

Received \_\_\_\_\_

Examined \_\_\_\_\_

U# \_\_\_\_\_

**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: Palos Verdes Location: Palos Verdes Los Angeles  
(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

# TABLE OF CONTENTS

	<u>Page</u>
Schedule A-1a - Account 100.1 - Utility Plant in Service	2
Schedule A-1d - District Rate Base and Working Cash	3
Schedule A-3 - Depreciation and Amortization Reserves	4
Schedule A-3a - Analysis of Entries in Account 250 - Reserve for Depreciation of Utility Plant	5
Schedule B-1 - Operating Revenues	6
Schedule B-3 - Operating Expenses - For Class A, B, and C Water Utilities	7
Schedule B-2 - Operating Expenses - For Class A, B, and C Water Utilities	8 & 9
Schedule B-4 - Taxes Charged During Year	10
Schedule D-1 - Sources of Supply and Water Developed	11
Schedule D-2 - Description of Storage Facilities	11
Schedule D-3 - Description of Transmission and Distribution Facilities	12
Schedule D-4 - Number of Active Services Connections	13
Schedule D-5 - Number of Meters and Services on Pipe System at End of Year	14
Schedule D-6 - Meter Testing Data	14
Schedule D-7 - Water Delivered to Metered Customers by Months and Years	15
End of Year Balances in Selected Accounts and Declaration	16
Scanned copy of signed - End of Year Balances in Selected Accounts and Declaration	
Index	



Report ID: CW\_W405-  
 Bus. Unit: CWSCO  
 Dept: PALOS VERDES

ANALYSIS OF UTILITY PLANT  
 December/31/2016

Page No. 22  
 Run Date: 2/24/2017  
 Run Time: 2:18:05PM

Acct	Description	Beg of YR bal	Additions	Retirements	Other	End of YR bal
<b>I. INTANGIBLE PLANT</b>						
301	ORGANIZATION	0.00				0.00
302	FRANCHISES AND CONSENTS	250.00				250.00
303	OTHER INTANGIBLE PLANT	423,148.78				423,148.78
	TOTAL INTANGIBLE PLANT	423,398.78				423,398.78
<b>II. LAND PLANT</b>						
306	LAND AND LAND RIGHTS	279,710.90	1,732,007.51			2,011,718.41
<b>III. SOURCE OF SUPPLY PLANT</b>						
311	STRUCTURES AND IMPROVEMENTS	0.00				0.00
312	COLLECTING AND IMPOUNDING RES	0.00				0.00
313	LAKE, RIVER AND OTHER INTAKES	0.00				0.00
315	WELLS	0.00				0.00
316	SUPPLY MAINS	9,414.67				9,414.67
	TOTAL SOURCE OF SUPPLY PLANT	9,414.67				9,414.67
<b>IV. PUMPING PLANT</b>						
321	STRUCTURES AND IMPROVEMENTS	1,586,724.19	60,069.84	-10,494.22		1,636,299.81
3211	PAVEMENT	618,709.19	38,933.88			657,643.07
324	PUMPING EQUIPMENT	9,165,203.55	665,760.46	-126,970.96		9,703,993.05
3241	SYS CONTROL COMPUTER EQUIP	1,056,893.49				1,056,893.49
325	OTHER PUMPING PLANT	8,312.10				8,312.10
	TOTAL PUMPING PLANT	12,435,842.52	764,764.18	-137,465.18		13,063,141.52
<b>V. WATER TREATMENT PLANT</b>						
331	STRUCTURES AND IMPROVEMENTS	39,470.79				39,470.79
332	WATER TREATMENT EQUIPMENT	22,242.46				22,242.46
	TOTAL WATER TREATMENT PLANT	61,713.25				61,713.25
<b>VI. TRANS AND DIST PLANT</b>						
341	STRUCTURES AND IMPROVEMENTS	201,276.97	17,965.01	-3,707.99		215,533.99
3411	PAVEMENT	25,111.78	79,142.86	-9,126.30		95,128.34
342	RESERVOIRS AND TANKS	3,894,160.77	7,830.00			3,901,990.77
3421	TANK PAINTING	713,246.22		-177,205.37		536,040.85
343	TRANS AND DIST MAINS	44,225,667.11	2,830,399.61	-113,417.71		46,942,649.01
344	FIRE MAINS	0.00				0.00
345	SERVICES	7,669,624.09	700,590.78	-7,682.94		8,362,531.93
346	METERS	4,903,851.43	74,391.10	-118.82		4,978,123.71
348	HYDRANTS	3,693,629.22	625,047.00	-12,685.71		4,305,990.51
	TOTAL TRANS AND DIST PLANT	65,326,567.59	4,335,366.36	-323,944.84		69,337,989.11
<b>VII. GENERAL PLANT</b>						
371	STRUCTURES AND IMPROVEMENTS	1,243,839.57	92,235.92	-29,982.64		1,306,092.85
3711	PAVEMENT	256,513.73	118,466.34			374,980.07
3720	OFFICE FURNITURE AND EQUIPMENT	52,008.89	4,149.77			56,158.66
3721	OFFICE EQUIPMENT - COMPUTERS	51,203.04	26,061.18	-835.54		76,428.68
3722	COMPUTER SOFTWARE	0.00				0.00
373	TRANSPORTATION EQUIPMENT	62,439.07		-38,591.80		23,847.27
374	STORES EQUIPMENT	10,450.41				10,450.41
375	LABORATORY EQUIPMENT	3,875.28	3,452.46	-946.10		6,381.64
376	COMMUNICATION EQUIPMENT	127,506.18				127,506.18
377	POWER OPERATED EQUIPMENT	12,900.93				12,900.93
378	TOOLS, SHOP AND GARAGE EQUIP	104,743.32	25,977.33			130,720.65
379	OTHER GENERAL PLANT	4,536.61				4,536.61
380	LEASED PROPERTY	0.00				0.00
	TOTAL OTHER GENERAL PLANT	1,930,017.03	270,343.00	-70,356.08		2,130,003.95
<b>VIII. UNDISTRIBUTED ITEMS</b>						
390	OTHER TANGIBLE PROPERTY	0.00				0.00
391	UTILITY PLANT PURCHASED	0.00				0.00
	DIST GO PLANT ALLOCATION	5,449,615.59	1,711,246.39	-1,148,244.93	846,325.93	6,858,942.98
	OTHER GO PLANT ALLOCATION	0.00	0.00	0.00	0.00	0.00
	TOTAL UNDISTRIBUTED ITEMS	5,449,615.59	1,711,246.39	-1,148,244.93	846,325.93	6,858,942.98
	TOTAL UTILITY PLANT IN SERVICE	85,916,280.33	8,813,727.44	-1,680,011.03	846,325.93	93,896,322.67

**CALIFORNIA WATER SERVICE COMPANY**  
**DERIVATION OF WEIGHTED AVERAGE RATE BASE 12 MONTHS END: DECEMBER 31, 2016**  
**SCHEDULE A-1d**  
**PALOS VERDES 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	\$ 84,777,428.0	\$ 77,917,121.2
4	GENERAL OFFICE PRORATE	\$ 6,169,655.0	\$ 5,425,927.8
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>\$ 90,947,082.9</u>	<u>\$ 83,343,049.0</u>
8	LESS ACCUMULATED DEPRECIATION/AMORTIZATION		
9	PLANT IN SERVICE	\$ 39,072,163.2	\$ 37,466,575.3
10	GENERAL OFFICE PRORATE	\$ 2,205,329.0	\$ 2,262,682.8
11	TOTAL ACCUMULATED DEPRECIATION ( = Line 9 + Line 10 )	<u>\$ 41,277,492.1</u>	<u>\$ 39,729,258.1</u>
12	LESS OTHER RESERVES		
13	DEFERRED INCOME TAXES	\$ 10,705,368.3	\$ 8,170,294.7
14	DEFERRED ITC	\$ 120,841.0	\$ 129,045.3
15	GENERAL OFFICE PRORATE	\$ 561,521.9	\$ 503,058.2
16	TOTAL OTHER RESERVES ( = Line 13 + Line 14 + Line 15 )	<u>\$ 11,387,731.1</u>	<u>\$ 8,802,398.2</u>
17	LESS ADJUSTMENTS		
18	CONTRIBUTIONS IN AID OF CONSTRUCTION	\$ 2,303,023.6	\$ 2,169,733.0
19	ADVANCES FOR CONSTRUCTION	\$ 1,455,323.1	\$ 1,727,157.5
20	OTHER (TAX EFFECT ON CIAC AND ADVANCES)	\$ 383,792.9	\$ 391,538.3
21	TOTAL ADJUSTMENTS ( = Line 18 + Line 19 - Line 20 )	<u>\$ 3,374,553.8</u>	<u>\$ 3,505,352.2</u>
22	ADD MATERIALS AND SUPPLIES	\$ 517,670.5	\$ 485,772.1
23	ADD TANK PAINTING	\$ 570,009.6	\$ 594,939.2
24	ADD ADOPTED WORKING CASH ( = Line 37 )	\$ (274,000.0)	\$ (242,600.0)
25	<b>TOTAL DISTRICT RATE BASE</b>	<u><u>\$ 35,720,986.0</u></u>	<u><u>\$ 32,144,151.6</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	\$ 34,615,995.4	\$ 34,943,082.5
29	Purchased Power & Commodity for Resale*	\$ 23,599,725.1	\$ 23,479,760.7
30	Meter Revenues: Bimonthly Billing	\$ 6,641,265.6	\$ 6,597,684.5
31	Other Revenues: Flat Rate Monthly Billing	\$ 15,181.4	\$ 15,190.6
32	Total Revenues ( Line 30 + Line 31 )	<u>\$ 6,656,447.0</u>	<u>\$ 6,612,875.0</u>
33	Ratio - Flat Rate to Total Revenues ( = Line 31 / Line 32 )	0.23%	0.23%
34	5/24 x Line 28 x ( 100% - Line 33 )	\$ 7,195,218.0	\$ 7,263,086.2
35	1/24 x Line 28 x Line 33	\$ 3,289.5	\$ 3,344.5
36	1/12 x Line 29	\$ 1,966,643.8	\$ 1,956,646.7
37	Operational Cash Requirement ( = Line 34 + Line 35 - Line 36 )	\$ 9,165,151.3	\$ 9,223,077.5
38	Total Adopted	\$ (274,000.0)	\$ (242,600.0)

**SCHEDULE A-3**

**PALOS VERDES**

**Depreciation and Amortization Reserves**

**2016**

Line No.	Item (a)		Account 250	Account 251	Account 252	Account 253	
			Utility Plant (b)	Limited Term Utility Investment (c)	Utility Plant Acquisition Adjustments (d)	Other Property (e)	
1	Balance in reserves at beginning of year	(G)	2,132,531.06				
			37,444,735.24	256,836.71	0.00	0.00	
2	Add: Credits to reserves during year						
3	a) Charged to account No. 503	(G)	379,159.38				
			1,824,371.00				
4	b) Charged to account No. 265		93,191.35				
5	c) Charged to clearing accounts	(G)	19,408.85				
			(151,402.20)				
6	d) Salvage recovered	(G)	0.00				
			0.00				
7	e) All other credits	(G)	(19,740.93)				
			0.00	(B) 39,309.34			
8	Total Credits		2,144,987.45	39,309.34			
9	Deduct: Debits to reserves during year						
10	a) Book cost of property retires	(G)	301,919.00				
			531,766.10				
11	b) Cost of removal	(G)	0.00				
			26,306.34				
12	c) All other debits	(G)	(3,995.50)		(C) 0.00		
			1,054.50				
13	Total Debits		857,050.44		0.00		
14	Balances in reserves at end of year		40,865,203.31	296,146.05	0.00	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:		1,932,751.77				
19	Indicate nature of these items and accounts affected						
20	(See Schedule A-3a opposite)						



**ANNUAL REPORT FOR DEPRECIATION**  
**Analysis of Depreciation Reserve - Account no 250**

ACCOUNT	BEGIN				COST TO		END	
	BALANCE	PROVISIONS	RETIREMENT	SAL	REMOVE	OTHER	BALANCE	
<b>I. SOURCE OF SUPPLY PLANT</b>								
3110 STRUCTURES AND IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3120 COLLECTING AND IMPOUNDING RES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3130 LAKE, RIVER AND OTHER INTAKES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3140 SPRINGS AND TUNNELS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3150 WELLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3160 SUPPLY MAINS	3,054.05	204.36	0.00	0.00	0.00	0.00	0.00	3,258.41
3170 OTHER SOURCE OF SUPPLY PLANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL SOURCE OF SUPPLY PLANT	3,054.05	204.36	0.00	0.00	0.00	0.00	0.00	3,258.41
<b>II. PUMPING PLANT</b>								
3210 STRUCTURES AND IMPROVEMENTS	1,043,734.64	118,052.64	-10,494.22	0.00	0.00	0.00	0.00	1,151,293.06
3220 BOILER PLANT EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3230 OTHER POWER PRODUCTION EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3240 PUMPING EQUIPMENT	2,330,260.37	254,792.64	-126,970.96	0.00	0.00	0.00	0.00	2,458,082.05
3241 SYSTEM CONTROL COMPUTER EQUIP	44,873.39	29,381.64	0.00	0.00	0.00	0.00	0.00	74,255.03
3250 OTHER PUMPING PLANT	4,060.46	231.00	0.00	0.00	0.00	0.00	0.00	4,291.46
TOTAL PUMPING PLANT	3,422,928.86	402,457.92	-137,465.18	0.00	0.00	0.00	0.00	3,687,921.60
<b>III. WATER TREATMENT PLANT</b>								
3310 STRUCTURES AND IMPROVEMENTS	32,016.22	398.64	0.00	0.00	0.00	0.00	0.00	32,414.86
3320 WATER TREATMENT EQUIPMENT	23,845.53	-22.20	0.00	0.00	0.00	0.00	0.00	23,823.33
TOTAL WATER TREATMENT PLANT	55,861.75	376.44	0.00	0.00	0.00	0.00	0.00	56,238.19
<b>IV. TRANS AND DIST PLANT</b>								
3410 STRUCTURES AND IMPROVEMENTS	125,293.21	-6,354.24	-12,834.29	0.00	0.00	0.00	0.00	106,104.68
3420 RESERVOIRS AND TANKS	3,536,520.21	96,964.68	0.00	0.00	0.00	-3,242.20	0.00	3,630,242.69
3421 TANK PAINTING	312,215.81	126,601.20	-177,205.37	0.00	0.00	0.00	0.00	261,611.64
3430 TRANS AND DIST MAINS	20,545,037.18	796,062.00	-113,417.71	0.00	-14,278.33	0.00	0.00	21,213,403.14
3440 FIRE MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3450 SERVICES	5,218,390.67	164,896.92	-7,682.94	0.00	-7,718.81	0.00	0.00	5,367,885.84
3460 METERS	2,144,026.30	172,615.56	-118.82	86.05	715.05	0.00	0.00	2,317,324.14
3470 METER INSTALLATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3480 HYDRANTS	1,510,107.93	69,070.80	-12,685.71	0.00	-5,024.25	0.00	0.00	1,561,468.77
3490 OTHER TRANS AND DIST MAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TRANS AND DIST PLANT	33,391,591.31	1,419,856.92	-323,944.84	86.05	-26,306.34	-3,242.20	0.00	34,458,040.90
<b>V. GENERAL PLANT</b>								
3710 STRUCTURES AND IMPROVEMENTS	568,444.35	52,732.08	-29,982.64	0.00	0.00	0.00	0.00	591,193.79
3720 OFFICE FURNITURE AND EQUIP	5,110.38	2,730.48	0.00	0.00	0.00	0.00	0.00	7,840.86
3721 OFFICE EQUIPMENT - COMPUTERS	44,514.52	8,187.36	-835.54	0.00	0.00	0.00	0.00	51,866.34
3722 OFFICE EQUIPMENT - SOFTWARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3730 TRANSPORTATION EQUIPMENT	-38,917.51	-151,402.20	-38,591.80	2,101.65	0.00	0.00	0.00	-226,809.86
3740 STORES EQUIPMENT	9,767.50	462.96	0.00	0.00	0.00	0.00	0.00	10,230.46
3750 LABORATORY EQUIPMENT	2,751.01	205.80	-946.10	0.00	0.00	0.00	0.00	2,010.71
3760 COMMUNICATION EQUIPMENT	87,908.70	3,429.96	0.00	0.00	0.00	0.00	0.00	91,338.66
3770 POWER OPERATED EQUIPMENT	8,812.80	625.68	0.00	0.00	0.00	0.00	0.00	9,438.48
3780 TOOLS, SHOP AND GARAGE EQUIP	17,194.27	6,054.12	0.00	0.00	0.00	0.00	0.00	23,248.39
3790 OTHER GENERAL PLANT	2,328.15	583.44	0.00	0.00	0.00	0.00	0.00	2,911.59
3800 LEASED PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3900 OTHER TANGIBLE PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3910 WATER PLANT PURCHASE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL PLANT	707,914.17	-76,390.32	-70,356.08	2,101.65	0.00	0.00	0.00	563,269.42
GO PLANT ALLOCATION	1,995,916.16	398,482.13	-301,919.00	3,909.40	0.00	86.10	0.00	2,096,474.79
TOTAL DEPRECIATION	39,577,266.30	2,144,987.45	-833,685.10	6,097.10	-26,306.34	-3,156.10	0.00	40,865,203.31

OPERATING REVENUES - CLASS A WATER			UTILITIES		
LN NO	ACCT NO	ACCOUNT (A)	AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)
22		<b>I. Water Service Revenues</b>			
23	601	Metered Sales to General Customers			
24		601.1 Commercial Sales	33,824,755	34,262,973	(438,218)
25		601.2 Industrial Sales	5,327,618	4,709,632	617,986
26		601.3 Sales to Public Authorities	1,573,730	1,468,556	105,174
27		Sub-Total	40,726,103	40,441,161	284,942
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	4,492	3,892	600
		Sub-Total	4,492	3,892	600
37	604	Private Fire Protection Service	123,075	120,327	2,748
38	605	Public Fire Protection Service	5,157	5,157	-
39	606	Sales To Other Water Utilities For Resale	-	-	-
42	609	Other Sales or Service	76,391	62,893	13,498
43		Sub-Total	204,623	188,376	16,246
44		Total Water Service Revenue	40,935,217	40,633,429	301,788
46		<b>II. Other Water Revenues</b>			
47	611	Miscellaneous Service Revenue	47,780	48,025	(245)
48	612	Rent From Water Property	-	-	-
50	614	Other Water Revenues	(31,541)	(45,403)	13,862
51		Total Other Water Revenues	16,239	2,622	13,617
52		<b>III. Water Revenue Adjustment Mechanism Offsets</b>			
53		WRAM / MCBA Adjustmets	(1,087,514)	(899,418)	(188,096)
54		WRAM/MCBA Interest	(5,943)	4,709	(10,652)
54		Conservation Revenue Billed	171,771	27,051	144,720
55		Total WRAM Adjustments	(921,686)	(867,658)	(54,028)
56		Total Operating Revenues	40,029,770	39,768,394	261,377

## 7 Palos Verdes

## 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		<b>I. Source of Supply Expense</b>				
2		Operation				
3	701	Operation Supervision and Engineering	28,040	31,280	(3,240)	
5	702	Operation Labor and Expense	-	-	-	
6	703	Miscellaneous Expense	10,433	8,895	1,538	
7	704	Purchased Water	21,147,497	20,762,742	384,755	
8		Maintenance				
9	706	Maint. Supervision and Engineering	6,251	5,625	626	
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	-	-	-	
17	712	Maint. Of Supply Mains	-	-	-	
18	713	Maint. Of Other Source of Supply Plant	13,296	-	13,296	
19		Total Source of Supply Expenses	21,205,516	20,808,542	396,974	
20		<b>II. Pumping Expenses</b>				
21		Operation				
22	721	Operation Supervision and Engineering	255,874	245,694	10,180	
24	722	Power Production Labor and Expenses	-	-	-	
26	723	Fuel For Power Production	-	-	-	
27	724	Pumping Labor and Expenses	47,787	38,529	9,258	
28	725	Miscellaneous Expenses	111,083	72,466	38,617	
29	726	Fuel or Power Purchased For Pumping	2,454,578	2,719,233	(264,655)	
30		Maintenance				
31	729	Maint. Supervision and Engineering	74,515	40,442	34,073	
33	730	Maint. Of Structures and Improvements	-	-	-	
34	731	Maint. Of Power Production Equipment	-	-	-	
35	732	Maint. Of Pumping Equipment	31,266	15,623	15,643	
36	733	Maint. Of Other Pumping Equipment	-	-	-	
37		Total Pumping Expenses	2,975,102	3,131,988	(156,885)	
38		<b>III. Water Treatment Expenses</b>				
39		Operation				
40	741	Operation Supervision and Engineering	34,656	49,993	(15,337)	
42	742	Operation Labor and Expenses	70,153	75,122	(4,969)	
43	743	Miscellaneous Expenses	36,297	40,765	(4,468)	
44	744	Chemicals and Filtering Materials	-	-	-	
44	745	Water Treatment Alloc In/Out	28,060	11,907	16,152	
45		Maintenance				
46	746	Maint. Supervision and Engineering	1,656	438	1,218	
48	747	Maint. Of Structures and Improvements	-	-	-	
49	748	Maint. Of Water Treatment Equipment	1,798	2,249	(450)	
50		Total Water Treatment Expenses	172,620	180,474	(7,854)	



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		<b>IV. Transmission and Distribution Expenses</b>				
2		Operation				
3	751	Operation Supervision and Engineering	304,970	298,281	6,689	
5	752	Storage Facilities Expenses	3,215	5,309	(2,093)	
7	753	Transmission and Distribution Lines	157,511	73,656	83,855	
8	754	Meter Expenses	31,712	35,032	(3,320)	
9	755	Customer Installation Expenses	6,867	5,758	1,109	
10	756	Miscellaneous	193,445	251,854	(58,409)	
11		Maintenance				
12	758	Maint. Supervision and Engineering	478,638	474,753	3,884	
14	759	Maint. Of Structures and Improvements	-	-	-	
15	760	Maint. Of Reservoirs and Tanks	75,080	74,500	580	
16	761	Maint. Of Transmission and Distribbut. Mains	358,074	213,462	144,612	
18	762	Maint. Of Fire Mains			-	
19	763	Maint. Of Services	90,097	107,790	(17,693)	
21	764	Maint. Of Meters	59,441	38,243	21,198	
22	765	Maint. Of Hydrants	10,724	10,140	583	
23	766	Maint. Of Miscellaneous Plant	245	25	220	
24		Total Transmission and Distribution Exp.	1,770,019	1,588,802	181,217	
25		<b>V. Customer Account Expenses</b>				
26		Operation				
27	771	Supervision	276,178	308,286	(32,108)	
29	772	Meter Reading Expenses	19,729	18,480	1,249	
30	773	Customer Records and Collection Expenses	268,787	195,809	72,978	
32	774	Miscellaneous Customer Accounting Expenses	816,973	723,204	93,769	
33	775	Uncollectible Accounts	51,230	73,730	(22,500)	
33	776	776 Cust Allocation In/Out	382,848	396,077	(13,229)	
34		Total Customer Accounts Expense	1,815,745	1,715,586	100,160	
35		<b>VI. Sales Expenses</b>				
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	-	-	-	

LN NO	ACCT NO	ACCOUNT (A)	OPERATING EXPENSE - CLASS A, B, AND C WATER		UTILITIES (CONCLUDED)	
			AMOUNT CURRENT YEAR (B)	AMOUNT PRIOR YEAR (C)	INCREASE (DECREASE) (D)	
1		<b>VII. Administrative And General Expenses</b>				
2		Operation				
3	791	Administrative and General Salaries	6,840	6,059	782	
5	792	Office Supplies and Other Expenses	7,594	8,155	(561)	
6	793	Property Insurance	-	-	-	
7	794	Injuries and Damages	40,457	43,178	(2,720)	
8	795	Employees Pensions and Benefits	1,317,361	1,535,729	(218,368)	
9	796	Franchise Requirements	-	-	-	
11	797	Regulatory Commission Expenses	99	2,343	(2,244)	
12	798	Outside Service Employed	-	1,231	(1,231)	
14	799	Miscellaneous General Expense	4,435,526	4,987,438	(551,912)	
15		Maintenance				
16	805	Maintenance of General Plant	20,208	107,638	(87,431)	
17		Total Administrative and General Expenses	5,828,085	6,691,771	(863,686)	
18		<b>VIII. Miscellaneous</b>				
19	811	Rents	110,447	116,444	(5,997)	
20	812	Admin. Exp. Transferred	(217,368)	(202,695)	(14,673)	
20		Admin. Exp. Transferred - General Office			-	
21	813	Duplicate Charges - CR			-	
22		Total Miscellaneous	(106,921)	(86,251)	(20,670)	
23		Total Operating Expenses	33,660,167	34,030,912	(370,744)	

LN NO	KIND OF TAX (A)	TAXES CHARGED DURING YEAR				CAPITALIZED (F)
		TOTAL TAXES CHARGES DURING YEAR (B)	WATER (ACCOUNT 507) (C)	NONUTILITY (ACCOUNT 5270) (D)	OTHER (ACCOUNT 5371) (E)	
24	Real and Property Taxes	385,859.98	385,859.98	0.00		
25	State corporate Franchise Tax	(8,874.42)	(8,874.42)			
26	State Unemployment Tax	0.00	0.00			0.00
27	Other State and Local Taxes	404,635.51	404,635.51			
28	Federal Unemployment Tax	0.00	0.00			0.00
29	FICA	129,031.78	129,031.78			0.00
30	Other Federal Tax					
31	Federal Income Tax	1,427,763.92	1,427,763.92			
32	payroll allocation	46,550.86	46,550.86			
33						
34						
35	General Office Allocation	141,358.05	141,358.05			
36						
37						
38						
39		2,526,325.68	2,526,325.68	0.00	0.00	0.00

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

### SCHEDULE D-1 Sources of Supply and Water Developed

STREAMS				FLOW IN .....(unit) <sup>2</sup>				Annual Quantities Diverted .....(Unit) <sup>2</sup>	Remarks
Line No.	Diverted into*	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions			
				Claim	Capacity	Max.	Min.		
1	<b>Not Applicable</b>								
2									
3									
4									
5									

  

WELLS							Annual Quantities Pumped .....(Unit) <sup>2</sup>	Remarks
Line No.	At Plant (Name or Number)	Location	Number	Dimensions	<sup>1</sup> Depth to Water	Pumping Capacity .....(Unit) <sup>2</sup>		
							6	<b>Not Applicable</b>
7								
8								
9								
10								

  

TUNNELS AND SPRINGS				FLOW IN .....(Unit) <sup>2</sup>		Annual Quantities Used .....(Unit) <sup>2</sup>	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
				11	<b>Not Applicable</b>		
12							
13							
14							
15							

  

Purchased Water for Resale			
16	Purchased from	West Basin Municipal Water District	
17	Annual quantities purchased	5,468.0	(Unit chosen) <sup>2</sup> Million Gallons
18			
19			

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

<sup>1</sup> Average depth to water surface below ground surface.

<sup>2</sup> 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		<b>See Attached Schedule</b>	
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			

CALIFORNIA WATER SERVICE COMPANY

STORAGE FACILITIES- DECEMBER 31, 2016

SCHEDULE D - 2

District/Station	System	Tank Capacity (1000gal)	Construction Date	Date of Last Inspection/Cleaning	Coating Type	Coating Year
<b>Palos Verdes</b>						
PALOS VERDES STA. 023-T1 (RES.19)	PALOS VERDES	3,000	1956	4/8/2015		
PALOS VERDES STA. 023-T2 (RES.19)	PALOS VERDES	3,000	1964	4/16/2015	EPOX-WHT-100%	2014
PALOS VERDES STA. 037-T1 (RES.25)	PALOS VERDES	9,500	1970	12/9/2015		
PALOS VERDES STA. 038-T2 (RES.13)	PALOS VERDES	200	1947	2/25/2014	POLYUREA	2006
PALOS VERDES STA. 039-T1 (RES.1)	PALOS VERDES	100	1950	8/15/2011		
PALOS VERDES STA. 040-T1 (RES.2)	PALOS VERDES	100	1953	11/19/2013		
PALOS VERDES STA. 041-T1 (RES.5)	PALOS VERDES	1,500	1925	12/10/2013		
PALOS VERDES STA. 042-T1 (RES.6)	PALOS VERDES	50	1927	2/12/2014		
PALOS VERDES STA. 043-T1 (RES.7)	PALOS VERDES	100	1928	2/11/2014		
PALOS VERDES STA. 044-T1 (RES.8)	PALOS VERDES	100	1949	12/18/2013		
PALOS VERDES STA. 045-T1 (RES.11)	PALOS VERDES	100	1947	2/11/2014		
PALOS VERDES STA. 046-T1 (RES.12)	PALOS VERDES	100	1947	1/7/2014		
PALOS VERDES STA. 048-T1 (RES.17)	PALOS VERDES	100	1953	1/22/2014		
PALOS VERDES STA. 049-T1 (RES.20)	PALOS VERDES	5,000	1956	1/31/2013		
PALOS VERDES STA. 049-T2 (RES.20)	PALOS VERDES	7,500	1965	12/11/2012	C.T.ENAMEL	1965
PALOS VERDES STA. 050-T1 (RES.21)	PALOS VERDES	100	1944	3/3/2015	EPOX-WHT-100%	2014
PALOS VERDES STA. 051-T1 (RES.22)	PALOS VERDES	100	1944	1/28/2014		
PALOS VERDES STA. 052-T1 (RES. 26)	PALOS VERDES	50	1965	3/10/2015	C.T.ENAMEL	1968
	District Total	30,700				

PVD

### 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.	See Attached Schedule	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.	See Attached Schedule	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								

California Water Service Company  
Supply And Distributions Mains  
12/31/2016

Department: 122-PALOS VERDES

Pipe Size	Asbestos Cement	Cast Iron	Concrete Cylinder	Copper Tubing	Steel Standard	Steel Cement Lined	Steel Other	Ductile Iron	Plastic Pipe	Total
3/4"									300	300
1"				1,476			696		280	2,452
1 - 1/4"										
1 - 1/2"				428	466					894
2"		229		238	1,339		3,055		2,158	7,019
2-3/8"										
2-1/2"					499					499
3"	150				9,540		6			9,696
3-1/2"	4,310									4,310
4"	44,980	9,544			5,368		5,457	3,414	3,072	71,835
4-1/2"					239					239
5"					75					75
5-1/2"					690					690
6"	729,224	5,762			14,951	7,674	5,325	29,148	19,579	811,663
7"										
8"	493,814	871			3,663	15,643	1,297	15,048	14,488	544,824
9"					272					272
10"	19,077				14	6,011		18		25,120
10-3/4"					2,105					2,105
12"	132,909	15			451	32,912		12,924		179,211
12-3/4"			1,947		639					2,586
14"						138				138
15"										
16"	3,419				2,043	26,522				31,984
17"			491							491
18"	10,641	0				24,058		287		34,986
19"						14,019				14,019
20"						14,937				14,937
21"										
22"						2,377				2,377
24"	7	0				15,450				15,457
26"										
27"			10,639					0		10,639
30"			4,220							4,220
33"			14,500							14,500
36"			7,476							7,476
37"			5,795							5,795
42"										
<b>Total</b>	1,438,531	16,421	45,068	2,142	42,354	159,741	15,836	60,839	39,877	1,820,809

**SCHEDULE D-4 Palos-Verdes**  
**Number of Active Service Connections**

	Metered-	Dec. 31	Flat Rate-	Dec. 31
	Prior	Current	Prior	Current
	Year	Year	Year	Year
Commercial (including domestic)	23677	23703		0
Industrial	0	0		
Public Authorities	253	254		
Irrigation				
Other (specify)	26	32		
<b>Sub-Total</b>	<b>23956</b>	<b>23989</b>	<b>0</b>	<b>0</b>
Private Fire Connections			171	172
Public Fire Connections			2456	2456
<b>Totals</b>	<b>23956</b>	<b>23989</b>	<b>2627</b>	<b>2628</b>



PALOS VERDES

**SCHEDULE D-5**

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

Size	Meters	Services
5/8 - in.	18,069	
3/4 - in.	2	2,275
1 - in.	3,937	18,388
1 1/4 - in.		580
1 1/2 - in.	1,226	
2 - in.	656	1,747
1 1/2 - in.		
3 - in.	64	2
4 - in.	21	80
5 - in.		
6 - in.	14	30
8 - in.	5	159
10 - in.		
12 - in.		
16 - in.		
18 - in.		
other		17
misc		30
<b>Totals</b>	23,994	23,308

**SCHEDULE D-6**

**Meter Testing Data**

<b>A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:</b>	
1. New, after being received	
2. Used, before repair	<u>12</u>
3. Used, after repair	<u>31</u>
4. Found fast, requiring billing adjustment	
<b>B. Number of Meters in Service Since Last Test</b>	
1. Ten Years or Less	<u>10,537</u>
2. More than 10, but less than 15 years	<u>3,041</u>
3. More than 15 years	<u>10,551</u>

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

Classification Of Service	During Current Year							Total	Total Prior Yr
	Jan	Feb	Mar	Apr	May	Jun	Sub-total		
Commercial	358	359	381	423	522	586	2629	6249	6412
Industrial						25	25	25	0
Public Authority	12	7	14	11	25		69	239	244
Irrigation							0	0	0
Other water utilities							0	0	0
Reclaimed							0	0	0
Other						2	2	5	7
<b>Total</b>	<b>370</b>	<b>366</b>	<b>395</b>	<b>434</b>	<b>547</b>	<b>613</b>	<b>2725</b>	<b>6518</b>	<b>6663</b>

  

Classification Of Service	During Current Year							Total	Total Prior Yr
	Jul	Aug	Sep	Oct	Nov	Dec	Sub-total		
Commercial	597	681	720	616	534	472	3620	6249	6412
Industrial							0	25	0
Public Authority	29	31	37	36	16	21	170	239	244
Irrigation							0	0	0
Other water utilities							0	0	0
Reclaimed							0	0	0
Other		1			1	1	3	5	7
<b>Total</b>	<b>626</b>	<b>713</b>	<b>757</b>	<b>652</b>	<b>551</b>	<b>494</b>	<b>3793</b>	<b>6518</b>	<b>6663</b>

Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet. Total Acres Irrigated: Total Population Served: 69,995

**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)	3,301.02
		562,632.75
100.3. Construction work in progress	(G)	976,106.14
		3,538,722.93
241. Advances for construction		-1,598,444.33
265. Contributions in aid of construction		-2,516,312.44

(G) General Office Allocation

**SIGNATURE**

District Management

Name of District Manager           Daniel Armendariz          

Address           2632 W. 237th Street, Torrance, CA 90505          

Telephone           310-377-5525          

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.

Palos Verdes

\_\_\_\_\_  
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)	3,301.02
		562,632.75
100.3. Construction work in progress	(G)	976,106.14
		3,538,722.93
241. Advances for construction		-1,598,444.33
265. Contributions in aid of construction		-2,516,312.44

(G) General Office Allocation

**SIGNATURE**

District Management

Name of District Manager Daniel Armendariz

Address 2632 W. 237th Street, Torrance, CA 90505

Telephone 310-377-5525

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.

Palos Verdes

  
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

# INDEX

	<u>Page</u>
Acres Irrigated	15
Advances for Construction	16
Construction work in progress	16
Contribution in aid of construction	16
Depreciation and amortization reserves	2
Material and supplies on hand	16
Meters and services on pipe system	13
Operating expenses	4-6
Operating revenues	7
Population served	15
Service connections, active	14
Signature	16.a
Source of supply and water developed	11
Storage facilities	11
Taxes	8
Transmission and distribution facilities	12
Utility plant in service	2