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2016  
ANNUAL REPORT  
OF  
DISTRICT WATER SYSTEM OPERATIONS  
OF

Golden State Water Company

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(NAME OF CORPORATION)

Name of District: Los Osos Location: Los Osos, San Luis Obispo  
(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

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**SCHEDULE A-1a**  
**Utility Plant in Service**

Line No.	Acct	Title of Account (a)	Balance Beginning of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
		<b>I. INTANGIBLE PLANT</b>					
1	301	Organization	-	-	-	-	-
2	302	Franchises and Consents (Schedule A-1b)	-	-	-	-	-
3	303	Other Intangible Plant	837,885	-	-	-	837,885
4		<b>Total intangible plant</b>	<b>837,885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>837,885</b>
		<b>II. LANDED CAPITAL</b>					
5	306	Land and Land Rights	376,567	-	-	-	376,567
		<b>Total Landed Capital</b>	<b>376,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376,567</b>
		<b>III. SOURCE OF SUPPLY PLANT</b>					
6	311	Structures and Improvements	7,127	-	-	-	7,127
7	312	Collecting and Impounding Reservoirs	-	-	-	-	-
8	313	Lake, River and Other Intakes	-	-	-	-	-
9	314	Springs and Tunnels	-	-	-	-	-
10	315	Wells	1,663,763	-	-	-	1,663,763
11	316	Supply Mains	91,280	-	-	-	91,280
12	317	Other Source of Supply Plant	-	-	-	-	-
13		<b>Total source of supply plant</b>	<b>1,762,170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,762,170</b>
		<b>IV. PUMPING PLANT</b>					
14	321	Structures and Improvements	399,233	22,308	(3,324)	-	418,217
15	322	Boiler Plant Equipment	-	-	-	-	-
16	323	Other Power Production Equipment	-	-	-	-	-
17	324	Pumping Equipment	4,433,705	27,279	(46,141)	-	4,414,843
18	325	Other Pumping Plant	494,306	29,730	(33,458)	-	490,578
19		<b>Total pumping plant</b>	<b>5,327,244</b>	<b>79,317</b>	<b>(82,923)</b>	<b>-</b>	<b>5,323,638</b>
		<b>V. WATER TREATMENT PLANT</b>					
20	331	Structures and Improvements	84,548	-	-	-	84,548
21	332	Water Treatment Equipment	2,031,703	25,985	(18,120)	-	2,039,568
22		<b>Total water treatment plant</b>	<b>2,116,251</b>	<b>25,985</b>	<b>(18,120)</b>	<b>-</b>	<b>2,124,116</b>

**SCHEDULE A-1a  
Utility Plant in Service (Continued)**

Line No.	Acct	Title of Account (a)	Balance Beginning of Year (b)	Additions During Year (c)	Retirements During Year (d)	Other Debits or (Credits) (e)	Balance End of Year (f)
<b>VI. TRANSMISSION AND DIST. PLANT</b>							
23	341	Structures and improvements	56,567	-	-	-	56,567
24	342	Reservoirs and tanks	2,021,685	-	-	-	2,021,685
25	343	Transmission and distribution mains	4,242,789	351,928	(27,687)	-	4,567,030
26	344	Fire mains	-	12,701	-	-	12,701
27	345	Services	1,239,897	80,547	(13,478)	-	1,306,966
28	346	Meters	484,982	15,662	(151,839)	-	348,805
29	347	Meter installations	-	-	-	-	-
30	348	Hydrants	717,436	46,096	(4,089)	-	759,443
31	349	Other transmission and distribution plant	3,533	-	-	-	3,533
32		<b>Total transmission and distribution plant</b>	<b>8,766,889</b>	<b>506,934</b>	<b>(197,093)</b>	<b>-</b>	<b>9,076,730</b>
<b>VII. GENERAL PLANT</b>							
33	371	Structures and improvements	80,197	7,638	(1,828)	-	86,007
34	372	Office furniture and equipment	73,992	27,383	-	-	101,375
35	373	Transportation equipment	206,491	50,173	(63,799)	908	193,773
36	374	Stores equipment	-	-	-	-	-
37	375	Laboratory equipment	-	-	-	-	-
38	376	Communication equipment	13,333	-	-	(908)	12,425
39	377	Power operated equipment	203,331	1,636	-	-	204,967
40	378	Tools, shop and garage equipment	39,682	443	-	-	40,125
41	379	Other general plant	1,307	-	-	-	1,307
42		<b>Total general plant</b>	<b>618,333</b>	<b>87,273</b>	<b>(65,627)</b>	<b>-</b>	<b>639,979</b>
<b>VIII. UNDISTRIBUTED ITEMS</b>							
43	390	Other tangible property	13,826	-	-	-	13,826
44	391	Utility plant purchased	21,008	-	-	-	21,008
45	392	Utility plant sold	-	-	-	-	-
46		<b>Total undistributed items</b>	<b>34,834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,834</b>
47		<b>Total utility plant in service</b>	<b>19,840,173</b>	<b>699,509</b>	<b>(363,763)</b>	<b>-</b>	<b>20,175,919</b>

**SCHEDULE A-1b  
Account 302 - Franchises and Consents**

Line No.	Name of Original Grantor (a)	Date of Grant (b)	Term in Years (c)	Date of Acquisition by Utility (d)	Amount at which Carried in Account <sup>1</sup> (e)
1					
2	Refer to Company Schedule A-1b				
3					
4					
5	<b>Total</b>				

<sup>1</sup> The total should agree with the balance at the end of the year in Account 302 in Schedule A-1a Line 10.

**SCHEDULE A-1c**  
**DISTRICT RATE BASE AND WORKING CASH**

Line No.	Acct.	Title of Account (a)	Balance 12/31/2016 (c)	Balance 1/1/2016 (d)
<b>RATE BASE</b>				
1		Utility Plant		
2		Plant in Service	20,175,919	19,840,174
3		Construction Work in Progress	2,551,498	992,103
4		General Office Prorate		-
5		<b>Total Gross Plant (=Line 2 + Line 3 + Line 4)</b>	<b>22,727,417</b>	<b>20,832,277</b>
6		Less Accumulated Depreciation		
7		Plant in Service	6,914,580	6,752,955
8		General Office Prorate		-
9		<b>Total Accumulated Depreciation (=Line 7 + Line 8)</b>	<b>6,914,580</b>	<b>6,752,955</b>
10		Less Other Reserves		
11		Deferred Income Taxes	1,894,609	1,766,529
12		Deferred Investment Tax Credit	4,239	4,743
13		Other Reserves	12,518	9,544
14		<b>Total Other Reserves (=Line 11 + Line 12 + Line 13)</b>	<b>1,911,365</b>	<b>1,780,815</b>
15		Less Adjustments		
16		Contributions in Aid of Construction	834,986	837,940
17		Advances for Construction	516,892	552,901
18		Other		-
19		<b>Total Adjustments (=Line 16 + Line 17 + Line 18)</b>	<b>1,351,878</b>	<b>1,390,841</b>
20		<b>Add Materials and Supplies</b>	<b>66,107</b>	<b>62,149</b>
21		<b>Add Working Cash (=Line 34)</b>	<b>149,395</b>	<b>516,700</b>
22		<b>Add General Office, Rgions, District office, CSA allocation</b>	<b>226,942</b>	<b>266,478</b>
23		<b>TOTAL DISTRICT RATE BASE</b>		
		<b>(=Line 5 - Line 9 - Line 14 - Line 19 + Line 20 + Line 21)</b>	<b>12,992,037</b>	<b>11,752,992</b>
<b>Working Cash</b>				
24		<b>Determination of Operational Cash Requirement</b>		
25		Operating Expenses, Excluding Taxes, Depreciation & Uncollectible		
26		Purchased Power & Commodity for Resale*		
27		Meter Revenues: Bimonthly Billing		
28		Other Revenues: Flat Rate Monthly Billing		
29		Total Revenues (=Line 27 + Line 28)		
30		Ratio - Flat Rate to Total Revenues (=Line 28 / Line 29)		
31		5/24 x Line 25 x (100% - Line 30)		
32		1/24 x Line 25 x Line 30		
33		1/12 x Line 26		
34		Operational Cash Requirement (=Line 31 + Line 32 - Line 33)	"See attached schedule"	
* Electric power, gas or other fuel purchased for pumping and/or purchased commodity for resale billed after receipt (metered).				

**GOLDEN STATE WATER COMPANY**  
Los Osos Customer Service Area

**DEVELOPMENT OF AVERAGE LAG IN PAYMENT OF EXPENSES AND  
TAXES AND ACCRUING DEPRECIATION**

CPUC WUDF ACCOUNT	(a) DESCRIPTION	(b)		(c)	(d)
		2016 PROPOSED (\$000's)	AVG. NO. OF DAYS LAG	THOUSAND DOLLAR-DAYS LAG	
	OPERATING EXPENSES:				
1 70400	PURCHASED WATER	0.0	0.0		0.0
2 72600	POWER FOR PUMPING	160.7	62.9		10,099.0
3 73500	PUMP TAXES	0.0	0.0		0.0
4 74400	CHEMICALS	190.6	36.1		6,871.0
5 77300	COMMON CUSTOMER ACCOUNT	59.5	25.0		1,487.9
6 77325	POSTAGE	0.0	0.0		0.0
7 77500	UNCOLLECTIBLES	6.4	0.0		0.0
8 78000	OPERATION LABOR	266.1	12.5		3,326.7
9 78100	ALL OTHER OPERATION EXPENSES	157.6	50.2		7,912.3
10 78700	MAINTENANCE LABOR	56.3	12.5		703.6
11 78800	ALL OTHER MAINTENANCE EXPENSES	143.7	72.6		10,429.1
12 79200	OFFICE SUPPLIES AND EXPENSE	42.0	51.4		2,157.8
13 79300	PROPERTY INSURANCE	0.0	0.0		0.0
14 79400	INJURIES AND DAMAGES	40.4	(165.1)		(6,662.6)
15 79500	PENSIONS AND BENEFITS	182.5	(1.8)		(328.5)
16 79600	BUSINESS MEALS	0.7	28.4		19.7
17 79700	REGULATORY COMMISSION	0.0	7.5		0.0
18 79800	OUTSIDE SERVICES	111.3	45.4		5,052.2
19 79900	MISCELLANEOUS	0.5	28.0		13.4
20 79910	ALLOCATED GENERAL OFFICE	374.7	6.1		2,273.8
21 80500	ALL OTHER MAINTENANCE GENERAL PLANT	6.3	39.6		250.5
22 81100	RENT	1.3	0.0		0.0
23 81500	A&G LABOR	97.5	12.5		1,219.4
24 50300	DEPRECIATION AND AMORTIZATION	500.5	0.0		0.0
25 50710	PROPERTY TAXES	103.9	40.0		4,154.9
26 50720	PAYROLL TAXES	35.1	13.5		473.2
27 50730	LOCAL TAXES	0.0	182.5		0.0
28	STATE INCOME TAX	123.7	96.0		11,875.6
29	FEDERAL INCOME TAX	426.0	106.0		45,154.0
30	TOTAL OPERATING EXPENSES	3,087.2			106,482.9
31	AVERAGE LAG ----->				34.49

**AVERAGE AMOUNT OF CASH REQUIRED AS A RESULT OF  
PAYING EXPENSES, TAXES AND ACCRUING DEPRECIATION  
IN ADVANCE OF COLLECTING REVENUES**  
(\$ in Thousands)

32	(1) Average Lag in Collection of Revenues	52.15 days
33	(2) Average Lag in Payment of Expenses, Taxes and Accruing Depreciation	34.49 days
34	(3) Excess of Collection Lag over Payment Lag	17.66 days
35	(4) Total of Expenses, Taxes and Depreciation	\$3,087.2
36	(5) Daily Total of Expenses, Taxes and Depreciation	\$8.5
37	(6) Average Amount of Working Cash Capital Required as a Result of Paying Exp., Taxes and Depreciation in Advance of Collecting Revenues	<u>\$149.4</u>

NOTE: Schedule incorporate dollars (Accounts 793.00 Property Insurance, 794.00 Injuries and Damages, and 795.00 Pension & Benefits) for Working Cash calculation - Dollars were used expressly for working cash calculation.

**SCHEDULE A-3**  
**Depreciation and Amortization Reserves**

Line No.	Item (a)	Account 250 Utility Plant (b)	Account 251 Limited-Term Utility Investments (c)	Account 252 Utility Plant Acquisition Adjustments (d)	Account 253 Other Property (e)
1	Balance in reserves at beginning of year	6,554,498	198,462	-	-
2	Add: Credits to reserves during year				
3	(a) Charged to Account 503, 504, 505	423,683	58,796	-	-
4	(b) Charged to Account 265	26,368	-	-	-
5	(c) Charged to Clearing Accounts	17,260	-	-	-
6	(d) Salvage recovered	5,151	-	-	-
7	(e) All other credits <sup>1/</sup>	-	-	-	-
8	<b>Total credits</b>	472,462	58,796	-	-
9	Deduct: Debits to reserves during year				
10	(a) Book cost of property retired	363,763	-	-	-
11	(b) Cost of removal	5,867	-	-	-
12	(c) All other debits <sup>1/</sup>	-	-	-	-
13	<b>Total debits</b>	369,630	-	-	-
14	Balance in reserve at end of year	6,657,330	257,258	-	-
15	State method of determining depreciation charges.	<b>Composite Rate</b>			
16					
17					
18	Report the depreciation claimed in your Federal Income Tax Return for the year - \$	<b>NOT AVAILABLE BY DISTRICT</b>			
19	<sup>1/</sup> General reclassifications and rate base adjustments				
20					
21					

**SCHEDULE A-3a**  
**Analysis of Entries in Account 250-Reserve for Depreciation of Utility Plant**

(This schedule is to be completed if records are maintained showing depreciation reserve by plant accounts)

Line No.	Acct.	DEPRECIABLE PLANT (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excluding Salvage (c)	Debits to Reserves During Year Excluding Cost Removal (d)	Salvage and Cost of Removal Net (Dr.) or Cr. (e)	Balance End of Year (f)
<b>I. SOURCE OF SUPPLY PLANT</b>							
1	311	Structures and improvements	(5,128)	(65)	-	-	(5,193)
2	312	Collecting and impounding reservoirs	-	-	-	-	-
3	313	Lake, river and other intakes	-	-	-	-	-
4	314	Springs and tunnels	-	-	-	-	-
5	315	Wells	(861,703)	(39,265)	-	-	(900,968)
6	316	Supply mains	(32,697)	(2,583)	-	-	(35,280)
7	317	Other source of supply plant	-	-	-	-	-
8		<b>Total source of supply plant</b>	<b>(899,528)</b>	<b>(41,913)</b>	<b>-</b>	<b>-</b>	<b>(941,441)</b>
<b>II. PUMPING PLANT</b>							
9	321	Structures and improvements	(101,512)	(10,954)	3,324	-	(109,142)
10	322	Boiler plant equipment	-	-	-	-	-
11	323	Other power production equipment	-	-	-	-	-
12	324	Pumping equipment	(1,057,218)	(147,328)	46,141	-	(1,158,405)
13	325	Other pumping plant	(115,533)	(18,270)	33,458	-	(100,345)
14		<b>Total pumping plant</b>	<b>(1,274,263)</b>	<b>(176,552)</b>	<b>82,923</b>	<b>-</b>	<b>(1,367,892)</b>
<b>III. WATER TREATMENT PLANT</b>							
15	331	Structures and improvements	(32,037)	(2,680)	-	-	(34,717)
16	332	Water treatment equipment	(852,375)	(66,565)	18,120	-	(900,820)
17		<b>Total water treatment plant</b>	<b>(884,412)</b>	<b>(69,245)</b>	<b>18,120</b>	<b>-</b>	<b>(935,537)</b>
<b>IV. TRANSMISSION AND DISTRIBUTION PLANT</b>							
18	341	Structures and improvements	(28,861)	(3,564)	-	-	(32,425)
19	342	Reservoirs and tanks	(455,053)	(26,080)	-	-	(481,133)
20	343	Transmission and distribution mains	(1,316,675)	(73,122)	27,687	2,704	(1,359,406)
21	344	Fire mains	-	-	-	-	-
22	345	Services	(589,845)	(24,832)	13,478	2,517	(598,682)
23	346	Meters	(445,732)	(7,546)	151,839	(351)	(301,790)
24	347	Meter installations	-	-	-	-	-
25	348	Hydrants	(235,644)	(14,473)	4,089	646	(245,382)
26	349	Other transmission and distribution plant	(2,039)	(70)	-	-	(2,109)
27		<b>Total trans. and distribution plant</b>	<b>(3,073,849)</b>	<b>(149,687)</b>	<b>197,093</b>	<b>5,516</b>	<b>(3,020,927)</b>
<b>V. GENERAL PLANT</b>							
28	371	Structures and improvements	(64,645)	(532)	1,828	-	(63,349)
29	372	Office furniture and equipment	(28,578)	(3,855)	-	-	(32,433)
30	373	Transportation equipment	(206,491)	(17,260)	62,891	(4,800)	(165,660)
31	374	Stores equipment	-	-	-	-	-
32	375	Laboratory equipment	-	-	-	-	-
33	376	Communication equipment	(13,333)	-	908	-	(12,425)
34	377	Power operated equipment	(52,848)	(5,737)	-	-	(58,585)
35	378	Tools, shop and garage equipment	(23,169)	(1,963)	-	-	(25,132)
36	379	Other general plant	(1,307)	-	-	-	(1,307)
37	390	Other tangible property	(12,198)	(300)	-	-	(12,498)
38	391	Water plant purchased	(19,877)	(267)	-	-	(20,144)
39		<b>Total general plant</b>	<b>(422,446)</b>	<b>(29,914)</b>	<b>65,627</b>	<b>(4,800)</b>	<b>(391,533)</b>
40		<b>TOTAL</b>	<b>(6,554,498)</b>	<b>(467,311)</b>	<b>363,763</b>	<b>716</b>	<b>(6,657,330)</b>



**SCHEDULE B-1  
Operating Revenues**

Line No.	Acct.	ACCOUNT (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
1		<b>I. WATER SERVICE REVENUES</b>	(1), (2)	(1)	
2	601	Metered sales to general customers			
3		601.1 Commercial sales	4,145,379	4,010,236	135,143
4		601.2 Industrial sales	3,935	3,507	428
5		601.3 Sales to public authorities	109,062	102,923	6,139
6		Sub-total	<b>4,258,377</b>	<b>4,116,667</b>	<b>141,710</b>
7	602	Unmetered sales to general customers			
8		602.1 Commercial sales	-	-	-
9		602.2 Industrial sales	-	-	-
10		602.3 Sales to public authorities	-	-	-
11		Sub-total	-	-	-
12	603	Sales to irrigation customers			
13		603.1 Metered sales	58,957	56,036	2,922
14		603.2 Unmetered sales	-	-	-
15		Sub-total	<b>58,957</b>	<b>56,036</b>	<b>2,922</b>
16	604	Private fire protection service	8,893	8,688	205
17	605	Public fire protection service	-	-	-
18	606	Sales to other water utilities for resale	-	-	-
19	607	Sales to governmental agencies by contracts	-	-	-
20	608	Interdepartmental sales	-	-	-
21	609	Other sales or service	(14,148)	(15,383)	1,234
22		Sub-total	<b>(5,255)</b>	<b>(6,694)</b>	<b>1,439</b>
23		Total water service revenues	<b>4,312,079</b>	<b>4,166,008</b>	<b>146,071</b>
24		<b>II. OTHER WATER REVENUES</b>			
25	611	Miscellaneous service revenues	11,889	5,248	6,641
26	612	Rent from water property	-	-	-
27	613	Interdepartmental rents	-	-	-
28	614	Other water revenues	13,250	13,259	(9)
29		Total other water revenues	<b>25,138</b>	<b>18,506</b>	<b>6,632</b>
30	501	Total operating revenues	<b>4,337,217</b>	<b>4,184,514</b>	<b>152,702</b>

(1) Amount excludes \$90,000 of 2015 WRAM under-collection, which is estimated to not be collected within 24 months as required for revenue recognition under the accounting guidance for alternative revenue programs. As a result, for 2015, Los Osos did not record \$90,000 of the 2015 WRAM under-collection balance as revenue nor as a regulatory asset. However, this amount was included in Golden State Water Company's (GSWC) February 2016 filing to the CPUC for recovery. During 2016, Los Osos recognized approximately \$40,000 of the \$90,000 as water revenues.

(2) On December 15, 2016, the CPUC issued a final decision on GSWC's water general rate case. GSWC filed a general rate case application in July 2014 for all of its water ratemaking areas and the general office to determine new rates for the years 2016 - 2018. The new rates approved by the CPUC were retroactive to January 1, 2016. Due to the delay in approving the general rate case, year-to-date 2016 billed revenues were based on 2015 adopted rates established in the prior rate case. As authorized by the CPUC, GSWC tracked the rate difference between interim rates and final rates authorized by the CPUC in December, retroactive to January 1, 2016. As a result, GSWC has a retroactive rate receivable of \$588,155 related to Los Osos as of 12/31/2016. Surcharges will be implemented later in 2017 to recover the retroactive rate difference.

**SCHEDULE B-2**  
**Operating Expenses - Class A, B, and C Water Utilities**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
		<b>I. SOURCE OF SUPPLY EXPENSE</b>						
		<b>Operation</b>						
1	701	Operation supervision and engineering	A	B		117	244	(127)
2	701	Operation supervision, labor and expenses			C			
3	702	Operation labor and expenses	A	B		50	163	(113)
4	703	Miscellaneous expenses	A			-	855	(855)
5	704	Purchased water including supply balancing account	A	B	C	4,543	39,237	(34,694)
		<b>Maintenance</b>						
6	706	Maintenance supervision and engineering	A	B		-	-	-
7	706	Maintenance of structures and facilities			C			
8	707	Maintenance of structures and improvements	A	B		-	98	(98)
9	708	Maintenance of collect and impound reservoirs	A			9,875	107	9,768
10	708	Maintenance of source of supply facilities		B				
11	709	Maintenance of lake, river and other intakes	A			-	-	-
12	710	Maintenance of springs and tunnels	A			-	-	-
13	711	Maintenance of wells	A			50,829	51,953	(1,124)
14	712	Maintenance of supply mains	A			-	-	-
15	713	Maintenance of other source of supply plant	A	B		-	-	-
16		<b>Total source of supply expense</b>				<b>65,415</b>	<b>92,657</b>	<b>(27,242)</b>
		<b>II. PUMPING EXPENSES</b>						
		<b>Operation</b>						
17	721	Operation supervision and engineering	A	B		18,230	18,569	(340)
18	721	Operation supervision labor and expense			C			
19	722	Power production labor and expense	A			-	-	-
20	722	Power production labor, expenses and fuel		B				
21	723	Fuel for power production	A			-	-	-
	724	<b>Pumping labor and expenses</b>	A	B		86,345	81,678	4,668
22	725	Miscellaneous expenses	A			21,058	20,999	60
23	726	Fuel or power purchased for pumping	A	B	C	156,140	148,871	7,268
		<b>Maintenance</b>						
24	729	Maintenance supervision and engineering	A	B		634	-	634
25	729	Maintenance of structures and equipment			C			
26	730	Maintenance of structures and improvements	A	B		187	851	(665)
27	731	Maintenance of power production equipment	A	B		-	-	-
28	732	Maintenance of pumping equipment	A	B		44,969	60,432	(15,463)
29	733	Maintenance of other pumping plant	A	B		-	-	-
30		<b>Total pumping expenses</b>				<b>327,562</b>	<b>331,400</b>	<b>(3,837)</b>

**SCHEDULE B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (Continued)**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
		<b>III. WATER TREATMENT EXPENSES</b>						
		<b>Operation</b>						
31	741	Operation supervision and engineering	A	B	8,681	8,842	(162)	
32	741	Operation supervision, labor and expenses						
33	742	Operation labor and expenses	A		105,648	119,778	(14,131)	
34	743	Miscellaneous expenses	A	B	4,238	6,831	(2,593)	
35	744	Chemicals and filtering materials	A	B	187,892	177,826	10,066	
		<b>Maintenance</b>						
36	746	Maintenance supervision and engineering	A	B	-	-	-	
37	746	Maintenance of structures and equipment						
38	747	Maintenance of structures and improvements	A	B	211	32	179	
39	748	Maintenance of water treatment equipment	A	B	36,199	40,134	(3,935)	
40		<b>Total water treatment expenses</b>			<b>342,869</b>	<b>353,445</b>	<b>(10,576)</b>	
		<b>IV. TRANS. AND DIST. EXPENSES</b>						
		<b>Operation</b>						
41	751	Operation supervision and engineering	A	B	11,231	9,477	1,755	
42	751	Operation supervision, labor and expenses						
43	752	Storage facilities expenses	A		173	434	(261)	
44	752	Operation labor and expenses		B				
45	753	Transmission and distribution lines expenses	A		4,514	5,200	(685)	
46	754	Meter expenses	A		3,827	1,666	2,162	
47	755	Customer installations expenses	A		1,605	1,036	569	
48	756	Miscellaneous expenses	A		92,959	76,208	16,751	
		<b>Maintenance</b>						
49	758	Maintenance supervision and engineering	A	B	8,681	8,842	(162)	
50	758	Maintenance of structures and plant						
51	759	Maintenance of structures and improvements	A	B	-	-	-	
52	760	Maintenance of reservoirs and tanks	A	B	2,773	3,863	(1,090)	
53	761	Maintenance of trans. and distribution mains	A		45,495	82,737	(37,242)	
54	761	Maintenance of mains		B				
55	762	Maintenance of fire mains	A		-	-	-	
56	763	Maintenance of services	A		16,423	18,256	(1,833)	
57	763	Maintenance of other trans. and distribution plant		B				
58	764	Maintenance of meters	A		6,112	8,680	(2,568)	
59	765	Maintenance of hydrants	A		2,210	2,762	(552)	
60	766	Maintenance of miscellaneous plant	A					
61		<b>Total transmission and distribution expenses</b>			<b>196,004</b>	<b>219,160</b>	<b>(23,156)</b>	

**SCHEDULED B-2**  
**Operating Expenses - Class A, B, and C Water Utilities (Continued)**

(Respondent should use the group of accounts applicable to its class)

Line No.	Acct.	Account (a)	Class			Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
			A	B	C			
		<b>V. CUSTOMER ACCOUNT EXPENSES</b>						
		<b>Operation</b>						
	790	Transferred Customer Expenses			29,403	31,179	(1,776)	
62	771	Supervision	A	B	19,098	19,453	(356)	
63	771	Superv., meter read., other customer acct expenses						
64	772	Meter reading expenses	A	B	27,854	25,155	2,700	
65	773	Customer records and collection expenses	A		14,929	34,283	(19,355)	
66	773	Customer records and accounts expenses		B				
67	774	Miscellaneous customer accounts expenses	A		(7)	(7)	(0)	
68	775	Uncollectible accounts	A	B	2,915	2,709	206	
69		<b>Total customer account expenses</b>			<b>94,191</b>	<b>112,773</b>	<b>(18,582)</b>	
		<b>VI. SALES EXPENSES</b>						
		<b>Operation</b>						
70	781	Supervision	A	B	-	-	-	
71	781	Sales expenses						
72	782	Demonstrating and selling expenses	A		20,280	10,972	9,308	
73	783	Advertising expenses	A		649	-	649	
74	784	Miscellaneous sales expenses	A		-	-	-	
75	785	Merchandising, jobbing and contract work	A		-	-	-	
76		<b>Total sales expenses</b>			<b>20,929</b>	<b>10,972</b>	<b>9,957</b>	
		<b>VII. ADMINISTRATIVE AND GENERAL EXPENSES</b>						
		<b>Operation</b>						
	790	Allocation of A&G Expenses			438,869	419,157	19,712	
77	791	Administrative and general salaries	A	B	57,602	37,757	19,845	
78	792	Office supplies and other expenses	A	B	71,475	80,578	(9,103)	
79	793	Property insurance	A		-	-	-	
80	793	Property insurance, injuries and damages		B				
81	794	Injuries and damages	A		5,774	9,180	(3,407)	
82	795	Employees' pensions and benefits	A	B	119,754	205,560	(85,806)	
83	796	Franchise requirements	A	B	1,420	1,619	(199)	
84	797	Regulatory commission expenses	A	B	-	-	-	
85	798	Outside services employed	A		(179,677)	29,378	(209,055)	
86	798	Miscellaneous other general expenses		B				
87	798	Miscellaneous other general operation expenses						
88	799	Miscellaneous general expenses	A		255	4,463	(4,208)	
		<b>Maintenance</b>						
89	805	Maintenance of general plant	A	B	21,606	40,846	(19,240)	
90		<b>Total administrative and general expenses</b>			<b>537,078</b>	<b>828,539</b>	<b>(291,461)</b>	
		<b>VIII. MISCELLANEOUS</b>						
91	811	Rents	A	B	1,000	1,000	-	
92	812	Administrative expenses transferred - Credit	A	B	-	-	-	
93	813	Duplicate charges - Credit	A	B	-	-	-	
94		<b>Total miscellaneous</b>			<b>1,000</b>	<b>1,000</b>	<b>-</b>	
95		<b>Total operating expenses</b>			<b>1,585,050</b>	<b>1,949,947</b>	<b>(364,897)</b>	

**SCHEDULE B-4**  
**Taxes Charged During Year**

Line No.	Kind of Tax (See system support for instructions) (a)	Total Taxes Charged During Year (b)	Water (Account 507) (c)	Non-Utility (Account 321) (d)	Deferred -water (Account 507) (e -i)	Capitalized (f)
1	Taxes on real and personal property	90,418	90,418			
2	State income taxes	138,112	73,504		64,608	
3	Payroll taxes	26,921	26,921			
4	Other state and local taxes	-	-			
5	Other federal taxes	-	-			
6	Federal income tax	535,522	(145,966)		681,488	
7	Groundwater assessments	-	-			
	Total	790,974	44,878		746,096	

SCHEDULE D-1 Sources of Supply and Water Developed									
Line No.	STREAMS			FLOW IN ... (Unit) <sup>2</sup>				Annual Quantities Diverted	Remarks
1	Diverted Into <sup>1</sup>	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions		____ (Unit) <sup>2</sup>	
2				Claim	Capacity	Max	Min		
3									
4									"None"
5									
6									
7									
8	WELLS						Pumping Capacity	Annual Quantities Pumped	Remarks
9	At Plant (Name or Number)	Location	Number	Diversions	<sup>3</sup> Depth in Water	____ (Unit) <sup>2</sup>	____ (Unit) <sup>2</sup>	____ (Unit) <sup>2</sup>	
10									
11									
12	"REFER TO ATTACHED SCHEDULE"								
13									
14									
15									
16									
17	TUNNELS AND SPRINGS			FLOW IN ____ (Unit) <sup>2</sup>			Annual Quantities Used	Remarks	
18	Designation	Location	Number	Maximum	Minimum	____ (Unit) <sup>2</sup>	____ (Unit) <sup>2</sup>		
19									
20									
21									
22									
23									
24									
25									
26	Purchased Water for Resale								
27									
28									
29	Purchased from								
30	Annual quantities purchased			(Unit chosen) <sup>2</sup>		"None"			
31									
32									
<p><sup>1</sup> State ditch, pipe line, reservoir, etc., with name, if any.</p> <p><sup>2</sup> The quantity unit in established use for expressing water stored and used in large amounts is the acre foot, which equals 43,560 cubic foot; in domestic use the thousand gallons 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.</p> <p><sup>3</sup> Average depth to water surface below ground surface.</p>									

SCHEDULE D-2 Description of Storage Facilities				
Line No.	Type	Number	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting Reservoirs			"REFER TO ATTACHED SCHEDULE"
2	Concrete			
3	Earth			
4	Wood			
5	B. Distribution Reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Concrete			
11	Earth			
12	Wood			
13	Steel			
	Total			

Plant Facility Index

Region: I  
 District: Coastal  
 CSA: Los Osos  
 System: 146 - Los Osos

Plant	Major Facility	Year Built	Base Elev.	2016 Prod (AF)	Wells				Pumps					Tanks			Remarks
					Well No.	Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Design Flow (gpm)	Design Head (ft)	Volume (MG)	Type	Material	
Alamo	Reservoir	1964	640											0.084	Elev Resv	B. Steel	Floats on Alamo Zone
Bay View Heights	Booster A	2006	275						Subm	Elec	7.5	82	245				Boost from tank to Bay View Booster Zone
	Booster B	2006	275						Subm	Elec	7.5	82	245				Boost from tank to Bay View Booster Zone
	Booster C	2006	275						Subm	Elec	30	500	170				Boost from tank to Calle Cordoniz zone.
	Booster D	2006	275						Subm	Elec	30	500	170				Boost from tank to Calle Cordoniz zone.
	Reservoir	1959	250											0.220	Elev Resv	W. Steel	Floats on Bay View Zone
Cabrillo	Well No. 1	1963	179	50	30S10E24C01M	508	10										Pumps through filter to forebay
	Well 1 Pump								Subm	Elec	25	220	280				
	Booster A	2006	175						Subm	Elec	60	250	555				Boost from forebay to Alamo Zone
	Booster B	2006	175						Subm	Elec	60	250	555				Boost from forebay to Alamo Zone
	Booster C	2006	175						Subm	Elec	100	500	555				Boost from forebay to Alamo Zone
	Mn Filter Reservoir	1971	171											0.044	Forebay	B. Steel	Forebay for boosters
Calle Cordoniz	Reservoir	1995	385											0.250	Elev Resv	B. Steel	Floats on Calle Cordoniz Zone
Highland																	No Facilities
LOCS D Connection - 11th St	Connection		120	0													Emergency connection with LOCS D
Los Olivos	Well No. 3	1969	120	21	30S11E18K03M	232	8	180									Well to sand trap to Los Olivos Tank.
	Well 3 Pump								VT	Elec	30	150	340				
	Well No. 4																Under Construction
	Booster A		125						VT	Gas	70	300					Boosts from Los Olivos Tank to system.
	Booster B		125						VT	Elec	30	500	160				Boosts from Los Olivos Tank to system.
	Reservoir	1975	115											0.500	Forebay	W. Steel	Forebay for boosters
Pecho	Well No. 1	1977	69	0	30S10E13L04M	390	14	200									Well to Bay View Heights Resv Zone
	Well 1 Pump								Subm	Elec	75	450	365				
PRV Station 1 - Pecho & Skyline																	Bayview Heights Resv Zone to Cuesta Zone
PRV Station 2 - Doris & Skyline																	Bayview Heights Resv Zone to Cuesta Zone

Plant Facility Index

Region: I  
 District: Coastal  
 CSA: Los Osos  
 System: 146 - Los Osos

Plant	Major Facility	Year Built	Base Elev.	2016 Prod (AF)	Wells				Pumps					Tanks			Remarks
					Well No.	Depth (ft)	Casing Diam (in)	Column Setting	Pump Type	Energy Type	Size (HP)	Design Flow (gpm)	Design Head (ft)	Volume (MG)	Type	Material	
PRV Station 3 - Fearn & Skyline																	Bayview Heights Resv Zone to Cuesta Zone
PRV Station 4 - Pine & Skyline																	Bayview Heights Resv Zone to Cuesta Zone
PRV Station 5 - Rodman & Pecho Valley																	Lower Rodman Zone to Bayview Heights Resv Zone
PRV Station 6 - Rodman N of Travis																	Middle Rodman Zone to Lower Rodman Zone
PRV Station 7 - Rodman S of San Jacinto																	Alamo Zone to Middle Rodman Zone
PRV Station 8 - Travis & Houston																	Alamo Zone to Upper Rodman Zone
PRV Station 9 - Oak Ridge N of Bay Oaks																	Calle Cordoniz Zone to Bayview Heights Resv Zone
PRV Station 10 - Bay Oaks Dr extension																	Calle Cordoniz Zone to Sea Oak Zone
PRV Station 11 - Bay Oaks Dr & Crest																	Calle Cordoniz Zone to Bayview Heights Resv Zone
Rosina	Well No. 1	1980	93	82	30S10E13J01M	408	14	250									Well to Bay View Heights Resv Zone
	Well 1 Pump								Subm	Elec	60	400	420				
Skyline	Well No. 1	1988	23	11	30S10E13F01M	195	14	150	DWT	Elec	25	180	311				Blerids with Rosina, then to Bayview Hts Resv Zone
	Well 1 Pump																
South Bay	Well No. 1	2001	143	286	30S11E17N10M	715	12	310									Well to Bay View Heights Resv Zone
	Well 1 Pump								Subm	Elec	40	270	360				





### 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.	Description	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.	Description	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.	Description	1	2	3	4	5	6	8	10
11	Cast Iron	-	-	-	-	-	-	-	-
12	Cement Lined Steel	-	-	-	-	-	-	-	-
13	Concrete	-	-	-	-	-	-	-	-
14	Copper	-	-	-	-	-	-	-	-
15	Steel	-	1,150	-	-	1,058	-	-	-
16	Asbestos Cement	-	-	-	34,760	-	58,650	38,054	27
17	Ductile Iron	-	-	-	208	-	2,937	17,491	-
18	HDPE	-	-	-	-	-	-	-	-
19	PVC	-	-	-	771	-	19,796	26,038	2,065
20									
21									
22	Total	-	1,150	-	35,739	1,058	81,383	81,583	2,092

#### B. Footages of Pipe by Inside Diameters in Inches - Not Including Service Piping (Continued)

Line No.	Description	12	14	16	18	20	24	Other Sizes		Total All Sizes
								22/30		
23	Cast Iron	-	-	-	-	-	-	-	-	-
24	Cement Lined Steel	-	-	-	-	-	-	-	-	-
25	Concrete	-	-	-	-	-	-	-	-	-
26	Copper	-	-	-	-	-	-	-	-	-
27	Steel	-	-	-	-	-	-	-	-	2,208
28	Asbestos Cement	-	257	-	-	-	-	-	-	131,748
29	Ductile Iron	635	-	-	-	-	-	-	-	21,271
30	HDPE	-	-	-	-	-	-	-	-	-
31	PVC	-	-	-	-	-	-	-	-	48,670
32										-
33										-
34	Total	635	257	-	-	-	-	-	-	203,897

<b>SCHEDULE D-4</b>				
<b>Number of Active Service Connections</b>				
<b>Classification</b>	<b>Metered - Dec 31</b>		<b>Flat Rate - Dec 31</b>	
	<b>Prior Year</b>	<b>Current Year</b>	<b>Prior Year</b>	<b>Current Year</b>
Residential	3,054	3,050	-	-
Commercial (including domestic)	156	161	-	-
Industrial	1	1	-	-
Public authorities	8	8	-	-
Irrigation	39	39	-	-
Other	-	-	-	-
Contract	-	-	-	-
Subtotal	<b>3,258</b>	<b>3,259</b>	-	-
Private fire connections	-	-	23	24
Public fire hydrants	-	-	-	-
Total *	<b>3,258</b>	<b>3,259</b>	<b>23</b>	<b>24</b>

\* Data run as of 1/5/2016 and 1/4/2017, respectively.

<b>SCHEDULE D-5</b>		
<b>Number of Meters and Services on Pipe Systems at End of Year</b>		
<b>Size</b>	<b>Meters</b>	<b>Services</b>
5/8 x 3/4 - in	2,626	
3/4 - in	419	2,172
1 - in	263	982
1 1/2 - in	11	26
2 - in	34	73
3 - in	2	4
4 - in	-	7
6 - in	2	14
8 - in	-	5
Other	-	-
Total *	<b>3,357</b>	<b>3,283</b>

\* Data run as of 1/4/2017

<b>SCHEDULE D-6</b>	
<b>Meter Testing Data</b>	
A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received	4
2. Used, before repair	-
3. Used, after repair	1
4. Found fast, requiring billing adjustment	-
B. Number of Meters in Service Since Last Test	
1. Ten years or less	1,692
2. More than 10, but less than 15 years	729
3. More than 15 years	936

**SCHEDULE D-7**

Water delivered to Metered Customers by Months and Years in \_\_\_\_\_ CCF \_\_\_\_\_ (Unit Chosen)<sup>1</sup>

Classification of Service	January	February	March	April	May	June	July	Subtotal
	Residential and Commercial	18,171	14,610	18,357	16,047	21,370	23,027	
Industrial	57	-	124	-	10	-	72	263
Public authorities	50	504	112	898	536	2,145	953	5,198
Irrigation	102	84	79	316	82	497	344	1,504
Other	210	46	17	115	228	71	184	871
Contract	-	-	-	-	-	-	-	-
<b>Total</b>	<b>18,590</b>	<b>15,244</b>	<b>18,689</b>	<b>17,376</b>	<b>22,226</b>	<b>25,740</b>	<b>27,538</b>	<b>145,403</b>

Classification of Service	August	September	October	November	December	Subtotal	Total Current Year	Total Prior Year
	Residential and Commercial	27,140	23,068	25,918	22,617	19,037	117,780	255,347
Industrial	-	74	-	74	-	148	411	351
Public authorities	1,279	525	4,072	548	716	7,140	12,338	11,469
Irrigation	675	125	539	169	377	1,885	3,389	3,139
Other	35	67	29	38	34	203	1,074	1,411
Contract	-	-	-	-	-	-	-	-
<b>Total</b>	<b>29,129</b>	<b>23,859</b>	<b>30,558</b>	<b>23,446</b>	<b>20,164</b>	<b>127,156</b>	<b>272,559</b>	<b>283,287</b>

<sup>1</sup> Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated \_\_\_\_\_

Total population served \_\_\_\_\_ 13,714 \*

\* Assumes 4.1773 per household.

## 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	\$	<u><u>66,107</u></u>
100.3	Construction Work in Progress	\$	<u><u>2,551,498</u></u>
241	Advances for Construction	\$	<u><u>516,892</u></u>
265	Contributions in Aid of Construction	\$	<u><u>834,986</u></u>

**DECLARATION**

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

I, the undersigned Gladys Farrow  
Name of District Manager or Equivalent (Please Print)

of Los Osos District  
Name of District

of Golden State Water Company  
Name of Utility

at 1140 Los Olivos Avenue, Los Osos, CA 93402  
Address of District Office

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 - Finance, Treasurer and  
Assistant Secretary  
Title (Please Print)

909 394-3600  
Telephone Number

  
Signature

April 28, 2017  
Date

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