



**CLASS "B" WATER COMPANY
PUC ANNUAL REPORT
OF**

CCN Number

Official Company Name:

D/B/A Name(s)

**TO THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

For the Year Ended _____

GENERAL INSTRUCTIONS-Class B Utilities Only

1. This annual report (earnings report) is required by 16 TAC §24.73 and is used to monitor utility earnings and compile annual financial information to monitor financial conditions of Texas investor owned utilities. Each utility shall submit its report to the Commission in the form and manner prescribed herein. The reported information should reflect the 12-month period ending December 31. The report shall be filed not later than **June 1** of the following year. Only one report needs to be completed for each Certificate of Convenience and Necessity (CCN) Number regardless of the number of Public Water Systems and/or number of Sewer Systems affiliated with each CCN. However, if you have multiple water CCNs or multiple sewer CCNs, a separate report must be submitted for each CCN, along with a summary report for all Texas water and sewer operations for affiliated entities. The summary should be submitted along with all the affiliated reports. If the utility possesses a water and sewer CCN (not multiples), then the utility may combine the water and sewer operations into one report, although water and sewer operations must be separately reported within that report.
2. Four copies of this report shall be prepared by each utility. Three copies should be mailed or delivered to the Filing Clerk of Central Records at the Commission's offices in Austin, TX by June 1 of the year following the calendar year. The other copy should be retained by the utility for reference. Additionally, the utility shall file an unaltered electronic version (i.e. in native Microsoft Excel format) with all cell references, formulas, links and other electronic information intact) of the information contained in the required schedules and report along with the hard copies. All water and sewer utilities are required by statute to complete and file this annual report. Note, if a utility has a water and sewer CCN and provides both water and sewer service, the utility shall file one annual report which contains information for both the water and sewer utility service. Each sheet of the Excel file is pre-formatted to calculate certain items based on company specific inputs. Any supporting documents or workpapers filed in PDF format should be searchable. For specific instructions regarding the electronic filing of the report, please visit the Commission's website at: <http://www.puc.state.tx.us/industry/filings/FilingProceed.aspx>, and 16 TAC §22.72(g).
3. Pencil entries will not be permitted on hard copy.
4. All accounting terms and phrases used in this report are to be interpreted in accordance with the effective applicable NARUC Uniform System of Accounts prescribed by this Commission, as set forth in 16 TAC §24.72 with detailed sub accounts listed in the form. The Texas Water Code defines Class B utility as a public utility providing retail water or sewer utility service to at least 500 but less than 10,000 taps or connections. Class B utilities must use the NARUC system of accounts for NARUC Class B utilities.
5. Standard accounting procedures shall apply in determining the nature of any entry (e.g. entries of a reverse or contrary character shall be indicated by a parentheses around the number).
6. The report shall be filed consisting of data relative to a calendar year basis (December 31 year end. Revenues and expenses shall include a column for normalization adjustments to produce a normalized net income. All normalization adjustments must be explained with all assumptions defined and rational/best practices referenced.
7. If this report is made for a period less than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property, the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). Provide a full explanation.
8. All instructions shall be followed and each question shall be answered fully and accurately. Sufficient answers shall appear to show that no question or schedule has been overlooked. The expression "none" or "not applicable" shall be given as the answer to any particular inquiry or schedule where it truly and completely states the fact. Unless otherwise indicated, no information will be accepted which incorporates by reference information from another document or report. Where information called for herein is not given, state fully the reason for its omission.

GENERAL INSTRUCTIONS

(Continued)

9. Whenever schedules call for comparison of figures of a previous year, the figures reported must be based upon those shown by the annual report of the previous year or an appropriate explanation given why different figures were used.
10. If an audit is performed on the books and records of the utility by a certified public accountant, please submit a copy with this form. If the utility is a member of a controlled group, both parent and subsidiary's annual report should be submitted.
11. Throughout this report money items will be rounded off to the nearest dollar.
12. In the space provided at the top of each page insert the name of the utility and the year to which this report relates.
13. On Schedule 3, column (c), the reporting entity is required to make adjustments to normalize income and expenses for the purpose of determining positive differences between the annual revenues and costs of each utility. Adjusting normalization entries should include adjustments to
 - (1) avoid double counting in affiliates or entities under common control,
 - (2) to record depreciation at the commission's approved rates, amortization at the amount approved in the utility's last rate proceeding in which deferred costs and the amortization of deferred costs are established,
 - (3) to remove any expenses not allowed by the Texas Water Code, or disallowed in previous dockets.
 - (4) other normalization adjustments must be accompanied by all best practice references and an explanation.
14. IF YOU ARE UNDER COMMON CONTROL with other water or sewer utilities operating in Texas, you must file a consolidated income statement and balance sheet including all entities under common control in Texas. These statements should be in addition to the attached schedules for the reporting utility.
15. Unless otherwise indicated, the information required in this report shall be taken from the reporting entity's financial statements, accounts and other records. Any deviation from records must be explained.

EXCERPT FROM TEXAS WATER CODE

CHAPTER 13.136(b)

(b) The utility commission by rule shall require each utility to annually file a service, financial, and normalized earnings report in a form and at times specified by utility commission rule. The report must include information sufficient to enable the utility commission to properly monitor utilities in this state. The utility commission shall make available to the public information in the report the utility does not file as confidential.

PUBLIC UTILITY COMMISSION OF TEXAS
1701 N. CONGRESS AVE., PO BOX 13326, AUSTIN, TX 78711-3326

Annual Report for Class B Water and/or Sewer Systems
Pursuant to TWC § 13.136 and Title 16 Texas Administrative Code (TAC) Chapter 24

I. UTILITY INFORMATION

- A. Utility Name: _____
List all assumed name(s) or d/b/a names: _____
- B. Street Address, City or Town & Zip code: _____
County: _____ CCN No.: _____
- C. List All PWS System names and numbers: _____
- D. List All WQ Permitted system names and numbers: _____
- E. Type of Ownership:
Corporation: _____ Partnership: _____ Individual: _____ Other: _____
- F. If a corporation list names of the officers. If an individual or partnership list the name of the individual or each partner. _____
- g. If the controlling ownership of this utility changed during the last twelve (12) months, state the date of ownership change and the name and address of the prior owner. _____
- H. Date the utility was formed or incorporated: _____
- I. Is the utility commonly owned or controlled by another corporation? Y N
If yes, by whom? _____

PERSON TO CONTACT REGARDING THE INFORMATION SUPPLIED ON THESE FORMS

- A. Name and Title: _____
- B. Street Address, city, zip code _____
- C. Telephone Number with Area Code: _____
Cell Phone Number with Area Code: _____
Fax Number with Area Code: _____
e-mail address: _____
- D. If not an officer, owner or employee, give name of firm employed by: _____
- E. List all entities under common control or ownership with this utility by entity name, CCN No(s)., Public Water System (PWS) No(s). and name(s) of water system(s) owned and Water Quality (WQ) Discharge Permit No(s). and name(s) of wastewater systems owned, and contact information. _____
- F. List all affiliates of the utility by entity name(s), CCN No(s). if any, PWS No. for each system owned and WQ Discharge Permit No. for each wastewater systems owned, including contact information. _____
- G. If the utility owner owns multiple CCN's, please list all CCN numbers owned: _____

Name of Utility:

Year End:

2. BALANCE SHEETS

<u>ASSETS</u>	End of Year mm/dd/yyyy	End of Prior Year mm/dd/yyyy
<u>UTILITY PLANT</u>		
101 Utility Plant in Service		
103 Property held for Future Use		
105 Construction Work In Progress		
114, 115 Net Utility Plant Acquisition Adjustment		
TOTAL UTILITY PLANT	\$ -	\$ -
108 Less: Accumulated Depreciation		
110 Less: Accumulated Amortization		
NET UTILITY PLANT	\$ -	\$ -
<u>CURRENT ASSETS</u>		
131-135 Cash		
141-143 Accounts Receivable		
144 Notes Receivable		
144-145 Accounts Receivable-Affiliates/Common Ownership		
151 Plant Materials and Supplies		
162 Prepayments		
171-174 Other Current Assets		
TOTAL CURRENT ASSETS	\$ -	\$ -
<u>OTHER ASSETS and DEFERRED CHARGES</u>		
181 Deferred Debt Expense		
182-186 Deferred Charges/Debits		
190 Accum. Deferred Income Taxes		
TOTAL OTHER ASSETS and DEFERRED CHARGES	\$ -	\$ -
<u>TOTAL ASSETS</u>	\$ -	\$ -
<u>LIABILITIES & EQUITY</u>		
<u>STOCKHOLDERS' EQUITY</u>		
201 Common Stock		
211 Other paid in capital		
215 Retained Earnings		
TOTAL STOCKHOLDERS' EQUITY	\$ -	\$ -
<u>LONG-TERM DEBT</u>		
224 Long-term debt, excluding current portion	\$ -	\$ -
<u>CURRENT LIABILITIES</u>		
Current Portion of Long-term Debt		
231 Accounts Payable		
232 Notes Payable		
233, 234 Payables to Affiliates/Common Ownership		
236 Accrued Taxes		
237 Accrued Interest		
241.0 Other Current Liabilities		
TOTAL CURRENT LIABILITIES	\$ -	\$ -
<u>OTHER LIABILITIES and DEFERRED CREDITS</u>		
252 Advances for Construction		
253 Other Deferred Credits		
255 Deferred Investment Tax Credits		
271-272 Net Contributions in Aid of Construction		
281-283 Accumulated Deferred Inc. Taxes		
TOTAL OTHER LIABILITIES and DEFERRED CREDITS	\$ -	\$ -
<u>TOTAL LIABILITIES & EQUITY</u>	\$ -	\$ -

Add National Association of Regulatory Utility Commissioners (NARUC) accounts as needed, and if not shown above.
PUC Water Annual Report

Name of Utility: _____

Year End: _____

3. STATEMENT OF REVENUES

(Actual Revenues for the report year)

Water <u>CUSTOMER CLASS</u>	Prior Year Reported yyyy (A)	Current Reporting Year yyyy (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered Sales:				
5/8" or 3/4"				\$ -
3/4"				\$ -
1"				\$ -
1 1/2"				
2"				
List all additional meter sizes:				
				\$ -
				\$ -
SUB-TOTAL	\$ -	\$ -	\$ -	\$ -
Unmetered Sales:				
				\$ -
				\$ -
				\$ -
				\$ -
List and explain if any rates are set on a basis other than meter size.				\$ -
				\$ -
	\$ -	\$ -	\$ -	\$ -
470.0 Late fees - Water				\$ -
471-474 Other Revenue				\$ -
TOTAL WATER REVENUE	\$ -	\$ -	\$ -	\$ -

To Statement of Income

Sewer <u>CUSTOMER CLASS</u>	Prior Year Reported yyyy (A)	Current Reporting Year yyyy (B)	Earnings Report adjustments (C)	Totals For Earnings Report Adjustments (D=B+C)
Metered (measured) Sales (if any):				
				\$ -
				\$ -
				\$ -
				\$ -
SUB-TOTAL	\$ -	\$ -	\$ -	\$ -
Unmetered (flat rate) Sales:				
				\$ -
				\$ -
				\$ -
				\$ -
SUB-TOTAL	\$ -	\$ -	\$ -	\$ -
470.0 Late fees - Sewer				\$ -
536 Other Revenue				\$ -
TOTAL SEWER REVENUE	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ -	\$ -	\$ -	\$ -

To Statement of Income

4. Statements of Income

	Water Test Year yyyy	Sewer Test Year yyyy	Total - Water and Sewer	Earnings Report adjustments	Adjusted for Earnings Report
	(a)	(b)	(c)	(d)	(e)=(c)+(d)
1 Total Revenue: 1	\$ -	\$ -	\$ -	\$ -	\$ -
	XXXX	XXXX	XXXX	XXXX	XXXX
	XXXX	XXXX	XXXX	XXXX	XXXX
Operating Expenses:					
2 601.1/701.1 O & M Salaried Labor			\$ -		
3 604/704 Employee Benefits			\$ -		
4 6/731, 6/735, 6/736 O & M Contract labor			\$ -		
5 620/720 Operating/Maint Supplies			\$ -		
6 610/710 Purchased Water			\$ -		
7 615/715 Purchased Power			\$ -		
8 635/735 Testing Expense			\$ -		
9 618/718 Chemicals			\$ -		
10 656-659/756-759 Insurance			\$ -		
11 601.2/701.2 General Office Salaries			\$ -		
12 650/750 Transportation			\$ -		
13 675 General Office Expenses			\$ -		
14 632, 633, 634 Contract Acctg, legal, Mgnt			\$ -		
15 666 Amortization- Rate Case Expense			\$ -		
16 403 Depreciation Expense			\$ -		
17 667-675 Other Misc. Expenses			\$ -		
Taxes:			XXXX	XXXX	XXXX
18 409 Federal Income Taxes			\$ -		
19 409 State Franchise Taxes/Reg Assess.			\$ -		
20 408 All Other Taxes			\$ -		
21 Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
			XXXX	XXXX	XXXX
22 Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -
			XXXX	XXXX	XXXX
23 421, 433 Non-Operating Income					
24 Non-Operating Deductions:			XXXX	XXXX	XXXX
25 426 Other					
26 427 Interest					
27 Net Income	\$ -	\$ -	\$ -	\$ -	\$ -

1. Carried over from Statements of Revenues

Name of Utility: _____

Year End: _____

6(a). Capital Structure

Year Ended mm/dd/yyyy

	Per Books	Adjustments for Earnings Report	Per Books Post Adjustment	Ratio
232.00 Short-Term Debt	\$ -	\$ -	\$ -	0.00%
224.0 Long-Term Debt	\$ -	\$ -	\$ -	0.00%
Common Equity:				
201.0 Common Stock	\$ -	\$ -	\$ -	
218.0 Proprietary Capital				
211.0 Misc. Paid-in-Capital				
215.0 Retained Earnings	\$ -	\$ -	\$ -	
216.0 Reacquired Stock	\$ -	\$ -	\$ -	
Total Equity	\$ -	\$ -	\$ -	0.00%
Total Capital	\$ -	\$ -	\$ -	0.00%

Debt Detail

Type	Principal Amount	Cost Rates	Interest Expense
232.0 Short Term Debt:			
(Lender name A)	\$ -	0.00%	\$ -
(Lender name B)	\$ -	0.00%	\$ -
(Lender name C)	\$ -	0.00%	\$ -
Total Short-Term Debt	\$ -	0.00%	\$ -
224.0 Long-Term Debt:			
(Lender name D)		0.00%	\$ -
(Lender name E)		0.00%	\$ -
(Lender name F)		0.00%	\$ -
Total Long-Term Debt	\$ -	0.00%	\$ -

6(b). RATE BASE AND EARNINGS CALCULATION

RATE BASE SUMMARY

Description	Water (a)		Sewer (b)	Total (c)=(a) + (b)	Reference (schedule)
1 Additions:	xxxx		xxxx	xxxx	
2 Utility plant					5(a) & 5(b)
3 Materials and supplies					2
4 Working cash (capital) (attach schedule)					
5 Prepayments					2
6 Other (attach schedule or itemize)					
7 TOTAL ADDITIONS (Add Lines 2 through 6)					
8 Deductions:	xxxx		xxxx	xxxx	
9 Reserve for depreciation (Accumulated)					2
10 Advances for construction					2
11 Contributions in aid of construction					2
12 Accumulated deferred income taxes					2
13 Accumulated deferred investment tax credits					2
14 Other (attach schedule or itemize)					2
15 TOTAL DEDUCTIONS (Add lines 9 through 14)					
16 RATE BASE (Line 7, less Line 15)					

EARNINGS CALCULATION

17 Return (Note 1)	-
18 Rate of Return (Line 17/Line 16)	0.00%
19 <u>Earned</u> Return on Ending Equity (Notes 2, 3)	0.00%

Note 1: Schedule 4. *Statements of Income*, line 26 plus line 27.

Note 2: Based on reported capital structure in Schedule 6. *Capital Structure_Earnings*.

Note 3: Line 19 (above) will automatically calculate correctly only after Schedule 4. *Statements of Income*, Schedule 7. *Rate of Return*, and the above portions of this schedule (tab) have been completed.

Name of Utility:

Year End:

7. Rate of Return

Year Ended mm/dd/yyyy

	Balance	Capital Structure %	Cost Rates	Weighted Cost of Capital
	(a)	(b)	(c)	(c)=(a) x (b)
224.0 Long-Term Debt	-	0.00%	0.00%	0.00%
Common Equity*	-	0.00%	0.00%	0.00%
Total		0.00%		0.00%

*If the company currently has an authorized return on equity (ROE), enter that ROE in column (c) and provide the docket number in which that ROE was granted here ==>>>

If the company does not currently have an authorized ROE, enter in column (c) the ROE Moody's BAA Bond rating plus 6 percentage points. Utilities may obtain the current Moody's BAA Bond rating by emailing the PUC at water@puc.state.tx.us (this will in virtually every circumstance be different from the ROE that is actually earned) and place an "X" here==>>>

Name of Utility: _____ Year End: _____

8. Connection Count

METERED CUSTOMERS BY METER SIZE

Number of Customers						
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Line No.	Meter description	End of Prior Year	Additions or change	End of Report Year	Meter Ratios	Meter Equivalencies
Water				(C + D)		(E x F)
1	5/8" x 3/4"				1	
2	3/4"				1.5	
3	1"				2.5	
4	1 1/2"				5	
5	2"				8	
6	List all Additional meter sizes					
7	Unmetered					
8		0	0	0		0
Total Water						
Sewer						
9						
10						
11						
12						
13		0	0	0		0
Total Sewer						

Name of Utility:

Year End:

9. VOLUMETRIC INFORMATION

	(Report in 1,000 gallons)	Report Year
	Description	
1.	Water Pumped	
2.	Purchased Water	
3.	Total Water Produced (1. + 2.)	
4.	Total Water Sold	
5.	Water Lost (3 - 4)	

Name:

Year End:

10. Affiliated Transactions

Charges by an Affiliate to the Reporting Utility

Name of Affiliated company: _____

NARUC Account and/or type of service		Total Affiliated Company	Total Texas	Total for reporting entity
Account # Account name or type of service		(Dollars transacted)	(Dollars transacted)	(Dollars transacted)

Charges by an Reporting Utility to Affiliates

Name of Affiliated company: _____

NARUC Account and/or type of service		Total Affiliated Company	Total Texas	Total for reporting entity
Account # Account name or type of service		(Dollars transacted)	(Dollars transacted)	(Dollars transacted)

(Company Name)

VERIFICATION

OATH

(To be made by the officer having control of the accounting of the respondent)

State of _____

as:

County of _____

_____ makes oath and says that he/she is _____
(Name of affiant) (Official title of affiant)

of _____
(Exact legal title or name of the respondent)

The signed officer has reviewed the report.

Based on the officer's knowledge, the report does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading.

Based on such officer's knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer as of, and for, the periods presented in the report.

He/she swears that all other statements contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including _____ to and including _____

Subscribed and sworn to and before me, a _____
in and for the State and County above-named, this _____ day of _____

(Signature of affiant)

My commission expires _____
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of _____

as:

County of _____

_____ mal _____
(Name of affiant) (Official title of affiant)

of _____
(Exact legal title or name of the respondent)

that he/she has carefully examined the foregoing report; that he/she swears that all statements of fact contained in the said report are true, and that the said report is a correct statement of the business and affairs of the above named respondent during the period of time from and including _____ to and including _____

Subscribed and sworn to before me, a _____
in and for the State and County above-named, this _____ day of _____

(Signature of affiant)

My commission expires _____
(Signature of officer authorized to administer oaths)