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CLASS D
WATER UTILITIES

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SEP 2 2015
UTILITY REGULATION AND
COMPLIANCE DIVISION
DIVISION OF WATER CONTROL

U# _____

2014
ANNUAL REPORT
OF

TWIN VALLEY INC

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

P.O. Box 938, Morgan Hill, CA 95038

(OFFICIAL MAILING ADDRESS) ZIP

TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2014

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2015

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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 MARCH 31, 2015**, 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, 2014, through December 31, 2014. Fiscal year reports will not be accepted.

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

TWIN Valley INC

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

P.O. Box 433 MORGAN Hill, CA 95038

(Official mailing address)

SYCAMORE DR + WATSONVILLE AREA. MORGAN Hill SATA CLARK Valley

(Service Area - Town and County)

Telephone Number:

408.776-0511

Fax Number:

408.718.7416

Email Address:

stuehavens@verizon.net

GENERAL INFORMATION

(Attach a supplementary statement, if necessary)

RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:
 - (A) Date of organization 1974 incorporated in the State of CALIFORNIA
 - (B) Names, titles and addresses of principal officers: Steve Havens, President, 41295 Sycamore Dr Morgan Hill, CA 95037
2. If unincorporated provide the name and address of the owner(s) or the partners:

N/A
3. Name, title, and telephone number of:
 - (A) One person listed above to receive correspondence: Steve Havens (408) 776-0511
 - (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		Dec 14
X		Aug 96

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

Steve Havens CLASS "D" 4300575

12. This annual report was prepared by:

Name of firm or consultant:

Steve Havens

Address of firm or consultant:

Phone Number of firm or consultant:

(408) 776-0511

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 2014:

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 (SRF) loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: Bank of the West
 Address: 206 TENNANT STATION
 Phone Number: 907 7760593
 Account Number: 032450277
 Date Hired: 1/20/13

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

\$ 13750⁰⁰

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
5/8 X 3/4 inch	38	8.10
3/4 inch	40	13.49
1 inch	9	26.99
1 1/2 inch	1	43.18
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total	88	1133.99

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

\$ 74 27.³⁵
14025
0
16030
5492

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

Payment to DWR

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	240,000				
8	317	Other Water Source Plant					
9	311	Pumping Equipment					
10	320	Water Treatment Plant					
11	330	Reservoirs, Tanks and Standpipes					
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	240,000				240,000
20		Total water plant in service	240,000				240,000

SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2014)

Line	Acct.	Assets	Balance
1	101	Water Plant in Service (Excluding SDWBA)	6,113
2	101.1	Water Plant in Service - SDWBA	240,000
3	101.2	Water Plant in Service - Prop 50	
4	103	Water Plant Held for Future Use	
5	104	Water Plant Purchased or Sold	
6	105	Water Plant Construction Work in Progress	
7	100.3	Construction Work in Progress (Prop 50)	
8	108	Accumulated Depreciation of Water Plant	(372,771)
9	108.1	Accumulated Amortization of SDWBA Loan	(60,000)
10	114	Water Plant Acquisition Adjustments	
11	121	Non-water Utility Property and Other Assets	
12	121.3	Cash - Miscellaneous Special Deposits (Prop 50)	
13	122	Accumulated Depreciation of Non-water Utility Property	
14	124	Other Investments	
15	131	Cash	14,105
16	131.3	Cash - Miscellaneous Special Deposits (Prop 50)	
17	132	Special Deposits	
18	141	Accounts Receivable - Customers	10,210
19	142	Receivables from Associated Companies	
20	143	Accumulated Provision for Uncollectible Accounts	
21	151	Materials and Supplies	2,000
22	174	Other Current Assets	
23	180	Deferred Charges	
24			
25			494,659
26		Total Assets	
Line	Acct.	Equity and Liabilities	Balance
27	201	Common Stock (for corporations only)	250,000
28	204	Preferred Stock (for corporations only)	
29	211	Other Paid-in Capital (for corporations only)	291,633
30	215	Retained earnings (for corporations only)	709,061
31	218	Proprietary Capital (for proprietorships and partnerships only)	
32	224	Long-Term Debt	280,000
33	231	Accounts Payable	12,000
34	232	Short-Term Notes Payable	
35	233	Customer Deposits	
36	236	Taxes Accrued	
37	237	Interest Accrued	
38	241	Other Current Liabilities	
39	250	Reserve for Depreciation of Utility Plant (Prop 50)	
40	252	Advances for Construction	708
41	253	Other Credits	4,000
42	255	Accumulated Deferred Investment Tax Credits	
43	266.0	Contributions - Publicly Grant-Funded Plant (Prop 50)	
44	266.1	Accumulated Amortization of Contributions - Publicly Grant-Funded Plant (Prop 50)	
45	271	Contributions in Aid of Construction	369,907
46	272	Accumulated Amortization of Contributions	121,708
47	282	Accumulated Deferred Income Taxes - ACRS Depreciation	
48	283	Accumulated Deferred Income Taxes - Other	500
49			
50			
51		Total Equity and Liabilities	494,659

SCHEDULE B - WATER PLANT IN SERVICE (AS OF DECEMBER 31, 2014)

Line	Acct	Title of Account	Balance Beg of Year	Plant Additions During year	Plant Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible Plant	2800				2800
2	303	Land	31080				31080
3	304	Structures	31779				31779
4	307	Wells	294636				294636
5	311	Pumping Equipment	93264				93264
6	317	Other Water Source Plant	93				93
7	320	Water Treatment Plant	9173				9173
8	330	Reservoirs, Tanks and Standpipes	3334				3334
9	331	Water Mains	33607				33607
10	333	Services and Meter Installations	37833				37833
11	334	Meters	11219				11219
12	335	Hydrants	8950				8950
13	339	Other Equipment	3200				3200
14	340	Office Furniture and Equipment	2100				2100
15	341	Transportation Equipment	2100				2100
16		Total water plant in service	901115				901115

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

SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT (AS OF DECEMBER 31, 2014)

Line	Item	Account 108 Water Plant	Account 108.1 SDWBA Loans	Water Plant Funded by Prop 50 (For information only)	
1	Balance in reserves at beginning of year	357000	3900		
2	Add: Credits to reserves during year				A. Method used to compute depreciation expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272	2565	6000		
4	(b) Charged to Account No. 403	12096			
5	(c) Charged to Account No. 407				
6	(d) Salvage recovered				B. Amount of depreciation expense or to be claimed on utility property in your federal income tax return for the year covered by this report \$
7	(e) All other credits				
8	Total credits	15661	6000		
9	Deduct: Debits to reserves during year				C. State method used to compute tax depreciation.
10	(a) Book cost of property retired				
11	(b) Cost of removal				
12	(c) All other debits				
13	Total debits				
14	Balance in reserve at end of year	372771	6000		
15	(1) Explanation of all other credits				
16	(2) Explanation of all other debits				

SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2014)

Line	Description	Shareholder Name	Number of Shares	Par Value
1	Common Stocks	STEVE HAVENS	2,500	150
2	Common Stocks			
3	Common Stocks			
4	Common Stocks			
5	Common Stocks			
6	Common Stocks			
7	Common Stocks			
8	Common Stocks			
9	Common Stocks			
10	Common Stocks			
11	Common Stocks			
12	Common Stocks			
13	Common Stocks			
14	Common Stocks			
15	Common Stocks			
16	Total - Common Stocks		2,500	250,000
17	Preferred Stocks			
18	Preferred Stocks			
19	Preferred Stocks			
20	Preferred Stocks			
21	Preferred Stocks			
22	Preferred Stocks			
23	Preferred Stocks			
24	Preferred Stocks			
25	Preferred Stocks			
26	Preferred Stocks			
27	Preferred Stocks			
28	Preferred Stocks			
29	Preferred Stocks			
30	Preferred Stocks			
31	Preferred Stocks			
32	Total - Preferred Stocks			
33	Total annual dividends declared and/or paid to common stockholders			\$
34	Percentage of total annual dividend to common stockholders as a percentage of total net income (%)			
35	Total annual dividends declared and/or paid to preferred stock shareholders			\$
36	Percentage of total annual dividend to preferred stockholders as a percentage of total net income (%)			

Note: Please use duplicate page(s) to meet your company's needs if additional lines are needed.

SCHEDULE E - LONG-TERM DEBITS

Line	Lender Name	CPUC Order No.	Class	Date of Issuance	Date of Maturity	Principle Amount Authorized	Interest Rate (%)	Accrued Interest for Current Year	Interest Paid for Current Year	Outstanding Balance as of 12/31/2014
1	Steve Hagen			Feb 99	OPEN	73500	8%	70000	0	89230
2										
3	SPWBA			Feb 96	OPEN	25000	2.7%	7098	5833	105,210
4										
5										
6										
7										
8										
9										
10										
11	Total									

Note: Please use duplicate page(s) to meet your company's needs if additional lines are needed.

SCHEDULE F - INCOME STATEMENT

Line	Acct.	Description	Balance
1		Operating Revenues:	
2	460	Unmetered Water Revenue	
3	462	Fire Protection Revenue	
4	465	Irrigation Revenue	
5	470	Metered Water Revenue	167,351
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue	
8		Total Revenue Received	167,351
9		Less: Revenue Deductions	
10		SDWBA/SRF Surcharge Revenue	15,372
11		Total Operating Revenue	182,723
12		Operating Expenses:	
13	610	Purchased Water	950
14	615	Power	48,100
15	618	Other Volume Related Expenses	9,000
16	630	Employee Labor	18,000
17	640	Materials	9,500
18	650	Contract Work	19,050
19	660	Transportation Expense	18,000
20	664	Other Plant Maintenance Expenses	11,700
21	670	Office Salaries	3,500 15,000
22	671	Management Salaries	3,600
23	674	Employee Pensions and Benefits	-
24	676	Uncollectible Accounts Expense	2,600 3,100
25	678	Office Services and Rentals	26,000
26	681	Office Supplies and Expense	6,000
27	682	Professional Services	6,500
28	684	Insurance	4,500
29	688	Regulatory Commission Expense	191
30	689	General Expense	4,000
31		Total Operating Expenses	235,591
32	403	Depreciation Expense	17,597
33	407	SDWBA/SRF Loan Amortization Expense	6,350
34	408	Taxes Other Than Income Taxes	12,500
35	409	State Corporate Income Tax Expense	800
36	410	Federal Corporate Income Tax Expense	0
37		Total Operating Revenue Deductions	372,477
38		Utility Operating Income	(90,115)
39	421	Non-utility Income	-
40	426	Miscellaneous Non-utility Expense	-
41	427	Interest Expense	-
42		Net Income	(90,115)

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
Watsouville Rd	4	10	40	30	
Stedmore	3	10	40	35	
Chapell	5	10	40	25	
Kelly	6	8	40	25	
OTHER					
Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
N/A					
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	558100	771000	N/A
Commercial			
Industrial			
Fire Protection			
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
1	630	Employee Labor	3	17450		17450
2	670	Office salaries	1	12520		11058
3	671	Management salaries	1	24000		24000
4		Total	3	52500		52500

SCHEDULE J - ADVANCES FOR CONSTRUCTION	
Balance beginning of year	7085
Additions during year	
Subtotal - Beginning balance plus additions during year	
Refunds	
Transfers to Acct. 271 - Contributions in Aid of Construction	
Balance end of year	7085

SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)		
Size	Meters	Services
5/8 x 3/4-in	38	88
3/4-in	40	40
1-in	9	9
-in	1	1
Total	88	88

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			88				88		
Industrial/Commercial									
Irrigation									
Fire Protection (public)									
Fire Protection (private)									
Other (specify)									
Total			88				88		

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	Other sizes (specify)	Totals
Concrete			Cast Iron						
Earth			Welded steel						
Wood		33000	Standard screw						
Steel		66000	Cement-asbestos					2500	2500
Other			Plastic					2500	2500
			Other (specify)						
Total		99000	Total					27500	27500

FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2014, pursuant to Resolution No. W-4110.

1. Trust Account Information:

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

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

A. Commercial

NAME	AMOUNT
_____	_____\$
_____	_____\$
_____	_____\$
_____	_____\$
_____	_____\$

B. Residential

NAME	AMOUNT
_____	_____\$
_____	_____\$
_____	_____\$
_____	_____\$
_____	_____\$

3. Summary of the bank account activities showing:

	AMOUNT
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:

DECLARATION

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

I, the undersigned Steve Havens, President
Officer, Partner, or Owner (Please Print)

of Twin Valley 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, 2014, through December 31, 2014.

Steve Havens

Title (Please Print)

Steve Havens

Signature

408.776.0511

Telephone Number

8-29-15

Date