

EAG-W

ANNUAL REPORT

OF

EAGLE WATER COMPANY, INC.
NAME

172 W. State Street Suite D Eagle, Idaho 83616
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED **December 31, 2006**

IDAHO PUBLIC
UTILITIES COMMISSION

2007 APR 27 PM 3:05

RECEIVED

**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2006**

COMPANY INFORMATION

1 Give full name of utility Eagle Water Company

2 Date of Organization 3/14/1974

3 Organized under the laws of the state of Idaho

4 Address of Principal Office (number & street) 172 W. State Street, Suite D

5 P.O. Box (if applicable) P O Box 455

6 City Eagle

7 State Idaho

8 Zip Code 83616

9 Organization (proprietor, partnership, corp.) Corporation

10 Towns, Counties served Eagle, Ada County, Idaho

11 Are there any affiliated companies? No
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	Robert V. DeShazo	939-0242
Vice President	Roland Jones	
Secretary	Betty Holt	939-0242
General Manager	Norman Revels	939-0242
Complaints or Billing	Betty Holt	939-0242
Engineering	Jim Rees, MTC Engineers	
Emergency Service	Norman Revels	939-0242
Accounting	Betty Holt, 939-0242, or Geneva Trent	939-8206

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? No
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

14 Where are the Company's books and records kept?

Street Address 172 W. State Street, Suite D

City Eagle

State Idaho

Zip 83616

NAME: Eagle Water Company

COMPANY INFORMATION (Cont.)

For the Year Ended 12/31/2006

15 Is the system operated or maintained under a service contract? No

16 If yes: With whom is the contract? _____
When does the contract expire? _____
What services and rates are included? _____

17 Is water purchased for resale through the system? No

18 If yes: Name of Organization _____
Name of owner or operator _____
Mailing Address _____
City _____
State _____
Zip _____

	Gallons/CCF	\$Amount
Water Purchased		

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality? No
If yes, attach full explanation

20 Has the Idaho Division of Environmental Quality recommended any improvements? Yes
If yes, attach full explanation At this time there are no recommended improvements

21 Number of Complaints received during year concerning:

Quality of Service	<u>1 + 27 low pressure</u>
High Bills	<u>1</u>
Disconnection	<u>1</u>

22 Number of Customers involuntarily disconnected 6

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? July 2006
Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year? Yes
If yes, attach full explanation and an updated system map Well #7 in service

NAME: Eagle Water Company

REVENUE & EXPENSE DETAIL

For the Year Ended 12/31/2006

ACCT #	DESCRIPTION		
<u>400 REVENUES</u>			
1	460	Unmetered Water Revenue	
2	461.1	Metered Sales - Residential	<u>542,947.52</u>
3	461.2	Metered Sales - Commercial, Industrial	<u>186,642.53</u>
4	462	Fire Protection Revenue	
5	464	Other Water Sales Revenue	
6	465	Irrigation Sales Revenue	
7	466	Sales for Resale	
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	<u>729,590.05</u>
9	* DEQ Fees Billed separately to customers		Booked to Acct #
10	** Hookup or Connection Fees Collected	<u>93,550.00</u>	Booked to Acct # <u>271</u>
11	***Commission Approved Surcharges Collected	<u>131,536.76</u>	Booked to Acct # <u>253</u>
<u>401 OPERATING EXPENSES</u>			
12	601.1-6	Labor - Operation & Maintenance	<u>33,563.11</u>
13	601.7	Labor - Customer Accounts	<u>96,878.51</u>
14	601.8	Labor - Administrative & General	<u>22,447.51</u>
15	603	Salaries, Officers & Directors	<u>18,962.00</u>
16	604	Employee Pensions & Benefits	<u>26,903.16</u>
17	610	Purchased Water	
18	615-16	Purchased Power & Fuel for Power	<u>82,205.44</u>
19	618	Chemicals	
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>13,613.40</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>24,129.16</u>
22	631-34	Contract Services - Professional	<u>11,248.16</u>
23	635	Contract Services - Water Testing	
24	636	Contract Services - Other	
25	641-42	Rentals - Property & Equipment	<u>20,944.08</u>
26	650	Transportation Expense	<u>7,976.01</u>
27	656-59	Insurance	<u>30,807.98</u>
28	660	Advertising	
29	666	Rate Case Expense (Amortization)	
30	667	Regulatory Comm. Exp. (Other except taxes)	
31	670	Bad Debt Expense	
32	675	Miscellaneous	<u>88.06</u>
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		389,766.58

Name: Eagle Water company

INCOME STATEMENT

For Year Ended 12/31/2006

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>729,590.05</u>
2	Operating Expenses (From Page 3, line 33)	<u>389,766.58</u>	
3	403 Depreciation Expense	<u>43,442.89</u>	
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)	<u>1,789.78</u>	
7	408.11 Property Taxes	<u>20,747.06</u>	
8	408.12 Payroll Taxes	<u>16,990.53</u>	
9A	408.13 Other Taxes (list) DEQ Fees	<u>20,756.50</u>	
9B	Franchise Fees	<u>3,887.46</u>	
9C	Other fees & licenses	<u>112.19</u>	
9D			
10	409.10 Federal Income Taxes		
11	409.11 State Income Taxes	<u>20.00</u>	
12	410.10 Provision for Deferred Income Tax - Federal		
13	410.11 Provision for Deferred Income Tax - State		
14	411 Provision for Deferred Utility Income Tax Credits		
15	412 Investment Tax Credits - Utility		
16	Total Expenses from operations before interest (add lines 2-15)		<u>497,512.99</u>
17	413 Income From Utility Plant Leased to Others		
18	414 Gains (Losses) From Disposition of Utility Plant		
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)		<u>232,077.06</u>
20	415 Revenues, Merchandizing Jobbing and Contract Work	<u>673,308.94</u>	
21	416 Expenses, Merchandizing, Jobbing & Contracts	<u>787,554.88</u>	
22	419 Interest & Dividend Income	<u>528.87</u>	
23	420 Allowance for Funds used During Construction		
24	421 Miscellaneous Non-Utility Income		
25	426 Miscellaneous Non-Utility Expense		
26	408.20 Other Taxes, Non-Utility Operations		
27	409-20 Income Taxes, Non-Utility Operations		
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)		<u>(113,717.07)</u>
29	Gross Income (add lines 19 & 28)		<u>118,359.99</u>
30	427.3 Interest Exp. on Long-Term Debt		<u>5,644.53</u>
31	427.5 Other Interest Charges		<u>143.87</u>
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><u>112,571.59</u></u>

Name: Eagle Water Company

ACCOUNT 101 PLANT IN SERVICE DETAIL
 For Year Ended 12/31/2006

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization	13,857			13,857
2 302	Franchises and Consents				-
3 303	Land & Land Rights	19,100			19,100
4 304	Structures and Improvements	15,200			15,200
5 305	Collecting & Impounding Reservoirs				-
6 306	Lake, River & Other Intakes				-
7 307	Wells	376,022	215,829		591,851
8 308	Infiltration Galleries & Tunnels				-
9 309	Supply Mains	12,882			12,882
10 310	Power Generation Equipment	20,236			20,236
11 311	Power Pumping Equipment	202,123			202,123
12 320	Purification Systems				-
13 330	Distribution Reservoirs & Standpipes	48,015			48,015
14 331	Trans. & Distrib. Mains & Accessories	967,151			967,151
15 333	Services				-
16 334	Meters and Meter Installations	238,494	11,342		249,836
17 335	Hydrants	4,200			4,200
18 336	Backflow Prevention Devices				-
19 339	Other Plant & Misc. Equipment				-
20 340	Office Furniture and Equipment	15,296			15,296
21 341	Transportation Equipment	30,175			30,175
22 342	Stores Equipment				-
23 343	Tools, Shop and Garage Equipment	14,386			14,386
24 344	Laboratory Equipment				-
25 345	Power Operated Equipment				-
26 346	Communications Equipment				-
27 347	Miscellaneous Equipment	2,291			2,291
28 348	Other Tangible Property				-
29	TOTAL PLANT IN SERVICE	1,979,429	227,171	-	2,206,599

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 12/31/2006

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements		8,885	9,165	280
2 305	Collecting & Impounding Reservoirs				-
3 306	Lake, River & Other Intakes				-
4 307	Wells		102,860	118,217	15,357
5 308	Infiltration Galleries & Tunnels				-
6 309	Supply Mains		2,963	3,220	258
7 310	Power Generation Equipment		20,236	20,236	-
8 311	Power Pumping Equipment		80,696	89,189	8,493
9 320	Purification Systems				-
10 330	Distribution Reservoirs & Standpipes		48,015	48,015	-
11 331	Trans. & Distrib. Mains & Accessories		160,817	171,420	10,602
12 333	Services				-
13 334	Meters and Meter Installations		26,467	31,177	4,710
14 335	Hydrants		943	977	34
15 336	Backflow Prevention Devices				-
16 339	Other Plant & Misc. Equipment				-
17 340	Office Furniture and Equipment		15,296	15,296	-
18 341	Transportation Equipment		25,425	28,175	2,750
19 342	Stores Equipment				-
20 343	Tools, Shop and Garage Equipment		12,338	13,069	731
21 344	Laboratory Equipment				-
22 345	Power Operated Equipment				-
23 346	Communications Equipment				-
24 347	Miscellaneous Equipment		2,062	2,291	229
25 348	Other Tangible Property				-
26	TOTALS (Add Lines 1 - 25)		507,003	550,447	43,444

Enter beginning & end of year totals on Pg 7, Line 7

Name: Eagle Water Company

BALANCE SHEET

For Year Ended 12/31/2006

		<u>ASSETS</u>	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
ACCT #	DESCRIPTION				
1	101	Utility Plant in Service (From Pg 5, Line 29)	1,979,429	2,206,599	227,171
2	102	Utility Plant Leased to Others			-
3	103	Plant Held for Future Use			-
4	105	Construction Work in Progress			-
5	114	Utility Plant Aquisition Adjustment			-
6		Subtotal (Add Lines 1 - 5)	1,979,429	2,206,599	227,171
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	507,003	550,447	43,444
8	108.2	Accum. Depr. - Utility Plant Lease to Others			-
9	108.3	Accum. Depr. - Property Held for Future Use			-
10	110.1	Accum. Amort. - Utility Plant in Service			-
11	110.2	Accum. Amort. - Utility Plant Lease to Others			-
12	115	Accumulated Amortization - Aquisition Adj.			-
13		Net Utility Plant (Line 6 less lines 7 - 12)	1,472,426	1,656,153	183,727
14	123	Investment in Subsidiaries			-
15	125	Other Investments			-
16		Total Investments (Add lines 14 & 15)			-
17	131	Cash	286,753	207,261	(79,492)
18	135	Short Term Investments			-
19	141	Accts/Notes Receivable - Customers	17,919	12,449	(5,470)
20	142	Other Receivables	21,901	15,117	(6,785)
21	145	Receivables from Associated Companies			-
22	151	Materials & Supplies Inventory			-
23	162	Prepaid Expenses			-
24	173	Unbilled (Accrued) Utility Revenue			-
25	143	Provision for Uncollectable Accounts			-
26		Total Current (Add lines 17 -24 less line 25)	326,573	234,826	(91,748)
27	181	Unamortized Debt Discount & Expense			-
28	183	Preliminary Survey & Investigation Charges			-
29	184	Deferred Rate Case Expenses			-
30	186	Other Deferred Charges	2,311,359	2,496,189	184,830
		A/R Construct'n			
31		Total Assets (Add lines 13, 16 & 26 - 30)	4,110,357	4,387,168	276,811

Name: Eagle Water Company

BALANCE SHEET

For Year Ended 12/31/2006

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	20,000	20,000	-
2	204-6 Preferred Stock			-
3	207-13 Miscellaneous Capital Accounts	63,702	63,702	-
4	214 Appropriated Retained Earnings			-
5	215 Unappropriated Retained Earnings	995,085	1,107,656	112,572
6	216 Reacquired Capital Stock			-
7	218 Proprietary Capital			-
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	1,078,787	1,191,358	112,572
9	221-2 Bonds			-
10	223 Advances from Associated Companies			-
11	224 Other Long - Term Debt	24,366	15,170	(9,196)
12	231 Accounts Payable	111,768	128,822	17,053
13	232 Notes Payable	60,707	40,126	(20,581)
14	233 Accounts Payable - Associated Companies			-
15	235 Customer Deposits (Refundable)			-
16	236.11 Accrued Other Taxes Payable	34,412	14,519	(19,893)
17	236.12 Accrued Income Taxes Payable			-
18	236.2 Accrued Taxes - Non-Utility			-
19	237-40 Accrued Debt, Interest & Dividends Payable		-	-
20	241 Misc. Current & Accrued Liabilities			-
21	251 Unamortized Debt Premium			-
22	252 Advances for Construction		18,065	18,065
23	253 Other Deferred Liabilities		85,242	85,242
24	255.1 Accumulated Investment Tax Credits - Utility			-
25	255.2 Accum. Investment Tax Credits - Non-Utility			-
26	261-5 Operating Reserves			-
27	271 Contributions in Aid of Construction	2,800,317	2,893,867	93,550
28	272 Accum. Amort. of Contrib. in Aid of Const. **			-
29	281-3 Accumulated Deferred Income Taxes			-
30	Total Liabilities (Add lines 9 - 29)	3,031,570	3,195,810	164,240
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	4,110,357	4,387,168	276,811

**** Only if Commission Approved**

Name: Eagle Water Company

STATEMENT OF RETAINED EARNINGS
For Year Ended 12/31/2006

1	Retained Earnings Balance @ Beginning of Year	<u>995,084.82</u>
2	Amount Added from Current Year Income (From Pg 4, Line 32)	<u>112,571.59</u>
3	Other Credits to Account	<u> </u>
4	Dividends Paid or Appropriated	<u> </u>
5	Other Distributions of Retained Earnings	<u> </u>
6	Retained Earnings Balance @ End of Year	<u><u>1,107,656.41</u></u>

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares	No. Shares	Dividends
		Authorized	Outstanding	Paid
	Common	20,000	20,000	-0-

DETAIL OF LONG-TERM DEBT

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
	Note Payable - Nyborg	12% - 14%	\$15,169.89	\$2,252.86	\$51.35

Name: Eagle Water Company

SYSTEM ENGINEERING DATA

For Year Ended 12/31/2006

1 Provide an updated system map if significant changes have been made to the system during the year.

2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
# 1	600 gpm	none		well
# 2	400 gpm	none		well
# 3	400 gpm	none		well
# 4	variable to 2,500	none		well
# 6	variable to 2,500	none		well
#7	variable to 1200	none		well

3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated, Pressurized, Boosted)	Construction (Wood, Steel Concrete)
W/H #2	90,000	90,000	Boosted	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name: Eagle Water Company

SYSTEM ENGINEERING DATA
(continued)

For Year Ended 12/31/2006

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
W/H # 1 Sub. Berkley	50	600		
W/H # 2 Sub. Berkley	20	400		
W/H # 3 Sub. Berkley	20	400		
W/H # 4 Layne & Bowler	variable 250	up to 2,500		
W/H # 6 Layne & Bowler	variable 250	up to 2,500		
W/H # 2 Pacific	25	450		
W/H # 2 Pacific	15	220		
W/H # 2 Pacific	25	450		
WH # 2 American Marsh	variable 200	up to 1,200		

**** Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.**

- 5 If Wells are metered:
- What was the total amount pumped this year? 815,222,000 gal
 - What was the total amount pumped during peak month? 102,403,000 gal
 - What was the total amount pumped on the peak day? 5,261,000 gal.
- 6 If customers are metered, what was the total amount sold in peak month? 125,357,112
- 7 Was your system designed to supply fire flows? yes
If Yes: What is current system rating? 3
- 8 How many times were meters read this year? 12
 During which months? January through December
- 9 How many additional customers could be served with no system improvements except a service line and meter? moratorium
 How many of those potential additions are vacant lots? moratorium
- 10 Are backbone plant additions anticipated during the coming year? moratorium
If Yes, attach an explanation of projects and anticipated costs!
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded? 2007-2008

Name: Eagle Water Company

SYSTEM ENGINEERING DATA
 (continued)
 For Year Ended 12/31/2006

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	1 1/2"	13,010	400	-0-	13,410
	2"	1,601	100	-0-	1,701
	4"	9,654	0	-0-	9,654
	6"	42,216	1140	-0-	43,356
	8"	129,964	2,900	-0-	132,864
	10"	20	-0-	-0-	20
	12"	72,252	6,720	-0-	78,972

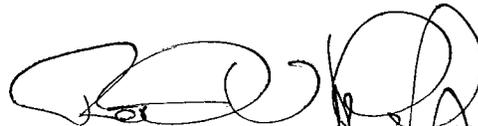
CUSTOMER STATISTICS

		Number of Customers		Thousands of Gallons Sold	
		This Year	Last Year	This Year	Last Year
2	Metered:				
2A	Residential	2885	2842	565,567,713	514,047,838
2B	Commercial	372	354	201,495,029	180,190,525
2C	Industrial				
3	Flat Rate:				
3A	Residential	0	0		
3B	Commercial	1	1		
3C	Industrial	0	0		
4	Private Fire Protection				
5	Public Fire Protection				
6	Street Sprinkling				
7	Municipal, Other				
8	Other Water Utilities				
	TOTALS (Add lines 2 through 8)	3258	2889	767,062,742	747,961,000

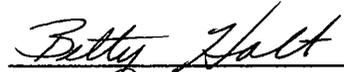
CERTIFICATE

State of Idaho)
County of Ada) ss

WE, the undersigned _____
and _____
of the _____
utility, on our oath do severally say that the foregoing report has been prepared under our direction,
from the original books, papers and records of said utility; that we have carefully examined same, and
declare the same to be a correct statement of the business and affairs of said utility for the period
covered by the report in respect to each and every matter and thing therein set forth, to the best of our
knowledge, information and belief.



(Chief Officer)



(Officer in Charge of Accounts)

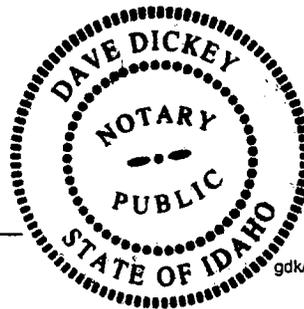
Subscribed and Sworn to Before Me

this 27th day of April, 2007



NOTARY PUBLIC

My Commission Expires 04-23-13



gdk/excel/jnelson/anulrpts/wtrannualrpt