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**2016
ANNUAL REPORT
OF
DISTRICT WATER SYSTEM OPERATIONS
OF
CALIFORNIA WATER SERVICE COMPANY
1720 North First Street
SAN JOSE, CALIFORNIA 95112-4598**

Name of District: General Office Location: San Jose Santa Clara
(TOWN OR CITY) (County)

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE
YEAR ENDED DECEMBER 31, 2016**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2017

CALIFORNIA WATER SERVICE COMPANY
DERIVATION OF WEIGHTED AVERAGE RATE BASE 12 MONTHS END: DECEMBER 31, 2016
SCHEDULE A-1d
General Office DISTRICT RATE BASE AND WORKING CASH

Line No.	Title of Account	Balance 12/31/2016	Balance 12/31/2015
1	UTILITY PLANT		
2	PLANT IN SERVICE	\$ -	\$ -
4	GENERAL OFFICE PRORATE	\$ -	\$ -
5	RATE BASE WRITE-UP (NET)	\$ -	\$ -
6	PLANT NOT FUNDED BY CALWATER	\$ -	\$ -
7	TOTAL GROSS PLANT (= Line 2 + Line 3 + Line 4 + Line 5 - Line 6)	<u>\$ -</u>	<u>\$ -</u>
8	LESS ACCUMULATED DEPRECIATION/AMORTIZATION		
9	PLANT IN SERVICE	\$ -	\$ -
10	GENERAL OFFICE PRORATE	\$ -	\$ -
11	TOTAL ACCUMULATED DEPRECIATION (= Line 9 + Line 10)	<u>\$ -</u>	<u>\$ -</u>
12	LESS OTHER RESERVES		
13	DEFERRED INCOME TAXES	\$ -	\$ -
14	DEFERRED ITC	\$ -	\$ -
15	GENERAL OFFICE PRORATE	\$ -	\$ -
16	TOTAL OTHER RESERVES (= Line 13 + Line 14 + Line 15)	<u>\$ -</u>	<u>\$ -</u>
17	LESS ADJUSTMENTS		
18	CONTRIBUTIONS IN AID OF CONSTRUCTION	\$ -	\$ -
19	ADVANCES FOR CONSTRUCTION	\$ -	\$ -
20	OTHER (TAX EFFECT ON CIAC AND ADVANCES)	\$ -	\$ -
21	TOTAL ADJUSTMENTS (= Line 18 + Line 19 - Line 20)	<u>\$ -</u>	<u>\$ -</u>
22	ADD MATERIALS AND SUPPLIES	\$ -	\$ -
23	ADD TANK PAINTING	\$ -	\$ -
24	ADD ADOPTED WORKING CASH (= Line 37)	\$ -	\$ -
25	TOTAL DISTRICT RATE BASE	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
26	(= Line 7 - Line 11 - Line 16 - Line 21 + Line 22 + Line 23)		

WORKING CASH

27	DETERMINATION OF OPERATIONAL CASH REQUIREMENT		
28	Operating Expenses Excluding Taxes, Depreciation & Uncollectible)	\$ -	\$ -
29	Purchased Power & Commodity for Resale*	\$ -	\$ -
30	Meter Revenues: Bimonthly Billing	\$ -	\$ -
31	Other Revenues: Flat Rate Monthly Billing	\$ -	\$ -
32	Total Revenues (Line 30 + Line 31)	<u>\$ -</u>	<u>\$ -</u>
33	Ratio - Flat Rate to Total Revenues (= Line 31 / Line 32)	0.00%	0.00%
34	5/24 x Line 28 x (100% - Line 33)	\$ -	\$ -
35	1/24 x Line 28 x Line 33	\$ -	\$ -
36	1/12 x Line 29	\$ -	\$ -
37	Operational Cash Requirement (= Line 34 + Line 35 - Line 36)	\$ -	\$ -
38	Total Adopted	\$ -	\$ -

SCHEDULE A-3**GENERAL OFFICE****Depreciation and Amortization Reserves****2016**

Line No.	Item (a)	Account 250		Account 251		Account 252	2016	
		Utility Plant (b)		Limited Term Utility Investment (c)		Utility Plant Acquisition Adjustments (d)	Other Property (e)	
1	Balance in reserves at beginning of year			342,853.18		0.00	0.00	
2	Add: Credits to reserves during year							
3	a) Charged to account No. 503	(G)	(6,603,582.49)					
			6,603,582.49					
4	b) Charged to account No. 265		0.00					
5	c) Charged to clearing accounts	(G)	(338,031.80)					
			338,031.80					
6	d) Salvage recovered	(G)	0.00					
			0.00					
7	e) All other credits	(G)	0.00					
			0.00	(B)	222,509.59		0.00	
8	Total Credits		0.00		222,509.59		0.00	
9	Deduct: Debits to reserves during year							
10	a) Book cost of property retires	(G)	0.00					
			0.00					
11	b) Cost of removal	(G)	0.00					
			0.00					
12	c) All other debits	(G)	0.00			(C)	0.00	
			0.00					
13	Total Debits		0.00				0.00	
14	Balances in reserves at end of year		0.00		565,362.77		0.00	
15	State method of determining depreciation charges: Straight Line Remaining Life Method & Liberalized							
16	(A) Depreciation on Intracompany transfers (B) Amortization charged to 504 (G) General Office Allocation							
17	(C) Amortization charged to 537							
18	Report depreciation in Federal Tax Return for year:	11,873,941.17						
19	Indicate nature of these items and accounts affected							
20	(See Schedule A-3a opposite)							

GENERAL OFFICE

SCHEDULE B-1

OPERATING REVENUES - CLASS A WATER

UTILITIES

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
22		I. Water Service Revenues			
23	601	Metered Sales to General Customers			
24		601.1 Commercial Sales	-	-	-
25		601.2 Industrial Sales	-	-	-
26		601.3 Sales to Public Authorities	-	-	-
27		Sub-Total	-	-	-
28	602	Unmetered Sales to General Customers			
29		602.1 Commercial Sales	-	-	-
31		602.3 Sales to Public Authorities	-	-	-
32		Sub-Total	-	-	-
34	603	603.1 Metered Sales, Irrigation Customers	-	-	-
		Sub-Total	-	-	-
37	604	Private Fire Protection Service	-	-	-
38	605	Public Fire Protection Service	-	-	-
39	606	Sales To Other Water Utilities For Resale	-	-	-
42	609	Other Sales or Service	(3,095,529)	716,022	(3,811,551)
43		Sub-Total	(3,095,529)	716,022	(3,811,551)
44		Total Water Service Revenue	(3,095,529)	716,022	(3,811,551)
46		II. Other Water Revenues			
47	611	Miscellaneous Service Revenue	-	-	-
48	612	Rent From Water Property	-	-	-
50	614	Other Water Revenues	-	-	-
51		Total Other Water Revenues	-	-	-
52		III. Water Revenue Adjustment Mechanism Offsets			
53		WRAM / MCBA Adjustmets	-	-	-
54		WRAM/MCBA Interest	-	-	-
54		Conservation Revenue Billed	-	-	-
55		Total WRAM Adjustments	-	-	-
56		Total Operating Revenues	(3,095,529)	716,022	(3,811,551)

7 GENERAL OFFICE

SCHEDULE B-3

LN NO	ACCT NO	ACCOUNT (A)	OPERATING EXPENSE	- CLASS A, B, AND C WATER	UTILITIES	INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)		
1		I. Source of Supply Expense				
2		Operation				
3	701	Operation Supervision and Engineering	23,113		96,299	(73,186)
5	702	Operation Labor and Expense	-		-	-
6	703	Miscellaneous Expense	-		-	-
7	704	Purchased Water	-		-	-
8		Maintenance				
9	706	Maint. Supervision and Engineering	1,894		(35)	1,929
11	707	Maint. Of Structures and Improvements	-		-	-
12	708	Maint. Of Reservoirs	-		-	-
14	709	Maint. Of Lake, River other Intakes	-		-	-
15	710	Maint. Of Springs and Tunnels	-		-	-
16	711	Maint. Of Wells	(41)		41	(81)
17	712	Maint. Of Supply Mains	-		-	-
18	713	Maint. Of Other Source of Supply Plant	-		34	(34)
19		Total Source of Supply Expenses	24,966		96,339	(71,373)
20		II. Pumping Expenses				
21		Operation				
22	721	Operation Supervision and Engineering	46,689		246,945	(200,256)
24	722	Power Production Labor and Expenses	-		-	-
26	723	Fuel For Power Production	-		-	-
27	724	Pumping Labor and Expenses	34,641		47,193	(12,551)
28	725	Miscellaneous Expenses	(8,448)		1,259	(9,707)
29	726	Fuel or Power Purchased For Pumping	6,418		210,459	(204,041)
30		Maintenance				
31	729	Maint. Supervision and Engineering	88,457		78,407	10,050
33	730	Maint. Of Structures and Improvements	-		74	(74)
34	731	Maint. Of Power Production Equipment	-		-	-
35	732	Maint. Of Pumping Equipment	57,206		8,514	48,692
36	733	Maint. Of Other Pumping Equipment	1,185		526	659
37		Total Pumping Expenses	226,148		593,377	(367,228)
38		III. Water Treatment Expenses				
39		Operation				
40	741	Operation Supervision and Engineering	2,145,651		2,089,873	55,778
42	742	Operation Labor and Expenses	533,174		660,248	(127,074)
43	743	Miscellaneous Expenses	70,812		45,821	24,991
44	744	Chemicals and Filtering Materials	(65,478)		34,125	(99,603)
44	745	Water Treatment Alloc In/Out	(252,853)		(252,853)	0
45		Maintenance				
46	746	Maint. Supervision and Engineering	66,618		53,171	13,447
48	747	Maint. Of Structures and Improvements	-		-	-
49	748	Maint. Of Water Treatment Equipment	-		458	(458)
50		Total Water Treatment Expenses	2,497,924		2,630,843	(132,918)

GENERAL OFFICE

SCHEDULE B-2

8

LN NO	ACCT NO	ACCOUNT (A)	OPERATING EXPENSE - CLASS A, B, AND C WATER		INCREASE (DECREASE) (D)
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	
1		IV. Transmission and Distribution Expenses			
2		Operation			
3	751	Operation Supervision and Engineering	12,204	24,987	(12,783)
5	752	Storage Facilities Expenses	-	-	-
7	753	Transmission and Distribution Lines	52,305	65,968	(13,663)
8	754	Meter Expenses	2,419	9,230	(6,811)
9	755	Customer Installation Expenses	-	-	-
10	756	Miscellaneous	(63,861)	(34,013)	(29,848)
11		Maintenance			
12	758	Maint. Supervision and Engineering	53,682	82,995	(29,313)
14	759	Maint. Of Structures and Improvements	-	-	-
15	760	Maint. Of Reservoirs and Tanks	-	-	-
16	761	Maint. Of Transmission and Distribbut. Mains	(22,612)	(92,668)	70,056
18	762	Maint. Of Fire Mains	-	-	-
19	763	Maint. Of Services	4,661	34,227	(29,567)
21	764	Maint. Of Meters	693	469	224
22	765	Maint. Of Hydrants	4,874	47,262	(42,388)
23	766	Maint. Of Miscellaneous Plant	-	-	-
24		Total Transmission and Distribution Exp.	44,366	138,458	(94,092)
25		V. Customer Account Expenses			
26		Operation			
27	771	Supervision	12,507	9,618	2,889
29	772	Meter Reading Expenses	-	-	-
30	773	Customer Records and Collection Expenses	453,256	479,099	(25,844)
32	774	Miscellaneous Customer Accounting Expenses	17,135	66,170	(49,034)
33	775	Uncollectible Accounts	-	-	-
33	776	776 Cust Allocation In/Out	(222,344)	(4,668,905)	4,446,561
34		Total Customer Accounts Expense	260,554	(4,114,018)	4,374,572
35		VI. Sales Expenses			
36		Operation			
37	781	Supervision			
39	782	Demonstration and Selling Expenses			
40	783	Advertising Expenses			
41	784	Miscellaneous Sales Expenses			
42	785	Merchandising, Jobbing and Contract Work			
43		Total Sales Expenses	-	-	-

9 GENERAL OFFICE

SCHEDULE B-2

OPERATING EXPENSE - CLASS A, B, AND C WATER

UTILITIES (CONCLUDED)

LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
1		VII. Administrative And General Expenses			
2		Operation			
3	791	Administrative and General Salaries	10,093,292	11,718,374	(1,625,083)
5	792	Office Supplies and Other Expenses	5,336,969	5,963,147	(626,178)
6	793	Property Insurance	192,762	237,817	(45,055)
7	794	Injuries and Damages	2,025,810	2,788,781	(762,971)
8	795	Employees Pensions and Benefits	9,739,666	11,658,068	(1,918,402)
9	796	Franchise Requirements	-	-	-
11	797	Regulatory Commission Expenses	86,976	154,205	(67,228)
12	798	Outside Service Employed	2,688,889	2,797,378	(108,488)
14	799	Miscellaneous General Expense	(37,542,209)	(43,085,699)	5,543,490
15		Maintenance			
16	805	Maintenance of General Plant	10,716	11,888	(1,172)
17		Total Administrative and General Expenses	(7,367,129)	(7,756,041)	388,912
18		VIII. Miscellaneous			
19	811	Rents	195,915	192,321	3,595
20	812	Admin. Exp. Transferred	(11,083)	(11,936)	853
20		Admin. Exp. Transferred - General Office			-
21	813	Duplicate Charges - CR			-
22		Total Miscellaneous	184,832	180,384	4,447
23		Total Operating Expenses	(4,128,338)	(8,230,659)	4,102,321

GO
GENERAL OFFICE

SCHEDULE B-4

LN NO	KIND OF TAX (A)	TAXES CHARGED DURING YEAR				
		TOTAL TAXES CHARGES DURING YEAR (B)	WATER (ACCOUNT 507) (C)	NONUTILITY (ACCOUNT 5270) (D)	OTHER (ACCOUNT 5371) (E)	CAPITALIZED (F)
24	Real and Property Taxes	429,151.21	429,151.21	0.00		
25	State corporate Franchise Tax	0.00	0.00			
26	State Unemployment Tax	303,813.85	303,813.85			0.00
27	Other State and Local Taxes	189,288.96	189,288.96			
28	Federal Unemployment Tax	163,615.26	163,615.26			0.00
29	FICA	1,376,814.47	1,376,814.47			0.00
30	Other Federal Tax					
31	Federal Income Tax	0.00	0.00			
32	payroll allocation	0.00	0.00			
33						
34						
35	General Office Allocation	(2,462,683.75)	(2,462,683.75)			
36						
37						
38						
39		0.00	0.00	0.00	0.00	0.00

* Please note: Line 26 (SUT), Line 28 (FUT), and FICA total are reported in Line 29.

GO

SCHEDULE D-1 Sources of Supply and Water Developed

STREAMS				FLOW IN(unit) ²				Annual Quantities Diverted(Unit) ²	Remarks
Line No.	Diverted into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1	Not Applicable								
2									
3									
4									
5									
WELLS							Annual Quantities Pumped(Unit) ²	Remarks	
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	¹ Depth to Water	Pumping Capacity(Unit) ²			
6	Not Applicable								
7									
8									
9									
10									
TUNNELS AND SPRINGS					FLOW IN(Unit) ²		Annual Quantities Used(Unit) ²	Remarks	
Line No.	Designation	Location	Number	Maximum	Minimum				
11	Not Applicable								
12									
13									
14									
15									
Purchased Water for Resale									
16	Purchased from		Not Applicable						
17	Annual quantities purchased				(Unit chosen) ²		Million Gallons		
18									
19									

* State ditch, pipe line, reservoir, etc., with name, if any.

¹ Average depth to water surface below ground surface.

² The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 42,560 cubic feet: in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second, in gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

SCHEDULE D-2 Description of Storage Facilities

Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs		Not Applicable	
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal			
12	Concrete			
13	Total			

GOD

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES
 Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.	Not Applicable	0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined conduit								
4									
5	Total								

A. LENGTH OF DITCHES, FLUMES AND LINED CONDUITS IN MILES FOR VARIOUS CAPACITIES - Continued
 Capacities in Cubic Feet Per Second or Miner's Inches (State Which) _____

Line No.	Not Applicable	101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined conduit								
9									
10	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING

Line No.	Not Applicable	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Cast Iron									
12	Cast Iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos									
19	Welded steel									
20	Wood									
21	Other (specify)									
22	Total									

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - Continued

Line No.	Not Applicable	10	12	14	16	18	20	Other Sizes (Specify Sizes)	Total All Sizes
23	Cast Iron								
24	Cast Iron (cement lined)								
25	Concrete								
26	Copper								
27	Riveted steel								
28	Standard screw								
29	Screw or welded casing								
30	Cement - asbestos								
31	Welded steel								
32	Wood								
33	Other (specify)								
34	Total								

SCHEDULE D-4 General Office
Number of Active Service Connections

	Metered-	Dec. 31	Flat Rate-	Dec. 31
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Commercial (including domestic)				
Industrial				
Public Authorities				
Irrigation				
Other (specify)				
	NOT APPLICABLE			
Sub-Total	0	0	0	0
Private Fire Connections				
Public Fire Connections				
Totals	0	0	0	0

NOT APPLICABLE

GENERAL OFFICE

SCHEDULE D-5

Number of Meters and Services
on Pipe Systems at End of Year

Size	Meters	Services
5/8 - in.		
3/4 - in.		
1 - in.		
1 1/4 - in.		
1 1/2 - in.		
2 - in.		
2 1/2 - in.		
3 - in.		
4 - in.		
5 - in.		
6 - in.		
8 - in.		
10 - in.		
12 - in.		
16 - in.		
18 - in.		
other		
MISC		
Totals	0	0

SCHEDULE D-6

Meter Testing Data

NOT APPLICABLE	
A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received	_____
2. Used, before repair	_____
3. Used, after repair	_____
4. Found fast, requiring billing adjustment	_____
B. Number of Meters in Service Since Last Test	
1. Ten Years or Less	_____
2. More than 10, but less than 15 years	_____
3. More than 15 years	_____

Water Delivered to Metered Customers by Months and Years in 100,000 CuFt (Units Chosen)

Classification Of Service	During Current Year							Sub-total
	Jan	Feb	Mar	Apr	May	Jun		
Commercial							0	
Industrial							0	
Public Authority							0	
Irrigation							0	
Other water utilities							0	
Reclaimed							0	
Other							0	
Total	0	0	0	0	0	0	0	

Classification Of Service	During Current Year							Total	Total Prior Yr
	Jul	Aug	Sep	Oct	Nov	Dec	Sub-total		
Commercial							0	0	0
Industrial							0	0	0
Public Authority							0	0	0
Irrigation							0	0	0
Other water utilities							0	0	0
Reclaimed							0	0	0
Other							0	0	0
Total	0	0	0	0	0	0	0	0	0

Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated: Total Population Served: 0

END OF YEAR BALANCES IN SELECTED ACCOUNTS

Indicate the end of year balances shown in the district's accounting records for the following accounts:

131. Materials and supplies on hand	(G)	-57,509.10
		57,509.10
100.3. Construction work in progress	(G)	-17,005,333.47
		17,005,333.47
241. Advances for construction		0.00
265. Contributions in aid of construction		0.00

(G) General Office Allocation

SIGNATURE

District Management

Name of District Manager Martin Kropelnicki

Address 1720 North First St., San Jose, CA 95112-4598 Telephone 408-367-8200

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2016 to December 31, 2016.

General Office

Signature

Vice President & Corporate Controller

Title

Date

END OF YEAR BALANCES IN SELECTED ACCOUNTS

Indicate the end of year balances shown in the district's accounting records for the following accounts:

131. Materials and supplies on hand	(G)	-57,509.10
		57,509.10
100.3. Construction work in progress	(G)	-17,005,333.47
		17,005,333.47
241. Advances for construction		0.00
265. Contributions in aid of construction		0.00

(G) General Office Allocation

SIGNATURE

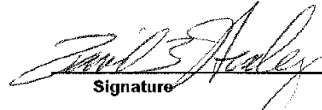
District Management

Name of District Manager Martin Kropelnicki

Address 1720 North First St., San Jose, CA 95112-4598 Telephone 408-367-8200

This report sets forth book or allocated figures and other data pertaining to the district for the period from January 1, 2016 to December 31, 2016.

General Office


Signature

Vice President & Corporate Controller

Title

March 23, 2017
Date

DECLARATION

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

I, the undersigned _____ David B. Healey
Officer, Partner, or Owner (Please Print)

of _____ California Water Service 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 of January 1, 2016, through December 31, 2016.

Vice President & Corporate Controller
Title (Please Print)

Signature

408-367-8523
Telephone Number

Date

DECLARATION

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

I, the undersigned David B. Healey
Officer, Partner, or Owner (Please Print)

of California Water Service 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 of January 1, 2016, through December 31, 2016.

Vice President & Corporate Controller
Title (Please Print)

David B. Healey
Signature

408-367-8523
Telephone Number

March 23, 2017
Date