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Received _____
Examined _____

**CLASS D
WATER UTILITIES**

U# _____

**2001
ANNUAL REPORT
OF**

YERBA BUENA WATER COMPANY

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

P.O. BOX 3829

PASO ROBLES, CA

93447

(OFFICIAL MAILING ADDRESS)

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.

**Summary of Earnings
Test Year 2001**

Account Number	Operating Revenue	
470	Metered	74483
460	Unmetered	15850
465	Irrigation	
462-480	Private Fire Protection	
	Total Revenue	90513
	Operating Expenses	
610	Purchased Water	
615	Purchased Power	9219
	Pump Taxes	
	Purchased Chemicals	
618	Other Vol. Related exp.	1876
630	Employee Labor	
640	Materials	
650	Contract Work	12114
	Water Testing	
660	Transportation Expense	5710
664	Other Plant Maintenance	17746
670	Office Salaries	
671	Management Salaries	
674	Employee Pensions and Benefits	
676	Uncollectables	
678	Office Service and Rentals	16999
681	Office Supplies and Expense	2650
682	Professional Services	2478
684	Insurance	2863
688	Regulatory Expense	
689	General Expense	16920
	Subtotal	87972
403	Depreciation Expense	
	Ad Valorem Taxes	
	Payroll taxes	
408	Taxes other than income	
409	State Income Tax	200
410	Federal Income Tax	
	Total Deductions	88772
	Net Revenue	1541
	Rate Base	
	Average Plant	
	Average Depreciation Reserve	
	Net Plant	
	Less: Advances	
	Less: Contributions	
	Plus: Construction Work in Progress	
	Plus: Working Cash	
	Plus: Material & Supplies	
	Rate Base	
	ROR=Net Rev/Rate Base	

CLASS D WATER UTILITIES
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

YERBA BUENA WATER COMPANY

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

P. O. Box 3829, PASO ROBLES, CA 93447

(Official mailing address)

UNINCORPORATED PART OF MALIBU VENTURA COUNTY

(Service area-town and county)

GENERAL INFORMATION

RETURN ORIGINAL
TO COMMISSION
NO PHOTOCOPIES

- 1 If a corporation show:
 - (A) Date of organization 8-3-47 incorporated in the State of CALIFORNIA
 - (B) Names, titles and addresses of principal officers: Robert M. Berry - President < ABOVE ADDRESS >
Eileen E. Berry - Sec. & Treas. < ABOVE ADDRESS >
- 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: ROBERT M. BERRY (805) 227-6168
 - (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
✓		8-15-01
✓		4-12-02
✓		12-27-85

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 YERBA BUENA WATER CO. PHONE (805) 227-6168

PERSON RESPONSIBLE FOR THIS REPORT ROBERT M BERRY
(Prepared from Information in the 2001 Annual Report)

	1/1/01	12/31/01	Average
BALANCE SHEET DATA			
1 Intangible Plant	<u>2237</u>	<u>2237</u>	<u>2237</u>
2 Land and Land Rights			
3 Depreciable Plant	<u>293699</u>	<u>293699</u>	<u>293699</u>
4 Gross Plant in Service	<u>295936</u>	<u>295936</u>	<u>295936</u>
5 Less: Accumulated Depreciation	<u>284890</u>	<u>287033</u>	<u>285962</u>
6 Net Water Plant in Service	<u>11046</u>	<u>8903</u>	<u>9974</u>
7 Water Plant Held for Future Use			
8 Construction Work in Progress			
9 Materials and Supplies			
10 Less: Advances for Construction	<u>()</u>	<u>()</u>	<u>()</u>
11 Less: Contribution in Aid of Construction	<u>(16786)</u>	<u>(14644)</u>	<u>(15714)</u>
12 Less: Accumulated Deferred Income and Investment Tax Credits	<u>()</u>	<u>()</u>	<u>()</u>
13 Net Plant Investment	<u>15740</u>	<u>15742</u>	<u>15740</u>
CAPITALIZATION			
14 Common Stock	<u>26000</u>	<u>26000</u>	<u>26000</u>
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	<u>104192</u>	<u>104192</u>	<u>104192</u>
17 Retained Earnings	<u>285562</u>	<u>298019</u>	<u>291791</u>
18 Common Stock and Equity (Lines 14 through 17)	<u>155370</u>	<u>167827</u>	<u>161599</u>
19 Preferred Stock			
20 Long-Term Debt	<u>152581</u>	<u>159144</u>	<u>155863</u>
21 Notes Payable			
22 Total Capitalization (Lines 18 through 21)	<u>2789</u>	<u>28637</u>	<u>2786</u>

(Revised 2/01)

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

2001
(continued)

NAME OF UTILITY YERBA BUENA WATER COMPANY PHONE (310) 542-8483

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	<u>15,930</u>
24	Fire Protection Revenue	<u> </u>
25	Irrigation Revenue	<u> </u>
26	Metered Water Revenue	<u>74,483</u>
27	Total Operating Revenue	<u>90,313</u>
28	<u>Operating Expenses</u>	<u>87,472</u>
29	Depreciation Expense (Composite Rate _____)	<u> </u>
30	Amortization and Property Losses	<u> </u>
31	Property Taxes	<u> </u>
32	Taxes Other Than Income Taxes	<u> </u>
33	Total Operating Revenue Deduction Before Taxes	<u>87,472</u>
34	California Corp. Franchise Tax	<u>800</u>
35	Federal Corporate Income Tax	<u> </u>
36	Total Operating Revenue Deduction After Taxes	<u>88,272</u>
37	Net Operating Income (Loss) - California Water Operations	<u>1,541</u>
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	<u> </u>
39	Income Available for Fixed Charges	<u> </u>
40	Interest Expense	<u>1,399</u>
41	Net Income (Loss) Before Dividends	<u>1,245</u>
42	Preferred Stock Dividends	<u> </u>
43	Net Income (Loss) Available for Common Stock	<u>1,245</u>
OTHER DATA		
44	Refunds of Advances for Construction	<u>NONE</u>
45	Total Payroll Charged to Operating Expenses	<u>NONE</u>
46	Purchased Water	<u>NONE</u>
47	Power	<u>9,219</u>

		(Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
<u>Active Service Connections</u>					
48	Metered Service Connections		<u>220</u>	<u>222</u>	<u>221</u>
49	Flat Rate Service Connections		<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
50	Total Active Service Connections		<u>220</u>	<u>222</u>	<u>221</u>

**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: _____ N / A _____
Address: _____
Phone Number: _____
Date Hired: _____

2. Former Fiscal Agent:

Name: _____ N / A _____
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, 2001)

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	295936	201	Common Stock (Corporations only)	26000
2	103	Water plant held for future use		211	Other paid-in capital (Corporations only)	104192
3	104	Water plant purchased or sold		215	Retained earnings	298019
4	105	Water plant construction work in progress		218	Proprietary capital	
5	108	Accumulated depreciation of water plant	287033	224	Long term debt	159144
6	114	Water plant acquisition adjustments			Current Liabilities	67346
7	124	Other investments		252	Advances for construction	
8	131	Cash	4375	253	Other deferred credits	
9	141	Accounts receivable - customers	1230	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	58099	283	Accumulated deferred income taxes - other	
13	180	Deferred charges		271	Contributions in aid of construction	14644
14				272	Accumulated amortization of contributions	
15		Total Assets	73207		Total Equity and Liabilities	73207

SCHEDULE B - WATER PLANT IN SERVICE

Line	Acct	Title of Account	Balance Beg of Year	Pit Additions During year	Pit Retirements During year	Other Debits or (Credits)	Balance End of year
16	301	Intangible plant	2237				2237
17	303	Land					
18	304	Structures					
19	307	Wells	47219				47219
20	317	Other water source plant	206				206
21	311	Pumping equipment	22483				22483
22	320	Water treatment plant	1081				1081
23	330	Reservoirs tanks and sandpipes	46145				46145
24	331	Water mains	140082				140082
25	333	Services and meter installations	8867				8867
26	334	Meters	18597				18597
27	335	Hydrants					
28	339	Other equipment	2678				2678
29	340	Office furniture and equipment	6341				6341
30	341	Transportation equipment					
31		Total water plant in service	295936				295936

* 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	284890		A. Method used to compute depreciation expense (Acct. 403) and rate.
33	Add: Credits to reserves during year			
34	(a) Charged to Account No. 403			STRAIGHT LINE
35	(b) Charged to Account No. 272	2143		
36	(c) Charged to clearing accounts			B. Amount of depreciation expense claimed or to be claimed on utility property in your federal income tax return for the year covered by this report \$
37	(d) Salvage recovered			
38	(e) All other credits			
39	Total credits			
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 depreciation.
43	(c) All other debits			STRAIGHT LINE
44	Total debits			
45	Balance in reserve at end of year			
46	(1) Explanation of all other credits			
47	(2) Explanation of all other debits	287033		

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

Line				List persons owning more than 5% of outstanding stock and number of shares owned by each:
1	Common - (Shares	26000	\$ 1.00 par)	
2	Preferred - (Shares		\$ par)	
3	Dividends - Common	Rate - \$		NEIL J. WEBB 13000 SHS
4	- Preferred	Rate - \$		JOHN A. DEFRALLO 13000 SHS

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	LOANS PAYABLE	VARIOUS	VARIOUS	N/A	159144	9%	13998	0
6								
7								
8	Totals				159144		13998	0

SCHEDULE F - INCOME STATEMENT

9	Operating revenues	xxxxxxxxxx
10	460 Unmetered water revenue	15830
11	462 Fire protection revenue	
12	465 Irrigation revenue	
13	470 Metered water revenue	74483
14	480 Other water revenue	
15	Total Operating Revenue	90313
16	Operating revenue deductions	xxxxxxxxxx
17	Operating expenses	xxxxxxxxxx
18	610 Purchased water	
19	615 Power	4219
20	618 Other volume related expenses	1876
21	630 Employee labor	
22	640 Materials	
23	650 Contract work	12114
24	660 Transportation expenses	5710
25	664 Other plant maintenance expense	17746
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	10999
31	681 Office supplies and expense	2650
32	682 Professional services	2475
33	684 Insurance	2863
34	688 Regulatory commission expense	
35	689 General expenses	16320
36	Total Operating Expenses	87972
37	403 Depreciation expense	
38	407 SDWBA loan amortization expense	
39	408 Taxes other than income taxes	
40	409 State corporate income tax expense	800
41	410 Federal corporate income tax expense	
42	Total Operating Revenue Deductions	88772
43	Utility Operating Income	1541
44	421 Non-utility income	
45	426 Miscellaneous non-utility expense	
46	427 Interest expense	13998
47	Net Income	12457

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

OTHER

Streams or springs location of diversion point	Flow in		(Unit) Diversions		Annual quantities diverted (Unit)
	Priority right		Max	Min	
	Claim	Capacity			
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				
49	670	Office salaries				
50	671	Management salaries				
51		Total	NONE	NONE	NONE	NONE

SCHEDULE J - ADVANCES FOR CONSTRUCTION

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

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

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

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								
Industrial								
Other (specify)								
Subtotal								
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	Footage				Totals
				2" and under	2 1/4 to 3 1/4	4"	Other sizes (specify)	
Concrete			Cast iron					
Earth			Welded steel					
Wood			Standard screw					
Steel			Cement-asbestos					
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 YERBA BUENA WATER COMPANY (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 Robert M. Berry
 Title PRESIDENT
 Date May 8, 2002