

MARTIN, ADE, BIRCHFIELD & MICKLER, P.A.

JAMES L. ADE
LYNDA R. AYCOCK
W. O. BIRCHFIELD
TIMOTHY A. BURLEIGH
JASON E. CAMPBELL
CHARLES L. CRANFORD
STEPHEN H. DURANT
T. WILLIAM GLOCKER
MICHAEL E. GOODBREAD, JR.
STEPHEN D. HALKER
SHARON ROBERTS HENDERSON

ONE INDEPENDENT DRIVE - SUITE 3000
JACKSONVILLE, FLORIDA 32202

MAILING ADDRESS:
POST OFFICE BOX 59
JACKSONVILLE, FLORIDA 32201
TELEPHONE (904) 354-2050
TELECOPIER (904) 354-5842

BARBARA CHRISTIE JOHNSTON
MYRA LOUGHRAN
RALPH H. MARTIN
ROBERT O. MICKLER
JEANNE M. MILLER
JOHN D. MILTON, JR.
JAMES A. NOLAN, III
DANIEL B. NUNN, JR.
SCOTT G. SCHILDBERG
MICHAEL D. WHALEN
GARY L. WILKINSON
L. PETER JOHNSON (1942-1988)

September 11, 1998

VIA FEDERAL EXPRESS

Ms. Blanca Bayo, Director
Department of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Application for Rate Increase in Duval, St. Johns and Nassau
Counties by United Water Florida Inc., Docket No. 980214-WS
("Application")

Dear Ms. Bayo:

In connection with the above-referenced Application, enclosed are an original and
five (5) copies of United Water Florida Inc.'s Response to Florida Public Service
Commission Data Request Dated August 28, 1998 ("Response").

I would appreciate your distributing the enclosed copies of the Response in
accordance with your established procedures.

If you have any questions or need additional information concerning this matter,
please do not hesitate to call me.

Sincerely yours,

Scott G. Schildberg

Scott G. Schildberg

- ACK
AFA
APP
CAF
CMU
CTR
EAG
LEG
LIN
OPC
RCH
SEC
WAS
OTH

SGS/dws
Enclosures

- cc: Mr. Robert J. Iacullo
Mr. Walton F. Hill
Mr. Jack Schreyer (2 sets)
Mr. Gary R. Moseley (2 sets)
Mr. Munipalli Sambamurthi
Mr. Harold McLean (2 sets)
Ms. Bobbie L. Reyes

MAIL ROOM
SEP 15 AM 10:44 98

DOCUMENT NUMBER-DATE
10080 SEP 15 98

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of United Water) DOCKET NO. 980214-WS
Florida Inc. for Increased Water)
and Wastewater Rates in Duval,) Date Submitted for
Nassau and St. Johns Counties) Filing: September 11, 1998
_____)

UNITED WATER FLORIDA INC.'S RESPONSE
TO FLORIDA PUBLIC SERVICE COMMISSION
DATA REQUEST DATED AUGUST 28, 1998

United Water Florida Inc.'s response to the August 28, 1998,
data request is set forth on the following pages.

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

REQUEST 1:

Please identify which, if any, costs, i.e. billing, administrative, computer, etc., were projected based upon increased billing frequency, an anticipated switch from quarterly to monthly billing for residential customers. Please specify the amounts and MFR reference and provide corrected schedules as necessary.

RESPONSE 1:

The anticipated costs for United Water Florida to switch from quarterly to monthly billing for its residential customers of \$156,894 for water and \$128,368 for wastewater can be found on Schedule G-18 of the MFRs. The workpapers that support these costs were provided in response to #17 of the Florida Public Service Commission Audit Document Record Request.

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

REQUEST 2:

The present rates listed on MFR Schedule E-1, Page 1 of 2, Column (2), Rate Schedule FW, Private Fire Protection, do not agree with the tariff filed with the Commission. These incorrect rates are also present on MFR Schedule E-13, page 1 of 2, Column (6), which are part of the calculation of test year revenue which then carrier over to MFR Schedule B-1 and ultimately to the projected revenue increase. Please provide corrected versions of all the MFR schedules impacted by these rates.

RESPONSE 2:

Corrected MFR Schedules E-1 and E-13, reflecting the correct private fire protection rates for the base year, follow.

Rate Schedule

Florida Public Service Commission

Company: United Water Florida
 Docket No.: 980214-WS
 Base Year Ended: December 31, 1997
 Water or Sewer

Schedule: E-1
 Page 1 of 2
 Preparer: F. Gradilone

Explanation: Provide a schedule of present and proposed rates. State residential sewer cap, if one exists.

(1) Class/Meter Size	(2) Present Rates	(3) Proposed Rates
-----	-----	-----
	BFC	BFC
RATE SCHEDULE GW (1) Monthly billed accounts		
5/8"	\$8.08	\$9.66
3/4"	\$11.69	\$14.04
1"	\$20.74	\$25.01
1-1/2"	\$46.66	\$56.45
2"	\$82.94	\$100.45
3"	\$186.68	\$226.29
4"	\$331.78	\$402.27
6"	\$746.60	\$905.39
8"	\$1,327.01	\$1,609.53
10"	\$2,074.11	\$2,515.69
12"	\$2,986.40	\$3,622.20
QUANTITY CHARGE per 1,000 gallons	\$1.36	\$1.65
QUANTITY CHARGE per 100 cubic feet	\$1.01	\$1.23
RATE SCHEDULE RW (1) Quarterly billed accounts		
5/8"	\$17.39	\$21.09
3/4"	\$25.16	\$30.52
1"	\$44.63	\$54.13
1-1/2"	\$100.43	\$121.81
2"	\$178.54	\$216.55
QUANTITY CHARGE per 1,000 gallons	\$1.36	\$1.65
QUANTITY CHARGE per 100 cubic feet	\$1.01	\$1.23
RATE SCHEDULE FW (1) Private Fire Protection (per month)		
2"	\$6.91	\$8.38
3"	\$15.56	\$18.86
4"	\$27.65	\$33.51
6"	\$62.22	\$75.42
8"	\$110.58	\$134.05
10"	\$172.84	\$209.52
12"	\$248.87	\$301.67

Projected Test Year Revenue Calculation

Florida Public Service Commission

Company: United Water Florida
 Docket No.: 980214-W5
 Projected Test Year Ended: December 31, 1999
 Water [X] or Sewer []

Schedule: E-13
 Page 1 of 2
 Preparer: F. Gradlione

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

(1) Class/Meter Size	(2) Historical Year Bills	(3) Proj. Factor	(4) Proj. Test Year Bills	(5) Test Year Consumption	(6) Proj. Factor	(7) Project. TY Consumption	(8) Present Rates	(9) Projected TY Revenue	(10) Proposed Rates	(11) Proj. Rev. Requirement
Residential										
METER SIZE										
5/8"	93,592	See MFR G-41	99,661	1,975,813	See MFR G-41	2,198,960	\$17.39	\$4,706,803	\$21.09	\$5,697,817
3/4"	6,434	See MFR G-41	6,852	157,733	See MFR G-41	175,547	\$25.16	\$410,623	\$30.52	\$506,864
1"	3,053	See MFR G-41	3,251	135,761	See MFR G-41	151,094	\$44.63	\$349,282	\$54.13	\$435,793
1 1/2"	104	See MFR G-41	110	11,032	See MFR G-41	12,277	\$100.43	\$27,639	\$121.81	\$34,788
2"	4	See MFR G-41	4	257	See MFR G-41	286	\$178.54	\$1,101	\$216.55	\$1,346
3"	0	See MFR G-41	0	0	See MFR G-41	0	\$0	\$0	\$0	\$0
4"	0	See MFR G-41	0	0	See MFR G-41	0	\$0	\$0	\$0	\$0
TOTAL	103,187		109,878	2,280,595		2,538,164		\$5,495,448		\$6,676,608
Commercial										
METER SIZE										
5/8"	8,577	See MFR G-41	8,785	71,596	See MFR G-41	77,573	\$8.08	178,913	\$9.66	\$220,837
3/4"	1,415	See MFR G-41	1,449	24,912	See MFR G-41	26,992	\$11.69	54,006	\$14.04	\$65,903
1"	4,018	See MFR G-41	4,116	134,413	See MFR G-41	145,633	\$20.74	285,192	\$25.01	\$355,985
1 1/2"	2,735	See MFR G-41	2,802	178,672	See MFR G-41	193,588	\$46.66	396,980	\$56.45	\$497,619
2"	3,044	See MFR G-41	3,118	459,888	See MFR G-41	498,279	\$82.94	942,080	\$100.45	\$1,098,675
3"	371	See MFR G-41	380	131,047	See MFR G-41	141,987	\$186.68	265,402	\$226.29	\$332,438
4"	125	See MFR G-41	128	75,131	See MFR G-41	81,403	\$331.78	154,117	\$402.27	\$192,729
6"	0	See MFR G-41	0	0	See MFR G-41	0	\$746.60	\$0	\$905.39	\$0
TOTAL	20,285		20,778	1,075,658		1,165,454		\$2,276,690		\$2,764,187
Public Sector										
METER SIZE										
5/8"	157	See MFR G-41	162	1,174	See MFR G-41	1,197	\$8.08	\$2,958	\$9.66	\$3,529
3/4"	45	See MFR G-41	59	2,564	See MFR G-41	2,616	\$11.69	\$4,797	\$14.04	\$5,695
1"	84	See MFR G-41	74	3,171	See MFR G-41	3,235	\$20.74	\$7,914	\$25.01	\$9,442
1 1/2"	276	See MFR G-41	285	45,759	See MFR G-41	46,680	\$46.66	\$87,663	\$56.45	\$110,458
2"	84	See MFR G-41	87	42,023	See MFR G-41	42,869	\$82.94	\$74,499	\$100.45	\$86,385
3"	48	See MFR G-41	50	27,080	See MFR G-41	27,625	\$186.68	\$54,223	\$226.29	\$64,915
4"	12	See MFR G-41	12	28,212	See MFR G-41	28,780	\$331.78	\$47,820	\$402.27	\$57,744
6"	0	See MFR G-41	0	0	See MFR G-41	0	\$746.60	\$0	\$905.39	\$0
TOTAL	706		729	149,983		153,003		\$279,875		\$340,168
Apartment Sector										
METER SIZE										
5/8"	176	See MFR G-41	281	2,138	See MFR G-41	2,325	\$8.08	\$5,491	\$9.66	\$6,580
3/4"	107	See MFR G-41	172	3,077	See MFR G-41	3,345	\$11.69	\$6,598	\$14.04	\$7,829
1"	1,041	See MFR G-41	1,623	45,766	See MFR G-41	49,755	\$20.74	\$102,059	\$25.01	\$124,042
1 1/2"	2,630	See MFR G-41	4,375	223,197	See MFR G-41	242,651	\$46.66	\$539,121	\$56.45	\$654,964
2"	1,586	See MFR G-41	2,567	248,163	See MFR G-41	269,793	\$82.94	\$585,885	\$100.45	\$710,456
3"	203	See MFR G-41	320	174,809	See MFR G-41	190,046	\$186.68	\$318,639	\$226.29	\$388,354
4"	120	See MFR G-41	201	194,486	See MFR G-41	211,438	\$331.78	\$354,561	\$402.27	\$431,945
6"	35	See MFR G-41	60	52,992	See MFR G-41	57,611	\$746.60	\$124,093	\$905.39	\$149,859
TOTAL	5,898		9,599	944,627		1,026,962		\$2,036,447		\$2,474,029
Private Fire Protection										
METER SIZE										
2"	0	See MFR G-41	0	0	See MFR G-41	0	\$6.91	\$0	\$6.91	\$0
3"	12	See MFR G-41	12	0	See MFR G-41	0	\$18.86	\$187	\$18.86	\$226
4"	180	See MFR G-41	180	0	See MFR G-41	0	\$27.65	\$5,309	\$33.51	\$6,434
6"	780	See MFR G-41	804	0	See MFR G-41	0	\$62.22	\$15,518	\$62.22	\$19,448
8"	996	See MFR G-41	1,020	0	See MFR G-41	0	\$110.58	\$115,446	\$134.05	\$139,948
10"	72	See MFR G-41	72	0	See MFR G-41	0	\$172.84	\$12,444	\$209.52	\$15,085
12"	12	See MFR G-41	12	0	See MFR G-41	0	\$248.87	\$2,986	\$301.67	\$3,620
TOTAL	2,052		2,100	0		0		187,890		227,762
Grand Total	132,128		143,084	4,450,863		4,883,562		\$10,276,349		\$12,482,764

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

REQUEST 3:

Staff has tried to recalculate the projected revenues on MFR Schedule E-13 using the projections from MFR Schedule G-41, but was unable to arrive at the same projected bills and consumption as listed on the schedule. Please provide the detail of the calculations used to arrive at these amounts.

RESPONSE 3:

The development of the projected number of bills by class for the water and wastewater sectors in the UWFL system for 1998 and 1999 are summarized in Page 1 and 2 of the attachment to this response. The number of bills for the two rate years were calculated by multiplying the projected number of customers (as developed in MFR Schedule G-41), by the average number of bills rendered per year per customer by class. For the residential water use sector, which is billed primarily on a quarterly basis the bill per customer factor is just over 4 per year. Most customers in the commercial and public water use sectors are billed on a monthly basis so the multipliers are about 12 per year. Since there are a number of unmetered customers in the wastewater sector, the bills per customer factors are slightly higher than those in the water sector.

As also shown on Pages 1 and 2, annualized bills rendered levels were calculated by adding $\frac{1}{2}$ of the projected growth during the two rate years to the base count for the rate year. Further, it was assumed that new customers added to the system would be billed in the same proportion by meter size as current customers in the system. These distributions by customer class, which were used as the multipliers to allocate the projected increase in bills rendered to the appropriate meter size, are shown on Page 3 of the attachment. The development of the projected base and annualized bills rendered for 1998 and 1999 based on these figures are shown in detail in MFR Schedule G-41, pages 7, 8, 11 and 12.

Page 4 of the attachment provides a summary of the data from the raw bill analysis for the water sector in the UWFL system. As discussed in MFR Schedule G-41, the raw bill analysis did not match the level of revenues actually booked in the test year. Consumption was added and subtracted from the various sectors in the bill analysis to generate a normalized bill analysis that produces the level of metered service revenues by class as booked during the test year. This bill analysis is summarized in Page 5 of the attachment.

The customer data used in the projections of water and wastewater use as developed in MFR Schedule G-41, records all water use in gallons. Customers in the UWFL are actually billed in both gallons and cubic feet. Since separate rates are

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

RESPONSE 3: (continued)

maintained in the tariff for gallon versus cubic feet billing, the projected consumption by class needed to be allocated and converted to the proper billing units. The proportions of gallons billed by sector that eventually are billed as gallons and as cubic feet by class are shown in Page 3 of the attachment. These proportions were used to allocate and convert the projected use in gallons by sector to actual billing units as shown in Page 6 of the attachment.

The analysis of wastewater use paralleled the analysis of the water sector. The raw bill analysis for the wastewater sector is summarized on Page 7 of the attachment. The wastewater sector was also normalized as shown in Page 8 of the attachment. Finally the development of billed usage in gallons in the wastewater sector by class, and the allocation of these projections to billing units for the 1998 and 1999 rate years is shown on Page 9 of the attachment.

UNITED WATER FLORIDA

Water Service Customers Served & Bills Rendered

	Adjusted Customer Count	Bills Rendered	Projected Customer Count	Projected * Bills Rendered	Change in Bills Rendered	Annualized Bills Rendered
RESIDENTIAL SECTOR						
1991	18,421	74,606				
1992	19,229	77,876				
1993	21,437	86,821				
1994	23,579	95,494				
1995	24,052	97,411				
1996	24,758	100,268				
1997	25,490	103,187				
1998			26,335	106,566	3,379	
				<i>½ Year of Growth</i>	1,690	108,256
1999			26,887	108,774	2,208	
				<i>½ Year of Growth</i>	1,104	109,878
COMMERCIAL/APARTMENT SECTOR						
1991	2,034	23,895				
1992	2,076	24,394				
1993	2,176	25,573				
1994	2,392	28,108				
1995	2,454	28,829				
1996	2,479	29,122				
1997	2,525	29,655				
1998			2,585	30,377	722	
				<i>½ Year of Growth</i>	361	30,738
1999			2,645	31,099	722	
				<i>½ Year of Growth</i>	361	31,461
PUBLIC SECTOR						
1991	34	408				
1992	34	408				
1993	35	416				
1994	36	427				
1995	38	461				
1996	43	517				
1997	57	706				
1998			61	729	23	
				<i>½ Year of Growth</i>	12	741
1999			62	742	13	
				<i>½ Year of Growth</i>	8	750

NOTES: * Annual Bills per Customer:

Residential	4.05
Commercial	11.75
Public	12.00

UNITED WATER FLORIDA

Wastewater Service Customers Served & Bills Rendered

	Adjusted Customer Count	Bills Rendered	Projected Customer Count	Projected * Bills Rendered	Change in Bills Rendered	Annualized Bills Rendered
RESIDENTIAL SECTOR						
1991	14,832	60,070				
1992	15,411	62,414				
1993	16,401	66,426				
1994	17,310	70,107				
1995	17,844	72,266				
1996	18,589	75,286				
1997	19,418	78,291				
1998			19,751	80,931	2,640	
				<i>½ Year of Growth</i>	1,321	82,252
1999			20,165	82,612	1,681	
				<i>½ Year of Growth</i>	840	83,452
COMMERCIAL/APARTMENT SECTOR						
1991	1,974	23,694				
1992	2,015	24,178				
1993	2,065	24,780				
1994	2,207	26,488				
1995	2,272	27,259				
1996	2,269	27,223				
1997	2,273	27,415				
1998			2,327	28,064	649	
				<i>½ Year of Growth</i>	324	28,388
1999			2,381	28,713	649	
				<i>½ Year of Growth</i>	324	29,038
PUBLIC SECTOR						
1991	25	300				
1992	26	312				
1993	26	308				
1994	27	324				
1995	27	324				
1996	29	350				
1997	42	540				
1998			44	565	25	
				<i>½ Year of Growth</i>	13	579
1999			47	595	30	
				<i>½ Year of Growth</i>	15	610

NOTES: * Annual Bills per Customer: Residential 4.10
(Higher than water due Commercial 12.10
to inclusion of unmetered) Public 12.80

UNITED WATER FLORIDA

Bills Rendered and Consumption Distributions

	RESIDENTIAL	COMMERCIAL	PUBLIC	APARTMENTS
FIXED CHARGES				
METER SIZE				
5/8"	90.70%	42.11%	22.24%	2.92%
3/4"	6.24%	7.00%	0.00%	1.79%
1"	2.96%	19.87%	8.07%	16.91%
1 1/2"	0.10%	13.52%	10.20%	45.58%
2"	0.00%	15.05%	39.09%	26.74%
3"	0.00%	1.83%	11.90%	3.33%
4"	0.00%	0.62%	6.80%	2.09%
6"	0.00%	0.00%	1.70%	0.63%
TOTAL	100.00%	100.00%	100.00%	100.00%
COMMODITY CHARGES				
USE IN GALLONS				
Gallons billed in Gallons	12.48%	9.42%	0.06%	2.59%
Gallons billed in CCF	87.52%	90.58%	99.94%	97.41%
TOTAL	100.00%	100.00%	100.00%	100.00%

**UNITED WATER FLORIDA
WATER BILL ANALYSIS FOR PERIOD 1-12/97 PRICED AT CURRENT RATES**

SUBTOTALS BY TARIFF CODE

RESIDENTIAL							
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	93,592	1,917,354	90.70%	1,627,565	2,590,890	4,218,454	
3/4"	6,434	157,360	6.24%	161,879	212,651	374,531	
1"	3,053	135,536	2.96%	136,255	183,510	319,765	
1 1/2"	104	11,022	0.10%	10,445	14,956	25,401	
2"	4	257	0.00%	714	350	1,064	
TOTAL	103,187	2,221,529		1,936,859	3,002,356	4,939,215	
<i>COMMODITY CHARGES</i>							
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	277,195	9.64%			376,985	597,535	
UWFL F	2,599,377	90.36%			2,625,371	4,341,680	
<i>USE IN GALLONS</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	277,195	12.48%			376,985	597,535	
UWFL G	1,944,334	87.52%			1,963,777	3,247,577	
TOTAL	2,221,529				2,340,763	3,845,111	

COMMERCIAL							
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8" Q	60	762	0.30%				
5/8"	8,517	71,415	42.11%	69,861	96,199	166,060	
3/4"	1,415	24,846	7.00%	16,541	33,551	50,093	
1"	4,018	134,074	19.87%	83,333	181,108	264,442	
1 1/2"	2,735	178,256	13.52%	127,615	240,915	368,530	
2"	3,044	417,015	15.05%	252,469	563,550	816,019	
3"	371	130,710	1.83%	69,258	176,539	245,797	
4"	125	74,959	0.62%	41,473	101,320	142,793	
TOTAL	20,225	1,031,275		660,551	1,393,183	2,053,733	
<i>COMMODITY CHARGES</i>							
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	97,034				131,966	183,560	
UWFL F	1,247,967				1,260,447	1,868,360	
<i>USE IN GALLONS</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	97,034	9.42%			131,966	183,560	
UWFL G	933,479	90.58%			942,814	1,397,533	
TOTAL	1,030,513				1,074,780	1,581,093	

PUBLIC							
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	157	1,171	22.24%	1,269	1,581	2,849	
1"	57	2,557	8.07%	933	3,453	4,386	
1 1/2"	72	3,166	10.20%	3,608	4,276	7,884	
2"	276	50,254	39.09%	22,891	67,856	90,747	
3"	84	41,910	11.90%	15,681	56,590	72,271	
4"	48	27,008	6.80%	15,925	36,468	52,394	
6"	12	28,137	1.70%	8,959	37,992	46,951	
TOTAL	706	154,203		69,267	208,216	277,483	
<i>COMMODITY CHARGES</i>							
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	93				126	375	
UWFL F	206,029				208,089	277,108	
<i>USE IN GALLONS</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	93	0.06%			126	375	
UWFL G	154,110	99.94%			155,651	207,277	
TOTAL	154,203				155,777	207,652	

APARTMENTS							
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
UWFL APT 5/8"	274	2,133	2.92%	2,214	2,880	5,093	
UWFL APT 3/4"	168	3,068	1.79%	1,964	4,143	6,107	
UWFL APT 1"	1,584	45,644	16.91%	32,852	61,631	94,483	
UWFL APT 1 1/2"	4,271	222,607	45.58%	199,285	300,600	499,885	
UWFL APT 2"	2,506	247,528	26.74%	207,848	334,327	542,175	
UWFL APT 3"	312	174,343	3.33%	58,244	235,410	293,654	
UWFL APT 4"	196	193,968	2.09%	65,029	261,908	326,937	
UWFL APT 6"	59	52,883	0.63%	44,049	71,524	115,573	
TOTAL	9,370	942,173		611,485	1,272,423	1,883,908	
<i>COMMODITY CHARGES</i>							
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	24,424				33,217	63,948	
UWFL F	1,226,937				1,239,206	1,819,960	
<i>USE IN GALLONS</i>	<i>USE</i>	<i>DIST</i>					
UWFL G	24,424	2.59%			33,217	63,948	
UWFL G	917,749	97.41%			926,926	1,361,330	
TOTAL	942,173				960,143	1,425,278	

UNITED WATER FLORIDA
WATER: NORMALIZED BILL ANALYSIS FOR PERIOD 1-12/97 PRICED AT CURRENT RATES
SUBTOTALS BY TARIFF CODE

RESIDENTIAL								
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>		<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	93,592	1,975,813	90.70%	86.64%	1,627,565	2,663,520	4,291,085	
3/4"	6,434	157,733	6.24%	6.92%	161,879	212,651	374,531	
1"	3,053	135,761	2.96%	5.95%	136,255	183,510	319,765	
1 1/2"	104	11,032	0.10%	0.48%	10,445	14,956	25,401	
2"	4	257	0.00%	0.01%	714	350	1,064	
TOTAL	103,187	2,280,595			1,936,859	3,074,987	5,011,846	
<i>COMMODITY CHARGES</i>								
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>						
G	283,901	9.64%				386,105	606,654	
F	2,662,259	90.36%				2,688,882	4,405,191	
<i>USE IN GALLONS</i>								
G	283,901	12.48%				386,105	606,654	
G	1,991,370	87.52%				2,011,284	3,295,083	
TOTAL	2,275,271					2,397,389	3,901,737	

COMMERCIAL								
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>		<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	60		0.30%	0.00%				
5/8"	8,517	71,596	42.11%	6.66%	69,861	96,199	166,060	
3/4"	1,415	24,912	7.00%	2.32%	16,541	33,551	50,093	
1"	4,018	134,413	19.87%	12.50%	83,333	181,108	264,442	
1 1/2"	2,735	178,672	13.52%	16.61%	127,615	240,915	368,530	
2"	3,044	459,888	15.05%	42.75%	252,469	620,010	872,479	
3"	371	131,047	1.83%	12.18%	69,258	176,539	245,797	
4"	125	75,131	0.62%	6.98%	41,473	101,320	142,793	
TOTAL	20,225	1,075,658			660,551	1,449,643	2,110,193	
<i>COMMODITY CHARGES</i>								
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>						
G	100,969					137,317	188,911	
F	1,298,570					1,311,556	1,919,469	
<i>USE IN GALLONS</i>								
G	100,969	9.42%				137,317	188,911	
G	971,330	90.58%				981,044	1,435,763	
TOTAL	1,072,299					1,118,361	1,624,674	

PUBLIC								
<i>FIXED CHARGES</i>	<i>BILLS</i>		<i>DIST</i>		<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	157	1,174	22.24%	0.78%	1,269	1,581	2,849	
1"	57	2,564	8.07%	1.71%	933	3,453	4,386	
1 1/2"	72	3,171	10.20%	2.11%	3,608	4,272	7,880	
2"	276	45,759	39.09%	30.51%	22,891	61,622	84,514	
3"	84	42,023	11.90%	28.02%	15,681	56,590	72,271	
4"	48	27,080	6.80%	18.06%	15,925	36,468	52,394	
6"	12	28,212	1.70%	18.81%	8,959	37,992	46,951	
TOTAL	706	149,983			69,267	201,978	271,246	
<i>COMMODITY CHARGES</i>								
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>						
G	90					123	372	
F	199,857					201,856	270,874	
<i>USE IN GALLONS</i>								
G	90	0.06%				123	372	
G	149,493	99.94%				150,988	202,614	
TOTAL	149,583					151,111	202,986	

APARTMENTS								
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>		<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>	
5/8"	274	2,138	2.92%	0.23%	2,214	2,880	5,093	
3/4"	168	3,077	1.79%	0.33%	1,964	4,143	6,107	
1"	1,584	45,766	16.91%	4.84%	32,852	61,631	94,483	
1 1/2"	4,271	223,197	45.58%	23.63%	199,285	300,600	499,885	
2"	2,506	248,163	26.74%	26.27%	207,848	334,327	542,175	
3"	312	174,809	3.33%	18.51%	58,244	235,410	293,654	
4"	196	194,486	2.09%	20.59%	65,029	261,908	326,937	
6"	59	52,992	0.63%	5.61%	44,049	71,524	115,573	
TOTAL	9,370	944,627	100.00%		611,485	1,272,423	1,883,908	
<i>COMMODITY CHARGES</i>								
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>						
G	24,424					33,217	63,948	
F	1,226,937					1,239,206	1,819,960	
<i>USE IN GALLONS</i>								
G	24,424	2.59%				33,217	63,948	
G	917,749	97.41%				926,926	1,361,330	
TOTAL	942,173					960,143	1,425,278	

UNITED WATER FLORIDA

Water Sector Consumption as per Bill Analysis, Normalized and Projected

		Basic Bill Analysis (1)	Normalized Bill Analysis (2)	1998 Base Projection (3)	1998 Annualized Projection (4)	1999 Base * Projection (5)	1999 Annualized Projection (6)
RESIDENTIAL SECTOR							
USE IN GALLONS		[Set 5,Page]	[Set 5,Page]	[G-41,Page 7]	[G-41,Page 8]	[G-41,Page 11]	[G-41,Page 12]
(A)	Gallons billed in Gallons	277,195	283,901	283,901	294,448	295,060	298,242
(B)	Gallons billed in CCF	1,944,334	1,991,370	2,139,328	2,213,307	2,217,602	2,239,922
(C)	TOTAL [(A) + (B)]	2,221,529	2,275,271	2,423,229	2,507,755	2,512,661	2,538,164
(D)	[Col (n) - Col (n-1)]		53,742	147,958	84,526	4,907	25,502
USE AS BILLED							
(E)	Gallons [(A)]	277,195	283,901	283,901	294,448	295,060	298,242
(F)	CCF [(B) * 0.748]	2,599,377	2,662,259	2,860,064	2,958,967	2,964,708	2,994,548
(G)	TOTAL [(E) + (F)]	2,876,572	2,946,160	3,143,965	3,253,414	3,259,768	3,292,790
COMMERCIAL SECTOR							
USE IN GALLONS							
(A)	Gallons billed in Gallons	97,034	100,969	107,243	108,515	108,483	109,740
(B)	Gallons billed in CCF	1,247,967	1,298,570	1,379,260	1,395,623	1,395,214	1,411,382
(C)	TOTAL [(A) + (B)]	1,345,001	1,399,539	1,486,502	1,504,138	1,503,697	1,521,122
(D)	[Col (n) - Col (n-1)]		54,538	86,964	17,635	(441)	17,426
USE AS BILLED							
(E)	Gallons [(A)]	97,034	100,969	107,243	108,515	108,483	109,740
(F)	CCF [(B) * 0.748]	933,479	971,330	1,031,686	1,043,926	1,043,620	1,055,714
(G)	TOTAL [(E) + (F)]	1,030,513	1,072,299	1,138,929	1,152,441	1,152,103	1,165,454
PUBLIC SECTOR							
USE IN GALLONS							
(A)	Gallons billed in Gallons	93	90	91	91	91	92
(B)	Gallons billed in CCF	206,029	199,857	201,254	201,952	202,650	204,426
(C)	TOTAL [(A) + (B)]	206,122	199,947	201,345	202,043	202,742	204,518
(D)	[Col (n) - Col (n-1)]		(6,175)	1,397	699	699	1,776
USE AS BILLED							
(E)	Gallons [(A)]	93	90	91	91	91	92
(F)	CCF [(B) * 0.748]	154,110	149,493	150,538	151,060	151,582	152,910
(G)	TOTAL [(E) + (F)]	154,203	149,583	150,629	151,151	151,674	153,003
APARTMENT SECTOR							
USE IN GALLONS							
(A)	Gallons billed in Gallons	24,424	24,424	26,003	26,313	26,315	26,622
(B)	Gallons billed in CCF	1,226,937	1,226,937	1,306,267	1,321,849	1,321,952	1,337,353
(C)	TOTAL [(A) + (B)]	1,251,361	1,251,361	1,332,270	1,348,162	1,348,267	1,363,975
(D)	[Col (n) - Col (n-1)]		0	80,909	15,892	105	15,708
USE AS BILLED							
(E)	Gallons [(A)]	24,424	24,424	26,003	26,313	26,315	26,622
(F)	CCF [(B) * 0.748]	917,749	917,749	977,088	988,743	988,820	1,000,340
(G)	TOTAL [(E) + (F)]	942,173	942,173	1,003,091	1,015,056	1,015,136	1,026,962

NOTE: * Net of annualization of 1998

UNITED WATER FLORIDA
WASTEWATER BILL ANALYSIS FOR PERIOD 1-12/97 PRICED AT CURRENT RATES
SUBTOTALS BY TARIFF CODE

RESIDENTIAL						
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>
5/8"	71,980	1,558,705	91.94%	2,448,040		2,448,040
3/4"	5,078	98,805	6.49%	172,703		172,703
1"	1,058	27,576	1.35%	35,983		35,983
1 1/2"	32	824	0.04%	1,088		1,088
2"	0	0	0.00%	0		0
Unmetered	143	0	0.18%	15,534		15,534
TOTAL	78,291	1,685,910		2,673,348		2,673,348
<i>COMMODITY CHARGES</i>						
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>				
G	95,649	5.67%			319,468	319,468
F	1,590,261	94.33%			3,975,653	3,975,653
USE IN GALLONS	1,685,910				4,295,120	4,295,120
G	95,649	7.44%				
G	1,189,515	92.56%				
TOTAL	1,285,164					6,968,468

COMMERCIAL						
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>
5/8"	7,771	73,583	43.94%	100,401		100,401
3/4"	1,583	17,916	8.95%	29,586		29,586
1"	2,869	84,701	16.22%	95,136		95,136
1 1/2"	2,074	129,776	11.73%	154,741		154,741
2"	2,628	299,342	14.86%	348,578		348,578
3"	466	187,638	2.63%	139,134		139,134
4"	192	135,750	1.09%	101,869		101,869
6"	36	22,429	0.20%	42,982		42,982
Unmetered	67	0	0.38%	2,530		2,530
TOTAL	17,686	951,135		1,014,958		1,014,958
<i>COMMODITY CHARGES</i>						
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>				
G	60,936				244,353	244,353
F	890,199				2,670,597	2,670,597
USE IN GALLONS	951,135				2,914,950	2,914,950
G	60,936	8.38%				
G	665,869	91.62%				
TOTAL	726,805					3,929,908

PUBLIC						
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>
5/8"	180	1,933	33.33%	2,326	5,799	2,326
1"	36	527	6.67%	1,194	1,675	1,194
1 1/2"	24	1	4.44%	1,791	3	1,791
2"	156	29,356	28.89%	20,692	88,068	20,692
3"	108	58,640	20.00%	32,246	175,920	32,246
4"	36	29,613	6.67%	19,101	88,839	19,101
6"	0	0	0.00%	0	0	0
TOTAL	540	120,070		77,348	360,304	77,348
<i>COMMODITY CHARGES</i>						
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>				
G	93				373	373
F	119,977				359,931	359,931
USE IN GALLONS	120,070				360,304	360,304
G	93	0.10%				
G	89,743	99.90%				
TOTAL	89,836					437,652

APARTMENTS						
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>
5/8"	575	4,791	5.92%	7,429		7,429
3/4"	108	2,670	1.11%	2,019		2,019
1"	1,591	60,103	16.37%	52,758		52,758
1 1/2"	4,151	271,514	42.72%	309,706		309,706
2"	2,580	356,410	26.55%	342,211		342,211
3"	360	288,386	3.70%	107,485		107,485
4"	232	303,119	2.39%	123,092		123,092
6"	120	176,688	1.23%	143,274		143,274
TOTAL	9,717	1,463,681		1,087,974		1,087,974
<i>COMMODITY CHARGES</i>						
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>				
G	35,626				142,860	142,860
F	1,428,055				4,284,165	4,284,165
USE IN GALLONS	1,463,681				4,427,025	4,427,025
G	35,626	3.23%				
G	1,068,185	96.77%				
TOTAL	1,103,811					5,514,999

JACKSONVILLE U.						
<i>FIXED CHARGES</i>	<i>BILLS</i>	<i>USE</i>	<i>DIST</i>	<i>FIXED REV</i>	<i>USE REV</i>	<i>TOT REV</i>
3"	12	21,206	100.00%	3,583		3,583
TOTAL	12	21,206		3,583		3,583
<i>COMMODITY CHARGES</i>						
<i>USE AS BILLED</i>	<i>USE</i>	<i>DIST</i>				
G	21,206				87,581	87,581
F	0				0	0
USE IN GALLONS	21,206				87,581	87,581
G	21,206	100.00%				
G	0	0.00%				
TOTAL	21,206					91,164

UNITED WATER FLORIDA

Wastewater Sector Consumption as per Bill Analysis, Normalized & Projected

	Basic Bill Analysis	Normalized Bill Analysis	1998 Base Projection	1998 Annualized Projection	1999 Base * Projection	1999 Annualized Projection	
	(1)	(2)	(3)	(4)	(5)	(6)	
RESIDENTIAL SECTOR							
<i>USE IN GALLONS</i>							
(A)	Gallons billed in Gallons [Set 5,Page]	95,649	100,343	[G-41,Page 22] 106,292	[G-41,Page 23] 109,613	[G-41,Page 25] 111,024	[G-41,Page 26] 112,292
(B)	Gallons billed in CCF	1,590,261	1,640,481	1,737,739	1,785,905	1,815,106	1,833,488
(C) TOTAL	[(A) + (B)]	1,685,910	1,740,824	1,844,031	1,895,518	1,926,130	1,945,779
(D)	[Col (n) - Col (n-1)]		54,914	103,207	51,487	30,612	19,649
<i>USE AS BILLED</i>							
(E)	Gallons [(A)]	95,649	100,343	106,292	109,613	111,024	112,292
(F)	CCF [(B) * 0.748]	1,189,515	1,227,079	1,299,829	1,335,857	1,357,699	1,371,449
(G) TOTAL	[(E) + (F)]	1,285,164	1,327,422	1,406,121	1,445,470	1,468,723	1,483,740
COMMERCIAL SECTOR							
<i>USE IN GALLONS</i>							
(A)	Gallons billed in Gallons	60,936	64,772	70,478	73,331	71,810	72,333
(B)	Gallons billed in CCF	890,199	939,537	1,022,299	1,063,680	1,041,625	1,049,209
(C) TOTAL	[(A) + (B)]	951,135	1,004,309	1,092,777	1,137,011	1,113,435	1,121,542
(D)	[Col (n) - Col (n-1)]		53,174	88,468	44,234	(23,576)	8,107
<i>USE AS BILLED</i>							
(E)	Gallons [(A)]	60,936	64,772	70,478	73,331	71,810	72,333
(F)	CCF [(B) * 0.748]	665,869	702,774	764,680	795,633	779,135	784,808
(G) TOTAL	[(E) + (F)]	726,805	767,546	835,158	868,964	850,945	857,141
PUBLIC SECTOR							
<i>USE IN GALLONS</i>							
(A)	Gallons billed in Gallons	93	91	95	96	95	96
(B)	Gallons billed in CCF	119,977	116,274	120,577	122,729	121,415	122,217
(C) TOTAL	[(A) + (B)]	120,070	116,365	120,672	120,672	121,510	121,510
(D)	[Col (n) - Col (n-1)]		(3,705)	4,307	0	838	0
<i>USE AS BILLED</i>							
(E)	Gallons [(A)]	93	91	95	96	95	96
(F)	CCF [(B) * 0.748]	89,743	86,973	90,192	91,801	90,818	91,418
(G) TOTAL	[(E) + (F)]	89,836	87,064	90,287	91,898	90,914	91,514
APARTMENT SECTOR							
<i>USE IN GALLONS</i>							
(A)	Gallons billed in Gallons	35,626	35,626	36,825	37,424	37,105	37,187
(B)	Gallons billed in CCF	1,428,055	1,428,055	1,476,114	1,500,144	1,487,336	1,490,618
(C) TOTAL	[(A) + (B)]	1,463,681	1,463,681	1,512,939	1,537,568	1,524,441	1,527,805
(D)	[Col (n) - Col (n-1)]		0	49,258	24,629	(13,127)	3,364
<i>USE AS BILLED</i>							
(E)	Gallons [(A)]	35,626	35,626	36,825	37,424	37,105	37,187
(F)	CCF [(B) * 0.748]	1,068,185	1,068,185	1,104,133	1,122,107	1,112,527	1,114,983
(G) TOTAL	[(E) + (F)]	1,103,811	1,103,811	1,140,958	1,159,532	1,149,632	1,152,169

NOTE: * Net of annualization of 1998

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

REQUEST 4:

Staff's calculation of the projected test year revenue using the projected bills and consumption from MFR Schedule E-13 does not produce the revenues listed in column (9). Please provide the detail of the calculations used to arrive at these revenues.

RESPONSE 4:

The development of the revenue projections for the 1999 rate year based on the projected bills rendered and consumption as developed in the response to FPSC Set 4, Question 3, are shown in the following four page attachment. The water sector is shown on Pages 1 and 2. The wastewater sector is shown on Pages 3 and 4. In each case the development of total annualized bills rendered and consumption for 1999, from the historical test year levels, through the base projection for 1998, annualization of 1998, and the base projection for 1999, is shown in columns 1 through 9. The resulting bills rendered by meter size and billed use by billing unit, by class are multiplied by existing and proposed rates to show the derivation of total metered revenues as presented in the Company's filing.

Projected Test Year Revenue Calculation
Company: United Water Florida
Docket No.: 980214-W5
Projected Test Year Ended: December 31, 1999
Water [X] or Sewer []

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

	(1) Historical Year Bills	(2) 1998 Growth	(3) Base 1998 Bills	(4) Annualized Growth	(5) Annualized 1998 Bills	(6) 1999* Growth	(7) Base 1999 Bills	(8) Annualized Growth	(9) Annualized 1999 Bills	(10) Existing Rates	(11) Test Year Revenue	(12) Proposed Rates	(13) Proposed TY Revenue
	[G-42,P.6]	[G-42,P.7]	[(1)+(2)]	[G-42,P.8]	[(3)+(4)]	[G-42,P.11]	[(5)+(6)]	[G-42,P.12]	[(7)+(8)]	[G-41,P.36]	[(9)*(10)]	[G-41,P.36]	[(9)*(12)]
Residential													
QUARTERLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	93,592	3,065	96,657	1,533	98,190	2,003	98,660	1,001	99,661	\$17.39	\$1,733,105	\$21.09	\$2,101,850
3/4"	6,434	211	6,645	105	6,750	138	6,783	69	6,852	\$25.16	172,396	\$30.52	209,123
1"	3,053	100	3,153	50	3,203	65	3,218	33	3,251	\$44.63	145,092	\$54.13	175,977
1 1/2"	104	3	107	2	109	2	109	1	110	\$100.43	11,047	\$121.81	13,399
2"	4	0	4	0	4	0	4	0	4	\$178.54	714	\$216.55	866
3"	0	0	0	0	0	0	0	0	0	\$0.00	0	\$0.00	0
4"	0	0	0	0	0	0	0	0	0	\$0.00	0	\$0.00	0
TOTAL FIXED	103,187	3,379	106,566	1,690	108,256	2,208	108,774	1,104	109,878		\$2,062,355		\$2,501,215
COMMODITY CHARGES													
Billed in Gallons	262,807	21,094	283,901	10,547	294,448	612	295,060	3,182	298,242	\$1.36	\$405,609	\$1.65	\$492,099
Bills in CCF	2,662,259	197,805	2,860,064	98,902	2,958,967	5,741	2,964,708	29,840	2,994,548	\$1.01	\$3,024,493	\$1.23	\$3,683,294
TOTAL FIXED COMMODITY											\$3,430,102		\$4,175,393
TOTAL REVENUES											\$5,492,457		\$6,676,608

Commercial													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8" -Quarterly Billed	60	1	61	1	62	0	62	1	63	\$17.39	\$1,096	\$21.09	\$1,329
5/8"	8,517	207	8,724	104	8,828	103	8,931	104	9,035	\$8.08	73,003	\$9.66	87,278
3/4"	1,415	34	1,449	17	1,466	17	1,483	17	1,500	\$11.69	17,535	\$14.04	21,060
1"	4,018	98	4,116	49	4,165	49	4,214	49	4,263	\$20.74	88,415	\$25.01	106,618
1 1/2"	2,735	67	2,802	33	2,835	34	2,869	33	2,902	\$46.66	135,407	\$56.45	163,818
2"	3,044	74	3,118	37	3,155	37	3,192	37	3,229	\$82.94	267,813	\$100.45	324,353
3"	371	9	380	5	385	4	389	5	394	\$186.68	73,552	\$226.29	89,158
4"	125	3	128	2	130	1	131	2	133	\$331.78	44,127	\$402.27	53,502
TOTAL FIXED	20,285	493	20,778	248	21,026	245	21,271	248	21,519		\$700,947		\$847,116
COMMODITY CHARGES													
Billed in Gallons	100,969	6,274	107,243	1,272	108,515	(32)	108,483	1,257	109,740	\$1.36	\$149,247	\$1.65	\$181,071
Bills in CCF	1,298,570	80,690	1,379,260	16,363	1,395,623	(409)	1,395,214	16,168	1,411,382	\$1.01	1,425,496	\$1.23	1,736,000
TOTAL FIXED COMMODITY											\$1,574,742		\$1,917,071
TOTAL REVENUES											\$2,275,690		\$2,764,187

NOTE: * Net in addition to 1998 annualized levels

Projected Test Year Revenue Calculation

Company: United Water Florida
 Docket No.: 980214-WS
 Projected Test Year Ended: December 31, 1999
 Water [X] or Sewer []

Florida Public Service Commission

Schedule: E-13 REVISED
 Page 2 of 4
 Preparer: F. Gradilone

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

(1) Historical Year Bills	(2) 1998 Growth	(3) Base 1998 Bills	(4) Annualized Growth	(5) Annualized 1998 Bills	(6) 1999 * Growth	(7) Base 1999 Bills	(8) Annualized Growth	(9) Annualized 1999 Bills	(10) Existing Rates	(11) Test Year Revenue	(12) Proposed Rates	(13) Proposed TY Revenue	
[G-42.P.6]		[G-42.P.7]		[G-42.P.8]		[G-42.P.11]		[G-41.P.36]		[G-41.P.36]		[(9) * (10)]	[(9) * (12)]
PUBLIC													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	157	5	3	165	3	165	1	166	\$8.08	\$1,341	\$9.66	\$1,604	
1"	57	2	1	60	1	60	1	61	\$20.74	1,265	\$25.01	1,526	
1 1/2"	72	2	1	74	1	75	1	76	\$46.66	3,546	\$56.45	4,290	
2"	276	9	5	290	6	291	4	295	\$82.94	24,467	\$100.45	29,633	
3"	84	3	1	88	1	88	1	89	\$186.68	16,615	\$226.29	20,140	
4"	48	2	0	51	1	51	0	51	\$331.78	16,921	\$402.27	20,516	
6"	12	0	0	12	0	12	0	12	\$746.60	8,959	\$905.39	10,865	
TOTAL FIXED	706	23	11	741	13	742	8	750		\$73,114		\$88,572	
COMMODITY CHARGES													
Billed in Gallons													
Bills in CCF	90	1	0	91	0	91	1	92	\$1.36	\$125	\$1.65	\$152	
TOTAL COMMODITY	199,857	1,397	698	201,952	698	202,650	1,775	204,426	\$1.01	206,470	\$1.23	251,443	
TOTAL REVENUES										\$279,710		\$340,168	

APARTMENT												
MONTHLY BILLED FIXED CHARGES												
METER SIZE												
5/8"	274	7	3	284	4	288	3	291	\$8.08	\$2,351	\$9.66	\$2,811
3/4"	168	4	2	174	2	176	2	178	\$11.69	2,081	\$14.04	2,499
1"	1,584	39	19	1,623	20	1,662	19	1,681	\$20.74	34,864	\$25.01	42,042
1 1/2"	4,271	104	52	4,427	52	4,479	52	4,531	\$46.66	211,416	\$56.45	255,775
2"	2,506	61	30	2,597	31	2,628	31	2,659	\$82.94	220,537	\$100.45	267,097
3"	312	8	4	324	4	328	4	332	\$186.68	61,978	\$226.29	75,128
4"	196	5	2	203	3	206	2	208	\$331.78	69,010	\$402.27	83,672
6"	59	1	0	61	0	61	1	62	\$746.60	46,289	\$905.39	56,134
TOTAL FIXED	9,370	229	113	9,712	116	9,828	114	9,942		\$648,527		\$785,158
COMMODITY CHARGES												
Billed in Gallons												
Bills in CCF	24,424	1,579	310	26,313	2	26,315	307	26,622	\$1.36	\$36,206	\$1.65	\$43,926
TOTAL COMMODITY	1,226,937	79,330	15,582	1,321,849	103	1,321,952	15,401	1,337,353	\$1.01	1,350,727	\$1.23	1,644,944
TOTAL REVENUES										\$2,035,460		\$2,474,029

Projected Test Year Revenue Calculation

Company: United Water Florida
 Docket No.: 980214-WS
 Projected Test Year Ended: December 31, 1999
 Water [] or Sewer [X]

Florida Public Service Commission

Schedule: E-13 REVISED
 Page 3 of 4
 Preparer: F. Gradlione

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

	(1) Historical Year Bills [G-42.P.22]	(2) 1998 Growth [G-42.P.22]	(3) Base 1998 Bills [(1) + (2)]	(4) Annualized Growth [G-42.P.23]	(5) Annualized 1998 Bills [(3) + (4)]	(6) 1999 * Growth [G-42.P.25]	(7) Base 1999 Bills [(5) + (6)]	(8) Annualized Growth [G-42.P.26]	(9) Annualized 1999 Bills [(7) + (8)]	(10) Existing Rates [G-41.P.36]	(11) Test Year Revenue [(9) * (10)]	(12) Proposed Rates [G-41.P.36]	(13) Proposed TY Revenue [(9) * (12)]
Residential													
QUARTERLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	71,980	2,431	74,411	1,216	75,627	1,548	75,959	774	76,733	\$34.01	\$2,609,689	\$39.70	\$3,046,300
3/4"	5,078	172	5,250	86	5,336	109	5,359	55	5,414	\$34.01	184,130	\$39.70	214,936
1"	1,058	36	1,094	18	1,112	23	1,117	11	1,128	\$34.01	38,363	\$39.70	44,782
1 1/2"	32	1	33	1	34	0	34	0	34	\$34.01	1,156	\$39.70	1,350
2"	143	0	143	0	143	0	143	0	143	\$34.01	0	\$39.70	0
Unmetered	78,291	2,640	80,931	1,321	82,252	1,681	82,612	840	83,452	\$108.63	2,848,873	\$126.63	3,325,475
TOTAL FIXED CHARGES													
Billed in Gallons	100,343	5,949	106,292	3,321	109,613	1,412	111,024	1,267	112,292	\$3.34	\$375,054	\$3.89	\$436,814
Bills in CCF	1,640,481	97,258	1,737,739	48,166	1,785,905	29,201	1,815,106	18,382	1,833,488	\$2.50	4,583,719	\$2.91	5,335,449
TOTAL COMMODITY													
TOTAL REVENUES													
											\$7,807,646		\$9,097,739
Commercial													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	7,771	184	7,955	92	8,047	92	8,139	92	8,231	\$12.92	\$106,345	\$15.13	\$124,535
3/4"	1,583	38	1,621	19	1,640	19	1,659	19	1,678	\$18.69	31,362	\$21.85	36,664
1"	2,869	68	2,937	34	2,971	34	3,005	34	3,039	\$33.16	100,773	\$38.71	117,640
1 1/2"	2,074	49	2,123	25	2,148	24	2,172	25	2,197	\$74.61	163,918	\$87.01	191,161
2"	2,628	62	2,690	31	2,721	31	2,752	31	2,783	\$132.64	369,137	\$154.62	430,307
3"	466	11	477	6	483	5	488	6	494	\$298.57	147,494	\$347.91	171,868
4"	192	5	197	2	199	3	202	2	204	\$530.57	108,236	\$618.18	126,109
6"	36	1	37	0	37	0	38	0	38	\$1,193.95	45,370	\$1,391.03	52,859
Unmetered	67	0	67	0	67	0	67	0	67	\$37.76	2,530	\$43.99	2,947
TOTAL FIXED CHARGES	17,686	418	18,104	209	18,313	208	18,522	209	18,731		\$1,075,165		\$1,254,090
Billed in Gallons	64,772	5,706	70,478	2,853	73,331	(1,521)	71,810	523	72,333	\$4.01	\$290,056	\$4.67	\$337,795
Bills in CCF	939,537	82,762	1,022,299	41,381	1,063,680	(22,056)	1,041,625	7,585	1,049,209	\$3.00	3,147,627	\$3.49	3,661,740
TOTAL COMMODITY													
TOTAL REVENUES													
											\$4,512,847		\$5,253,625

NOTE: * Net in addition to 1998 annualized levels

Projected Test Year Revenue Calculation

Company: United Water Florida
 Docket No.: 980214-WS
 Projected Test Year Ended: December 31, 1999
 Water [] or Sewer [X]

Florida Public Service Commission

Schedule: E-13 REVISED
 Page 4 of 4
 Preparer: F. Gradlone

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

	(1) Historical Year Bills [G-42.P.6]	(2) 1998 Growth [G-42.P.7]	(3) Base 1998 Bills [(1) + (2)]	(4) Annualized Growth [G-42.P.8]	(5) Annualized 1998 Bills [(3) + (4)]	(6) 1999* Growth [G-42.P.11]	(7) Base 1999 Bills [(5) + (6)]	(8) Annualized Growth [G-42.P.12]	(9) Annualized 1999 Bills [(7) + (8)]	(10) Existing Rates [G-41.P.36]	(11) Test Year Revenue [(9) * (10)]	(12) Proposed Rates [G-41.P.36]	(13) Proposed TY Revenue [(9) * (12)]
PUBLIC													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	180	8	188	4	192	10	198	5	203	\$12.92	\$2,623	\$15.13	\$3,071
1"	36	2	38	1	39	2	40	1	41	\$33.16	1,360	\$38.71	1,587
1 1/2"	24	1	25	1	26	1	26	1	27	\$74.61	2,014	\$87.01	2,349
2"	156	7	163	4	167	9	172	4	176	\$132.64	23,345	\$154.62	27,213
3"	108	5	113	3	116	6	119	3	122	\$298.57	36,426	\$347.91	42,445
4"	36	2	38	0	39	2	40	1	41	\$530.57	21,753	\$618.18	25,345
6"	0	0	0	0	0	0	0	0	0	\$1,193.95	\$87,520	\$1,391.03	0
TOTAL FIXED	540	25	565	13	579	30	595	15	610				\$102,011
COMMODITY CHARGES													
Billed in Gallons	91	3	95	2	96	(1)	95	1	96	\$4.01	\$385	\$4.67	\$448
Bills in CCF	116,274	4,304	120,577	2,152	122,729	(1,314)	121,415	802	122,217	\$3.00	366,651	\$3.49	426,538
TOTAL COMMODITY											\$367,036		\$426,986
TOTAL REVENUES											\$454,557		\$528,997

APARTMENT													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	575	14	589	7	596	7	603	7	610	\$12.92	\$7,881	\$15.13	\$9,229
3/4"	108	3	111	1	112	2	114	1	115	\$18.69	2,149	\$21.85	2,513
1"	1,591	38	1,629	19	1,648	19	1,667	19	1,686	\$33.16	55,908	\$38.71	65,265
1 1/2"	4,151	98	4,249	49	4,298	49	4,347	49	4,396	\$74.61	327,986	\$87.01	382,496
2"	2,580	61	2,641	31	2,672	30	2,702	31	2,733	\$132.64	362,505	\$154.62	422,576
3"	360	9	369	4	373	5	378	4	382	\$298.57	114,054	\$347.91	132,902
4"	232	5	237	3	240	2	242	3	245	\$530.57	129,990	\$618.18	151,454
6"	120	3	123	1	124	2	126	1	127	\$1,193.95	151,632	\$1,391.03	176,661
TOTAL FIXED	9,717	231	9,948	115	10,063	116	10,179	115	10,294		\$1,152,104		\$1,343,096
COMMODITY CHARGES													
Billed in Gallons	35,626	1,199	36,825	599	37,424	(320)	37,105	82	37,187	\$4.01	\$149,119	\$4.67	\$173,662
Bills in CCF	1,428,055	48,059	1,476,114	24,030	1,500,144	(12,808)	1,487,336	3,282	1,490,618	\$3.00	4,471,855	\$3.49	5,202,258
TOTAL COMMODITY											\$4,620,974		\$5,375,920
TOTAL REVENUES											\$5,773,078		\$6,719,016

JACKSONVILLE UNIVERSITY													
MONTHLY BILLED FIXED CHARGES													
METER SIZE													
5/8"	12	0	12	0	12	0	12	0	12	\$298.57	\$3,583	\$347.83	\$4,174
COMMODITY CHARGES													
Billed in Gallons	22,500	0	22,500	0	22,500	0	22,500	0	22,500	\$4.13	\$92,925	\$4.81	\$108,225
TOTAL COMMODITY											\$92,925		\$108,225
TOTAL REVENUES											\$96,508		\$112,399

NOTE: * Net in addition to 1998 annualized levels

United Water Florida
Docket No. 980214-Ws
Commission Staff Data Request – 4th Set

REQUEST 5:

Please provide detailed calculations for OPEB expense for the base year (1997) and the projected test years. Please include a description of benefits provided, eligibility requirements, copies of worksheets detailing actuarial assumptions, number of covered employees projected for each year, and a breakdown of any included amounts which are not based on current year service, i.e. amortization.

In addition, if any of the OPEB expense includes amortization of the transition obligation pursuant to SFAS 106, please provide details of the calculation of the annual amount. Specifically, include the amount of the original transition obligation, the date at which it was measured, the amortization period being used, and the actual or projected accumulated amortization at the end of 1997, 1998 and 1999. This information should be provided separately for UWF and for any amounts allocated from the parent corporation(s).

RESPONSE 5:

Please see the enclosed 1997 Actuarial Valuation for United Water Florida.

The post retirement levels of expense for the projected test years 1998 and 1999 can be found on Schedule G-23 of the MFRs. The workpapers that support these costs were provided in response to #17 of the Florida Public Service Commission Audit Document Record Request.

**UNITED WATER FLORIDA INC.
FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE**

*Postretirement Benefits Other Than Pensions
For Non-Bargaining Employees*

1997



Aon Consulting

Linking People Strategies With Business StrategiesSM



Aon Consulting
Employee Benefits
Consulting Group

January 15, 1998

Mr. John Turner
Vice President & Controller
United Water Management & Services Inc.
200 Old Hook Road
Harrington Park, NJ 07640

Dear Mr. Turner:

We have completed our 1997 Actuarial Valuation of Postretirement Medical and Life Plans for non-bargaining employees of United Water Florida Inc. This Actuarial Valuation was completed to determine Net Periodic Postretirement Benefit Cost (NPPBC) for the calendar year commencing January 1, 1997 and to provide projected financial disclosure information as of December 31, 1997 in accordance with Financial Accounting Standards Board (FASB) Statement No. 106.

Accrual Accounting

The Financial Accounting Standards Board (FASB) views postretirement health and life insurance plans as deferred compensation and requires employers to recognize the cost of these plans during an employee's working lifetime.

This valuation provides final results as of January 1, 1997 based upon January 1, 1997 census and claims data through June 30, 1997. This valuation reflects contribution rates in effect for employees retiring on and after January 1, 1995.

United Water's postretirement benefit programs include health care (medical), life insurance and administrative expenses inherent in managing the plans and paying claims.

Effective April 1, 1994, United Water Resources acquired General Water Works Corporation, now United Water Works. With that acquisition, the former retiree medical and retiree life benefits provided by General Water Works Corporation were continued and an initial obligation was established as of April 1, 1994. This transition obligation is amortized over 20 years.

Results of the Valuation

The report presents the results of our actuarial valuation as of January 1, 1997, based upon 8.0% discount rate per annum. It shows the development of the NPPBC and projected Financial Disclosure in aggregate and in detail for United Water Florida Inc.

Aon Consulting, Inc.

125 Chubb Avenue • Lyndhurst, New Jersey 07071-0629 • tel: (201) 460-6700 • fax: (201) 460-6999

Mr. John Turner
January 15, 1998
Page 2

- Accumulated Postretirement Benefit Obligation

The Accumulated Postretirement Benefit Obligation (APBO) as of January 1, 1997 attributable to United Water Florida Inc. non-bargaining is \$1,843,323.

The obligation recognizes the consolidated plan design in effect January 1, 1995.

- Net Periodic Postretirement Benefit Cost

The 1997 Net Periodic Postretirement Benefit Cost for United Water Florida Inc. non-bargaining employees is \$385,512. This expense includes the amortization of the initial transition obligation as of April 1, 1994, over 20 years.

- Additional VEBA Contribution

Based upon the January 1, 1997 actuarial valuation and VEBA plan assets of \$240,174, the additional VEBA contribution is \$112,254 or \$100,245, assuming tax-exempt or taxable investments, respectively for United Water Florida Inc. non-bargaining employees.

These amounts are the additional maximum tax deductible contribution to the VEBA for 1997 assuming the contribution is deposited on December 31, 1997. These amounts have been limited so that expected payments plus the VEBA contribution do not exceed the Net Periodic Postretirement Benefit Cost.

- There have been no plan changes introduced in this valuation.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. The actuarial assumptions and methods used in the development of postretirement benefits costs other than pensions have been selected to meet the objectives of Statement No. 106 of the Financial Accounting Standards Board, which calls for each assumption to reflect management's "best estimate solely with respect to the individual assumption."

Respectfully submitted,



A. David Degann
ADD:cmm

1081D

UNITED WATER FLORIDA INC.

*POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES*

FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION	2
A. PURPOSE OF THE VALUATION	2
B. SUMMARY OF RESULTS	3
II. NET PERIODIC POSTRETIREMENT BENEFIT COST	4
A. ACCUMULATED POSTRETIREMENT BENEFIT OBLIGATION	5
B. DEVELOPMENT OF NET PERIODIC POSTRETIREMENT BENEFIT COST	6
C. DEVELOPMENT OF AMORTIZATION OF TRANSITION OBLIGATION	7
D. DEVELOPMENT OF UNRECOGNIZED (GAIN)/LOSS	8
III. FINANCIAL DISCLOSURE INFORMATION	9
A. FINANCIAL DISCLOSURE INFORMATION	10
B. FINANCIAL DISCLOSURE INFORMATION - IMPACT OF PLUS 1% TREND	11
IV. ACTUARIAL BASIS AND METHODOLOGY	12
A. ACTUARIAL METHOD	13
B. ACTUARIAL ASSUMPTIONS	15
V. APPENDIX	21
A. SUMMARY OF PLAN PROVISIONS IN EFFECT FROM JANUARY 1, 1995	21
B. SUMMARY OF PRIOR PLAN PROVISIONS PRIOR TO JANUARY 1, 1995 - EXCLUDING NEW ROCHELLE BARGAINING	27

UNITED WATER FLORIDA INC.

***POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES***

**FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997**

I. INTRODUCTION

A. PURPOSE OF THE VALUATION

The purpose of this valuation is:

1. To report to United Water Florida Inc. information required for reporting and disclosure in accordance with the provisions of Financial Accounting Standards Board Statement No. 106 (FAS "106");
2. (a) To determine 1997 Net Periodic Postretirement Benefit Cost, and

(b) To determine Financial Disclosure projected as of December 31, 1997.

B. SUMMARY OF RESULTS

1. 1997 Net Periodic Postretirement Benefit Cost as determined under the standards of FAS "106" is \$385,512, based upon amortization over 18 years remaining of the Net Transition Obligation and amortization of the initial Transition Obligation (as of April 1, 1994) over 20 years.
2. The Accumulated Postretirement Benefit Obligation based upon 8.0% discount, measured as of January 1, 1997 is summarized below:

	United Water Florida Inc. <u>Non-Bargaining</u>
Accumulated Postretirement Benefit Obligation for:	
(a) Medical Benefits	\$1,564,083
(b) Life Insurance Benefits	156,408
(c) Administrative Expenses	<u>122,832</u>
(d) Total Accumulated Postretirement Benefit Obligation as of January 1, 1997	\$1,843,323

The valuation covers active employees, retirees and their spouse/dependents and eligible beneficiaries of retirees.

UNITED WATER FLORIDA INC.

***POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES***

**FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997**

II. NET PERIODIC POSTRETIREMENT BENEFIT COST

This Section sets forth details of the Net Periodic Postretirement Benefit Cost (NPPBC) for 1997 for retiree medical, retiree life insurance and administrative expense.

Key rates used in the following schedule are:

- | | |
|--|---------------------------|
| (a) Discount Rate as of January 1, 1997 | 8.0% per annum, compound |
| (b) Expected Net After-Tax Yield on VEBA Assets: | |
| Non-Bargaining Groups | 5.75% per annum, compound |
| Bargaining Groups | 9.50% per annum, compound |

UNITED WATER WORKS INC.

United Water Florida Inc. Non-Bargaining

FAS 106 January 1, 1997 Actuarial Valuation

A. Accumulated Postretirement Benefit Obligation

**Florida
Non-Bargaining**

(1)	Active Employees	94
	Retirees / Beneficiaries	3
	Spouses of Retirees	2
	Total	99
(2)	Medical Accumulated Postretirement Benefit Obligation (APBO)	
	Actives Fully Eligible	971,546
	Other Actives	479,874
	Inactives	112,663
	Total Medical APBO on January 1, 1997	\$1,564,083
	Administrative Expense APBO:	
	Actives Fully Eligible	97,155
	Other Actives	47,987
	Inactives	11,266
	Total Admin Expense APBO on January 1, 1997	\$156,408
	Life Insurance APBO:	
	Actives Fully Eligible	12,351
	Other Actives	78,086
	Inactives	32,395
	Total Life Insurance APBO on January 1, 1997	\$122,832
	Grand Total APBO on January 1, 1997 at 8% Discount	\$1,843,323

UNITED WATER WORKS INC.

United Water Florida Inc. Non-Bargaining

FAS 106 January 1, 1997 Actuarial Valuation

B. Development of Net Periodic Postretirement Benefit Cost

	Florida Non-Bargaining
(3) Annual Service Cost	
Medical	\$154,975
Administrative Expense	15,498
Life Insurance	<u>5,883</u>
Total Service Cost 1/1/97	\$176,356
(4) Expected Benefit Payouts	
Medical	\$23,371
Administrative Expense	2,337
Life Insurance	<u>6,580</u>
Total Expected Payouts During 1997	\$32,288
(5) Net Periodic Postretirement Benefit Cost (NPPBC):	
Service Cost 12/31/97	\$190,464
Interest Cost at 8%	146,174
Amortization of Transition Obligation	31,156
Amortization of Initial Obligation	50,818
(\$1,016,364 at April 1, 1994)	
Amortization of (Gain) / Loss (based on allocated portion of UWR G/L)	(20,218)
Return on VEBA Assets	<u>(12,882)</u>
Total NPPBC 12/31/97	\$385,512

UNITED WATER WORKS INC.

United Water Florida Inc. Non-Bargaining

FAS 106 January 1, 1997 Actuarial Valuation

C. Development of Amortization of Transition Obligation

Florida
Non-Bargaining

(6)(a) Unrecognized Transition Obligation Disclosed as of
December 31, 1994 under Prior Plan Basis \$0

(b) Impact of the Plan Amendment - 1/1/95, 9% Discount

APBO of Amended Plan, January 1, 1995 \$1,643,892
 APBO of Prior Plan, December 31, 1994 1,083,091
 Total Amendment Impact \$560,801

(c) Unrecognized Transition Obligation After Recognition of the
Plan Amendment Effective January 1, 1995

\$560,801

(d) Remaining Years in Period of Amortization
(20 years at January 1, 1993 at adoption)

18

(e) Annual Amortization Payment of Transition Obligation

\$31,156

UNITED WATER WORKS INC.

United Water Florida Inc. Non-Bargaining

FAS 106 January 1, 1997 Actuarial Valuation

D. Development of Unrecognized (Gain)/Loss

	United Water Management & Services, Inc.
(7)(a) Unrecognized (Gain)/Loss as of December 31, 1996	(\$11,426,167)
(b) Experience (Gain)/Loss Development over 1997:	
APBO of December 31, 1996 - 8%	\$42,902,626
APBO January 1, 1997 - 8%	<u>42,079,860</u>
Total Experience (Gain)/Loss in 1997	(\$822,766)
(c) Accumulated (Gain)/Loss	(12,248,933)
(d) Amount in Excess of 10% of APBO *	(8,040,947)
(e) Amortization Payment Towards Unrecognized (Gain)/Loss	(\$461,543)
Amortization Payment for (Gain)/Loss:	
United Water Florida Non-Bargaining	(\$20,218)

* Based upon aggregated United Water plan experience

UNITED WATER FLORIDA INC.

*POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES*

FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997

III. FINANCIAL DISCLOSURE INFORMATION

This Section sets forth the details of Financial Disclosure Information as of January 1, 1997 and projects Financial Disclosure Information as of December 31, 1997.

Key rates used in the following schedules:

	<u>January 1, 1997</u>
a. Discount Rate	8.0% per annum, compound
b. Ultimate Medical Trend	5.0% per annum, compound
c. Expected After-Tax Yield on Assets:	
Non-Bargaining Group	5.75% per annum, compound
Bargaining Group	9.5% per annum, compound

UNITED WATER WORKS INC.
United Water Florida Inc. Non-Bargaining
 FAS 106 January 1, 1997 Actuarial Valuation

A. FINANCIAL DISCLOSURE INFORMATION

United Water Florida
Inc.

H:\CLIENTS\UWR\PBOP_H&W\1997\SPRDSHTS\ID_FLA97A.xls\FLA_NB_D_1_14_98

1. Accumulated Postretirement Benefit Obligation (APBO)

a.	Fully Eligible Actives	\$1,081,052
b.	Other Actives	\$605,947
c.	Retirees/Beneficiaries	<u>\$156,324</u>
d.	Total APBO as of January 1, 1997 at 8.0%	\$1,843,323

2. 1997 Net Periodic Benefit Cost (NPPBC)

- For Year January 1, 1997 through December 31, 1997

a.	Service Cost as of December 31, 1997	\$190,464
b.	Interest Cost	\$146,174
c.	Expected Return on Assets	(\$12,882)
d.	Net Amortization and Deferral	
	(i) Additional Transition Amount on Obligation	\$31,156
	(ii) Transition Amount on Initial Obligation (\$1,016,364) *	\$50,818
	(iii) Experience (Gain) / Loss	(\$20,218)
	(iv) Prior Service Cost	\$0
	(v) Total	\$61,756
e.	Net Periodic Postretirement Benefit Cost	
	as of December 31, 1997: (a) + (b) + (c) + (d)	\$385,512

* Aggregated with United Water Management & Services Inc., and reflecting initial Transition Obligation of Former GWC under Purchase Accounting Rules.

UNITED WATER WORKS INC.
United Water Florida Inc. Non-Bargaining
 FAS 106 January 1, 1997 Actuarial Valuation

B. FINANCIAL DISCLOSURE INFORMATION - IMPACT OF PLUS 1% MEDICAL TREND

<u>Projected for 1997</u>	United Water Florida Inc.
H:\CLIENTS\UWR\BP_H&W\1997\SPRDSHTS\ID_FLA97A.xls\FLA_NB_D_1_14_98	
1. Accumulated Postretirement Benefit Obligation (APBO)	
December 31, 1997 - Projected	
a. Total APBO at Current Medical Trend Assumptions	\$2,147,673
b. Total APBO at Current Medical Trend Plus 1%	\$2,481,723
c. Increase in APBO	\$334,050
2. Net Periodic Postretirement Benefit Cost (NPPBC)	
as of December 31, 1997	
a. Total NPPBC at Current Medical Trend Assumptions	\$385,512
b. Total NPPBC at Current Medical Trend Plus 1%	\$492,926
c. Increase in NPPBC	\$107,414

H:\CLIENTS\UWR\BP_H&W\1997\SPRDSHTS\ID_FLA97A.xls\FLA_NB_D_1_14_98

UNITED WATER FLORIDA INC.

***POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES***

**FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997**

IV. ACTUARIAL BASIS AND METHODOLOGY

In valuing the liabilities and determining the requirements for postretirement benefits other than pensions, it is desirable to take into consideration every reasonably predictable future contingency which will have an effect on the ultimate cost of the plan. This is done by making assumptions regarding the incidence and occurrence of those future events and trends upon which the payment and amount of benefits is contingent.

The assumptions upon which the liabilities and annual expense associated with postretirement medical and life benefits are based, are the best estimate of anticipated future experience in light of all the pertinent circumstances surrounding the particular situation. In the case of retiree medical benefits, the best estimate of anticipated experience was accessed from several perspectives – financial, economic, epidemiological and actuarial. The following pages summarize the methods and assumptions employed in the valuation.

A. ACTUARIAL METHOD

Attribution and Cost Method

The Actuarial Attribution Method is the allocation method for attributing the Expected Benefit Obligation over the attribution period.

The attribution period begins with the employee's date of hire unless the plan only grants credit for service from a later date. The attribution period ends on the date the employee attains full eligibility for benefits expected to be provided at retirement.

The "Projected Unit Credit" approach first determines the value of the expected postretirement benefit to be paid at assumed retirement date(s) and then allocates an equal amount of expected postretirement obligation to each year of service in the attribution period.

In future years, increases or decreases in the Accumulated Postretirement Benefit Obligation will arise for a number of reasons, including:

- Plan changes which improve (or reduce) benefits. Such plan changes generate an Unrecognized Prior Service Cost which is amortized as described below.
- Variation of actual experience (medical trend, shifts in the delivery of medical services, mortality rates, etc.) from assumed experience. These increases or decreases will be accumulated as Unrecognized Gains/Losses and amortized to the extent accumulated gains/losses exceed a corridor of 10% of the APBO.
- Structural changes within the company, such as a plant shutdown, sale or acquisition. Special accounting provisions apply in these circumstances.

Amortization Period of Unrecognized Segments

Prior Service Cost: Amortized over remaining service by assigning an equal amount to each future year of service to full eligibility date of each active plan participant. In the case of a negative plan amendment, immediate recognition of effect is precluded; initially offsets existing unrecognized prior service cost and unrecognized transition obligation, balance is amortized.

Actuarial Experience (Gains) Losses: Unrecognized net gains or losses in excess of 10 percent of greater of APBO or market related value of plan assets, amortized over average remaining service period of active plan participants. If all or almost all participants are inactive, amortized over their average remaining life expectancy rather than over remaining service period.

Initial Transition Obligation: If not immediately recognized, the transition obligation is amortized on a straight-line basis over the average remaining service period of active plan participants. However, the amortization payment cannot be less rapid than pay-as-you-go cost. If the amortization period determined is less than 20 years, may use a 20-year period. If all or almost all participants are inactive, their average remaining life expectancy is used.

In the case of United Water Florida Inc., the entire transition obligation upon acquisition (as of April 1, 1994) is recognized under purchase accounting rules.

B. ACTUARIAL ASSUMPTIONS

Discount Rate: 8% per annum, compound

Long Term Yield on Assets: 5.75% after tax yield on assets (9.5% on Bargaining Groups' assets)

Mortality: 1983 Group Annuity Mortality Table for Males and Females

Number of Assumed Deaths Per 1,000

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	.464	.253
30	.607	.342
35	.860	.476
40	1.238	.665
45	2.183	1.010
50	3.909	1.647
55	6.131	2.541
60	9.158	4.241
65	15.592	7.064
70	27.530	12.385
75	44.597	23.997

Disability: 11th Railroad Retirement Benefits Disability Rates

Number of Assumed Disabilities Per 1,000

<u>Age</u>	<u>Male/Female</u>
25	.6
30	.6
35	.7
40	1.1
45	2.2
50	4.6
55	10.2
60	32.0

B. ACTUARIAL ASSUMPTIONS
(continued)

Turnover: 100% of Full S.O.N.J. Rates – Non-Bargaining Groups
80% of Full S.O.N.J. Rates – Bargaining Groups

<u>Age</u>	<u>100% Annual Age Related Turnover Percentage</u>	<u>80% Annual Age Related Turnover Percentage</u>
20	5.8%	4.64%
25	4.7%	3.76%
30	3.7%	2.96%
35	2.8%	2.24%
40	2.2%	1.76%
45	1.8%	1.44%
50	1.3%	1.04%
55	.8%	0.64%
60	0%	0%

Retirement Rates:

<u>Age</u>	<u>Annual Retirement Rate</u>
55	2%
56	1%
57	1%
58	1%
59	1%
60	3%
61	5%
62	25%
63	20%
64	20%
65	15%
66	4%
67	1%
68	1%
69	100%
70	100%

B. ACTUARIAL ASSUMPTIONS
(continued)

Participation: 100% of those eligible elect coverage.

Salary Scale: Applicable to certain future retirees for postretirement life insurance benefit. 4.50% per annum, for non-bargaining groups and 3.75% for bargaining groups.

Spouse Coverage: On average, 80% assumption.

Dependent Coverage: No dependents assumed for active employees at the time they retire. No dependent information was provided for existing retirees.

Retiree Contribution for
All Other employees retired
prior to January 1, 1995:

	<u>Pre 65</u>	<u>Post 65</u>
Retiree Only	\$93/mo.	N/A
Spouse/Dependent Coverage	\$147/mo.	N/A

Contributions are assumed to increase 5.0% per annum.

Administrative Expenses: Valued explicitly based upon current administrative fees and assuming future increases for inflation. Average of 10.0% of medical claims used in 1997 projection.

B. ACTUARIAL ASSUMPTIONS
(continued)

Initial Medical Claims: Based upon historical claims records of United Water experience over three years and calculated separately Pre and Post 65. Per capita claims for future retirees are allocated by service type as below:

	<u>Net Claims Incurred</u>	
	<u>Pre 65</u>	<u>Post 65</u>
Hospital and Surgical	\$3,761	\$617
Medical	1,844	506
RX	<u>441</u>	<u>484</u>
TOTAL	\$6,046	\$1,607

Medical Trends: Varies by service component as shown on next two pages.

Medical Trend Array

Pre 65	1997	1998	1999	2000	2001	2002	2003
Hospital/Surgical	7.0%	6.5%	6.0%	6.0%	6.0%	5.5%	5.0%
Medical	10.5%	9.5%	8.0%	7.0%	6.0%	5.5%	5.0%
RX	13.0%	11.0%	9.0%	7.0%	6.5%	5.5%	5.0%
Combined Net Trend*	9.0%	8.2%	7.1%	6.5%	6.1%	5.5%	5.0%
							Thereafter 5.0%
Post 65	1997	1998	1999	2000	2001	2002	2003
Hospital/Surgical	6.0%	6.0%	6.0%	6.0%	5.5%	5.0%	5.0%
Medical	8.0%	7.0%	6.0%	6.0%	5.5%	5.0%	5.0%
RX	13.0%	11.0%	9.0%	7.0%	5.5%	5.0%	5.0%
Combined Net Trend*	9.0%	8.0%	6.9%	6.0%	5.5%	5.0%	5.0%
							Thereafter 5.0%

* Estimated based upon distribution of charges by type of service.

Medical Trend Array - Distribution of Service

Starting Distribution 2002 Distribution

Pre 65

Hospital/Surgical	62%	48%
Medical	31%	41%
Prescription Drugs	<u>7%</u>	<u>11%</u>
Total	100%	100%

Post 65 - Before Medicare

Hospital/Surgical	51%	45%
Medical	40%	43%
Prescription Drugs	<u>9%</u>	<u>12%</u>
Total	100%	100%

Post 65 - Net of Medicare

Hospital/Surgical	38%	26%
Medical	32%	38%
Prescription Drugs	<u>30%</u>	<u>36%</u>
Total	100%	100%

UNITED WATER FLORIDA INC.

***POSTRETIREMENT BENEFITS OTHER THAN PENSIONS
FOR NON-BARGAINING EMPLOYEES***

**FINANCIAL ACCOUNTING STANDARD #106 REPORT OF
NET PERIODIC POSTRETIREMENT BENEFIT COST
AND FINANCIAL DISCLOSURE
1997**

V. APPENDIX

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995**

	Pre 65 Retirees (Non-Medicare Eligible)	Post 65 Retirees (Medicare Eligible)
HEALTH BENEFITS		
Type of Plan	Corporate Comprehensive Major Medical	Carve-Out-Plan (subtract Medicare benefits from Plan benefits)
CORPORATE RETIREE MEDICAL PLAN BENEFITS:		
Hospital, Surgical, Physician and other Medical Care:	Customary and reasonable charges. Subject to plan deductibles, copays and limits, limited usually to 100% of covered charges (with calendar year incurred basis). Hospital stay requires precertification.	Customary and reasonable charges. Subject to plan deductibles, copays and limits, limited usually to 100% of covered charges (with calendar year incurred basis). Hospital stay requires precertification.
Deductible:	\$200 per person/\$600 family max.	\$200 per person/\$600 family max.
Coinsurance:	80%	80%
Out-of-Pocket Limit:	\$1,000 per person \$2,000 per family	\$1,000 per person \$2,000 per family
Lifetime Maximum:	\$1 million	\$1 million

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995
(cont.)**

	Pre 65 Retirees (Non-Medicare Eligible)	Post 65 Retirees (Medicare Eligible)
Mental Health/ Substance Abuse:	<p>Inpatient is subject to pre admission review</p> <p>After deductible: 80% in-network, 50% out-of-network</p> <p>Outpatient Maximum: \$3,500 /year</p> <p>Lifetime Maximum: \$100,000</p>	<p>Inpatient is subject to pre admission review</p> <p>After deductible: 80% in-network, 50% out-of-network</p> <p>Outpatient Maximum: \$3,500 /year</p> <p>Lifetime Maximum: \$100,000</p>
Prescription Drugs:	<p>\$50 deductible, per person, per year</p> <p>After deductible: 80% of Preferred Pharmacy charges are covered</p> <p>After deductible: 60% of Non-Preferred Pharmacy charges are covered</p> <p>After deductible: 80% of Mail Services charges covered, up to a 90-day supply</p>	<p>\$50 deductible, per person, per year</p> <p>After deductible: 80% of Preferred Pharmacy charges are covered</p> <p>After deductible: 60% of Non-Preferred Pharmacy charges are covered</p> <p>After deductible: 80% of Mail Services charges covered, up to a 90-day supply</p>

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995
(cont.)**

1997 Retiree Contributions - United Water Florida Inc.		
	Pre 65 Retirees (Non-Medicare Eligible)	Post 65 Retirees (Medicare Eligible)
1997 Retiree Contribution per Month:	<p>Current Retirees and Beneficiaries enrolled as of December 31, 1994:</p> <ul style="list-style-type: none"> • \$93/Month Single Coverage • \$240/Month Family Coverage <p>For those who retire on and after <i>January 1, 1995</i>, service related contributions are required as shown on the schedule included in this section.</p> <p>Contributions are subject to review every few years as plan costs increase.</p>	<p>Current Retirees and Beneficiaries enrolled as of December 31, 1994:</p> <p>No Coverage</p> <p>For those who retire on and after <i>January 1, 1995</i>, service related contributions (from January 1, 1995) are required as shown on the schedule included in this section.</p> <p>Contributions are subject to review every few years as plan costs increase.</p>

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995
(cont.)**

UNITED WATER FLORIDA				
1997 Monthly Retiree Contribution				
For those who retire on and after January 1, 1995				
	* Pre 65 Combined Service (Non-Medicare Eligible)		** Post 65 Future Service Only (Medicare Eligible)	
Years of Service at Retirement	Single Coverage	Single + Dependent Coverage	Single Coverage	Single + Dependent Coverage
25 or more	\$23.00	\$61.25	\$13.25	\$33.50
24	27.75	73.25	16.00	40.25
23	32.25	85.50	18.50	47.00
22	36.75	97.75	21.25	53.50
21	41.50	110.00	23.75	60.25
20	46.00	122.25	26.50	67.00
19	50.75	134.50	29.25	73.75
18	55.25	146.75	31.75	80.25
17	59.75	159.00	34.50	87.00
16	64.50	171.25	37.00	93.75
15	69.00	183.50	39.75	100.50
14	73.75	195.50	42.50	107.25
13	78.25	207.75	45.00	113.75
12	83.00	220.00	47.75	120.50
11	87.50	232.25	50.25	127.25
10	92.00	244.50	53.00	134.00
9	96.75	256.75	55.75	140.75
8	101.25	269.00	58.25	147.25
7	106.00	281.25	61.00	154.00
6	110.50	293.50	63.50	160.75
5	115.25	305.75	66.25	167.50

For those retirees with less than 5 years, no coverage is provided.

* GWC past service and future service (from January 1, 1995) with UWR.

** Future service (from January 1, 1995) with UWR only.

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995
(cont.)**

SUMMARY OF CURRENT LIFE INSURANCE BENEFITS FOR ACTIVES	
United Water Works Employees:	<p>If earnings less than \$30,000, Annual Basic Earnings times 2 (i.e. 2x)</p> <p>If earnings greater than or equal to \$30,000, Annual Basic Earnings times 3 (i.e. 3x) not to exceed \$125,000</p>

SUMMARY OF CURRENT LIFE INSURANCE BENEFITS FOR RETIREES	
Retirees Pre 65:	<p>50% of Life Insurance amount in effect during active employment.</p> <p>If earnings less than \$30,000, Annual Basic Earnings</p> <p>If earnings greater than or equal to \$30,000, 1.5 times (i.e. 1.5x) Annual Basic Earnings, not to exceed \$125,000</p>
Retirees Post 65:	\$5,000

**A. SUMMARY OF PLAN PROVISIONS
IN EFFECT FROM JANUARY 1, 1995
(cont.)**

UNITED WATER FLORIDA INC.		
Summary of Eligibility Provisions for Post Retirement Health & Life Benefits		
Event	Post Retirement Health Benefits	Post Retirement Life Insurance
Retirement From Active Employment	Those eligible for pension benefits are eligible for medical benefits. Age 55 and 10 years; age 62 and 20 years; or age 65 and 5 years.	Age 55 and 10 years; or age 65 and 5 years of service
Death of Active Employee - Survivor Benefits	The surviving spouse of an employee who had 5 years of pension service and was entitled to a pension receives health coverage, payable immediately, for the surviving spouse's remaining lifetime. However, medical coverage requires that coverage of another employer be elected irrespective of costs of that Plan.	N/A
Death of Retiree With Post Retirement Coverage	Surviving spouse and dependent coverage continues.	Lump sum is payable
Total & Permanent Disability	Disabled employees are treated as retirees for post retirement health coverage. Benefits commence immediately. Plan offsets Medicare disability benefits for those who qualify; after 2 years of disability.	Same benefits as retirees

**B. SUMMARY OF PLAN PROVISIONS
PRIOR TO JANUARY 1, 1995**

- In effect at acquisition on April 1, 1994 -

FORMER GENERAL WATERWORKS CORPORATION		
Plan Provisions	Active Employees & Pre-65 Retirees	Retirees Post 65
Type of Plan	Comprehensive Medical	No Coverage Offered Post 65
BASIC PLAN BENEFITS:		However, when retiree turns 65, can purchase coverage for spouse until spouse is age 65 but coverage is limited to a maximum of 5 years.
<ul style="list-style-type: none"> • Hospital 	After deductible, 80% for semi-private room and board; 80% of necessary services and supplies	
<ul style="list-style-type: none"> • Surgical/Physical 	After deductible, covered at 80%	
<ul style="list-style-type: none"> • Home Health Care 	\$50 limit per visit up to 100 visits	
<ul style="list-style-type: none"> • Hospice Care 	Up to 6 months at 80%	

**B. SUMMARY OF PLAN PROVISIONS
PRIOR TO JANUARY 1, 1995
(cont.)**

FORMER GENERAL WATERWORKS CORPORATION		
Plan Provisions	Active Employees & Pre-65 Retirees	Retirees Post 65
<p>MAJOR MEDICAL BENEFITS:</p> <ul style="list-style-type: none"> • Ded. Individual/ Family <p>Co-Pay</p> <ul style="list-style-type: none"> • Medical • Mental/Nervous • Alcohol/Drugs 	<p>\$100 per person/\$300 per family on a calendar year basis</p> <p>After deductible, covered at 80% of R&C</p> <p>After deductible, 80% if referred by EAP counselor; 50% if not referred. Maximum of \$80 per visit, up to 50 visits or \$2,500 maximum. \$50,000 lifetime maximum.</p> <p>Combined with Mental and Nervous</p>	<p>No Coverage Offered Post 65</p> <p>However, when retiree turns 65, can purchase coverage for spouse until spouse is age 65 but coverage is limited to a maximum of 5 years</p>

**B. SUMMARY OF PLAN PROVISIONS
PRIOR TO JANUARY 1, 1995
(cont.)**

FORMER GENERAL WATERWORKS CORPORATION		
Plan Provisions	Active Employees & Pre-65 Retirees	Retirees Post 65
<p>Out-of-Pocket Maximum: (including deductible)</p> <ul style="list-style-type: none"> • Hospital • Other Medical <p>Annual/Maximum</p> <p>Lifetime Maximum</p> <p>Utilization Review</p> <p>Prescription Drugs</p>	<p>\$600 per person/\$1,800 per family</p> <p>\$600 per person/\$1,800 per family</p> <p>None</p> <p>\$500,000 (per person covered)</p> <p>Precertification, \$200 penalty</p> <p>Covered as other medical benefits</p>	<p>No Coverage Offered Post 65</p> <p>However, when retiree turns 65, can purchase coverage for spouse until spouse is age 65 but coverage is limited to a maximum of 5 years.</p>

**B. SUMMARY OF PLAN PROVISIONS
PRIOR TO JANUARY 1, 1995
(cont.)**

FORMER GENERAL WATERWORKS CORPORATION			
Plan Provisions	Active Employees	Pre 65 Retirees	Post 65 Retirees
Employee/Retiree Contributions	No Contributions	50% of Active Rate 1994 Single: \$93 per month 1994 Family: \$240 per month	No Coverage Offered Post 65 However, when retiree turns 65, can purchase coverage for spouse until spouse is age 65 but coverage is limited to a maximum of 5 years.