Corporations only)	15,794
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	44,570
3	103	Water plant held for future use		215	Retained earnings	82,583
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	
6	108	Accumulated depreciation of water plant	(1,172,530)		Current Liabilities	24,828
7	114	Water plant acquisition adjustments	7,986	252	Advances for construction	154,743
8	124	Other investments		253	Other deferred credits	
9	131	Cash	71,028	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	51,666	282	Accumulated deferred income taxes - ACRS	8,919
11	142	Receivables from associated companies			depreciation	
12	151	Materials and supplies	4,770	283	Accumulated deferred income taxes - other	
13	174	Other current assets	27,598	271	Contributions in aid of construction	1,464,218
14	180	Deferred charges	8,501	272	Accumulated amortization of contributions	(829,550)
15		Total Assets	966,105		Total Equity and Liabilities	966,105

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
1	301	Intangible plant	4,272				4,272
2	303	Land	4,030				4,030
3	304	Structures	1,409				1,409
4	307	Wells	60,644				60,644
5	317	Other water source plant	0				0
6	311	Pumping equipment	142,448				142,448
7	320	Water treatment plant	1,435				1,435
8	330	Reservoirs tanks and sandpipes	161,761				161,761
9	331	Water mains	1,412,151	33,563			1,445,714
10	333	Services and meter installations	23,740	6,000			29,740
11	334	Meters	58,498				58,498
12	335	Hydrants	18,010	3,000			21,010
13	339	Other equipment	20,146				20,146
14	340	Office furniture and equipment	10,078				10,078
15	341	Transportation equipment	5,901				5,901
16		Total water plant in service	1,924,523	42,563			1,967,086

* 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	
1	Balance in reserves at beginning of year	1,123,914		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272	36,186		STRAIGHT LINE - 2.5%
4	(b) Charged to Account No. 403	12,430		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits	48,616		covered by this report \$ 19,569
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation. SL 150 DB
13	Total debits			
14	Balance in reserve at end of year	1,172,530		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2011)

Line

1	Common - (Shares 1200 , \$ 13.16 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 - \$	ROBERT UKESTAD - 600 SHARES
4	- Preferred Rate - \$	ROYANNE UKESTAD - 600 SHARES

SCHEDULE E - LONG-TERM DEBTS

	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
1								
2					NONE			
3								
4	Total							

SCHEDULE F - INCOME STATEMENT

1	Acct.	Operating revenues	
2	460	Unmetered water revenue	
3	462	Fire protection revenue	2,401
4	465	Irrigation revenue	
5	470	Metered water revenue	341,437
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	5,130
8		Total Revenue Received	348,968
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	
11		Total Operating Revenue	348,968
12		Operating expenses	
13	610	Purchased water	
14	615	Purchased power	55,588
15	618	Other volume related expenses	107,566
16	630	Employee labor	19,200
17	640	Materials	1,293
18	650	Contract work	26,366
19	660	Transportation expenses	1,325
20	664	Other plant maintenance expense	6,872
21	670	Office salaries	18,500
22	671	Management salaries	29,500
23	674	Employee pensions and benefits	21,916
24	676	Uncollectible accounts expense	0
25	678	Office services and rentals	11,000
26	681	Office supplies and expense	4,998
27	682	Professional services	6,850
28	684	Insurance	7,201
29	688	Regulatory commission expense	16,266
30	689	General expenses	4,070
31		Total Operating Expenses	338,511
32	403	Depreciation expense	12,430
33	407	SDWBA loan amortization expense	
34	408	Taxes other than income taxes	13,236
35	409	State income tax expense	800
36	410	Federal income tax expense	
37		Total Operating Revenue Deductions	364,977
38		Utility Operating Income	
39	421	Non-utility income	7,539
40	426	Miscellaneous non-utility expense	17
41	427	Interest expense	
42		Net Income	(8,487)

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 & SEWELL ST.	1	12	354	340	63,354 CCF
COLONY & COX AVE.	2	10	98	110	59,241 CCF
MONTEREY ROAD	3	10	382	400	33,077 CCF
					155,672 CCF
					1 CCF = 748 Gallons

OTHER

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased water (unit)				Annual Quantity	
Supplier:					

SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential	August	March	
Commercial			
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total			120,154 CCF
			1 CCF = 748 Gallons

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
1	630	Employee Labor	3	19,200		19,200
2	670	Office salaries	1	18,500		18,500
3	671	Management salaries	1	29,500		29,500
4		Total	5	67,200		67,200

SCHEDULE J - ADVANCES FOR CONSTRUCTION

Balance beginning of year	155,373
Additions during year	0
Subtotal - Beginning balance plus additions during year	155,373
Refunds	630
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	154,743

SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)

Size	Meters	Services
5/8 x 3/4-in	117	117
3/4-in	3	3
1-in	71	71
1-1/2-in	39	39
2-in	63	63
3-in	2	2
4-in	2	2
Total	297	297

SCHEDULE L - METER-TESTING DATA

Number of meters tested during year	
1	Used, before repair _____
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	253		253				253	
Industrial/Commercial	41		41				41	
Irrigation								
Fire Protection (public)		121	121					121
Fire Protection (private)		2	2					2
Other (specify)	3		3				3	
Total	297	123	420				297	123

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	2 1/4 to 3 1/4	4"	6"	8"	10"	12"	Totals
Concrete	4	550,000	Cast Iron								
Earth			Welded steel								
Wood			Standard screw								
Steel			Cement-asbestos								
Other			Plastic			2,930	20,897	49,105	12,048	5,653	90,633
			Other (specify)								
Total	4	550,000	Total			2,930	20,897	49,105	12,048	5,653	90,633

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2011, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name:	<u>CAPITAL ONE DIRECT BANKING</u>
Address:	<u>P.O. BOX 4197 HOUSTON, TX 77210-4197</u>
Account Number:	<u>8312733685</u>
Date Opened:	<u>January 25, 2010</u>

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

<u>NAME</u>	<u>AMOUNT</u>
<u>MH ENGINEERING</u>	<u>\$ 12,000</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>

B. Residential

<u>NAME</u>	<u>AMOUNT</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>

3. Summary of the bank account activities showing:

	<u>AMOUNT</u>
Balance at beginning of year	<u>\$ 29,262</u>
Deposits during the year	<u>\$ 12,000</u>
Interest earned for calendar year	<u>\$ 208</u>
Withdrawals from this account	<u>\$ (12,000)</u>
Balance at end of year	<u>\$ 29,470</u>

4. Reason or Purpose of Withdrawal from this bank account:

To pay a portion of the construction of 820 feet of 6" pipe.

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned _____ **ROBERT D. UKESTAD**
Officer, Partner, or Owner (Please Print)

of _____ **WEST SAN MARTIN WATER WORKS, 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 of January 1, 2011, through December 31, 2011.

President
Title (Please Print)

Robert D. Ukestad

Signature

(408) 683-2098
Telephone Number

Feb. 29, 2012

Date