

ORIGINAL

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 17, 2005
TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)
FROM: Division of Economic Regulation (Johnson, Brady, Clapp, Daniel, Kaproth, Redemann, Rieger, Walden, Willis) Office of the General Counsel (Brubaker)
RE: Docket No. 040951-WS – Joint application for approval of sale of Florida Water Services Corporation's land, facilities, and certificates in Brevard, Highlands, Lake, Orange, Pasco, Polk, Putnam, a portion of Seminole, Volusia, and Washington counties to Aqua Utilities Florida, Inc.
Docket No. 040952-WS – Joint application for approval of sale of Florida Water Services Corporation's land, facilities, and certificates for Chuluota systems in Seminole County to Aqua Utilities Florida, Inc.
AGENDA: 11/29/05 – Regular Agenda – Proposed Agency Action Issues 3, 4, 5, 6,7, 9 and 10 –Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners
PREHEARING OFFICER: Deason
CRITICAL DATES: None
SPECIAL INSTRUCTIONS: None
FILE NAME AND LOCATION: S:\PSC\ECR\WP\040951.RCM.DOC

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Case Background

Florida Water Services Corporation (FWSC or utility) formerly Southern States Utilities, Inc., is a Class A utility providing water and wastewater service to sixty systems in Brevard,

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Highlands, Lake, Orange, Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties. The service areas are located in four of the state's five water management districts. As of June 30, 2004, FWSC was serving approximately 11,146 water and 3,645 wastewater customers. FWSC's annual report for January through June 2004 shows operating revenue of \$2,476,153 and \$951,705, and operating losses of \$1,305,105 and \$496,198, for water and wastewater, respectively.

The utility's most recent rate case was in Docket No. 950495-WS.¹ Order No. PSC-96-1320-FOF-WS, issued October 30, 1996, established rate bases by system for the utility's 141 water and wastewater systems and authorized a rate increase using a capband rate structure. The Commission increased service availability charges for all of the utility's water and wastewater systems, made them uniform, and authorized an allowance for funds prudently invested (AFPI) for the systems that were not one hundred percent used and useful. This order was appealed. In Southern States Utilities, Inc. v. FPSC, 714 So. 2d 1046 (Fla. 1st DCA 1998), the First District Court of Appeal affirmed the capband rate structure, reversed the used and useful adjustment for reuse, reversed the equity adjustment, and reversed errors regarding canceling prior approved allowance for funds prudently invested (AFPI) and the use of annual average daily flows (AADF) in the numerator of the used and useful equation, and remanded AADF and the use of lot count method in determining used and useful percentages

Order No. PSC-99-0093-FOF-WS, issued January 15, 1999, in Docket No. 950495-WS, addressed two offers of settlement and the Commission's decision on remand. The Commission rejected both offers of settlement and authorized the utility to implement a surcharge to address the issues reversed by DCA. In addition, a surcharge methodology was approved and the record was reopened for another evidentiary hearing to address the used and useful issues remanded by the court. The order was protested.

In an effort to resolve the dispute over the settlements modifications, FWSC offered a new settlement agreement. The purpose of the new settlement was to resolve the outstanding issues on remand, as required by the court. Order No. PSC-99-1794-FOF-WS issued September 14, 1999, approved the utility's new offer of settlement and cancelled the hearing on the remanded issues. The components of the settlement agreement required that in lieu of a surcharge the utility would be allowed to record a regulatory asset of \$8.5 million and defer recovery until the next rate case. A portion of the regulatory asset was to be allocated to each of the utility systems and amortized for up to 30 years. As a part of the offer of settlement, FWSC agreed not to file for a rate increase for a period of three years, until June 30, 2002, excluding price indexes and pass through rate adjustments. Under the terms of the settlement agreement, once the agreement became final agency action, the principles of administrative finality would apply.

¹ Established rate base and increased rates and charges pursuant to Order No. PSC-96-1320-FOF-WS, issued October 30, 1996, in Docket No. 950495-WS, In Re: Application for rate increase and increase in service availability charges by Southern States Utilities, Inc. for Orange-Osceola Utilities, Inc. in Osceola County, and in Bradford, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Highlands, Lake, Lee, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia, and Washington Counties.

Date: November 17, 2005

FWSC subsequently acquired several other utility systems in Polk, Orange, and Volusia counties. FWSC's Gibsonia Estates, Lake Gibson Estates, and Orange Hill/Sugar Creek water and wastewater systems became jurisdictional on May 14, 1996, when Polk County rescinded jurisdiction to the Commission.² FWSC acquired the Tangerine water system in Orange County³ and the Tomoka water system in Volusia County⁴ by transfer applications in the year 2000.

In 2002, FWSC attempted to sell all of its systems to Florida Water Services Authority (FWSA) without obtaining prior Commission approval or making the sale contingent upon the approval of the Commission, based on their assumption that FWSA was exempt as a governmental authority pursuant to 367.022(2) F.S. The Commission ordered FWSC to file an application for approval of the proposed transfer of its assets as mandated by Section 367.071(1), Florida Statutes, and Rule 25-30.037(2), Florida Administrative Code. FWSC filed its Application for Acknowledgment of Sale of Facilities to FWSA on February 7, 2003. However, when it became evident that FWSC intended to go forward with the sale, with or without the Commission's approval, the Commission filed an injunction with the Second Judicial Circuit Court to prohibit the sale. The Circuit Court granted the injunction, and ordered that the injunction remain in effect until further order of the Court (Case No. 03 CA 0358). FWSC filed an appeal of the Commission's Order with the First District Court of Appeal. On March 10, 2003, FWSC terminated its purchase agreement with FWSA, and on May 15, 2003, filed a Notice of Cancellation of the contract with the Commission for the sale of the utilities to FWSA.

To date, the Commission has approved or acknowledged the sale of approximately 81 of FWSC's 126 systems that were under Commission regulation to various governmental authorities.⁵ The sale of FWSC's remaining systems in Brevard, Highlands, Lake, Orange,

² FWSC was granted Certificate Nos. 587-W and 506-S by Order No. PSC-97-0376-FOF-WS, issued April 7, 1997, in Docket No. 960909-WS, In Re: Application for grandfather certificates to provide water and wastewater service in Polk County by Southern States Utilities, Inc.

³ FWSC acquisition of the Tangerine Water Company, Inc. was approved by Order No. PSC-00-1515-PAA-WS, issued August 21, 2000, in Docket No. 000333-WU, In Re: Application for transfer of water facilities in Orange County from Tangerine Water Company, Inc., holder of Certificate No. 96-W, to Florida Water Services Corporation; for amendment of Certificate No. 84-W held by Florida Water Services Corporation; for cancellation of Certificate No. 96-W; and for territory correction.

⁴ The transfer of the Tomoka water system in Volusia County to FWSC was approved by Order No. PSC-00-1659-PAA-WU, issued September 18, 2000, in Docket No. 000334-WU, In Re: Application for transfer of water facilities in Volusia County from Tomoka Water Works, Inc., holder of Certificate No. 81-W, to Florida Water Services Corporation; for amendment of Certificate No. 238-W held by Florida Water Services Corporation; and for cancellation of Certificate No. 81-W.

⁵ The following is a listing of all the systems by order that have been transferred: Order No. PSC-03-1277-FOF-WU, issued November 10, 2003, in Docket No. 030541-WU, In Re: Application for acknowledgment of transfer Clay County and Bradford County land and facilities to Clay County Utility Authority, and for cancellation of Certificate Nos. 554-W and 003-W, by Florida Water Services Corporation; Order No. PSC-03-1417-FOF-WS, issued December 16, 2003, in Docket No. 030542-WS, In Re: Application for acknowledgment of transfer Nassau County Land and facilities to Nassau County and for cancellation of Certificate Nos. 171-W and 122-S, by Florida Water Services Corporation; Order No. PSC-03-1276-FOF-WS, issued November 10, 2003, in Docket No. 030920-WS, In Re: Joint application for acknowledgment of sale of a portion of land and facilities of Florida Water Services Corporation in Volusia County to City of Deltona, and for amendment of Certificate Nos. 238-W and 182-S; Order No. PSC-03-1275-FOF-WS, issued November 10, 2003, in Docket No. 030921-WS, In Re: Joint application for acknowledgment of sale of a portion of land and facilities in Osceola County to Osceola County by Florida Water Services Corporation, and for cancellation of Certificate Nos. 66-W and 289-S; Order No. PSC-04-0071-FOF-WS, issued January 26, 2004, in Docket No. 030931-WS, In Re: Joint application for acknowledgment of sale of land

Date: November 17, 2005

Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties is the subject of these dockets.

On April 20, 2004, FWSC entered into an asset purchase agreement with Aqua Utilities Florida, Inc. (Aqua or Buyer) for \$13 million. The actual closing took place on June 30, 2004, with the parties acknowledging that the sale is subject to Commission approval.

Aqua is a wholly owned subsidiary of Aqua Utilities, Inc., formerly AquaSource Utility, Inc. Aqua Utilities, Inc., a Texas corporation, is a wholly owned subsidiary of Aqua America Inc., which is a subsidiary of DQE, a Pennsylvania based energy service company. Aqua America Inc., directly or indirectly through subsidiaries, owns and operates water and wastewater systems in thirteen states. In Florida, Aqua Utilities, Inc., furnishes regulated water service in Alachua, DeSoto, Marion, Highlands, Lake, Palm Beach, Pasco, Polk and Sumter Counties and regulated wastewater service in Alachua, DeSoto, Lake, Lee, Pasco, Polk and Sumter Counties. Aqua Utilities, Inc.'s five regulated Florida subsidiaries are Arredondo Utility Company, Inc., Crystal River Utilities, Inc., Jasmine Lakes Utilities Corporation, Ocala Oaks and Aqua Utilities Florida, Inc.

On August 24, 2004, FWSC and Aqua filed a joint application for transfer of FWSC's land, facilities and certificates in Brevard, Highlands, Lake Orange, Pasco, Polk, Putnam, a portion of Seminole, Volusia, and Washington Counties. FWSC and Aqua also filed a separate application in a second docket for the Chuluota systems in Seminole County. FWSC and Aqua believed that the historical complaints regarding rates and the quality of service of the Chuluota systems might result in objections regarding the transfer. Staff is filing a combined recommendation since the few objections received were withdrawn.

This recommendation addresses the transfer of water and wastewater land, facilities, and certificates from FWSC to Aqua. The names of all the systems being transferred are listed in Attachment 1. The Commission has jurisdiction pursuant to Section 367.071, Florida Statutes.

and facilities of Florida Water Services Corporation to Charlotte County; and for cancellation of Certificate Nos. 570-W and 496-S in Charlotte County, and Certificate Nos. 306-W and 255-S in Charlotte and Lee Counties; Order No. PSC-03-1284-FOF-WS, issued November 10, 2003, in Docket No. 030932-WS, In Re: Joint application for acknowledgment of sale of land and facilities of Florida Water Services Corporation in Lee County to Florida Governmental Utility Authority, and for cancellation of Certificate Nos. 306-W and 255-S; Order No. PSC-03-1340-FOF-WS, issued November 24, 2003, in Docket No. 030966-WS, In Re: Application for acknowledgment of transfer of land and facilities of Florida Water Services Corporation in Marion and Sumter Counties to Marion County, and for cancellation of Certificate Nos. 373-W and 322-S; Order No. PSC-03-1341-FOF-WS, issued November 24, 2003, in Docket No. 030967-WS, In Re: Application for acknowledgment of transfer of land and facilities of Florida Water Services Corporation to Martin County, and for cancellation of Certificate Nos. 368-W and 319-S in Martin County; Order No. PSC-03-1441-FOF-WS, issued December 22, 2003, in Docket No. 030976-WS, In Re: Joint application for acknowledgment of transfer of land and facilities of Florida Water Services Corporation in Duval and St. Johns Counties to JEA, and for cancellation of Certificate Nos. 177-W, 562-W and 124-S; Order No. PSC-04-0073-FOF-WS, issued January 26, 2004, in Docket No. 031071-WS, In Re: Application for acknowledgment of transfer of a portion of Florida Water Services Corporation's land and facilities in Lake County to City of Groveland, and for amendment of Certificate Nos. 106-W and 120-S; Order No. PSC-04-0949-FOF-WS, issued September 28, 2004, in Docket No. 040730-WS, In Re: Application for transfer of portion of water and wastewater facilities to Seminole County, and for amendment of Certificate Nos. 279-W and 226-S, by Florida Water Services Corporation.

Discussion of Issues

Issue 1: Should FWSC be ordered to show cause in writing within 21 days why it should not be fined for an apparent violation of Section 367.045, Florida Statutes?

Recommendation: No. FWSC should not be ordered to show cause. Friendly Center, Palms Mobile Home Park, and Park Manor should be included in the territory granted to FWSC. The utility should file revised tariff pages within thirty days of the Commission Order in this docket to reflect the territory descriptions in the name of FWSC so that the proper transition of the current FWSC tariffs can be made to Aqua. Additionally, the new tariff filed by Aqua should include tariff pages with territory descriptions of these three systems. (Walden, Brubaker)

Staff Analysis: Friendly Center and Palms Mobile Home Park (Palms) water systems in Lake County, and Park Manor wastewater system in Putnam County are small systems that were acquired years ago by Southern States Utilities, but never included in Southern States' or FWSC's authorized service territory. The certificate errors were discovered as a result of the staff review in this docket, to ensure that the systems and certificated territories FWSC is proposing to transfer were described accurately. Staff found that these three systems were never recognized in Commission Orders as being granted to the utility.

In the case of the Park Manor system, the Commission approved the transfer of the water system to the utility, but the wastewater system was not addressed. It appears that this was an oversight on the part of staff, since the cover letter in Docket 840395-WU,⁶ the application for amendment of certificate in 1984, spoke to both the water and wastewater systems and referenced two filing fees, although the Order approving the transfer only referred to the water system. Neither staff nor the utility caught this error in 1984. Water and wastewater tariffs containing the same territory descriptions were filed and approved. The tariff page for the Park Manor wastewater territory referred to the water system Order.

For the two systems in Lake County, Friendly Center and Palms, staff can find no record of applications to acquire these systems by the utility. The systems were both acquired in 1977, when Friendly Center had about 10 customers and Palms had about 50 customers.

A review of Commission records in Docket No. 770897-WS, In re: Application of Southern States Utilities, Inc., for increase in rates for water and sewer service in Lake, Osceola and Seminole Counties, shows a list of systems and dates of acquisition. Both Friendly Center and Palms are listed as being acquired in 1977. In Commission Order 9648, in Docket No. 800525-WS, issued November 20, 1980, In re: Application of Southern States Utilities, Inc. for approval of service availability charges, uniform meter installation and tap fees, both Friendly Center and Palms are listed along with the other Southern States' systems. Tariff pages have been filed and approved in the utility's water tariff back as far as 1980 for Friendly Center and Palms, although no Commission Order was ever cited for the granting of these territories in a certificate.

⁶ In re: Application of Southern States Utilities, Inc., for amendment of Certificate No. 76-W to include additional territory in Putnam County, Florida.

Date: November 17, 2005

All three systems have been included in several rate cases, and long been recognized by the Commission as being part of the Southern States/Florida Water group of systems. For Friendly Center and Palms, rates case dockets include Docket No. 770897-WS noted above, Docket No. 800363-WS⁷, Docket No. 920199-WS⁸, Docket No. 930880-WS⁹, and Docket No. 950495-WS¹⁰. Park Manor rate cases include Docket Nos. 920199-WS, 930880-WS, and 950495-WS, noted above.

Section 367.045(2), Florida Statutes, states that a utility may not extend its service outside the area described in its certificate of authorization until it has obtained an amended certificate of authorization from the Commission. FWSC's service of the Friendly Center, Palms Mobile Home Park, and Park Manor systems are in apparent violation of Section 367.045, Florida Statutes.

Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 per day for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated any provision of Chapter 367, Florida Statutes. In serving outside of its certificated territory without obtaining an amended certificate of authorization, the utility's act was "willful" in the sense intended by Section 367.161, Florida Statutes. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL, In Re: Investigation Into The Proper Application of Rule 25-14.003, Florida Administrative Code, Relating to Tax Savings Refund For 1988 and 1989 For GTE Florida, Inc., having found that the company had not intended to violate the rule, the Commission nevertheless found it appropriate to order the utility to show cause why it should not be fined, stating that "[i]n our view, 'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule."

Although FWSC's service of these three systems is an apparent violation of Section 367.045(2), Florida Statutes, there are circumstances which mitigate the utility's apparent violation. Failure to include the Park Manor wastewater system in Southern States Utilities' certificated area appears to have been a staff oversight in Docket No. 840395-WU. It appears that FWSC has made a diligent search of the available records regarding the acquisition of the Friendly Center and Palms Mobile Home Park systems. From those records, FWSC was able to determine the approximate dates that the systems were acquired, the names of the sellers, and the approximate size of the systems when they were acquired. FWSC also believes that at the time

⁷Docket No. 800363-WS, Request of Southern States Utilities, Inc. for approval of test year in Lake County systems of (water) Spring Lake Manor, Skycrest, Fern Terrace, Morningview, Palms Mobile Home Park, Groveland, Friendly Center, East Lake Harris, Carlton Village, Hobby Hill, Piney Woods and (sewer) Morningview.

⁸ Docket No. 920199-WS, Application for a rate increase in Brevard, Charlotte/Lee, Citrus, Clay, Duval, Highlands, Lake, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, Volusia, and Washington Counties by Southern States Utilities, Inc.

⁹Docket No. 930880-WS, Investigation in to the appropriate rate structure for Southern States Utilities, Inc., for all regulated systems in Bradford, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Hernando, Highlands, Lake, Lee/Charlotte, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia, and Washington Counties.

¹⁰ Docket No. 950495-WS, Application for rate increase and increase in service availability charges by Southern States Utilities, Inc., for Orange-Osceola Utilities, Inc., in Osceola County, and in Bradford, Brevard, Citrus, Clay, Collier, Duval, Highlands, Lake, Lee, Marion, Martin, Nassau, Orange, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia, and Washington Counties.

Date: November 17, 2005

these systems were acquired, both systems were considered exempt under the small-system exemption of Chapter 367. In any event, these systems have been served by FWSC (formerly Southern States), and have been included in the utility's territory description, dating back almost thirty years. As referenced above, these systems, and their affected customers, have been fully included in subsequent rate cases. Believing that the customers were located within its service area, FWSC has paid all the necessary regulatory assessment fees for these systems.

Staff does not believe that the apparent violation of Section 367.045, Florida Statutes, rises in these circumstances to the level which warrants the initiation of a show cause proceeding. Therefore, staff recommends that the Commission not order FWSC to show cause for failing to obtain an amended certificate of authorization prior to serving the Friendly Center, Palms Mobile Home Park, and Park Manor systems.

The utility has provided the staff with territory descriptions for each of these systems. Staff recommends that the Commission include these systems as part of the FWSC systems, and amend Certificate No. 106-W in Lake County to include the Friendly Center and Palms Mobile Home Park water systems, and Certificate No. 284-S in Putnam County to include the Park Manor wastewater system. Territory descriptions are attached to this recommendation as Attachment 2, with separate descriptions for each Friendly Center, Palms Mobile Home Park, and Park Manor.

The utility should file revised tariff pages within thirty days of the Commission Order in this docket to reflect the territory descriptions in the name of FWSC so that the proper transition of the current FWSC tariffs can be made to Aqua. Additionally, the new tariff filed by Aqua should include tariff pages with territory descriptions of these three systems.

Date: November 17, 2005

Issue 2: Should the transfer of Florida Water Service Corporation's land, facilities, and certificates in Brevard, Highlands, Lake, Orange, Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties to Aqua Utilities Florida, Inc. (Aqua) be approved?

Recommendation: Yes. The transfer of FWSC's land, facilities, and certificates in Brevard, Highlands, Lake, Orange, Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties to Aqua is in the public interest and should be approved. The transfer should be effective on the day of the Commission vote. Aqua should be responsible for the annual reports and regulatory assessment fees (RAFs) for 2005 and the future. In addition, the annual report should be organized alphabetically, by system names, as described below. Attachment 3 lists the Orders granting territory to FWSC, which describes the territory subject to the transfer in these dockets. If the Commission approves Issue 1, the three systems (Friendly Center, Palms Mobile Home Park, and Park Manor) should also be transferred to Aqua. (Johnson, Brady, Clapp, Kaproth, Redemann, Rieger, Walden, Brubaker)

Staff Analysis: On August 24, 2004, FWSC and Aqua jointly filed an application to transfer FWSC's land, facilities, and certificates in Brevard, Highlands, Lake, Orange, Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties to Aqua. The closing on the transfer of the utility facilities took place on June 30, 2004, subject to approval by the Commission.

All of the filing requirements for the application were completed on October 22, 2004. The application as filed is in compliance with the governing statute, section 367.071, Florida Statutes, and other pertinent statutes and administrative rules pertaining to an application for the sale, assignment or transfer of certificates of authorization. Attachment 3 lists the Orders granting territory to FWSC which describes the territory subject to the transfer in these dockets. Additionally, if the Commission approves Issue 1, the three systems (Friendly Center, Palms Mobile Home Park, and Park Manor) should also be transferred to Aqua.

Pursuant to Rule 25-30.030, Florida Administrative Code, the application contained the requisite proof of noticing. There were three objections to the application received by the Commission. However, all of the objections have either been resolved or withdrawn. No other objections have been received and the time for filing such has expired. According to the application, guaranteed revenue contracts, developer agreements, customer advances, debts of the utility or leases pertaining to the utility operations were disposed of in the asset purchase agreement at the time of the transfer. Customer deposits, including any interest earned, accrued or due thereon, was electronically transferred to the buyer on the date of closing. The developer agreements and the related books and records were also transferred to the buyer on the date of closing. The buyer has provided copies of the recorded warranty deeds, leases, and easements in the filing as proof that it owns the land upon which the utility's facilities are located.

The application contains a statement that the buyer has performed a reasonable investigation of the utility system and found the overall condition of the water and wastewater facilities to be in satisfactory condition and in general compliance with the requirements of the Florida Department of Environmental Protection (DEP). Staff has contacted DEP and verified that there are no outstanding notices of violation.

Date: November 17, 2005

According to the application, the transfer is in the public interest because the FWSC customers will continue to receive the same quality service to which they are accustomed. With regard to the buyer's technical ability, Aqua is a wholly owned subsidiary of Aqua Utilities, Inc., which is a wholly owned subsidiary of Aqua America, the largest publicly traded water and wastewater utility based in the United States. According to the application, at the present time, Aqua America provides safe and reliable water and wastewater service to approximately 800,000 customers in thirteen states. Aqua and its affiliates currently own and operate 14 systems in Florida that provide service to approximately 5,828 water customers and 2,724 wastewater customers. The application states that the FWSC systems will be owned by an experienced company and industry leader. The utility is staffed with trained and licensed personnel. According to the application, Aqua is committed to providing its customers with the highest quality of water and wastewater service.

With regard to the buyer's financial ability, a statement was provided that Aqua has the financial ability to ensure consistent compliance with DEP regulations. Aqua Utilities, Inc., has the capability to provide investment capital at reasonable rates to Aqua. The customers will receive the benefit of centralized management, accounting, billing, and data processing functions, resulting in economies of scale that would be extended to the customers. Additionally, the application contains a statement that the buyer will provide funding to the utility as needed and fulfill the commitments, obligations, and representations of the sellers with regard to utility matters.

FWSC and Aqua have no outstanding regulatory assessment fees, and no fines or refunds are owed. FWSC paid the 2004 RAFs for January 1, 2004, through June 30, 2004. Aqua paid the 2004 RAFs for July 1, through December 31, 2004, and the 2005 RAFS for January 1, 2005, through June 30, 2005. FWSC and Aqua have no outstanding penalties and interest. FWSC filed the 2004 annual report for January 1, 2004, through June 30, 2004, and Aqua filed the 2004 annual report for July 1, 2004, through December 31, 2004. For efficiency purposes in locating information in the annual report, the utility should organize the water and wastewater system information alphabetically. (See Attachment 1)

Based on the above, staff recommends that the transfer of FWSC's land, facilities, and certificates in Brevard, Highlands, Lake Orange, Pasco, Polk, Putnam, Seminole, Volusia, and Washington Counties to Aqua is in the public interest and should be approved. The transfer should be effective on the day of the Commission vote. Aqua should be responsible for the annual reports and RAFs for 2005 and the future. In addition, the annual report should be organized alphabetically, by system names, as described above. The territory being transferred is found on Attachment 3, a listing of orders granting territory to FWSC. If the Commission approves Issue 1, the three systems (Friendly Center, Palms Mobile Home Park, and Park Manor) should also be transferred to Aqua. (See Attachment 2)

Issue 3: Should the remaining portion of Florida Water Services Corporation's regulatory asset be transferred to Aqua Utilities Florida, Inc.?

Recommendation: Staff recommends that the portion of FWSC's regulatory asset related to the systems sold to Aqua, \$489,535 and \$174,657 for water and wastewater, respectively, should be included in the assets transferred to Aqua. Staff also recommends that the regulatory asset should be amortized over 10 years beginning on January 1, 2007. (Clapp, Willis, Brubaker)

Staff Analysis: FWSC was granted a regulatory asset of \$8.5 million as part of the Modified Offer of Settlement approved by Order No. PSC-99-1794-FOF-WS (settlement order). The settlement was offered subsequent to an appeal of Order No. PSC-96-1320-FOF-WS, in which the First District Court of Appeal affirmed the capband rate structure, reversed the used and useful adjustment for reuse, reversed the equity adjustment, and reversed errors regarding canceling prior approved allowance for funds prudently invested (AFPI) and the use of annual average daily flows (AADF) in the numerator of the used and useful equation, and remanded AADF and the use of lot count method in determining used and useful percentages.

In Order No. PSC-99-1794-FOF-WS, the Commission approved the regulatory asset to avoid customer surcharges, and to allow the utility to recover revenues associated with the Commission adjustments that were reversed and remanded by the DCA. The Order included a provision requiring that the utility not file a rate case prior to June 28, 2002. Also, no amortization of the regulatory asset would occur until the utility's next rate case, and amortization would then be established for a period of up to 30 years.

The regulatory asset was to be allocated among the 150 systems owned by the utility at the time based on the proportion of equivalent residential connections (ERCs) as of December 31, 1996. The order specified that if a system is sold or if a county rescinds Commission jurisdiction, then the portion of the regulatory asset associated with the system sold or those systems in the non-jurisdictional county or counties would remain with that system or systems.

The majority of the systems were subsequently sold. Schedule 1 shows the remaining systems and the portion of the regulatory asset allocated to each system. FWSC takes the position that the remaining regulatory asset, \$664,192 should be included in the rate base transferred to Aqua. OPC takes the position that the regulatory asset should not be transferred to Aqua.

FWSC's Position. FWSC takes the position that in approving FWSC's Modified Offer of Settlement by Order No. PSC-99-1794-FOF-WS, the Commission has previously ruled on this issue. The Commission approved the settlement offer in lieu of imposing surcharges. According to the Order, "If a system is sold ... then the portion of the regulatory asset associated with the system sold or those systems in the non-jurisdictional county or counties shall remain with that system or systems."

OPC's Position. OPC takes the position that the regulatory asset should not be transferred to Aqua to be recovered in future rate cases filed by Aqua. OPC believes the Order only contemplates recovery of this regulatory asset by FWSC, not by any potential purchaser of the individual systems. OPC's position is that the Commission allocated the regulatory asset among

Date: November 17, 2005

the systems to protect the remaining customers of unsold FWSC systems from bearing the costs of the amortization of the regulatory asset associated with the sold systems. Order No. PSC-99-1794-FOF-WS does not contemplate or authorize the buyers of FWSC systems to recover surcharge revenues forgone by FWSC in the last rate case. The Order was silent on what action would be taken if all assets of FWSC were sold.

OPC agrees that the order states that when a system is sold the regulatory asset goes with that system. However, OPC contends that when the settlement was proposed, the Commission was not faced with the sale of all the FWSC assets. Regardless, allowing a new owner to recover the lost profits of a prior owner is bad public policy. There are many items which belong to a particular system being sold that do not transfer to the new owner. One particular example is the prior owner's equity in the assets. The level of equity and debt financing to be reflected on the ongoing utility's books will be based on the buyer's management decisions. Other examples of assets that do not transfer include an acquisition adjustment from the prior owner's purchase of the assets or deferred income taxes relative to the held assets (for example Financial Accounting Standard Board (FASB) 142, Goodwill.) In addition, the purchase agreement contained no specific mention of this intangible asset. If recovery of this asset were important to the buyer, then OPC believes that this asset would have been specifically identified in the purchase agreement.

Further, OPC believes that continuing the accrual of this regulatory asset without any amortization violates generally accepted accounting principles (GAAP). It has been over six years since the Commission approved the regulatory asset and amortization has not begun because FWSC has not filed a subsequent rate case. Such an indefinite time frame for recovery does not meet the requirements of FASB 71, that revenue recognition in rates is probable. FASB 71 also states that non-amortized regulatory assets have to be measured each year for impairment. If the asset is deemed impaired it has to be written off in the year the impairment is determined. OPC believes that this asset became impaired several years ago and should have already been written off by FWSC to be in compliance with GAAP. OPC does not believe that Order No. PSC-99-1794-FOF-WS contemplates violation of any accounting principles. Regardless, Aqua should not purchase an asset with some indefinite time frame for inclusion in rates that OPC believes is impaired. Therefore, OPC believes that the regulatory asset should be removed from rate base for each of the systems purchased by Aqua.

Analysis. Order No. PSC-99-1794-FOF-WS ended many years of litigation associated with the last FWSC rate case docket. In fact, it was estimated in the Order that if remand hearings went forward and a subsequent appeal were filed, the surcharge being considered at that time could grow to approximately \$13.5 million through August 1, 2001. The Commission further noted the broader ramifications of the Modified Offer of Settlement, which included FWSC's proposal to accept only about half of the revenues to which it could potentially be entitled if the record were reopened and FWSC's agreement to not file for a rate increase prior to June 28, 2002. The Commission found that these two provisions alone appeared to be of great benefit to all customers. Further, the Commission found that FWSC's offer to book the surcharges as a regulatory asset was fair, just, reasonable, and not unduly discriminatory.

OPC states that the settlement order only contemplates recovery of the regulatory asset by FWSC, not a system purchaser. However, this regulatory asset is a vehicle to allow a utility to recover costs incurred at a later time, a delayed rate increase. Normally, a utility would request a rate increase to recover costs incurred. The settlement establishing this regulatory asset resulted in a great savings to the FWSC customers. The Commission specifically included in the settlement order that a proportionate share of the regulatory asset would remain with a system that is sold. This share represents a possible rate increase, depending on value and amortization, for the customers of the system.

OPC is correct that the Commission Order approving the regulatory asset did not specifically contemplate FWSC transferring all of its systems. However, the Order contains language that if the settlement Order became final, then the principles of administrative finality are applicable.

Staff agrees with OPC that, consistent with FASB 142, intangible assets such as acquisition adjustments and deferred taxes should not be transferred. These are assets that the Commission has consistently found should not be included in rate base when a system is sold. However, the regulatory asset approved in Order No. PSC-99-1794-FOF-WS was divided among the 160 rate case systems with the proviso that the regulatory asset would be transferred with each system. Therefore, the Commission explicitly made an exception for this regulatory asset.

With respect to OPC's argument that FASB 71 requires that without a method of recovery, the asset is impaired and should, therefore, be written off, staff would point out FWSC was authorized to begin recovery in its next rate case using an amortization period of up to 30 years. Staff recommends a ten year period of amortization should be implemented by Aqua on January 1, 2007. This will afford Aqua an opportunity for full cost recovery of the regulatory asset. This will afford Aqua an opportunity for full cost recovery of the regulatory asset. Schedule 1 contains a breakdown of the regulatory asset among the remaining systems with an estimated billing impact per customer if amortized over 10 years.

Based upon the above staff recommends that the portion of FWSC's regulatory asset related to the systems sold to Aqua, \$489,535 and \$174,657 for water and wastewater, respectively, should be included in the assets transferred to Aqua. Staff also recommends that the regulatory asset should be amortized over 10 years beginning on January 1, 2007.

Issue 4: Should the debit balances in accumulated depreciation resulting from the unamortized losses associated with the 1999 physical inventory be included in rate base for transfer purposes?

Recommendation: No. The debit balances in accumulated depreciation should be recorded as fully amortized losses, resulting in a reduction to rate base of \$219,355 for water and \$88,819 for wastewater. (Brady)

Staff Analysis: Consistent with the recommendations of Commission staff in its management audit of FWSC's predecessor, Southern States Utilities, Inc., FWSC hired independent consultants in 1998 to conduct a company-wide inventory of utility plant in service (UPIS) as of December 31, 1997, which it called the Fixed Asset Study (study). According to FWSC, because of multiple acquisitions and the variety of systems acquired by FWSC in the years preceding the study, there was no unitized fixed asset system in place for the company as a whole. The study was intended to establish unitized continuing property records, improve internal accounting controls, and provide retirement dispersion history necessary to conform utility records to the requirements of the uniform system of accounts and Commission orders. As a result of the findings in that study, FWSC made numerous accounting entries from 1998 through 2001 to correct, reclassify, and retire assets. Since the majority of the entries were made in 1999, this activity is referred to as the 1999 physical inventory.

For retired assets, UPIS was credited and accumulated depreciation was debited, creating numerous debit balances in accumulated depreciation. Some of these debit balances were subsequently removed from accumulated depreciation, transferred to extraordinary loss Account Nos. 182.339 and 182.389, Other Plant and Miscellaneous Equipment, and amortized by FWSC. In 2003, FWSC transferred the unamortized balance in these extraordinary loss accounts to accumulated depreciation Account Nos. 108.339 and 108.389. The affect of this transfer was to create debit balances in accumulated depreciation of \$219,355 for water and \$88,819 for wastewater, with no offsetting plant.

At an informal meeting held on September 21, 2005, with representatives of FWSC, Aqua, and OPC, staff asked the parties to address the appropriate treatment of debit balances in accumulated depreciation with little or no offsetting plant which are the subject of this issue, as well as Issues 5 and 6. The following is a summary of FWSC's and OPC's comments as well as staff's analysis of the comments.

FWSC's Position. FWSC disagrees with staff isolating a few accounts with debit accumulated depreciation balances and suggesting these balances are not consistent with basic regulatory and accounting principles. FWSC does not believe the Commission should evaluate debit balances in a vacuum nor should it make one-sided accounting adjustments to eliminate a so-called depletion problem in depreciation reserve accounts. FWSC further argues that it was evaluated in its last two rate cases on a company-wide basis. Therefore, debit accumulated depreciation balances should be addressed as part of future rate proceedings on a company-wide basis when detailed property records are available. FWSC also notes that, as of December 2002, it had approximately \$216 million in accumulated depreciation reserves for all of FWSC's systems. As such, a total debit accumulated depreciation balance of \$880,000 (the amount at issue in Issues 5 and 6) is de minimus and would not have been addressed or adjusted by the Commission. Also,

since no such adjustments to individual accounts were made by the Commission in FWSC's rate cases, the utility believes no such adjustments should be made in the transfer.

With regard to the 1999 physical inventory, FWSC believes that it followed the methodology prescribed by the uniform system of accounts and standard accounting practices for retirements. It also used the depreciation rates ordered in Docket No. 950495-WS. FWSC explains that debit balances in accumulated reserve accounts arise when the actual life of plant assets is shorter than the average service lives. Since the uniform service lives are based on groups of assets, some assets will be retired earlier and some will be retired later than the average life.

FWSC also responded to staff's observation that FWSC's rates included depreciation on retired plant that may not have been in existence at the time of its last rate case. While FWSC agreed, it noted that the total amount of approximately \$24,000 per year, is de minimus. It is also substantially offset and outweighed by the fact that FWSC earned what it referred to as a meager average overall return of 1.3% from 1997 through 2003 while investing an additional \$8.6 million in plant for the systems at issue with no return on the investment or additional O&M expenses factored into rates.

FWSC concluded that the result of staff's proposed adjustments would chill any incentive for utilities to conduct inventories to true-up physical assets to books. FWSC notes that the adjustments in its 1999 physical inventory were due, in large part, to unrecorded retirement transactions prior to acquisition of the systems by FWSC and the establishment of appropriate accounting and reporting procedures. Also, FWSC believes the adjustments as a result of the physical inventory have no net effect on rate base because the retirement entries were correctly and appropriately made by a credit to plant and a debit to reserve for accumulated depreciation. As such they were equal and offsetting adjustments. Finally, FWSC is not aware of any prior Commission precedent supporting staff's proposed adjustments to eliminate debit accumulated depreciation reserves.

OPC's Position. OPC believes that, when it finalized its 1999 physical inventory, FWSC should have reviewed its books for inappropriate balances in accumulated depreciation as a result of retirement entries and investigated debit balances where no plant existed. OPC states that such debit balances are often created by retirements without original cost documentation or plant recorded in a different account from the retirement. Other times, it is the result of a retirement before the end of depreciable life or removal cost in excess of plant. Regardless, once the cause is determined, OPC believes it is the responsibility of utility management to either write off the debit balance or request Commission approval for some type of recovery mechanism consistent with Accounting Instruction 27-H. OPC believes that waiting for the next rate case, or transfer in this case, is improper. OPC also notes that, if a utility finds a class of assets retiring faster than the designated useful life, it can petition the Commission for a shorter life pursuant to Rule 25-30.140, Florida Administrative Code.

In addition, OPC believes that FWSC's argument that the utility was evaluated on a total company basis in its last rate case, does not hold merit. Instead, the final order set rate base by system, not in total. Therefore, OPC argues that FWSC suggestion that debit balances from one

system can be offset by credit balances in another system is also without merit and, absent Commission permission, in violation of NARUC and financial accounting standards, specifically FASB Statement 71.

Analysis. In general, FWSC's and OPC's comments on the treatment of normal retirements are both correct. FWSC's comments focus on Accounting Instruction 27, Paragraph B(2), of the National Association of Regulatory Commissioners (NARUC) Uniform Systems of Accounts (USOA) for Class A Water and Wastewater Utilities issued in 1996, at page 33:

If the retirement unit is of a depreciable class, the book cost of the unit retired and credited to utility plant shall be charged to the accumulated depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

OPC's comments focus Paragraph H of the USOA, at page 34:

In some instances the unexpected early retirement of a major unit of property, which would eliminate or seriously deplete the existing depreciation reserve, may require accounting treatment which differs from that described in paragraph B above. In such instances the Commission may authorize or order the loss on the retirement (less any tax savings) to be charged to income in the current year or transferred to account 186 – Miscellaneous Deferred Debits, and amortized in future periods. Such accounting treatment shall be used only when specifically authorized or directed by the Commission. (Emphasis added.)

For retirements under normal (FASB) accounting principles, plant is removed by credit and the associated accumulated depreciation reserve is removed by debit, leaving zero balances in both accounts. Under the above instructions in the USOA, plant is also reduced to zero by credit, but accumulated depreciation is debited by the original cost of the retired asset. If the retired asset was not fully depreciated, then this treatment will create a debit in accumulated depreciation in the amount of the undepreciated plant. The purpose of this treatment is to allow regulated utilities the opportunity to earn a full return on prudent investment in plant. However, until removed by depreciation, a debit in accumulated depreciation increases rate base. In cases where there is no offsetting plant against which to reduce debits in accumulated depreciation, the utility will earn a return on investment for the retired plant indefinitely. This is the reason Instruction 27-H specifies that the Commission may authorize or order that the loss on the retirement be charged to income in the current year or transferred to Account 186, Miscellaneous Deferred Debits, and amortized in future periods.

With regard to the issue of whether accumulated depreciation for FWSC should be evaluated on a company-wide basis, staff agrees with OPC. While groups of systems with similar cost were banded together when final rates were last established, each system was first analyzed on a stand-alone system basis. That is also how staff has evaluated rate base for transfer purposes. With regard to the depreciation rates ordered in Docket No. 950495-WS, the rates are consistent with the average service lives in Rule 25-30.140, Florida Administrative Code. As such, they are shared by all utilities of a size similar to FWSC. FWSC has also argued

that the \$880,000 in 2003 debit accumulated depreciation balances were too de minimus to have been considered or addressed in FWSC's previous rate proceeding and, therefore, should not now be considered. However, the total amount of debits to accumulated depreciation in Issues 4, 5 and 6 is approximately \$1,200,000, not \$880,000. Also, staff is not considering the debits in relation to the 2002 rate base when there was \$216 million in accumulated depreciation; it is considering the debits with regard to the 2004 transfer in which total rate base has been substantially reduced to \$16 million due to prior transfers to governmental entities. In addition, the debits were a result of physical inventories and interconnections subsequent to the last rate case. As such, the debit balances would not have existed for the Commission to have addressed in the last rate case.

Staff disagrees with FWSC's statement that detailed property records are only available for rate proceedings. Utilities are required by the USOA to maintain detailed continuing property records. As such, all detailed property records should have been made available by FWSC for the transfer audit. The existence of the 1999 and 2003 (see Issue 5) physical inventories should also have been disclosed at the beginning of the audit. A report on the 1999 physical inventory was not made available until the end of the audit and was not sufficiently detailed to fully address audit questions. The existence of the 2003 physical inventory was not known until after the audit was concluded.

Finally, staff is not persuaded by FWSC's arguments that adjustments to debit accumulated depreciation balances would chill incentives for utilities to conduct physical inventories to true-up physical assets to books and that the majority of the retirements were due to unrecorded transactions prior to acquisition by FWSC. Utilities have both the opportunity to petition the Commission to include an amortization expense on retirements (deferred debits) in rates,¹¹ as well as the responsibility to conduct adequate due diligence prior to acquisitions, maintain detailed continuing property records, and correctly record retirements on a timely basis. Also, as OPC noted, the utility can petition the Commission for a shorter depreciation life pursuant to Rule 25-30.140, Florida Administrative Code, if it finds a class of assets retiring faster than the designated useful life.

While staff was provided a copy of the journal entries and general ledger detail for the 1999 physical inventory, FWSC was unable to provide the complete fixed asset study in support of the retirements. In addition, FWSC did not address the reason it transferred the unamortized balance, which had been previously written off to extraordinary loss accounts (182.339 and 182.389), back to accumulated depreciation in 2003. The only comment offered about this transaction is found in Footnote 2 to FWSC's May 23, 2005, response to the audit which states:

The audit report does note that some original entries made to the Extraordinary Abandonment account were erroneous. These entries were ultimately corrected by Florida Water in 2003 after they were brought to the Company's attention as a

¹¹ Staff would note that FWSC would have needed a rate proceeding to recover any amortization expense for prudent losses in the 1999 physical inventory. Staff would also note that the settlement in Docket No. 950495-WS prevented FWSC from filing for another rate proceeding until June of 2002. By that time, FWSC had announced its intention to sell its assets.

Date: November 17, 2005

result of comments from Florida Water's external auditors. Florida Water agreed with the comments and the corrections were appropriately made and did not have any net impact upon rate base.

Use of Account 182, Extraordinary Property Losses, requires Commission approval that an extraordinary loss has occurred and, if so, a determination as to the appropriate amount of the loss to be included in rate base. The Commission only makes such determinations when establishing rate base, as is the case in this proceeding. The 1996 NARUC USOA for Class A Water and Wastewater Utilities specifies on Page 75 what is to be included in Account No. 182, when its use is authorized or directed by the Commission, and how it is to be treated:

When authorized or directed by the Commission, this account shall include extraordinary losses, net of income taxes, on property abandoned or otherwise retired from service which are not provided for by accumulated depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated depreciation. If all, or a portion, of the loss is to be included in this account, accumulated depreciation shall then be credited and this account charge with the amount properly chargeable hereto. (Emphasis added.)

Staff believes that FWSC was attempting to follow the USOA in 1999 when it transferred debit balances in accumulated depreciation to a loss account and began amortization. Although FWSC should have petitioned the Commission for appropriate treatment at the time of the loss, staff recommends that the Commission make a determination in this docket as to the appropriate balance to be transferred to Aqua. Specifically, the Commission should determine whether to leave the unamortized balance in accumulated depreciation or reclassify it as a loss. If a loss is recorded, then a determination should be made as to the amount to be amortized.

As noted, the FWSC 2003 transfer from extraordinary loss accounts (182.339 and 182.389) to accumulated depreciation accounts (108.339 and 108.389) created a net debit balance in accumulated depreciation of \$219,174 for water and \$88,819 for wastewater, with no offsetting plant. Since this is precisely the situation which the accounting instruction seeks to avoid, and for which the loss was originally recorded, staff recommends the debit balance in accumulated depreciation be reclassified as a loss and amortized. The Commission has previously determined that the amortization period begins at the time the asset is retired.¹² Staff estimated the original loss, recalculated the amortization period pursuant to Rule 25-30.344(9), Florida Administrative Code, and determined that the loss would have been fully amortized as of June 30, 2004.¹³ Therefore, there is no remaining loss to be included in rate base for transfer purposes.

¹² Order No. 20606, issued January 17, 1989, in Docket No. 870980-WS, In Re: Application of St. Augustine Shores Utility Company, a Division of United Florida Utilities Corporation, for a Rate Increase in St. Johns County.

¹³ As previously noted, the 1999 physical inventory retired assets not in existence as of December 31, 1997.

Docket No. 040951-WS and Docket No. 040952-WS
Date: November 17, 2005

Based upon the above, staff recommends that the debit balances in accumulated depreciation resulting from the unamortized losses associated with the 1999 physical inventory be recorded as a fully amortized, resulting in a reduction to rate base of \$219,355 for water and \$88,819 for wastewater. See Adjustment 18 in Schedule 3.

Date: November 17, 2005

Issue 5: Should the retirements from the 2003 physical inventory be included in rate base for transfer purposes?

Recommendation: No. The \$218,238 in retirements as a result of the 2003 physical inventory should be removed from rate base for transfer purposes as assets not transferred to Aqua. (Brady)

Staff Analysis: Subsequent to the informal meeting with parties on September 21, 2005, staff discovered that FWSC had conducted a physical inventory in 2003 prior to the beginning of the sale of its systems in December of 2003. As a result of this inventory, FWSC booked \$364,500 in retirements by a credit to UPIS and a debit to accumulated depreciation. This left a number of accounts in accumulated depreciation with debit balances and little or no offsetting plant. If this issue was just the matter of debit accumulated depreciation balances created by normal retirements which eliminate or seriously deplete existing depreciation reserves, staff would recommend that the debit balances be removed from rate base by transfer to a miscellaneous deferred debit account. Aqua could then request that an amortization expense be included in a future rate proceeding. Instead, it appears that a majority of the retirements may be assets not included in the sale to Aqua and, as such, should be removed from rate base.

As discussed in detail in Issue 4, FWSC had conducted an extensive, company-wide physical inventory in 1999 to reconcile plant in service to books and to develop a continuing property record. The last entries as a result of the inventory were entered in 2001. As such, staff believes there would be no need for another physical inventory in 2003 other than to provide an inventory to fulfill the due diligence requirement in anticipation of the sale.. Staff would note that there may have been a limited number of normal retirements coincidentally occurring in the same period as the 2003 physical inventory. However, when staff advised the utility that it believed the 2003 physical inventory related to assets not intended to be transferred, the utility did not provide a response.

The focus of a transfer audit is to determine the net book value of the assets sold. Assets not sold by FWSC were removed from rate base by a credit to plant for the full amount of plant and a debit to accumulated depreciation in the amount of any existing depreciation plant leaving zero balances in both accounts. By treating the 2003 physical inventory as normal retirements, FWSC created a debit to accumulated depreciation in the amount of any undepreciated plant, which it proposes to transfer to Aqua. Staff recommends that this amount be removed from rate base by the following methodology.

For the 2003 physical inventory retirements which left zero plant balances, staff recommends removing the remaining debit balances in accumulated depreciation, leaving zero accumulated depreciation balances. See Adjustment Nos. 26 and 27 on Schedule 3. For the 2003 physical inventory retirements which had plant remaining in the UPIS accounts, staff first determined how much each affected account had been depreciated as of January 1, 2003. The undepreciated percentage was then applied to the retired assets and the resulting amount removed by credit. See Adjustment No. 28 on Schedule 3. The total amount of staff's recommended credits to accumulated depreciation in Adjustments 26, 27, and 28 is \$218,238.

Docket No. 040951-WS and Docket No. 040952-WS
Date: November 17, 2005

Based upon the above, staff recommends that \$218,238 in retirements as a result of the 2003 physical inventory be removed from rate base for transfer purposes as assets not transferred to Aqua. See Adjustment 26, 27 and 28 on Schedule 3.

Date: November 17, 2005

Issue 6: Should the property losses associated with the abandonments of the Lake Gibson Estates, Zephyr Shores, and Beecher's Point wastewater plants, the St. Johns Highlands water plant, and the disconnection of the Lake Gibson Estates wastewater septic tanks be included as extraordinary property losses in rate base for transfer purposes?

Recommendation: Yes, an extraordinary property loss of \$-0-, \$-0-, and \$41,094, respectively, for the Lake Gibson Estates, Zephyr Shores, and Beecher's Point wastewater plant abandonments, \$11,503 for the St. Johns Highlands water plant abandonment, and \$159,005 for the Lake Gibson Estates wastewater septic tank disconnections, should be included in rate base for transfer purposes. (Brady)

Staff Analysis: The Lake Gibson Estates and Zephyr Shores wastewater interconnections occurred in 2001. The Beecher's Point wastewater interconnection and the St. Johns Highlands water interconnection occurred in 2003, along with an additional loss related to the Lake Gibson Estates wastewater interconnection. Since FWSC booked these losses differently, staff's analysis first addresses the 2001 interconnections and then the 2003 interconnections.

2001 Interconnections. In 2001, FWSC recorded a loss for the dismantlements of the Lake Gibson Estates and Zephyr Shores wastewater plants in Account 182, Extraordinary Property Losses. The dismantlements were the result of interconnections to county facilities. FWSC credited UPIS and debited accumulated depreciation for the cost of the retired plant and removal, but did not record any salvage. The accumulated depreciation accounts that had resulting debit balances were, for the most part, charged to Account 182 and amortized on an 18-year basis. The NARUC USOA accounting instructions for the use of Account 182 are as follows:

When authorized or directed by the Commission, this account shall include extraordinary losses, net of income taxes, on property abandoned or otherwise retired from service which are not provided for by accumulated depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated depreciation. If all, or a portion, of the loss is to be included in this account, accumulated depreciation shall then be credited and this account charged with the amount properly chargeable hereto.

As noted in Issue 4, the Commission only authorizes or directs the use of this account when considering rate base, as is the case in this proceeding. Clearly Account 182 was intended for booking prudent, extraordinary losses due to forced abandonments, such as interconnections. Since there will be no further plant added after the interconnection, the debit to accumulated depreciation created by the retirement will never be reduced by offsetting plant. As such, the utility will earn a return on its investment in the abandoned plant indefinitely. Therefore, the above accounting instruction provides for the removal of the debit to accumulated depreciation by a credit to a loss account.

Date: November 17, 2005

Based upon discussions with DEP, staff believes that these two abandonments were necessary and prudent. The facilities were at, or near, capacity and unable to expand due to effluent disposal permitting issues. As such, staff recommends that a loss in Account 182 should be included in rate base for transfer purposes by a credit to accumulated depreciation. The loss should be net of salvage value, amortization, and any loss FWSC may have claimed for income tax purposes.

Staff's calculation of the loss at the time of the transfer is shown below. The amortization period is established pursuant to Rule 25-30.433(9), Florida Administrative Code. With regard to the tax loss, staff has assumed that FWSC was writing off the net retirement over a five-year period. Because the interconnection and resulting plant abandonments occurred in 2001, staff assumed 2.5 years of amortization and tax loss. The resulting adjustments to rate base for Zephyr Shores and Lake Gibson Estate are shown as Adjustment 22, on Schedule 3.

	Lake Gibson Estates	Zephyr Shores
Plant	\$ 518,055	\$ 87,673
Acc. Dep.	<u>(241,542)</u>	<u>37,421</u>
Net Retirement	276,513	125,094
Cost of Removal	102,852	51,150
Salvage Value	(103,111)	(72,933)
2.5 year Tax Loss	(138,257)	(62,547)
2.5 year Amortization	<u>(138,285)</u>	<u>(44,343)</u>
Net Loss as of 06/30/2004	<u>- 0 -</u>	<u>- 0 -</u>
Depreciation Expense	27,829	5,303
ROI (9.94 * Net Retirement)	<u>27,485</u>	<u>12,434</u>
Annual Amortization	55,314	17,737

2003 Interconnections. In 2003, FWSC recorded the dismantlement of the Beecher's Point wastewater plant and the St. Johns Highlands water plant. The dismantlements were due to Beecher's Point interconnection to the Town of Welaka and St. Johns Highlands interconnection to Hermits Cove. In 2003, FWSC also recorded the disconnection of septic tanks and drainfield for Lake Gibson Estates wastewater system. The septic tanks, which FWSC had installed the previous year, were an additional loss related to the earlier 2001 interconnection. The Lake Gibson Estates wastewater system was under an effluent moratorium at the time of the interconnection. To meet customer obligations until all lines were accepted by the county, FWSC obtained a temporary permit to install septic tanks. The septic tanks had to be disconnected when the lines were connected to the county's system.

The total amount of \$515,064 in abandoned 2003 plant was booked as normal retirements by credit to UPIS and debit to accumulated depreciation. At the September 21, 2005, meeting of

Date: November 17, 2005

parties, staff indicated its intention to recommend that the 2003 interconnections be treated as extraordinary abandonments instead of normal retirements. The effect would be to remove the debits to accumulated depreciation with no offsetting plant but allow the utility to recover an amortization expense on the loss in a rate proceeding. The comments by the parties, which are summarized in Issue 4, did not specifically address whether the 2003 abandonments should be treated as normal retirements or extraordinary losses.

As explained in Issue 4, in instances where the early retirement of a major unit of property would eliminate or seriously deplete the existing depreciation reserve, the Commission may authorize or order the loss on the retirement (less any tax savings) to be charged to income in the current year or transferred to account 186, Miscellaneous Deferred Debits, and amortized in future years. However, when the early retirement is the result of a forced retirement, the Commission may authorize or direct the use of Account 182, Extraordinary Property Losses.

Consistent with its recommendation on the 2001 interconnections, above, and based upon additional discussions with DEP, staff believes that the 2003 abandonments were necessary and prudent. The systems were at or near capacity and it was more cost-effective to interconnect than to attempt to expand. And, as noted above, the septic tanks at Lake Gibson Estates were installed under a temporary permit. Because these losses were prudent, staff recommends that a loss in Account 182 should be included in rate base for transfer purposes by a credit to accumulated depreciation. Staff has determined that there would have been little or no salvage for the 2003 interconnections. Therefore, the loss should be net amortization and any loss FWSC may have claimed for income tax purposes. In addition, staff recommends that the amortization period for the account be recalculated pursuant to Rule 25-30.433(9), Florida Administrative Code.

The resulting adjustments to rate base for Beecher's Point, Lake Gibson Estates, and St. Johns Highlands are shown as Adjustment 22, on Schedule 3.

	Beecher's Point	Lake Gibson Estates	St. Johns Highlands
Plant	\$ 124,255	\$ 351,760	\$ 39,098
Acc. Dep.	<u>(37,958)</u>	<u>(9,878)</u>	<u>(14,494)</u>
Net Retirement	86,297	341,882	24,604
1.5 year Amortization	(19,314)	(80,312)	(5,720)
1.5 year Tax Loss	<u>(25,889)</u>	<u>(102,565)</u>	<u>(7,381)</u>
Net Loss as of 06/30/2004	<u>41,094</u>	<u>159,005</u>	<u>11,503</u>
Depreciation Expense	4,298	19,558	1,367
ROI (9.94 * Net Retirement)	<u>8,578</u>	<u>33,983</u>	<u>2,446</u>
Annual Amortization	12,876	53,541	3,813

Based upon the above, staff recommends a net extraordinary property loss of \$-0-, \$-0-, and \$41,094, respectively, for the Lake Gibson Estates, Zephyr Shores, and Beecher's Point wastewater interconnections, \$11,503 for the St. Johns Highlands water interconnection, and

Docket No. 040951-WS and Docket No. 040952-WS

Date: November 17, 2005

\$159,005 for the Lake Gibson Estates wastewater septic tank disconnections, be included in rate base for transfer purposes.

Date: November 17, 2005

Issue 7: What is the rate base of the Florida Water Services Corporation at the time of transfer?

Recommendation: The staff recommended rate base for transfer purposes is \$9,847,462 and \$5,894,452 for water and wastewater, respectively, as of June 30, 2004. Aqua should be required to provide a statement within 60 days of the date of the order that it has set up its books and records using the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) and that adjustments to rate base have been made to reflect the approved balances as of June 30, 2004. (Clapp, Brady, Johnson)

Staff Analysis: FWSC submitted a proposed book value of \$17,798,043 for the combined value of the systems to be transferred to Aqua. Rate base was last set for most of FWSC as of December 31, 1996.¹⁴ Polk County became jurisdictional in 1997 and Gibsonia Estates, Lake Gibson Estates, and Orange Hill/Sugar Creek subsequently received grandfather certificates.¹⁵ FWSC acquired two additional systems in 2000, Tangerine and Tomoka.¹⁶ As discussed in Issue 4, FWSC had a Fixed Asset Study performed in 1998 based upon plant as of December 31, 1997. Many adjusting entries, which resulted in reducing plant, land, and depreciation, were posted primarily in 1999. FWSC was unable to provide detailed information regarding the findings of the original cost study. General agreement was reached with representatives of FWSC, Aqua, Office of the Public Counsel, and staff regarding the proposed adjustments and balances with the exception of regulatory assets (Issue 3), Physical Inventory (Issues 4 and 5), and extraordinary abandonments (Issue 6).

The actual transfer of FWSC's assets to Aqua occurred on June 30, 2004. Therefore, staff recommends that rate base be established for transfer purposes as of June 30, 2004. Schedule 2 contains detailed recommended rate base schedules and detailed plant and depreciation balances by subaccount for each system transferred through this docket as of June 30, 2004. Schedule 3 contains the detail of staff's adjustments recommended for each transferred system.

Books and Records. Pursuant to Rule 25-30.115(1), Florida Administrative Code, all water and wastewater utilities are to maintain their accounts and records in conformity with the NARUC USOA. Staff recommends that Aqua should be required to provide a statement, within 60 days of the Commission's order becoming final, that it has set up its books and records using

¹⁴ Order No. PSC-96-1320-FOF-WS, issued October 30, 1996, in Docket No. 950495-WS, In re: Application for rate increase and increase in service availability charges by Southern States Utilities, Inc. for Orange-Osceola Utilities, Inc. in Osceola County, and in Bradford, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Highlands, Lake, Lee, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia, and Washington Counties.

¹⁵ Order No. PSC-97-0376-FOF-WS, issued April 7, 1997, in Docket No. 960909-WS, In re: Application for grandfather certificates to provide water and wastewater service in Polk County by Southern States Utilities, Inc.

¹⁶ Order No. PSC-00-1515-PAA-WU, issued August 21, 2000, in Docket No. 000333-WU, In re: Application for transfer of water facilities in Orange County from Tangerine Water Company, Inc., holder of Certificate No. 96-W, to Florida Water Services Corporation; for amendment of Certificate No. 84-W held by Florida Water Services Corporation; for cancellation of Certificate No. 96-W; and for territory correction.

Order No. PSC-00-1659-PAA-WU, issued September 18, 2000, in Docket No. 000334-WU, In re: Application for transfer of water facilities in Volusia County from Tomoka Water Works, Inc., holder of Certificate No. 81-W to Florida Water Services Corporation, for amendment of Certificate No. 238-W held by Florida Water Services Corporation, and for cancellation of Certificate No. 81-W.

Date: November 17, 2005

the NARUC USOA and that the adjustments to rate base have been made to reflect the approved balances as of June 30, 2004.

Utility-Plant-in-Service (UPIS). The UPIS balances per FWSC's general ledgers as of June 30, 2004, are \$15,681,984, \$10,638,986, and \$130,581 for water, wastewater, and general plant, respectively. Staff reviewed invoices, general ledger entries and other documents to support plant additions and retirements from December 31, 1996, through June 30, 2004. Staff recommends that adjustments be made for new, retired, and incorrectly booked UPIS of \$15,323, \$(248,123), and \$(130,581) for water, wastewater, and general plant, respectively, for a total adjustment of \$(363,381). These adjustments were included in the staff audit and neither FWSC nor OPC provided comments regarding the adjustments. Therefore, staff recommends that UPIS balances of \$15,697,307, \$10,390,863, and \$0 for water, wastewater, and general plant, respectively, should be approved as of June 30, 2004. (See Adj. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 12, 14, 15, 24, 25, 33)

Land. FWSC's balances for land as of June 30, 2004, are \$232,399 and \$861,777 for water, and wastewater, respectively. Staff found errors in FWSC's system general ledgers that incorrectly reported land values as approved in the previous rate case and transfer dockets and incorrectly reported the value of new land purchased. In addition, by letter of September 20, 2005, FWSC and Aqua disclosed that a settlement had been reached regarding a disputed land issue which resulted in land valued at \$4,865 being transferred to the plaintiff. Staff therefore recommends a reduction to the Chuluota wastewater land value of \$4,865. Therefore, staff recommends total adjustments to land of \$(14,171) and \$(25,477), for water and wastewater, respectively for balances of \$218,228 and \$836,300, as of June 30, 2004. (See Adj. Nos. 9, 10, 14, 21, 29, 33, 35)

Construction Work in Progress (CWIP). FWSC's general ledger had CWIP balances as of June 30, 2004, of \$235,371 and \$428,341, for water and wastewater, respectively. A review of FWSC's supporting documentation revealed unsubstantiated CWIP, incorrectly recorded CWIP, and CWIP that was closed prior to the transfer. As a result, staff recommends that CWIP balances be decreased by \$17,922 and \$108,154 for water and wastewater, respectively, resulting in balances as of June 30, 2004, of \$217,449 and \$320,187 for water and wastewater, respectively. (See Adj. Nos. 12, 32, 37)

Plant Held for Future Use (PHFU). FWSC's balances for PHFU are only found in the Sunny Hills water and wastewater systems. The PHFU was not transferred to Aqua, therefore, the balances of \$12,938 and \$5,442 for water and wastewater should be removed. Staff recommends adjustments of \$(12,938) and \$(5,442) for water and wastewater, respectively, leaving zero PHFU balances for these two systems as of June 30, 2004. (See Adj. No. 31)

Accumulated Depreciation. According to FWSC's general ledger, the accumulated depreciation balances as of June 30, 2004, are \$(4,028,668), \$(3,266,496) and \$(51,331) for water, wastewater and general plant, respectively. The accumulated depreciation balances did not account for all retired assets, for additional plant, for plant which was previously retired but debited back to the miscellaneous depreciation accounts, and for plant not transferred. Staff recommends that the utility's accumulated depreciation be increased by \$422,063, \$575,830 for water and wastewater, respectively, and be decreased by \$51,331 for general plant. The

resulting balances as of June 30, 2004, should be \$4,450,731, \$3,842,326, and \$0 for water, wastewater, and general plant, respectively. (See Adj. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 14, 15, 16, 17, 18, 21, 22, 24, 25, 26, 28, 36, 40)

Contributions-In-Aid-of-Construction (CIAC). FWSC's CIAC balances as of June 30, 2004, are \$3,383,230 and \$3,221,633 for water and wastewater, respectively. Staff found that the Tomoka CIAC transfer balance was not posted to FWSC's general ledger subsequent to the order in Docket No. 000334-WU approving the transfer. As will be discussed in Issue 10, staff recommends that CIAC be increased to reflect over collection of AFPI from January 1, 1997 to June 30, 2004. Therefore, staff recommends that CIAC be increased by \$50,100 and \$209,249 for water and wastewater, respectively, resulting in June 30, 2004, balances of \$3,433,330 and \$3,430,882 for water and wastewater, respectively. (See Adj. Nos. 14, 30)

Accumulated Amortization of Contributions-In-Aid-of-Construction (AACIAC). The general ledger balances in AACIAC at the time of transfer are \$1,059,499 and \$1,243,374 for water and wastewater, respectively. Staff determined that the AACIAC balance was not increased for the Tomoka transfer mentioned above, one CIAC balance was incorrectly amortized, and there were four systems included in the previous rate case which were not reconciled to the order. Staff recommends that the AACIAC balances be increased by \$38,002 and \$2,180 for water and wastewater, respectively, resulting in AACIAC balances of \$1,097,501 and \$1,245,554 for water and wastewater, respectively, as of June 30, 2004. (See Adj. Nos. 14, 19, 20, 34)

Acquisition Adjustments (AA) and Accumulated Amortization (AAAA). FWSC's general ledger for June 30, 2004, included AA balances of \$649,373 and \$(339,459) for water and wastewater, respectively. Consistent with prior Commission decisions, acquisition adjustments do not survive subsequent transfers¹⁷. Therefore, staff recommends that the remaining balances of AA and AAAA should be reduced to zero. (See Adj. Nos. 11, 13, 34, and 38)

Extraordinary Abandonment. As discussed in Issue 6, Staff recommends that extraordinary abandonments of \$11,503 and \$200,099 for water and wastewater respectively be included in rate base.

Regulatory Assets. As discussed in Issue 3, Staff recommends that regulatory assets of \$489,535 and \$174,657 for water and wastewater respectively be included in rate base.

Conclusion. The staff-recommended rate base for transfer purposes is \$9,847,462 and \$5,894,452 for water and wastewater, respectively, as of June 30, 2004. Aqua should be required to provide a statement within 60 days of the date of the order that it has set up its books and records using the NARUC USOA and that adjustments to rate base have been made to reflect the approved balances as of June 30, 2004.

¹⁷ Order No. PSC-00-1165-PAA-WS, issued June 27, 2000, in Docket No. 990243-WS, In re: Application for limited proceeding increase and restructuring of water rates by Sun Communities Finance Limited Partnership in Lake County, and overearnings investigation.

Date: November 17, 2005

Issue 8: Should an acquisition adjustment be included in the calculation of rate base?

Recommendation: No. Pursuant to Rule 25-30.0371(3)(b), Florida Administrative Code, an acquisition adjustment should not be included in rate base. (Johnson)

Staff Analysis: An acquisition adjustment results when the purchase price differs from rate base at the time of the acquisition. Pursuant to Rule 25-30.0371(3), Florida Administrative Code, an acquisition adjustment shall not be included in rate base unless there is proof of extraordinary circumstances or where the purchase price is less than 80 percent of rate base. In this case, FWSC and Aqua have agreed that if the Commission determines that rate base as of June 30, 2004 is \$16,522,963, the purchase price will be \$13,820,000. To the extent, the Commission determines that rate base is less than \$16,522,963, then the difference will reduce the purchase price. To the extent, the Commission determines that rate base is greater than \$16,522,963, then the difference will increase the purchase price. Based on staff's recommended rate base in Issue 7 of \$15,741,914, the purchase price will be \$13,008,951. Therefore, the purchase price will be more than 80 percent of rate base.

Rate base as of 06/30/04	\$15,741,914
80% Rate base	12,593,531
Purchase Price	13,008,951
Acquisition Adjustment	0

The buyer has neither requested an acquisition adjustment nor identified any extraordinary circumstances. Based upon the above, no acquisition adjustment is recommended for rate-making purposes.

Date: November 17, 2005

Issue 9: Should FWSC's existing water and wastewater rates and service availability charges be continued by Aqua?

Recommendation: Yes. FWSC's existing water and wastewater rates and service availability charges should be continued by Aqua until authorized to change by the Commission in a subsequent proceeding. The tariff sheets reflecting these rates and charges should be effective for services rendered or connections made on or after the stamped approval date pursuant to Rule 25-30.475, Florida Administrative Code. (Brady)

Staff Analysis: Rule 25-9.044(1), Florida Administrative Code, provides that in the case of a change of ownership or control of a utility which places the operation under a different or new utility, the company which will thereafter operate the utility business must adopt and use the rates, classification and regulations of the former operating company unless authorized to change by the commission.

With the exception of Gibsonia Estates, Lake Gibson Estates, Orange Hill/Sugar Creek, Tangerine, and Tomoka, the service rates for the systems being transferred to Aqua were last established by Order No. PSC-99-1794-FOF-WS. Order No. PSC-99-0093-FOF-WS authorized FWSC to collect uniform service availability charges, customer deposits, and the Commission's standard miscellaneous service charges. Since that order, there have been several index increases to the service rates.

Gibsonia Estates, Lake Gibson Estates, Orange Hill/Sugar Creek (Polk County): By Order No. PSC-97-0376-FOF-WS, the Commission grandfathered the rates for these system, which were previously approved by Polk County, and authorized FWSC to collect the uniform service availability charges established for FWSC by Order No. PSC-96-1320-FOF-WS. Since the grandfather order, there have been several index increases to the service rates.

Tangerine (Orange County): Tangerine's service rates and service availability charges were last established by Order PSC-99-1399-PAA-WU¹⁸. After the system was transferred to FWSC in Docket No. 000333-WU, the system's billing cycle was changed from quarterly to monthly and a private fire protection service tariff was approved.¹⁹ Since the transfer to FWSC, there has been one index increase to service rates.

Tomoka (Volusia County): Tomoka's service rates and service availability charges were established by Order No. 21674.²⁰ Tomoka's service rates and charges were subsequently modified by Order No. 24657.²¹ Since the transfer to FWSC in Docket No. 000334-WU, there has been one index to service rates.

¹⁸ Order No. PSC-99-1399-PAA-WU, issued July 21, 1999, in docket No. 981663-WU, In re: Application for staff-assisted rate case in Orange County by Tangerine Water Company.

¹⁹ Order No. PSC-00-1877-TRF-WU, issued October 13, 2000, in Docket No. 001140-WU, In Re: Petition of Florida Water Services Corporation for approval of monthly billing tariffs for former customers of Tangerine Water Company, Inc.

²⁰ Order No. 21674, issued August 3, 1989, in Docket No. 881583-WU, In Re: Application of Tomoka Water Works, Inc. for staff-assisted rate case in Volusia County.

²¹ Order No. 24657, issued June 11, 1991, in Docket No. 910072-WU, In Re: Application for a limited proceeding rate increase in Volusia County by Tomoka Water Works, Inc.

FWSC's authorized monthly service rates and service availability charges for the water and wastewater systems being transferred to Aqua are shown on the schedules referenced below. AFPI will be addressed separately in Issue 10.

Water

Residential, General, & Multi-Family Services (RS, GS, MF)	Schedule 4, Page 1
Private Fire Protection Service (PF)	Schedule 4, Page 2
Service Availability Charges (except Tangerine)	Schedule 5, Page 1
Service Availability Charges – Tangerine	Schedule 5, Page 2

Wastewater

Residential Service (RS)	Schedule 4, Page 3
Residential Wastewater Only Service (RWO)	Schedule 4, Page 3
General and Multi-Family Services (GS, RS)	Schedule 4, Page 4
Effluent Service (EF) – Florida Central Commerce	Schedule 4, Page 4
Service Availability Charges	Schedule 5, Page 3

Staff recommends that FWSC's existing water and wastewater rates and service availability charges be continued by Aqua until authorized to change by the Commission in a subsequent proceeding. The tariff sheets reflecting these rates and charges should be effective for services rendered or connections made on or after the stamped approval date pursuant to Rule 25-30.475, Florida Administrative Code.

Date: November 17, 2005

Issue 10: Should Aqua Utilities be authorized to continue collecting AFPI?

Recommendation: Yes. Aqua should be authorized to continue collecting the remaining authorized AFPI charges from new connections. Schedule 6 shows the charges and remaining ERCs by system. The AFPI over-collected by FWSC, in the amount of \$212,470, should be credited to CIAC. Aqua should maintain a monitoring system that prevents future over collection of AFPI. (Clapp, Brubaker)

Staff Analysis: FWSC was authorized to collect allowance for funds prudently invested (AFPI) by Order No. PSC-96-1320-FOF-WS. The charges were later modified and included in Order No. PSC-99-1794-FOF-WS. AFPI charges were approved for FWSC to allow the utility to recover depreciation and other carrying costs associated with plant that was found to be non used and useful in FWSC's last rate case. The charges were capped after five years. Schedule 6 shows the approved AFPI charges by system and the remaining number of ERCs from which the charges can be collected.

FWSC provided a detailed analysis showing the AFPI collections through the date of transfer. The schedule shows that FWSC over-collected AFPI charges from new customers in the Chuluota, Florida Central Commerce Park, and Jungle Den systems. Although FWSC's analysis also shows under collections of AFPI, those under collections represent the total remaining AFPI collections available based on the remaining number of future ERCs from which FWSC was authorized to collect AFPI charges. Those additional ERCs have not yet connected to FWSC's various systems, therefore FWSC is not yet entitled to collect those AFPI charges.

FWSC's Position. FWSC takes the position that in approving AFPI for FWSC, the Commission approved a total amount for the utility. Therefore, any amount appearing to have been over-collected would be offset by amounts under collected by all systems within FWSC. The over-collection of approximately \$185,000 for Chuluota's water and wastewater plant and wastewater collection lines should be offset by the under collection of approximately \$76,000 for water transmission and distribution lines.

The focus on the over collection of AFPI for some of the facilities while ignoring the under-collection of AFPI for Chuluota and the total company under collection fails to take into account the substantial investment by FWSC of approximately \$8.6 million in plant for these systems since January 1, 1997. FWSC's investment in the Chuluota system post-January 1997 is approximately \$3 million, or a 94% increase over the \$3.2 million test year plant in service amount approved in the 1995 rate case. FWSC earned no return of or return on these substantial investments, as they were not included in rate base the last time rates were established by the Commission. The AFPI collected by the Chuluota systems helped mitigate the impact of the lack of return on, or a return of, the \$3 million post-rate case investment and contributed to deferring the need for a future rate filing.

OPC's Position. OPC takes the position that FWSC's argument that the utility was evaluated on a total-company basis in its last rate case does not hold merit. By looking at the final order in the docket, the Commission set rate base by system, not in total, including used and useful plant adjustments, operation and maintenance expenses, depreciation, and taxes.

Analysis. FWSC's argument that the Commission approved a total amount of AFPI is incorrect. AFPI was established by system based on that system's unique amount of non used and useful water plant, water transmission and distribution, wastewater treatment and disposal, and wastewater collection assets. Although FWSC has invested a significant amount in plant for the Chuluota system since the AFPI charges were approved, until a formal request is made and an analysis performed, the additional investment should not be the basis for determining the appropriate treatment for the over collection of the AFPI charge.

Although it appears that FWSC failed to successfully maintain a tracking system for AFPI collections, Aqua has already provided staff with a detailed report showing the transferring systems with the AFPI amounts collectable per ERC. Staff has verified this report.

According to the report submitted by FWSC on March 10, 2005, the following amounts were over-collected for the Chuluota water and wastewater systems, the Florida Central Commerce Park wastewater system, and the Jungle Den wastewater system.

System	Water	Wastewater	Grand Total
Chuluota			
Water Treatment Plant	\$3,221.60		
Wastewater Treatment Plant		182,299.00	
Wastewater Collection		<u>767.00</u>	
		\$183,066.00	\$186,287.60
Florida Central Commerce Park			
Wastewater Collection		\$25,502.97	\$25,502.97
Jungle Den			
Wastewater Collection		\$679.49	\$679.49
Total Over Collection	\$3,221.60	209,248.46	\$212,470.06

FWSC's record of AFPI collections appears to indicate that the AFPI over collections were made to developers, as opposed to individuals. Staff recommends that the \$212,470 of excess AFPI collected by FWSC should be credited to CIAC for the Chuluota water and wastewater systems and the Florida Central Commerce Park and Jungle Den wastewater systems. This is consistent with prior Commission decisions²².

Staff recommends that Aqua should be authorized to continue collecting the remaining authorized AFPI charges from new connections. Schedule 6 shows the charges and remaining ERCs by system. The AFPI over-collected by FWSC, in the amount of \$212,470, should be credited to CIAC as shown in Adjustment No. 30 on Schedule 3. Aqua should maintain a monitoring system that prevents future over collection of AFPI.

²² Order No. PSC-99-0644-AS-WU, issued April 6, 1999, in Docket No. 980483-WU, In re: Investigation into possible overcollection of Allowance for Funds Prudently Invested (AFPI) in Lake County, by Lake Utility Services, Inc. and Order No. 17862, issued July 16, 1987, in Docket No. 861607-WS, In re: Application of Grand Lagoon Utilities, Inc. for increased service availability charges in Bay County.

Issue 11: Should this docket be closed?

Recommendation: No. If no timely protest is received to the proposed agency action issues, the Order will become final upon the issuance of a Consummating Order. However, the docket should remain open pending receipt of the statement within 60 days of the order approving the transfer that it has established its books and records in compliance with the NARUC USOA and that its books have been adjusted to reflect the approved rate base balances as of the date of the transfer. Upon receipt of the statement, the docket should be administratively closed. (Brubaker)

Staff Analysis: No. If no timely protest is received to the proposed agency action issues, the Order will become final upon the issuance of a Consummating Order. However, the docket should remain open pending receipt of the statement within 60 days of the order approving the transfer that it has established its books and records in compliance with the NARUC USOA and that its books have been adjusted to reflect the approved rate base balances as of the date of the transfer. Upon receipt of the statement, the docket should be administratively closed.

FWSC PLANTS SOLD TO AQUA

SORTED BY PLANT NAME			SORTED BY COUNTY		
Plant Name	County	Service	County	Plant Name	Service
BEECHER'S POINT	PUTNAM	W / WW	BREVARD	KINGSWOOD	W
CARLTON VILLAGE	LAKE	W	BREVARD	OAKWOOD	W
CHULUOTA	SEMINOLE	W / WW	HIGHLANDS	LEISURE LAKES	W / WW
EAST LAKE HARRIS ESTATES	LAKE	W	LAKE	CARLTON VILLAGE	W
FERN TERRACE	LAKE	W	LAKE	EAST LAKE HARRIS ESTATES	W
FLORIDA CENTRAL COMMERCE PARK	SEMINOLE	WW	LAKE	FERN TERRACE	W
FRIENDLY CENTER	LAKE	W	LAKE	FRIENDLY CENTER	W
GIBSONIA ESTATES	POLK	W	LAKE	GRAND TERRACE	W
GRAND TERRACE	LAKE	W	LAKE	HOBBY HILLS	W
HARMONY HOMES	SEMINOLE	W	LAKE	HOLIDAY HAVEN	W / WW
HERMITS COVE	PUTNAM	W	LAKE	IMPERIAL MOBILE TERRACE	W
HOBBY HILLS	LAKE	W	LAKE	MORNINGVIEW	W / WW
HOLIDAY HAVEN	LAKE	W / WW	LAKE	PALMS MOBILE HOME PARK	W
IMPERIAL MOBILE TERRACE	LAKE	W	LAKE	PICCIOLA ISLAND	W
INTERLACHEN LAKES ESTATES	PUTNAM	W	LAKE	PINEY WOODS	W
JUNGLE DEN	VOLUSIA	W / WW	LAKE	QUAIL RIDGE	W
KINGSWOOD	BREVARD	W	LAKE	SILVER LAKE ESTATE / WESTERN SHORES	W
LAKE GIBSON ESTATES	POLK	W / WW	LAKE	SKYCREST	W
LEISURE LAKES	HIGHLANDS	W / WW	LAKE	STONE MOUNTAIN	W
MORNINGVIEW	LAKE	W / WW	LAKE	VALENCIA TERRACE	W / WW
OAKWOOD	BREVARD	W	LAKE	VENETIAN VILLAGE	W / WW
ORANGE HILL / SUGAR CREEK	POLK	W	ORANGE	TANGERINE	W
PALM PORT	PUTNAM	W / WW	PASCO	PALM TERRACE	W / WW
PALM TERRACE	PASCO	W / WW	PASCO	ZEPHYR SHORES	W / WW
PALMS MOBILE HOME PARK	LAKE	W	POLK	GIBSONIA ESTATES	W
PARK MANOR	PUTNAM	WW	POLK	LAKE GIBSON ESTATES	W / WW
PICCIOLA ISLAND	LAKE	W	POLK	ORANGE HILL / SUGAR CREEK	W
PINEY WOODS	LAKE	W	PUTNAM	BEECHER'S POINT	W / WW
POMONA PARK	PUTNAM	W	PUTNAM	HERMITS COVE	W
QUAIL RIDGE	LAKE	W	PUTNAM	INTERLACHEN LAKES ESTATES	W
RIVER GROVE	PUTNAM	W	PUTNAM	PALM PORT	W / WW
SILVER LAKE ESTATE / WESTERN SHORES	LAKE	W	PUTNAM	PARK MANOR	WW
SILVER LAKE OAKS	PUTNAM	W / WW	PUTNAM	POMONA PARK	W
SKYCREST	LAKE	W	PUTNAM	RIVER GROVE	W
ST. JOHNS HIGHLANDS	PUTNAM	W	PUTNAM	SILVER LAKE OAKS	W / WW
STONE MOUNTAIN	LAKE	W	PUTNAM	ST. JOHNS HIGHLANDS	W
SUNNY HILLS	WASHINGTON	W / WW	PUTNAM	WELAKA / SARATOGA HARBOUR	W
TANGERINE	ORANGE	W	PUTNAM	WOOTENS	W
TOMOKA	VOLUSIA	W	SEMINOLE	CHULUOTA	W / WW
VALENCIA TERRACE	LAKE	W / WW	SEMINOLE	FLORIDA CENTRAL COMMERCE PARK	WW
VENETIAN VILLAGE	LAKE	W / WW	SEMINOLE	HARMONY HOMES	W
WELAKA / SARATOGA HARBOUR	PUTNAM	W	VOLUSIA	JUNGLE DEN	W / WW
WOOTENS	PUTNAM	W	VOLUSIA	TOMOKA	W
ZEPHYR SHORES	PASCO	W / WW	WASHINGTON	SUNNY HILLS	W / WW

FRIENDLY CENTER

LAKE COUNTY

Description of Water Territory Served

Township 20 South, Range 26 East, Section 29 Lake County, Florida.

As a Point of Reference, Commence at a Permanent Reference Marker Located at the Northwestern Corner of the NE 1/4 Of Section 29, Township 20 South, Range 26 East, Lake County, Florida; Thence Southerly Along the West Line of the NE 1/4 of Said Section a Distance of 638.3 Feet; Thence East 50 Feet to a Point of Intersection With The Easterly Boundary of Monroe Street, a Right of Way and The Point of Beginning of this Description; Thence South 61 Degrees 43' East a Distance of 255 Feet; Thence South 28 Degrees 17' West a Distance of 150 Feet; Thence South 61 Degrees 43' East a Distance of 79.63 Feet; Thence South 28 Degrees 25' West a Distance of 75.00 Feet; Thence North 65 Degrees 19' 05" West a Distance of 207.90 Feet to a Point of Intersection With The Easterly Boundary of said Monroe Street; Thence North 00 Degrees 20' 10" East Along the Easterly Boundary of said Monroe Street a Distance of 250 Feet to The Point of Beginning and the Completion of this Description.

Together With: as a Point of Reference, Commence at a Permanent Reference Marker Located at the Northwestern Corner of the NE 1/4 of Section 29, Township 20 South, Range 26 East, Lake County, Florida; Thence Easterly Along the Northerly Boundary of Said Section 29, South 89 Degrees 21'40" East A Distance Of 50.00 Feet To A Point Of Intersection With The Easterly Boundary Of Monroe Street, A Right Of Way; Thence South 0 Degrees 20'10" West A Distance Of 1250.71 Feet Along The Easterly Boundary Of Said Monroe Street, To A Point Of Intersection With The Northerly Boundary Of Georgia Avenue, A Right Of Way And The Point Of Beginning Of This Description; Thence South 83 Degrees 16' 00" East A Distance Of 236.47 Feet Along The Northerly Boundary Of Said Georgia Avenue To A Point Of Intersection With The Westerly Boundary Of S.R. 561, A Right Of Way; Thence South 28 Degrees 06' 35" West A Distance Of 487.64 Feet Along The Westerly Boundary Of Said S.R. 561 To A Point Of Intersection With The Southerly Extension Of The Easterly Boundary Of Said Monroe Street; Thence South 0 Degrees 20'10" West A Distance Of 277.31 Feet Along The Easterly Boundary Of Said Monroe Street To A Point Of Intersection With An Easterly Extension Of The Southerly Boundary Of Vermont Avenue, A Right Of Way; Thence North 89 Degrees 33'30" West A Distance Of 117.93 Feet Along Said Easterly Extension Of The Southerly Boundary Of Said Vermont Avenue To A Point Of Intersection Of The Westerly Boundary Of Said Monroe Street With The Southerly Boundary Of Said Vermont Avenue; Thence North 89 Degrees 33'30" West A Distance Of 629.57 Feet Along The Southerly Boundary Of Said Vermont Avenue To A Point Of Intersection With The Westerly Boundary Of Madison Street, A Right Of Way; Thence North 00 Degrees 29'28" East A Distance Of 727.96 Feet, Along The Westerly Boundary Of Said Madison Street To A Point Of Intersection With The Northerly Boundary Of Said Georgia Avenue Thence South 89 Degrees 30' 20" East A Distance Of 645.56 Feet To A Point Of Intersection With The Westerly Boundary Of Said Monroe Street; Thence North 0 Degrees 20'10" East A Distance Of 17.00 Feet Along The Westerly Boundary Of Said Monroe Street; Thence South 89 Degrees 30'20" East A Distance Of 100 Feet To The Point Of Beginning And The Completion Of This Description.

Docket No. 040951-WS and Docket No. 040952-WS
Date: November 17, 2005

Attachment 2
Page 2 of 3

PALMS MOBILE HOME PARK

LAKE COUNTY

Description of Water Territory Served

Township 20 South, Range 24 East, Section 36 Lake County, Florida.

That part of the following, lying West of U. S. Highway No. 27 – the East 1/2 of the North 1/2 of the Southwest 1/4 of the Northeast 1/4; the North 1/2 of the Southeast 1/4 of the Northeast 1/4; and the East 1/2 of the South 1/2 of the Northwest 1/4 of the Northeast 1/4, less the North 330 feet thereof; all lying and being in Section 36, Township 20 South, Range 24 East, Lake County, Florida.

Docket No. 040951-WS and Docket No. 040952-WS
Date: November 17, 2005

Attachment 2
Page 3 of 3

PARK MANOR

PUTNAM COUNTY

Description of Wastewater Territory Served

Township 10 South, Range 25 East, Putnam County, Florida.

Section 18

The NE 1/4 of the SW 1/4 of the NW 1/4 of said Section 18.

Aqua Utilities Florida, Inc.

Water and Wastewater Service Territory

<u>System</u>	<u>Order No.</u>	<u>Docket Number</u>	<u>Filing Type</u>
Beecher's Point	20469	880292-WS	Transfer
Beecher's Point	PSC-93-1293-FOF-WS	930443-WS	Amendment
Carlton Village	8075	770578-W	Transfer
Chuluota	9988	780278-WS	Transfer
Chuluota	16162	860585-WS	Amendment
Chuluota	PSC-95-0414-FOF-WS	930130-WS	Amendment
Chuluota	PSC-00-0734-FOF-WS	980657-WS	Amendment
Chuluota	PSC-04-0532-AS-WS	030637-WS	Amendment
East Lake Harris	8144	770579-W	Transfer
Fern Terrace	5595	C-72505-W	Original Certificate
Fern Terrace	PSC-93-1150-FOF-WU	930129-WU	Amendment
Florida Central Commerce Park	21913	881573 SU	Amendment
Friendly Center	See Attachment 2		
Gibsonia Estates	PSC-97-0376-FOF-WS	960909-WS	Grandfather Certificate
Gibsonia Estates	PSC-04-0859-FOF-WU	040484-WU	Amendment
Grand Terrace	23656	891320-WU	Transfer
Grand Terrace	24230	900702-WU	Amendment
Harmony Homes	7588	750760-W	Original Certificate
Hermits Cove	5499	C71611-W	Original Certificate
Hermits Cove	13519	840023-WU	Transfer
Hobby Hills	8076	770577-W	Transfer
Hobby Hills	PSC-93-1150-FOF-WU	930129-WU	Amendment
Holiday Haven	20869	880605-WS	Transfer
Holiday Haven	PSC-93-1150-FOF-WU	930129-WU	Amendment
Imperial Mobile	21636	890348-WU	Transfer
Imperial Mobile	PSC-93-1306-FOF-WU	930129-WU	Amendment
Interlachen Lake Estates	6236	74373-W	Original Certificate
Interlachen Lake Estates	14059	840359-WS	Amendment
Interlachen Lake Estates	PSC-93-1293-FOF-WS	930443-WS	Amendment
Jungle Den	20869	880605-WS	Transfer
Jungle Den	PSC-93-1449-FOF-WS	930153-WS	Amendment
Kingswood	19505	880206-WU	Transfer

Lake Gibson Estates	PSC-97-0376-FOF-WS	960909-WS	Grandfather Certificate
Leisure Lakes	22916	891250 WS	Transfer
Morningview	8299	780057-WS	Transfer
Oakwood	19505	880206-WU	Transfer
Oakwood	PSC-94-1011-FOF-WU	930737-WU	Amendment
Orange Hill/Sugar Creek	PSC-97-0376-FOF-WS	960909-WS	Grandfather Certificate
Palm Port	7078	750436-W 750437-S	Original Certificate
Palm Port	9845	800368-WS	Transfer
Palm Port	9845-A	800368-WS	Correction
Palm Port	PSC-93-1293-FOF-WS	930443-WS	Amendment
Palm Terrace	20140	880472-WS	Transfer
Palm Terrace	21146	890202-WS	Amendment
Palms Mobile Home Park	See Attachment 2		
Park Manor (Water) Now interconnected with Interlachen Lake	13844	840395-WU	Amendment
Park Manor (Wastewater)	See Attachment 2		
Picciola Island	9988	780278-W	Transfer
Picciola Island	PSC-93-1150-FOF-WU	930129-WU	Amendment
Piney Woods	5595	C-72505-W	Original Certificate
Piney Woods	PSC-93-1150-FOF-WU	930129-WU	Amendment
Pomona Park	7895	760711-W	Original Certificate
Pomona Park	9907	800638-W	Transfer
Quail Ridge	23505	900556-WU	Transfer
River Grove	9389	791040-W	Transfer
Silver Lake Estates/Western Shores	6801	750327-W	Original Certificate
Silver Lake Estates/Western Shores	6928	750367-W	Original Certificate
Silver Lake Estates/Western Shores	9483	791043-W	Transfer
Silver Lake Estates/Western Shores	9688	791043-W	Supplement Order
Silver Lake Estates/Western Shores	20647	881011-WU	Transfer
Silver Lake Estates/Western Shores	23459	900227-WU	Amendment
Silver Lake Estates/Western Shores	PSC-93-0754-FOF-WU	921044-WU	Amendment
Silver Lake Estates/Western Shores	PSC-93-0754A-FOF-WU	921044-WU	Correction
Silver Lake Estates/Western Shores	PSC-03-1235-FOF-WU	021137-WU	Amendment

Silver Lake Estates/Western Shores	PSC-02-1427-FOF-WU	990054-WU	Amendment
Silver Lake Oaks	23397	891187-WS	Transfer
Skycrest	5595	C-72505-W	Original Certificate
Skycrest	PSC-93-1150-FOF-WU	930129-WU	Amendment
St. Johns Highlands	14059	840359-WS	Amendment
Stone Mountain	15295	850695-WU	Amendment
Sunny Hills	18902	870984-WS	Original Certificate
Sunny Hills	22307	881501-WS	Transfer of Control
Sunny Hills	25575	910662-WS	Corp. Reorganization
Tangerine	5446	71559-W	Original Certificate
Tangerine	9568	800048-W	Amendment
Tangerine	PSC-00-1515-PAA-WU	000333-WU	Transfer
Tomoka	5397	71583-W	Original Certificate
Tomoka	5397-A	71583-W	Correction
Tomoka	PSC-00-1659-PAA-WU	000334-WU	Transfer
Valencia Terrace	PSC-95-0268-FOF-WS	940091-WS	Transfer
Venetian Village	9635	800192-WS	Original Certificate
Venetian Village	10109	800636-WS	Transfer
Venetian Village	10109-A	800636-WS	Correction
Venetian Village	PSC-93-1150-FOF-WU	930129-WU	Amendment
Welaka/Saratoga Harbour	5499	C71611-W	Original Certificate
Welaka/Saratoga Harbour	13519	840023-WU	Transfer
Welaka/Saratoga Harbour	PSC-93-1293-FOF-WS	930443-WS	Amendment
Wootens	13519	840023-WU	Transfer
Wootens	6975	750206-W	Amendment
Wootens	PSC-93-1293-FOF-WS	930443-WS	Amendment
Zephyr Shores	18243	870572-WS	Transfer

For a complete territory description see the orders.

REGULATORY ASSET BY REMAINING SYSTEMS

SYSTEM NAME	REGULATORY ASSET BY SYSTEM AS OF DECEMBER 31, 1996			ERCs AS OF 6/30/2004		ESTIMATED MONTHLY IMPACT OF REG ASSET PER ERC FOR 10 YEARS	
	WATER	WASTEWATER	TOTAL	WATER	WASTEWATER	WATER	WASTEWATER
Beecher's Point	\$5,298	\$2,221	\$7,519	112	49	\$0.39	\$0.38
Carlton Village	8,219	-na-	8,219	201		0.34	
Chuluota	39,502	7,510	47,012	1,240	485	0.27	0.13
East Lake Harris Estates	9,804	-na-	9,804	180		0.45	
Fern Terrace	6,985	-na-	6,985	136		0.43	
Fla. Central Commerce Park	-na-	8,169	8,169	-na-	197		0.35
Friendly Center	1,138	-na-	1,138	30		0.32	
Grand Terrace	6,137	-na-	6,137	127		0.40	
Harmony Homes	3,478	-na-	3,478	64		0.45	
Hermits Cove	9,629	-na-	9,629	175		0.46	
Hobby Hills	5,331	-na-	5,331	113		0.39	
Holiday Haven	6,201	5,151	11,352	129	113	0.40	0.46
Imperial Mobile Terrace	13,481	-na-	13,481	248		0.45	
Interlachen Lakes Estates	14,024	-na-	14,024	287		0.41	
Jungle Den	6,243	6,492	12,735	114	136	0.46	0.40
Kingswood	3,428	-na-	3,428	65		0.44	
Leisure Lakes	13,435	12,688	26,123	288	271	0.39	0.39
Morningview	2,626	2,018	4,644	44	44	0.50	0.38
Oakwood	11,555	-na-	11,555	254		0.38	
Palm Port	5,883	5,888	11,771	107	108	0.46	0.45
Palm Terrace	67,173	57,199	124,372	1,226	1,032	0.46	0.46
Palms Mobile Home Park	3,230	-na-	3,230	63		0.43	
Park Manor	-na-	1,852	1,852	-na-	35		0.44
Piccola Island	7,579	-na-	7,579	157		0.40	

SYSTEM NAME	REGULATORY ASSET BY SYSTEM AS OF DECEMBER 31, 1996			ERCs AS OF 6/30/2004		ESTIMATED MONTHLY IMPACT OF REG ASSET PER ERC FOR 10 YEARS	
	WATER	WASTEWATER	TOTAL	WATER	WASTEWATER	WATER	WASTEWATER
Piney Woods	9,274	-na-	9,274	184		0.42	
Pomona Park	10,472	-na-	10,472	209		0.42	
Quail Ridge	972	-na-	972	73		0.11	
River Grove	5,777	-na-	5,777	108		0.45	
Silver Lake Estates / Western Shores	99,088	-na-	99,088	1,857		0.44	
Silver Lake Oaks	1,585	1,488	3,073	58	58	0.23	0.21
Skycrest	6,349	-na-	6,349	133		0.40	
St. Johns Highlands	4,667	-na-	4,667	96		0.41	
Stone Mountain	419	-na-	419	19		0.18	
Sunny Hills	34,568	9,910	44,478	579	186	0.50	0.44
Valencia Terrace	21,401	21,539	42,940	395	374	0.45	0.48
Venetian Village	7,749	4,921	12,670	150	94	0.43	0.44
Welaka / Saratoga Harbour	7,754	-na-	7,754	162		0.40	
Wootens	1,359	-na-	1,359	33		0.34	
Zephyr Shores	27,722	27,611	55,333	627	623	0.37	0.37
Totals	\$489,535	\$174,657	\$664,192	10,047	3,667		

FLORIDA WATER SERVICES CORP.
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$15,681,984	\$15,323	\$15,697,307
LAND & LAND RIGHTS	232,399	(14,171)	218,228
CONSTRUCTION-WORK-IN-PROGRESS	235,371	(17,922)	217,449
PLANT HELD FOR FUTURE USE	12,938	(12,938)	0
ACQUISITION ADJUSTMENT (AA)	649,373	(649,373)	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(3,383,230)	(50,100)	(3,433,330)
ACCUMULATED DEPRECIATION	(4,028,668)	(422,063)	(4,450,731)
ACCUMULATED AMORTIZATION OF CIAC	1,059,499	38,002	1,097,501
ACCUMULATED AMORTIZATION OF AA	(260,298)	260,298	0
EXTRAORDINARY ABANDONMENT	0	11,503	11,503
OTHER REGULATORY ASSET	265,411	224,124	489,535
TOTAL	\$10,464,779	(\$617,317)	\$9,847,462

FLORIDA WATER SERVICES CORP.
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$10,638,986	(\$248,123)	\$10,390,863
LAND & LAND RIGHTS	861,777	(25,477)	836,300
CONSTRUCTION-WORK-IN-PROGRESS	428,341	(108,154)	320,187
PLANT HELD FOR FUTURE USE	5,442	(5,442)	0
ACQUISITION ADJUSTMENT (AA)	(339,459)	339,459	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(3,221,633)	(209,249)	(3,430,882)
ACCUMULATED DEPRECIATION	(3,266,496)	(575,830)	(3,842,326)
ACCUMULATED AMORTIZATION OF CIAC	1,243,374	2,180	1,245,554
ACCUMULATED AMORTIZATION OF AA	119,390	(119,390)	0
EXTRAORDINARY ABANDONMENT	426,818	(155,385)	271,433
OTHER REGULATORY ASSET	357,474	(182,817)	174,657
TOTAL	\$7,254,014	(\$1,288,228)	\$5,965,786

FLORIDA WATER SERVICES CORP.
 GENERAL RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	PER STAFF
UTILITY-PLANT-IN-SERVICE	130,581	(130,581)	0
ACCUMULATED DEPRECIATION	(51,331)	51,331	0
TOTAL	\$79,250	(\$79,250)	<u>\$0</u>

FLORIDA WATER SERVICES CORP.
 COMBINED RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$26,451,551	(\$363,381)	\$26,088,170
LAND & LAND RIGHTS	1,094,176	(39,648)	1,054,528
CONSTRUCTION-WORK-IN-PROGRESS	663,712	(126,076)	537,636
PLANT HELD FOR FUTURE USE	18,380	(18,380)	0
ACQUISITION ADJUSTMENT (AA)	309,914	(309,914)	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(6,604,863)	(259,349)	(6,864,212)
ACCUMULATED DEPRECIATION	(7,346,495)	(946,562)	(8,293,057)
ACCUMULATED AMORTIZATION OF CIAC	2,302,873	40,182	2,343,055
ACCUMULATED AMORTIZATION OF AA	(140,908)	140,908	0
EXTRAORDINARY ABANDONMENT	426,818	(143,882)	282,936
OTHER REGULATORY ASSET	622,885	41,307	664,192
TOTAL	\$17,798,043	(\$1,984,795)	\$15,813,248

BEECHER'S POINT UTILITY SYSTEM - 472 - PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$177,669	(\$0)		\$177,669
LAND & LAND RIGHTS	15,000	0		15,000
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	2,578	(2,578)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(33,967)	0		(33,967)
ACCUMULATED DEPRECIATION	(38,795)	(5,668)	18	(44,463)
ACCUMULATED AMORTIZATION OF CIAC	17,563	0		17,563
ACCUMULATED AMORTIZATION OF AA	(1,668)	1,668	13	0
OTHER REGULATORY ASSET	2,903	2,395	23	5,298
TOTAL	<u>\$141,283</u>	<u>(\$4,183)</u>		<u>\$137,100</u>

BEECHER'S POINT UTILITY SYSTEM - 472
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$192	\$(62)
330	DISTRIBUTION RESERVOIRS	46,823	(4,308)
331	TRANSMISSION & DISTRIBUTION	91,466	(28,367)
333	SERVICES	4,201	(1,947)
334	METERS & METER INSTALLATION	8,395	(676)
335	HYDRANTS	750	(252)
336	BACKFLOW PREVENTION DEVICES	25,842	(8,851)
TOTAL		<u>\$177,669</u>	<u>\$(44,463)</u>

BEECHER'S POINT UTILITY SYSTEM - 472 - PUTNAM COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$410,213	(\$49,154)	5	\$361,059
LAND & LAND RIGHTS	25,338	(3,087)	10	22,251
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(5,640)	5,640	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(20,569)	0		(20,569)
ACCUMULATED DEPRECIATION	61,269	(101,433)	5, 18,22,40	(40,164)
ACCUMULATED AMORTIZATION OF CIAC	14,689	0		14,689
ACCUMULATED AMORTIZATION OF AA	1,564	(1,564)	13	0
EXTRAORDINARY ABANDONMENT(NET)	0	41,094	22	41,094
OTHER REGULATORY ASSET	4,321	(2,100)	23	2,221
TOTAL	<u>\$491,185</u>	<u>(\$110,604)</u>		<u>\$380,581</u>

BEECHER'S POINT UTILITY SYSTEM - 472
 WASTEWATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$170	\$(56)
360	COLLECTION SEWERS - FORCE	198,853	(16,622)
361	COLLECTION SEWERS - GRAVITY	21,227	(2,561)
363	SERVICES TO CUSTOMERS	6,858	(393)
370	RECEIVING WELLS	112,119	(18,104)
389	OTHER PLANT MISCELLANEOUS EQUIPMENT	21,832	(2,428)
TOTAL		<u>\$361,059</u>	<u>\$(40,164)</u>

CARLTON VILLAGE UTILITY SYSTEM - 555 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$488,042	\$0		\$488,042
LAND & LAND RIGHTS	5,217	1,134	9	6,351
CONSTRUCTION-WORK-IN-PROGRESS	97	0		97
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	1,055	(1,055)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(112,223)	0		(112,223)
ACCUMULATED DEPRECIATION	(127,665)	(3,292)	18,27	(130,957)
ACCUMULATED AMORTIZATION OF CIAC	17,689	0		17,689
ACCUMULATED AMORTIZATION OF AA	(1,306)	1,306	13	0
OTHER REGULATORY ASSET	5,435	2,784	23	8,219
TOTAL	<u>\$276,341</u>	<u>\$877</u>		<u>\$277,218</u>

CARLTON VILLAGE UTILITY SYSTEM - 555
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 982	\$ (771)
304	STRUCTURES AND IMPROVEMENTS	21,143	(5,367)
307	WELLS AND SPRINGS	60,015	(22,340)
310	POWER GENERATION EQUIPMENT	35,086	(18,671)
311	PUMPING EQUIPMENT	52,520	(18,467)
330	DISTRIBUTION RESERVOIRS	97,215	(21,169)
331	TRANSMISSION & DISTRIBUTION	195,850	(38,426)
333	SERVICES	14,217	(4,547)
334	METERS & METER INSTALLATION	9,214	(1,055)
335	HYDRANTS	1,800	(144)
TOTAL		<u>\$488,042</u>	<u>\$(130,957)</u>

CHULUOTA UTILITY SYSTEM – 335 – SEMINOLE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	AUDIT ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$4,110,264	\$0		\$4,110,264
LAND & LAND RIGHTS	33,665	0		33,665
CONSTRUCTION-WORK-IN- PROGRESS	91,699	(13,873)	37	77,826
ACQUISITION ADJUSTMENT (AA)	68,390	(68,390)	34,38,11	0
CONTRIBUTIONS-IN-AID-OF- CONSTRUCTION (CIAC)	(1,193,027)	0		(1,193,027)
ACCUMULATED DEPRECIATION	(638,411)	(5,399)	36	(643,810)
ACCUMULATED AMORTIZATION OF CIAC	164,716	1,441	34	166,157
ACCUMULATED AMORTIZATION OF AA	(32,229)	32,229	34,38,11	0
OTHER REGULATORY ASSET	23,096	16,406	38	39,502
TOTAL	<u>\$2,628,163</u>	<u>(\$37,586)</u>		<u>\$2,590,577</u>

CHULUOTA UTILITY SYSTEM - 335
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$1,556	\$(645)
304	STRUCTURES AND IMPROVEMENTS	201,077	(73,536)
307	WELLS AND SPRINGS	233,155	(16,983)
309	SUPPLY MAINS	89,906	(20,485)
310	POWER GENERATION EQUIPMENT	53,402	(22,997)
311	PUMPING EQUIPMENT	193,957	(45,620)
320	WATER TREATMENT EQUIPMENT	111,808	6,993
330	DISTRIBUTION RESERVOIRS	1,087,562	(104,205)
331	TRANSMISSION & DISTRIBUTION	1,470,076	(250,024)
333	SERVICES	408,817	(68,425)
334	METERS & METER INSTALLATION	58,760	(650)
335	HYDRANTS	118,755	(7,704)
304	STRUCTURES AND IMPROVEMENTS	1,524	(12)
340	COMPUTER HARDWARE & SOFTWARE	2,138	(1,692)
343	TOOLS, SHOP AND GARAGE EQUIPMENT	31,125	(17,875)
344	LABORATORY EQUIPMENT	17,351	(11,657)
345	POWER OPERATED EQUIPMENT	5,626	(4,266)
346	COMMUNICATION EQUIPMENT	21,256	(2,211)
347	MISCELLANEOUS EQUIPMENT	2,413	(1,816)
TOTAL		<u>\$4,110,264</u>	<u>\$(643,810)</u>

CHULUOTA UTILITY SYSTEM - 335 – SEMINOLE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	AUDIT ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$2,059,152	\$0		\$2,059,152
LAND & LAND RIGHTS	296,432	(14,070)	35,21	282,362
CONSTRUCTION-WORK-IN-PROGRESS	283,885	11,897	37	295,782
ACQUISITION ADJUSTMENT (AA)	0	0		0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(1,257,071)	0		(1,257,071)
ACCUMULATED DEPRECIATION	(546,969)	(5,399)	36	(552,368)
ACCUMULATED AMORTIZATION OF CIAC	164,026	2,010	34	166,036
ACCUMULATED AMORTIZATION OF AA	0	0		0
OTHER REGULATORY ASSET	15,853	(8,343)	39	7,510
TOTAL	<u>\$1,015,308</u>	<u>(\$13,905)</u>		<u>\$1,001,403</u>

CHULUOTA UTILITY SYSTEM - 335
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$2,442	\$(1,204)
354	STRUCTURES AND IMPROVEMENTS	82,087	(34,464)
360	COLLECTION SEWERS – FORCE	338,601	(113,959)
361	COLLECTION SEWERS – GRAVITY	786,040	(120,921)
363	SERVICES TO CUSTOMERS	213,222	(20,866)
364	FLOW MEASURING DEVICES	785	(785)
370	RECEIVING WELLS	26,117	(17,029)
371	PUMPING EQUIPMENT	91,831	(65,744)
375	REUSE TRANS & DISTRIB	17,948	(128)
380	TREATMENT AND DISPOSAL EQUIPMENT	294,992	(77,655)
381	PLANT SEWERS	37,358	(19,068)
382	OUTFALL SEWER LINES	137,192	(65,722)
304	STRUCTURES AND IMPROVEMENTS	572	(4)
340	COMPUTER HARDWARE & SOFTWARE	801	(635)
343	TOOLS, SHOP AND GARAGE EQUIPMENT	11,672	(6,703)
344	LABORATORY EQUIPMENT	6,506	(4,371)
345	POWER OPERATED EQUIPMENT	2,110	(1,600)
346	COMMUNICATION EQUIPMENT	7,971	(829)
347	MISCELLANEOUS EQUIPMENT	905	(681)
TOTAL		<u>\$2,059,152</u>	<u>\$(552,368)</u>

EAST LAKE HARRIS ESTATES UTILITY SYSTEM - 557 -- LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$522,101	\$0		\$522,101
LAND & LAND RIGHTS	3,071	0		3,071
CONSTRUCTION-WORK-IN-PROGRESS	127	0		127
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	8,628	(8,628)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(4,851)	0		(4,851)
ACCUMULATED DEPRECIATION	(124,729)	(18,843)	18,28	(143,572)
ACCUMULATED AMORTIZATION OF CIAC	3,037	0		3,037
ACCUMULATED AMORTIZATION OF AA	(2,125)	2,125	13	0
OTHER REGULATORY ASSET	5,398	4,406	23	9,804
TOTAL	<u>\$410,657</u>	<u>(\$20,940)</u>		<u>\$389,717</u>

EAST LAKE HARRIS ESTATE SYSTEM - 557
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 438	\$ (220)
304	STRUCTURES & IMPROVEMENTS	15,997	(4,483)
307	WELLS AND SPRINGS	3,900	(1,475)
309	SUPPLY MAINS	20,201	(4,596)
310	POWER GENERATION EQUIPMENT	125,583	(66,487)
311	PUMPING EQUIPMENT	23,469	(1,200)
320	WATER TREATMENT EQUIPMENT	4,033	(416)
330	DISTRIBUTION RESERVOIRS & STANDP	36,035	7,211
331	TRANSMISSION & DISTRIBUTION	199,838	(47,894)
333	SERVICES	84,428	(17,508)
334	METERS & METER INSTALLATION	8,179	(6,504)
TOTAL		<u>\$522,101</u>	<u>\$(143,572)</u>

FERN TERACE UTILITY SYSTEM - 552 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$101,537	\$0		\$101,537
LAND & LAND RIGHTS	2,393	(1,613)	9	780
CONSTRUCTION-WORK-IN-PROGRESS	258	0		258
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	2,939	(2,939)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(10,544)	0		(10,544)
ACCUMULATED DEPRECIATION	(26,388)	(11,423)	18,28	(37,811)
ACCUMULATED AMORTIZATION OF CIAC	4,700	0		4,700
ACCUMULATED AMORTIZATION OF AA	(1,209)	1,209	13	0
OTHER REGULATORY ASSET	3,790	3,195	23	6,985
TOTAL	<u>\$77,476</u>	<u>(\$11,571)</u>		<u>(\$65,905)</u>

FERN TERACE UTILITY SYSTEM - 552
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 744	\$ (311)
304	STRUCTURES & IMPROVEMENTS	5,652	(5,652)
307	WELLS AND SPRINGS	2,500	(1,163)
310	POWER GENERATION EQUIPMENT	16,257	(7,601)
311	PUMPING EQUIPMENT	13,567	(2,504)
320	WATER TREATMENT EQUIPMENT	750	750
330	DISTRIBUTION RESERVOIRS & STANDP	45,337	(12,179)
331	TRANSMISSION & DISTRIBUTION	8,938	(5,568)
333	SERVICES	1,928	(1,274)
334	METERS & METER INSTALLATION	5,864	(809)
TOTAL		<u>\$101,537</u>	<u>\$(37,811)</u>

FLORIDA CENTRAL COMMERCE PARK UTILITY SYSTEM - 340 – SEMINOLE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$1,369,521	(\$10,561)	7	\$1,358,960
LAND & LAND RIGHTS	130,000	0		130,000
CONSTRUCTION-WORK-IN-PROGRESS	24,405	0		24,405
ACQUISITION ADJUSTMENT (AA)	41,452	(41,452)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(593,182)	0		(593,182)
ACCUMULATED DEPRECIATION	(717,081)	8,866		(708,215)
ACCUMULATED AMORTIZATION OF CIAC	253,613	0		253,613
ACCUMULATED AMORTIZATION OF AA	(16,609)	16,609	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	35,472	(27,303)	23	8,169
TOTAL	<u>\$527,592</u>	<u>(\$53,841)</u>		<u>\$473,751</u>

FLORIDA CENTRAL COMMERCE PARK UTILITY SYSTEM - 340
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$1,053	\$(342)
354	STRUCTURES AND IMPROVEMENTS	208,166	(98,778)
355	POWER GENERATION EQUIPMENT	25,463	(16,277)
360	COLLECTION SEWERS – FORCE	284,794	(132,723)
361	COLLECTION SEWERS – GRAVITY	12,408	7,210
363	SERVICES TO CUSTOMERS	3,935	(307)
364	FLOW MEASURING DEVICES	3,830	(3,374)
370	RECEIVING WELLS	25,038	(13,707)
371	PUMPING EQUIPMENT	97,303	(51,468)
374	REUSE DISTRIBUTION RESERVOIR	91,520	(61,323)
380	TREATMENT AND DISPOSAL EQUIPMENT	489,029	(265,863)
381	PLANT SEWERS	26,026	(14,334)
340	COMPUTER HARDWARE & SOFTWARE	13,695	(10,829)
343	TOOLS, SHOP AND GARAGE EQUIPMENT	8,873	(4,510)
344	LABORATORY EQUIPMENT	2,199	(1,464)
345	POWER OPERATED EQUIPMENT	500	(411)
346	COMMUNICATION EQUIPMENT	21,276	(6,688)
347	MISCELLANEOUS EQUIPMENT	9,188	(7,470)
TOTAL		<u>\$1,358,960</u>	<u>\$(708,215)</u>

FRIENDLY CENTER UTILITY SYSTEM - 556 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$16,241	\$0		\$16,241
LAND & LAND RIGHTS	437	0		437
CONSTRUCTION-WORK-IN-PROGRESS	64	0		64
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	1,911	(1,911)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(7,467)	0		(7,467)
ACCUMULATED DEPRECIATION	(8,921)	(1,314)	18	(10,235)
ACCUMULATED AMORTIZATION OF CIAC	2,797	0		2,797
ACCUMULATED AMORTIZATION OF AA	(538)	538	13	0
OTHER REGULATORY ASSET	743	395	23	1,138
TOTAL	<u>\$5,267</u>	<u>(\$2,292)</u>		<u>\$2,975</u>

FRIENDLY CENTER UTILITY SYSTEM - 556
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 27	\$ (27)
304	STRUCTURES & IMPROVEMENTS	4,809	(3,044)
307	WELLS AND SPRINGS	2,312	(1,315)
311	PUMPING EQUIPMENT	2,733	(2,125)
330	DISTRIBUTION RESERVOIRS & STANDP	1,748	(1,748)
331	TRANSMISSION & DISTRIBUTION	2,168	(938)
333	SERVICES	917	(497)
334	METERS & METER INSTALLATION	1,527	(541)
TOTAL		<u>\$16,241</u>	<u>\$(10,235)</u>

Docket No. 040951-WS and Docket No. 040952-WS
 Date: November 17, 2005

SCHEDULE 2
 PAGE 12 OF 61

GIBSONIA ESTATES UTILITY SYSTEM – 215 - POLK
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$338,765	(\$1,188)	4, 12	\$337,577
LAND & LAND RIGHTS	3,824	6	29	3,830
CONSTRUCTION-WORK-IN-PROGRESS	(2,456)	2,456	12	0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	47,033	(47,033)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(67,107)	0		(67,107)
ACCUMULATED DEPRECIATION	(38,137)	(10,472)	4,16,17,18,27	(48,609)
ACCUMULATED AMORTIZATION OF CIAC	38,256	0		38,256
ACCUMULATED AMORTIZATION OF AA	(7,367)	7,367	13	0
OTHER REGULATORY ASSET	0	0		0
TOTAL	<u>\$312,811</u>	<u>(\$48,864)</u>		<u>\$263,947</u>

GIBSONIA ESTATES UTILITY SYSTEM – 215
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES & IMPROVEMENTS	\$ 14,270	\$(9,225)
307	WELLS & SPRINGS	\$ 20,768	\$(5,580)
309	SUPPLY MAINS	\$ 8,590	\$(1,970)
310	POWER GENERATION EQUIPMENT	\$ 47,006	\$(17,670)
311	PUMPING EQUIPMENT	\$ 26,457	\$(3,906)
330	DISTRIBUTION RESERVOIRS	\$ 36,553	\$(413)
331	TRANSMISSION & DISTRIBUTION MAINS	\$154,635	\$(15,545)
333	SERVICES	\$ 2,371	\$(632)
334	METERS & METER INSTALLATIONS	\$ 14,025	\$ 8,389
335	HYDRANTS	\$ 11,634	\$(1,475)
347	MISCELLANEOUS EQUIPMENT	\$ 1,268	\$(582)
TOTAL		\$337,577	\$(48,609)

GRAND TERRACE UTILITY SYSTEM - 575 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$101,048	\$0		\$101,048
LAND & LAND RIGHTS	5,606	0		5,606
CONSTRUCTION-WORK-IN-PROGRESS	383	0		383
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(40,155)	40,155	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(33,602)	0		(33,602)
ACCUMULATED DEPRECIATION	(19,915)	(3,469)	18	(23,384)
ACCUMULATED AMORTIZATION OF CIAC	13,085	0		13,085
ACCUMULATED AMORTIZATION OF AA	9,817	(9,817)	13	0
OTHER REGULATORY ASSET	3,326	2,811	23	6,137
TOTAL	<u>\$39,593</u>	<u>\$29,680</u>		<u>\$69,273</u>

GRAND TERRACE UTILITY SYSTEM - 575
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 476	\$ (173)
304	STRUCTURES & IMPROVEMENTS	4,000	5,705
307	WELLS AND SPRINGS	3,011	(1,499)
311	PUMPING EQUIPMENT	14,508	(54)
320	DISTRIBUTION RESERVOIRS & STANDP	10,001	(3,548)
330	TRANSMISSION & DISTRIBUTION	55,087	(19,290)
333	SERVICES	6,250	(1,423)
334	METERS & METER INSTALLATION	5,015	(2,323)
335	HYDRANTS	2,700	(779)
TOTAL		<u>\$101,048</u>	<u>\$ (23,384)</u>

HARMONY HOMES UTILITY SYSTEM - 326 - SEMINOLE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$79,030	\$0		\$79,030
LAND & LAND RIGHTS	1,667	(903)	9	764
CONSTRUCTION-WORK-IN-PROGRESS	1,212	0		1,212
ACQUISITION ADJUSTMENT (AA)	(3,094)	3,094	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(498)	0		(498)
ACCUMULATED DEPRECIATION	(14,304)	(5,738)	18	(20,042)
ACCUMULATED AMORTIZATION OF CIAC	309	0		309
ACCUMULATED AMORTIZATION OF AA	1,300	(1,300)	13	0
OTHER REGULATORY ASSET	1,806	1,672	23	3,478
TOTAL	<u>\$67,428</u>	<u>(\$3,175)</u>		<u>\$64,253</u>

HARMONY HOMES UTILITY SYSTEM - 326
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$726	\$(447)
304	STRUCTURES AND IMPROVEMENTS - SUPPLY	7,892	(5,681)
307	WELLS AND SPRINGS	2,520	2,216
309	SUPPLY MAINS	2,218	(1,150)
311	PUMPING EQUIPMENT	8,218	(34)
320	WATER TREATMENT EQUIPMENT	1,376	2,142
330	DISTRIBUTION RESERVOIRS	7,522	(3,381)
331	TRANSMISSION & DISTRIBUTION MAINS	28,301	(8,135)
333	SERVICES	11,913	(3,698)
334	METERS & METER INSTALLATION	2,918	(288)
348	COMMUNICATION EQUIPMENT	5,426	(1,586)
TOTAL		<u>\$79,030</u>	<u>\$(20,042)</u>

HERMITS COVE UTILITY SYSTEM – 438 – PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$623,581	(\$3,789)	6	\$619,792
LAND & LAND RIGHTS	3,164	0		3,164
CONSTRUCTION-WORK-IN-PROGRESS	500	0		500
ACQUISITION ADJUSTMENT (AA)	3,285	(3,285)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(6,442)	0		(6,442)
ACCUMULATED DEPRECIATION	(59,746)	(66,300)	6,18, 26,27,28	(126,046)
ACCUMULATED AMORTIZATION OF CIAC	2,864	0		2,864
ACCUMULATED AMORTIZATION OF AA	(1,752)	1,752	13	0
OTHER REGULATORY ASSET	5,331	4,298	23	9,629
TOTAL	<u>\$570,785</u>	<u>\$(67,324)</u>		<u>\$503,461</u>

HERMIT'S COVE UTILITY SYSTEM - 438
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$292	\$(97)
304	STRUCTURES AND IMPROVEMENTS - TREATMENT	32,346	(8,837)
310	POWER GENERATION EQUIPMENT	29,634	(15,446)
311	PUMPING EQUIPMENT - SUPPLY	33,733	(11,186)
320	WATER TREATMENT EQUIPMENT	35,732	3,887
330	DISTRIBUTION RESERVOIRS	347,403	(12,935)
331	TRANSMISSION & DISTRIBUTION MAINS	70,013	(25,068)
333	SERVICES	5,567	(2,984)
334	METERS & METER INSTALLATION	9,283	(5,002)
304	STRUCTURES AND IMPROVEMENTS - GENERAL	2,594	(236)
340	OFFICE FURNITURE & EQUIPMENT	17,641	(13,940)
341	TRANSPORTATION EQUIPMENT	2,079	(2,079)
343	TOOLS, SHOP AND GARAGE EQUIPMENT	3,647	(3,647)
345	POWER OPERATED EQUIPMENT	3,466	(3,466)
346	COMMUNICATION EQUIPMENT	24,260	(22,908)
347	MISCELLANEOUS EQUIPMENT	2,102	(2,102)
TOTAL		\$619,792	\$126,046

HOBBY HILLS UTILITY SYSTEM - 558 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$42,246	\$0		\$42,246
LAND & LAND RIGHTS	1,993	(1,423)	9	570
CONSTRUCTION-WORK-IN-PROGRESS	95	0		95
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	8,226	(8,226)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(7,063)	0		(7,063)
ACCUMULATED DEPRECIATION	(5,033)	(7,149)	18	(12,182)
ACCUMULATED AMORTIZATION OF CIAC	1,713	0		1,713
ACCUMULATED AMORTIZATION OF AA	(2,251)	2,251	13	0
OTHER REGULATORY ASSET	2,921	2,410	23	5,331
TOTAL	<u>\$42,847</u>	<u>(\$12,137)</u>		<u>\$30,710</u>

HOBBY HILLS UTILITY SYSTEM - 558
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$582	\$ (244)
304	STRUCTURES & IMPROVEMENTS	2,355	(1,201)
304	STRUCTURES & IMPROVEMENTS	1,500	1,647
307	WELLS AND SPRINGS	4,703	(2,626)
309	SUPPLY MAINS	856	(226)
311	PUMPING EQUIPMENT	10,330	309
320	WATER TREATMENT EQUIPMENT	483	214
330	DISTRIBUTION RESERVOIRS & STANDP	8,011	(1,780)
331	TRANSMISSION & DISTRIBUTION	6,392	(3,919)
333	SERVICES	1,521	(906)
334	METERS & METER INSTALLATION	5,513	(3,449)
TOTAL		<u>\$42,246</u>	<u>\$ (12,182)</u>

HOLIDAY HAVEN UTILITY SYSTEM - 573 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$47,922	\$0		\$47,922
LAND & LAND RIGHTS	306	(46)	9	260
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	30,847	(30,847)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(40,380)	0		(40,380)
ACCUMULATED DEPRECIATION	(19,299)	(10,908)	18	(30,207)
ACCUMULATED AMORTIZATION OF CIAC	26,206	0		26,206
ACCUMULATED AMORTIZATION OF AA	(9,103)	9,103	13	0
OTHER REGULATORY ASSET	3,641	2,560	23	6,201
TOTAL	<u>\$40,140</u>	<u>(\$30,138)</u>		<u>\$10,002</u>

HOLIDAY HAVEN SYSTEM - 573
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 425	\$ 19
304	SUPPLY MAINS	7,777	(5,571)
331	TRANSMISSION & DISTRIBUTION	25,246	(16,484)
333	SERVICES	8,031	(2,985)
334	METERS & METER INSTALLATION	5,908	(5,026)
346	COMMUNICATION EQUIPMENT (GENERAL PLANT)	535	(160)
TOTAL		<u>\$47,922</u>	<u>\$(30,207)</u>

HOLIDAY HAVEN UTILITY SYSTEM - 573 - LAKE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$672,778	\$0		\$672,778
LAND & LAND RIGHTS	122,428	(13,995)	9	108,433
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	52,556	(52,556)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(74,457)	0		(74,457)
ACCUMULATED DEPRECIATION	(291,065)	(10,908)	18	(301,973)
ACCUMULATED AMORTIZATION OF CIAC	46,906	0		46,906
ACCUMULATED AMORTIZATION OF AA	(20,280)	20,280	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	11,012	(5,861)	23	5151
TOTAL	<u>\$519,878</u>	<u>(\$63,040)</u>		<u>\$456,838</u>

HOLIDAY HAVEN SYSTEM - 573
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$110	\$73
354	STRUCTURES & IMPROVEMENTS	33,452	(16,130)
360	COLLECTION SEWERS FORCE	2,275	(1,786)
360.	COLLECTION SEWERS GRAVITY	137,266	(40,419)
363	SERVICES	5,012	(264)
370	RECEIVING WELLS	2,500	(2,500)
371	PUMPING EQUIPMENT	27,915	(5,821)
380	TREATMENT & DISPOSAL EQUIPMENT	270,922	(146,245)
381	PLANT SERWERS	186,866	(88,744)
346	COMMUNICATION EQUIPMENT (GENERAL PLANT)	460	(137)
TOTAL		<u>\$672,778</u>	<u>(\$301,973)</u>

IMPERIAL MOBILE TERRACE UTILITY SYSTEM - 570 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$231,019	\$0		\$231,019
LAND & LAND RIGHTS	7,512	0		7,512
CONSTRUCTION-WORK-IN-PROGRESS	104	0		104
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	26,299	(26,299)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(55,490)	0		(55,490)
ACCUMULATED DEPRECIATION	(78,968)	(5,209)	18,27	(84,177)
ACCUMULATED AMORTIZATION OF CIAC	45,918	0		45,918
ACCUMULATED AMORTIZATION OF AA	(11,291)	11,291	13	0
OTHER REGULATORY ASSET	7,291	6,190	23	13,481
TOTAL	<u>\$172,394</u>	<u>(\$14,027)</u>		<u>\$158,367</u>

IMPERIAL MOBILE TERRACE UTILITY SYSTEM - 570
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 251	\$ (81)
304	STRUCTURES & IMPROVEMENTS	20,960	(7,552)
307	WELLS AND SPRINGS	21,261	(3,845)
309.	SUPPLY MAINS	46,213	(5,287)
310	POWER GENERATION EQUIPMENT	21,160	(12,604)
311	PUMPING EQUIPMENT	32,331	(6,894)
330	DISTRIBUTION RESERVOIRS	26,127	(1,695)
331	TRANSMISSION & DISTRIBUTION	51,098	(39,669)
333	SERVICES	499	21
334	METERS & METER INSTALLATION	11,119	(6,571)
TOTAL		<u>\$231,019</u>	<u>\$ (84,177)</u>

INTERLACHEN LAKES ESTATES UTILITY SYSTEM - 470 – PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$137,842	\$0		\$137,842
LAND & LAND RIGHTS	4,306	0		4,306
CONSTRUCTION-WORK-IN-PROGRESS	49	0		49
ACQUISITION ADJUSTMENT (AA)	(1,188)	1,188	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(64,790)	0		(64,790)
ACCUMULATED DEPRECIATION	(28,231)	(28,362)	18, 27,28	(56,593)
ACCUMULATED AMORTIZATION OF CIAC	30,132	0		30,132
ACCUMULATED AMORTIZATION OF AA	1,284	(1,284)	13	0
OTHER REGULATORY ASSET	6,744	7,280	23	14,024
TOTAL	<u>\$86,148</u>	<u>\$(21,178)</u>		<u>\$64,970</u>

INTERLACHEN ESTATES UTILITY SYSTEM - 470
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES AND IMPROVEMENTS - SUPPLY	\$21,270	\$(10,042)
307	WELLS AND SPRINGS	2,500	2,910
310	POWER GENERATION EQUIPMENT	24,161	(4,172)
311	PUMPING EQUIPMENT	9,019	(3,639)
330	DISTRIBUTION RESERVOIRS	23,297	(12,877)
331	TRANSMISSION & DISTRIBUTION MAINS	41,186	(20,889)
333	SERVICES	1,756	(1,756)
334	METERS & METER INSTALLATION	14,653	(6,128)
TOTAL		<u>\$137,842</u>	<u>\$56,593</u>

JUNGLE DEN UTILITY SYSTEM - 1802 - VOLUSIA COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$20,601	\$0		\$20,601
LAND & LAND RIGHTS	561	(301)	9	260
CONSTRUCTION-WORK-IN-PROGRESS	112	0		112
ACQUISITION ADJUSTMENT (AA)	6,371	(6,371)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(10,649)	0		(10,649)
ACCUMULATED DEPRECIATION	(3,223)	(9,112)	18	(12,335)
ACCUMULATED AMORTIZATION OF CIAC	6,459	0		6,459
ACCUMULATED AMORTIZATION OF AA	(3,155)	3,155	13	0
OTHER REGULATORY ASSET	3,439	2,804	23	6,243
TOTAL	<u>\$20,516</u>	<u>(\$9,825)</u>		<u>\$10,691</u>

JUNGLE DEN UTILITY SYSTEM - 1802
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$174	\$(38)
309	SUPPLY MAINS	1,565	(1,007)
331	TRANSMISSION & DISTRIBUTION	11,663	(7,431)
333	SERVICES	1,212	(717)
334	METERS & METER INSTALLATION	5,987	(3,142)
TOTAL		<u>\$20,601</u>	<u>\$(12,335)</u>

JUNGLE DEN UTILITY SYSTEM - 1802 – VOLUSIA COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$392,529	(\$34,102)	8	\$358,427
LAND & LAND RIGHTS	119,526	0		119,526
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	28,057	(28,057)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(131,113)	0		(131,113)
ACCUMULATED DEPRECIATION	(139,393)	15,058	18	(124,335)
ACCUMULATED AMORTIZATION OF CIAC	66,026	0		66,026
ACCUMULATED AMORTIZATION OF AA	(10,909)	10,909	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	12,728	(6,236)	23	6,492
TOTAL	<u>\$337,451</u>	<u>(\$42,428)</u>		<u>\$295,023</u>

JUNGLE DEN UTILITY SYSTEM - 1802
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$206	\$(65)
354	STRUCTURES AND IMPROVEMENTS	4,575	(2,192)
360	COLLECTION SEWERS – FORCE	68,467	(32,462)
361	COLLECTION SEWERS – GRAVITY	141,806	(35,577)
370	RECEIVING WELLS	33,930	(17,788)
371	PUMPING EQUIPMENT	8,127	21,294
380	TREATMENT AND DISPOSAL EQUIPMENT	76,528	(46,583)
381	PLANT SEWERS – REUSE	21,741	(10,048)
346	COMMUNICATION EQUIPMENT	3,047	(914)
TOTAL		<u>\$358,427</u>	<u>\$(124,335)</u>

KINGSWOOD UTILITY SYSTEM - 1701 – BREVARD COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$5,500	\$0		\$5,500
LAND & LAND RIGHTS	1,058	0		1,058
CONSTRUCTION-WORK-IN-PROGRESS	116	0		116
ACQUISITION ADJUSTMENT (AA)	10,082	(10,082)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(156)	0		(156)
ACCUMULATED DEPRECIATION	(2,413)	(2,058)	18	(4,471)
ACCUMULATED AMORTIZATION OF CIAC	1	0		1
ACCUMULATED AMORTIZATION OF AA	(3,843)	3,843	13	0
OTHER REGULATORY ASSET	1,860	1,568	23	3,428
TOTAL	<u>\$12,205</u>	<u>(\$6,729)</u>		<u>\$5,476</u>

KINGSWOOD UTILITY SYSTEM - 1701
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$563	\$(287)
331	TRANSMISSION & DISTRIBUTION	1,801	(1,801)
333	SERVICES	410	(410)
334	METERS & METER INSTALLATION	2,726	(1,973)
TOTAL		<u>\$5,500</u>	<u>\$(4,471)</u>

LAKE GIBSON ESTATES UTILITY SYSTEM - 210 – POLK COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$661,669	(\$37,245)	4, 4.5	\$624,424
LAND & LAND RIGHTS	29,032	(1,511)	29	27,521
CONSTRUCTION-WORK-IN-PROGRESS	4,578	(4,578)	12	0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	3,202	(3,202)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(223,113)	0		(223,113)
ACCUMULATED DEPRECIATION	(211,248)	719	4, 15, 16, 18, 40	(210,529)
ACCUMULATED AMORTIZATION OF CIAC	67,656	0		67,656
ACCUMULATED AMORTIZATION OF AA	(1,686)	1,686	13	0
OTHER REGULATORY ASSET	0	0		0
TOTAL	<u>\$330,089</u>	<u>(\$44,131)</u>		<u>\$285,958</u>

LAKE GIBSON ESTATES UTILITY SYSTEM - 210
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 1,180	\$ (436)
304	STRUCTURES & IMPROVEMENTS	\$140,232	\$ (51,046)
305	COLLECTING & IMPOUNDING RESERVOIRS	\$	\$ (639)
307	WELLS & SPRINGS	\$ 33,259	\$ (14,406)
309	SUPPLY MAINS	\$ 38,373	\$ (26,269)
310	POWER GENERATION EQUIPMENT	\$ 39,310	\$ 425
311	PUMPING EQUIPMENT	\$ 40,765	\$ (21,335)
320	WATER TREATMENT EQUIPMENT	\$	\$ (971)
330	DISTRIBUTION RESERVOIRS	\$ 51,982	\$ (16,828)
331	TRANSMISSION & DISTRIBUTION MAINS	\$170,383	\$ (48,048)
333	SERVICES	\$ 41,005	\$ (18,354)
334	METERS & METER INSTALLATIONS	\$ 43,694	\$ (4,822)
335	HYDRANTS	\$ 7,845	\$ (1,584)
340	COMPUTER HARDWARE & SOFTWARE	\$ 4,093	\$ (4,093)
343	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 11,219	\$ (2,283)
344	LABORATORY EQUIPMENT	\$ 272	\$ (47)
345	POWER OPERATED EQUIPMENT	\$ 375	\$ (375)
347	MISCELLANEOUS EQUIPMENT	\$ 437	\$ 582
TOTAL		\$624,424	\$(210,529)

LAKE GIBSON ESTATES UTILITY SYSTEM - 210 - POLK COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$2,580,485	(\$151,791)	2, 3, 4	\$2,428,694
LAND & LAND RIGHTS	10,110	3,146	29	13,256
CONSTRUCTION-WORK-IN-PROGRESS	120,051	(120,051)	12	0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	3,188	(3,188)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(250,697)	0		(250,697)
ACCUMULATED DEPRECIATION	43,721	(375,243)	2, 3, 4, 16, 18, 22,	(331,513)
ACCUMULATED AMORTIZATION OF CIAC	67,090	0		67,090
ACCUMULATED AMORTIZATION OF AA	(1,676)	1,676	13	0
EXTRAORDINARY ABANDONMENT (NET)	298,583	(139,578)	22	159,005
OTHER REGULATORY ASSET	0	0		0
TOTAL	<u>\$2,870,853</u>	<u>(\$785,020)</u>		<u>\$2,085,835</u>

LAKE GIBSON ESTATES UTILITY SYSTEM - 210
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$ 1,527	\$(865)
354	STRUCTURES & IMPROVEMENTS	\$ 21,110	\$(158)
360	COLLECTION SEWERS -- FORCE	\$ 95,990	\$(69,805)
361	COLLECTION SEWERS -- GRAVITY	\$ 672,671	\$(59,174)
363	SERVICES	\$ 24,211	\$(15,324)
364	FLOW MEASURING DEVICES	\$ 20,431	\$(10,457)
370	RECEIVING WELLS	\$ 61,747	\$(13,633)
371	PUMPING EQUIPMENT	\$ 120,949	\$(6,413)
380	TREATMENT & DISPOSAL EQUIPMENT	\$ 3,557	\$(512)
381	PLANT SEWERS	\$ 241,717	\$(21,149)
389	OTHER PLANT & MISCELLANEOUS EQUIPMENT	\$1,148,941	\$(127,801)
390	COMPUTER HARDWARE & SOFTWARE EQUIPMENT	\$ 4,093	\$(4,093)
393	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 10,666	\$(2,196)
394	LABORATORY EQUIPMENT	\$ 272	\$(47)
395	POWER OPERATED EQUIPMENT	\$ 375	\$(375)
397	MISCELLANEOUS EQUIPMENT	\$ 437	\$ 489
TOTAL		\$2,428,694	\$(331,513)

LEISURE LAKES UTILITY SYSTEM - 2401 - HIGHLANDS COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$330,165	\$0		\$330,165
LAND & LAND RIGHTS	550	0		550
CONSTRUCTION-WORK-IN-PROGRESS *	3,325	(1,927)	32	1,398
ACQUISITION ADJUSTMENT (AA)	87,469	(87,469)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(128,851)	0		(128,851)
ACCUMULATED DEPRECIATION	(124,204)	9,911	18	(114,293)
ACCUMULATED AMORTIZATION OF CIAC	69,843	0		69,843
ACCUMULATED AMORTIZATION OF AA	(32,783)	32,783	13	0
OTHER REGULATORY ASSET	7,673	5,762	23	13,435
TOTAL	<u>\$213,187</u>	<u>(\$40,940)</u>		<u>\$172,246</u>

LEISURE LAKES UTILITY SYSTEM - 2401
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 298	\$(97)
304	STRUCTURES & IMPROVEMENTS	\$ 18,079	\$(6,532)
307	WELLS & SPRINGS	\$ 18,144	\$(2,377)
309	SUPPLY MAINS	\$ 4,029	\$(1,152)
310	POWER GENERATION EQUIPMENT	\$ 25,331	\$(18,648)
311	PUMPING EQUIPMENT	\$ 47,130	\$(11,261)
320	WATER TREATMENT EQUIPMENT	\$ 55,901	\$(15,970)
330	DISTRIBUTION RESERVOIRS	\$ 34,522	\$(14,040)
331	TRANSMISSION & DISTRIBUTION MAINS	\$ 67,480	\$(31,232)
333	SERVICES	\$ 35,180	\$(11,475)
334	METERS & METER INSTALLATIONS	\$ 5,106	\$ 6,007
335	HYDRANTS	\$ 18,345	\$(7,064)
347	MISCELLANEOUS EQUIPMENT	\$ 620	\$(452)
TOTAL		\$330,165	\$(114,293)

LEISURE LAKES UTILITY SYSTEM - 2401 – HIGHLANDS COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$329,483	\$0		\$329,483
LAND & LAND RIGHTS	2,200	0		2,200
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(45,098)	45,098	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(238,386)	0		(238,386)
ACCUMULATED DEPRECIATION	(207,226)	9,911	18	(197,315)
ACCUMULATED AMORTIZATION OF CIAC	170,991	0		170,991
ACCUMULATED AMORTIZATION OF AA	15,550	(15,550)	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	26,067	(13,379)	23	12,688
TOTAL	<u>\$53,581</u>	<u>\$26,080</u>		<u>\$79,662</u>

LEISURE LAKES UTILITY SYSTEM - 2401 – HIGHLANDS COUNTY
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$ 298	\$ (167)
354	STRUCTURES & IMPROVEMENTS	\$ 4,580	\$ (3,288)
361	COLLECTION SEWERS -- GRAVITY	\$159,494	\$ (94,202)
363	SERVICES	\$ 16,349	\$ (5,190)
364	FLOW MEASURING DEVICES	\$ 1,000	\$ (1,000)
370	RECEIVING WELLS	\$ 9,730	\$ (7,550)
371	PUMPING EQUIPMENT	\$ 26,351	\$ (7,384)
380	TREATMENT & DISPOSAL EQUIPMENT	\$110,747	\$ (84,844)
382	OUTFALL SEWER LINES	\$ 934	\$ 6,310
TOTAL		\$329,483	\$(197,315)

MORNINGVIEW UTILITY SYSTEM - 562 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$80,456	\$0		\$80,456
LAND & LAND RIGHTS	882	0		882
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	5,196	(5,196)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(3,577)	0		(3,577)
ACCUMULATED DEPRECIATION	(25,551)	(4,762)	18,27	(30,313)
ACCUMULATED AMORTIZATION OF CIAC	2,663	0		2,663
ACCUMULATED AMORTIZATION OF AA	(1,474)	1,474	13	0
OTHER REGULATORY ASSET	1,303	1,323	23	2,626
TOTAL	<u>\$59,898</u>	<u>(\$7,161)</u>		<u>\$52,737</u>

MORNINGVIEW UTILITY SYSTEM - 562
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 300	\$ (141)
304	STRUCTURES & IMPROVEMENTS	3,309	(2,591)
307	WELLS AND SPRINGS	2,500	(1,382)
310	POWER GENERATION EQUIPMENT		0
311	PUMPING EQUIPMENT	6,411	(4,311)
320	WATER TREATMENT EQUIPMENT	750	(640)
330	DISTRIBUTION RESERVOIRS & STANDP	57,488	(15,750)
331	TRANSMISSION & DISTRIBUTION	6,624	(3,859)
333	SERVICES	1,097	(704)
334	METERS & METER INSTALLATION	1,977	(935)
TOTAL		<u>\$80,456</u>	<u>\$ (30,313)</u>

MORNINGVIEW UTILITY SYSTEM - 562 - LAKE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$170,684	\$0		\$170,684
LAND & LAND RIGHTS	1,140	0		1,140
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	9,242	(9,242)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(5,732)	0		(5,732)
ACCUMULATED DEPRECIATION	(107,801)	(805)	18	(108,606)
ACCUMULATED AMORTIZATION OF CIAC	4,899	0		4,899
ACCUMULATED AMORTIZATION OF AA	(1,126)	1,126	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	3,877	(1,859)	23	2,018
TOTAL	<u>\$75,183</u>	<u>(\$10,780)</u>		<u>\$64,403</u>

MORNINGVIEW UTILITY SYSTEM - 562
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$ 159	\$ (77)
354	STRUCTURES & IMPROVEMENTS	4,189	(2,836)
360	COLLECTION SEWERS FORCE	3,097	(2,084)
361.	COLLECTION SEWERS GRAVITY	11,399	(93)
363	SERVICES	3,105	(1,801)
370	RECEIVING WELLS	45,962	(15,770)
371	PUMPING EQUIPMENT	70,558	(58,859)
380	TREATMENT & DISPOSAL EQUIPMENT	32,215	(27,086)
TOTAL		<u>\$170,684</u>	<u>\$ (108,606)</u>

OAKWOOD UTILITY SYSTEM - 1702 - BREVARD COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$28,629	\$0		\$28,629
LAND & LAND RIGHTS	1,708	0		1,708
CONSTRUCTION-WORK-IN-PROGRESS	111	0		111
ACQUISITION ADJUSTMENT (AA)	50,067	(50,067)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(2,705)	0		(2,705)
ACCUMULATED DEPRECIATION	(22,632)	(3,859)	18	(26,491)
ACCUMULATED AMORTIZATION OF CIAC	(771)	0		(771)
ACCUMULATED AMORTIZATION OF AA	(20,072)	20,072	13	0
OTHER REGULATORY ASSET	6,265	5,290	23	11,555
TOTAL	<u>\$40,600</u>	<u>(\$28,564)</u>		<u>\$12,036</u>

OAKWOOD UTILITY SYSTEM - 1702
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$542	\$(204)
331	TRANSMISSION & DISTRIBUTION	14,011	(14,011)
333	SERVICES	5,571	(5,571)
334	METERS & METER INSTALLATION	8,505	(6,705)
TOTAL		<u>\$28,629</u>	<u>\$(26,491)</u>

ORANGE HILL/SUGAR CREEK UTILITY SYSTEM - 212/214 - POLK COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$187,020	(\$0)		\$187,020
LAND & LAND RIGHTS	17,232	0		17,232
CONSTRUCTION-WORK-IN-PROGRESS	112	(0)		112
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	1,555	(1,555)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(19,142)	(0)		(19,142)
ACCUMULATED DEPRECIATION	(12,272)	(23,572)	16, 18, 26	(35,844)
ACCUMULATED AMORTIZATION OF CIAC	6,128	(0)		6,128
ACCUMULATED AMORTIZATION OF AA	(859)	859	13	0
OTHER REGULATORY ASSET	0	0		0
TOTAL	<u>\$179,774</u>	<u>(\$24,268)</u>		<u>\$155,507</u>

ORANGE HILL/SUGAR CREEK UTILITY SYSTEM - 212/214 - POLK COUNTY
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 1,272	\$(445)
304	STRUCTURES & IMPROVEMENTS	\$ 3,727	\$(1,100)
307	WELLS & SPRINGS	\$ 10,819	\$(2,694)
309	SUPPLY MAINS	\$ 8,066	\$(4,984)
310	POWER GENERATION EQUIPMENT	\$ 13,640	\$(7,389)
311	PUMPING EQUIPMENT	\$ 34,525	\$(8,899)
330	DISTRIBUTION RESERVOIRS	\$ 91,073	\$(7,987)
331	TRANSMISSION & DISTRIBUTION MAINS	\$ 6,605	\$(4,227)
333	SERVICES	\$ 5,511	\$(2,203)
334	METER & METER INSTALLATIONS	\$ 11,782	\$ 4,084
TOTAL		\$187,020	\$(35,844)

PALM PORT UTILITY SYSTEM - 440 – PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$104,650	\$0		\$104,650
LAND & LAND RIGHTS	8,208	0		8,208
CONSTRUCTION-WORK-IN-PROGRESS	127	0		127
ACQUISITION ADJUSTMENT (AA)	(30,857)	30,857	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(19,916)	0		(19,916)
ACCUMULATED DEPRECIATION	(27,489)	(11,965)	18,27,28	(39,454)
ACCUMULATED AMORTIZATION OF CIAC	9,296	0		9,296
ACCUMULATED AMORTIZATION OF AA	8,146	(8,146)	13,11	0
OTHER REGULATORY ASSET	3,089	2,794	23	5,883
TOTAL	<u>\$55,254</u>	<u>\$13,540</u>		<u>\$68,794</u>

PALM PORT UTILITY SYSTEM - 440
 WATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$157	\$(47)
304	STRUCTURES AND IMPROVEMENTS	10,196	(5,117)
307	WELLS AND SPRINGS	3,230	(1,568)
311	PUMPING EQUIPMENT - SUPPLY	12,630	(9,495)
330	DISTRIBUTION RESERVOIRS	67,672	(19,838)
331	TRANSMISSION & DISTRIBUTION MAINS	998	(97)
333	SERVICES	3,283	(1,396)
334	METERS & METER INSTALLATION	5,809	(1,716)
347	MISCELLANEOUS EQUIPMENT	675	(180)
TOTAL		<u>\$104,650</u>	<u>\$(39,454)</u>

PALM PORT UTILITY SYSTEM - 440 – PUTNAM COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$274,322	\$0		\$274,322
LAND & LAND RIGHTS	10,023	0		10,023
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(79,818)	79,818	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(22,530)	0		(22,530)
ACCUMULATED DEPRECIATION	(154,822)	(5,516)	18,28	(160,338)
ACCUMULATED AMORTIZATION OF CIAC	11,966	0		11,966
ACCUMULATED AMORTIZATION OF AA	19,014	(19,014)	13,11	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	10,993	(5,105)	23	5,888
TOTAL	<u>\$69,148</u>	<u>\$50,184</u>		<u>\$119,331</u>

PALM PORT UTILITY SYSTEM - 440
 WASTEWATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
354	STRUCTURES AND IMPROVEMENTS	\$6,822	\$(1,197)
360	COLLECTION SEWERS – FORCE	617	(83)
361	COLLECTION SEWERS – GRAVITY	45,104	(6,455)
363	SERVICES TO CUSTOMERS	5,938	(2,469)
364	FLOW MEASURING DEVICES	4,712	(1,884)
370	RECEIVING WELLS	3,382	(2,032)
371	PUMPING EQUIPMENT	31,565	(14,068)
380	TREATMENT AND DISPOSAL EQUIPMENT	175,507	(131,970)
347	MISCELLANEOUS EQUIPMENT	675	(180)
TOTAL		<u>\$274,322</u>	<u>\$(160,338)</u>

PALM TERRACE UTILITY SYSTEM - 1429 - PASCO COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$256,939	\$1,255	33	\$258,194
LAND & LAND RIGHTS	24,732	(1,255)	33	23,477
CONSTRUCTION-WORK-IN-PROGRESS	64	0		64
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	386,864	(386,864)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(138,157)	0		(138,157)
ACCUMULATED DEPRECIATION	(105,709)	(20,687)	18,28	(126,396)
ACCUMULATED AMORTIZATION OF CIAC	82,599	0		82,599
ACCUMULATED AMORTIZATION OF AA	(158,480)	158,480	13	0
OTHER REGULATORY ASSET	36,544	30,629	23	67,173
TOTAL	<u>\$385,396</u>	<u>(\$218,442)</u>		<u>\$166,954</u>

PALM TERRACE UTILITY SYSTEM - 1429
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
301	ORGANIZATION	\$ 552	\$ (483)
302	FRANCHISES	\$ 3,283	\$ (824)
304	STRUCTURES & IMPROVEMENTS	\$ 21,451	\$ (12,402)
307	WELLS & SPRINGS	\$ 8,689	\$ (4,433)
309	SUPPLY MAINS	\$ 20,810	\$ (1,786)
311	PUMPING EQUIPMENT	\$ 7,644	\$ (2,144)
330	DISTRIBUTION RESERVOIRS	\$ 10,000	\$ (2,664)
331	TRANSMISSION & DISTRIBUTION MAINS	\$121,514	\$ (69,830)
333	SERVICES	\$ 5,757	\$ (1,228)
334	METERS & METER INSTALLATIONS	\$ 55,041	\$ (28,610)
343	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 400	\$ (400)
344	LABORATORY EQUIPMENT	\$ 2,613	\$ (1,414)
347	MISCELLANEOUS EQUIPMENT	\$ 440	\$ (178)
TOTAL		<u>\$258,194</u>	<u>\$(126,396)</u>

PALM TERRACE UTILITY SYSTEM - 1429 -- PASCO COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$582,110	(\$2,515)	33	\$579,595
LAND & LAND RIGHTS	68,375	2,515	33	70,890
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(283,306)	283,306	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(343,113)	0		(343,113)
ACCUMULATED DEPRECIATION	(260,347)	(39,935)	18 , 26, 28	(300,282)
ACCUMULATED AMORTIZATION OF CIAC	264,167	0		264,167
ACCUMULATED AMORTIZATION OF AA	115,211	(115,211)	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	110,412	(53,213)	23	57,199
TOTAL	<u>\$253,509</u>	<u>\$74,947</u>		<u>\$328,456</u>

PALM TERRACE UTILITY SYSTEM - 1429
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
351	ORGANIZATION	\$ 552	\$(242)
352	FRANCHISES	\$ 2,878	\$(1,048)
354	STRUCTURES & IMPROVEMENTS	\$ 3,238	\$(20,474)
360	COLLECTION SEWERS -- FORCE	\$ 15,018	\$(5,763)
361	COLLECTION SEWERS -- GRAVITY	\$232,422	\$(136,922)
363	SERVICES	\$ 2,099	\$(862)
364	FLOW MEASURING DEVICES	\$ 5,969	\$(5,969)
370	RECEIVING WELLS	\$ 13,851	\$(10,559)
371	PUMPING EQUIPMENT	\$ 50,603	\$ 3,682
380	TREATMENT & DISPOSAL EQUIPMENT	\$195,454	\$(117,972)
381	PLANT SEWERS	\$ 4,058	\$(2,161)
393	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 400	\$(400)
394	LABORATORY EQUIPMENT	\$ 2,613	\$(1,414)
397	HYDRANTS	\$ 440	\$(178)
TOTAL		<u>\$579,595</u>	<u>\$(300,282)</u>

PALMS MOBILE HOME PARK UTILITY SYSTEM - 559 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$106,900	\$0		\$106,900
LAND & LAND RIGHTS	1,360	0		1,360
CONSTRUCTION-WORK-IN-PROGRESS	64	0		64
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	8,699	(8,699)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(4,396)	0		(4,396)
ACCUMULATED DEPRECIATION	(39,307)	(4,422)	18,28	(43,729)
ACCUMULATED AMORTIZATION OF CIAC	2,241	0		2,241
ACCUMULATED AMORTIZATION OF AA	(2,350)	2,350	13	0
OTHER REGULATORY ASSET	1,834	1,396	23	3,230
TOTAL	<u>\$75,045</u>	<u>(\$9,375)</u>		<u>\$65,670</u>

PALMS MOBILE HOME PARK UTILITY SYSTEM - 559
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 389	\$ (179)
304	STRUCTURES & IMPROVEMENTS	4,623	(1,990)
307	WELLS AND SPRINGS	2,000	(1,257)
311	PUMPING EQUIPMENT	8,490	2,508
320	WATER TREATMENT EQUIPMENT	57,062	(32,579)
330	DISTRIBUTION RESERVOIRS & STANDP	24,442	(5,680)
331	TRANSMISSION & DISTRIBUTION	5,831	(3,741)
333	SERVICES	1,210	(808)
334	METERS & METER INSTALLATION	2,853	(3)
TOTAL		<u>\$106,900</u>	<u>\$ (43,729)</u>

PARK MANOR UTILITY SYSTEM - 444 - PUTNAM COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$52,760	\$0		\$52,760
LAND & LAND RIGHTS	1,011	0		1,011
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(31,503)	31,503	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(724)	0		(724)
ACCUMULATED DEPRECIATION	(23,271)	(8,109)	18,28	(31,380)
ACCUMULATED AMORTIZATION OF CIAC	635	0		635
ACCUMULATED AMORTIZATION OF AA	18,212	18,212	13,11	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	4,750	(2,898)	23	1,852
TOTAL	<u>\$21,870</u>	<u>\$2,284</u>		<u>\$24,154</u>

PARK MANOR UTILITY SYSTEM - 444
 WASTEWATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
354	STRUCTURES AND IMPROVEMENTS	\$4,441	\$(2,708)
361	COLLECTION SEWERS - GRAVITY	13,815	(7,925)
363	SERVICES TO CUSTOMERS	48	23
370	RECEIVING WELLS	1,515	(960)
371	PUMPING EQUIPMENT	10,640	(6,622)
380	TREATMENT AND DISPOSAL EQUIPMENT	14,308	(11,403)
304	STRUCTURES AND IMPROVEMENTS	7,993	(1,785)
TOTAL		<u>\$52,760</u>	<u>\$(31,380)</u>

PICCIOLA ISLAND UTILITY SYSTEM - 564 – LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$119,878	\$0		\$119,878
LAND & LAND RIGHTS	3,481	0		3,481
CONSTRUCTION-WORK-IN-PROGRESS	191	0		191
PLANT HELD FOR FUTURE UES	0	0		0
ACQUISITION ADJUSTMENT (AA)	27,360	(27,360)	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(41,720)	0		(41,720)
ACCUMULATED DEPRECIATION	(56,117)	(6,937)	18	(63,054)
ACCUMULATED AMORTIZATION OF CIAC	25,136	0		25,136
ACCUMULATED AMORTIZATION OF AA	(5,800)	(5,800)	13,11	0
OTHER REGULATORY ASSET	4,085	3,494	23	7,579
TOTAL	<u>\$76,493</u>	<u>(\$25,002)</u>		<u>\$51,491</u>

PICCIOLA ISLAND UTILITY SYSTEM - 564
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 254	\$ (103)
304	STRUCTURES & IMPROVEMENTS	6,685	(4,313)
307	WELLS AND SPRINGS	5,934	(5,727)
309	SUPPLY MAINS	710	(232)
310	POWER GENERATION EQUIPMENT	21,952	(14,261)
311	PUMPING EQUIPMENT	12,127	(10,538)
320	WATER TREATMENT EQUIPMENT	750	(750)
330	DISTRIBUTION RESERVOIRS & STANDP	38,158	(11,181)
331	TRANSMISSION & DISTRIBUTION	14,895	(10,108)
333	SERVICES	11,187	(5,100)
334	METERS & METER INSTALLATION	7,226	(741)
TOTAL		<u>\$119,878</u>	<u>\$(63,054)</u>

PINEY WOODS UTILITY SYSTEM - 553 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$378,026	\$0		\$378,026
LAND & LAND RIGHTS	6,101	(4,234)	9	1,867
CONSTRUCTION-WORK-IN-PROGRESS	63	0		63
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(29,294)	29,294	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(16,405)	0		(16,405)
ACCUMULATED DEPRECIATION	(115,473)	(12,637)	18,27,28	(128,110)
ACCUMULATED AMORTIZATION OF CIAC	5,126	0		5,126
ACCUMULATED AMORTIZATION OF AA	7,962	(7,962)	13	0
OTHER REGULATORY ASSET	5,098	4,176	23	9,274
TOTAL	<u>\$241,204</u>	<u>\$10,229</u>		<u>\$251,433</u>

PINEY WOODS UTILITY SYSTEM - 553
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 1,760	\$ (665)
304	STRUCTURES & IMPROVEMENTS	11,820	(6,892)
307	WELLS AND SPRINGS	3,819	(1,519)
310	POWER GENERATION EQUIPMENT	35,710	(16,844)
311	PUMPING EQUIPMENT	19,374	(13,647)
320	WATER TREATMENT EQUIPMENT		0
330	DISTRIBUTION RESERVOIRS & STANDP	234,334	(60,461)
331	TRANSMISSION & DISTRIBUTION	57,127	(22,271)
333	SERVICES	4,807	(2,979)
334	METERS & METER INSTALLATION	9,275	(2,832)
TOTAL		<u>\$378,026</u>	<u>\$ (128,110)</u>

POMONA PARK UTILITY SYSTEM - 443 -- PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$406,956	\$7,541	25	\$414,497
LAND & LAND RIGHTS	7,229	0		7,229
CONSTRUCTION-WORK-IN-PROGRESS	1,546	0		1,546
ACQUISITION ADJUSTMENT (AA)	(22,728)	22,728	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(22,437)	0		(22,437)
ACCUMULATED DEPRECIATION	(65,089)	(12,682)	18, 25	(77,771)
ACCUMULATED AMORTIZATION OF CIAC	8,165	0		8,165
ACCUMULATED AMORTIZATION OF AA	6,318	(6,318)	13	0
OTHER REGULATORY ASSET	5,533	4,939	23	10,472
TOTAL	<u>\$325,493</u>	<u>\$16,208</u>		<u>\$341,701</u>

POMONA PARK UTILITY SYSTEM - 443
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES AND IMPROVEMENTS	\$33,197	\$(12,899)
307	WELLS AND SPRINGS	3,355	(2,386)
309	SUPPLY MAINS	687	(344)
310	POWER GENERATION EQUIPMENT	45,098	(25,311)
311	PUMPING EQUIPMENT	9,060	(1,359)
330	DISTRIBUTION RESERVOIRS	56,809	(11,826)
331	TRANSMISSION & DISTRIBUTION MAINS	239,413	(22,211)
333	SERVICES	7,411	(2,857)
334	METERS & METER INSTALLATION	12,670	4,470
389	OTHER PLANT & MISC	6,797	(3,048)
TOTAL		<u>\$414,497</u>	<u>\$(77,771)</u>

QUAIL RIDGE UTILITY SYSTEM - 578 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$156,356	\$0		\$156,356
LAND & LAND RIGHTS	3,804	0		3,804
CONSTRUCTION-WORK-IN-PROGRESS	129	0		129
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(108,125)	108,125	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(77,908)	0		(77,908)
ACCUMULATED DEPRECIATION	(35,030)	(2,199)	28	(37,229)
ACCUMULATED AMORTIZATION OF CIAC	9,953	0		9,953
ACCUMULATED AMORTIZATION OF AA	30,861	(30,861)	13	0
OTHER REGULATORY ASSET	997	(25)	23	972
TOTAL	<u>(\$18,963)</u>	<u>\$77,239</u>		<u>\$58,276</u>

QUAIL RIDGE UTILITY SYSTEM - 578
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
307	WELLS AND SPRINGS	\$ 14,810	\$ (7,039)
311	PUMPING EQUIPMENT	223,088	(7,516)
320	WATER TREATMENT EQUIPMENT	1,028	2,861
330	DISTRIBUTION RESERVOIRS	27,428	(13,049)
331	TRANSMISSION & DISTRIBUTION	69,521	(9,523)
333	SERVICES	9,182	(1,103)
334	METERS & METER INSTALLATION	3,828	(563)
335	HYDRANTS	6,660	(702)
339	MISC EQUIPMENT	811	(595)
TOTAL		<u>\$156,356</u>	<u>\$(37,229)</u>

RIVER GROVE UTILITY SYSTEM - 442 - PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$125,786	\$0		\$125,786
LAND & LAND RIGHTS	3,511	0		3,511
CONSTRUCTION-WORK-IN-PROGRESS	64	0		64
ACQUISITION ADJUSTMENT (AA)	415	(415)	. 13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(27,488)	0		(27,488)
ACCUMULATED DEPRECIATION	(68,491)	(2,376)	18,28	(70,867)
ACCUMULATED AMORTIZATION OF CIAC	23,072	0		23,072
ACCUMULATED AMORTIZATION OF AA	1,195	(1,195)	13	0
OTHER REGULATORY ASSET	3,143	2,634	23	5,777
TOTAL	<u>\$61,207</u>	<u>\$1,352</u>		<u>\$59,855</u>

RIVER GROVE UTILITY SYSTEM - 442
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES AND IMPROVEMENTS	\$24,178	\$(14,788)
307	WELLS AND SPRINGS	3,139	(2,557)
309	SUPPLY MAINS	3,087	(1,967)
311	PUMPING EQUIPMENT	23,204	(19,028)
320	WATER TREATMENT EQUIPMENT	2,693	4,424
330	DISTRIBUTION RESERVOIRS	39,939	(22,220)
331	TRANSMISSION & DISTRIBUTION MAINS	22,098	(11,522)
333	SERVICES	2,418	(1,534)
334	METERS & METER INSTALLATION	5,030	(1,675)
TOTAL		<u>\$125,786</u>	<u>\$70,867</u>

SILVER LAKE ESTATES/WESTERN SHORES UTILITY SYSTEM – 574/566 – LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$1,912,209	\$0		\$1,912,209
LAND & LAND RIGHTS	4,608	(2,174)	9	2,434
CONSTRUCTION-WORK-IN-PROGRESS	48,690	0		48,690
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	99,451	(99,451)	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(572,278)	0		(572,278)
ACCUMULATED DEPRECIATION	(599,231)	368	18,27	(598,863)
ACCUMULATED AMORTIZATION OF CIAC	192,736	0		192,736
ACCUMULATED AMORTIZATION OF AA	(44,428)	44,428	13,11	0
OTHER REGULATORY ASSET	53,156	45,432	23	99,088
TOTAL	<u>\$1,094,913</u>	<u>(\$10,897)</u>		<u>\$1,084,016</u>

SILVER LAKE ESTATES/WESTERN SHORES UTILITY SYSTEM - 574 /566
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 9,909	\$ (1,561)
304	STRUCTURES & IMPROVEMENTS	96,071	(30,549)
307	WELLS AND SPRINGS	27,638	(15,436)
309	SUPPLY MAINS	208,304	(46,794)
310	POWER GENERATION EQUIPMENT	104,610	(51,036)
311	PUMPING EQUIPMENT	353,690	(100,545)
320	WATER TREATMENT EQUIPMENT	147,299	(47,013)
330	DISTRIBUTION RESERVOIRS	50,647	(10,443)
331	TRANSMISSION & DISTRIBUTION	781,765	(254,740)
333	SERVICES	26,712	(9,247)
334	METERS & METER INSTALLATION	89,530	(24,139)
335	HYDRANTS	7,738	(1,128)
346	COMMUNICATION EQUIPMENT	8,296	(6,232)
TOTAL		<u>\$1,912,209</u>	<u>\$ (598,863)</u>

SILVER LAKE OAKS UTILITY SYSTEM - 473 - PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$108,022	\$0		\$108,022
LAND & LAND RIGHTS	1,070	0		1,070
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(22,516)	22,516	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(4,719)	0		(4,719)
ACCUMULATED DEPRECIATION	(27,333)	(5,066)	18,27	(32,399)
ACCUMULATED AMORTIZATION OF CIAC	2,337	0		2,337
ACCUMULATED AMORTIZATION OF AA	6,087	(6,087)	13	0
OTHER REGULATORY ASSET	1,128	457	23	1,585
TOTAL	<u>\$64,076</u>	<u>\$11,820</u>		<u>\$75,896</u>

SILVER LAKE OAKS UTILITY SYSTEM - 473
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
301	ORGANIZATION	\$60	\$(17)
302	FRANCHISES	907	(301)
304	STRUCTURES AND IMPROVEMENTS	1,570	(694)
307	WELLS AND SPRINGS	13,087	(1,320)
309	SUPPLY MAINS	166	(72)
311	PUMPING EQUIPMENT	11,791	(5,530)
330	DISTRIBUTION RESERVOIRS	69,263	(22,757)
331	TRANSMISSION & DISTRIBUTION MAINS	3,357	(1,382)
333	SERVICES	5,054	(1,162)
334	METERS & METER INSTALLATION	2,767	836
TOTAL		<u>\$108,022</u>	<u>\$(32,399)</u>

SILVER LAKE OAKS UTILITY SYSTEM - 473 - PUTNAM COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$98,044	\$0		\$98,044
LAND & LAND RIGHTS	6,602	0		6,602
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	(2,962)	2,962	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(18,377)	0		(18,377)
ACCUMULATED DEPRECIATION	(66,122)	(3,457)	18	(69,579)
ACCUMULATED AMORTIZATION OF CIAC	10,866	0		10,866
ACCUMULATED AMORTIZATION OF AA	396	(396)	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	3,973	(2,485)	23	1,488
TOTAL	<u>\$32,420</u>	<u>(\$3,376)</u>		<u>\$29,044</u>

SILVER LAKE OAKS UTILITY SYSTEM - 473
 WASTEWATER PLANT AND DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$647	\$(200)
354	STRUCTURES AND IMPROVEMENTS	4,628	(1,454)
361	COLLECTION SEWERS - GRAVITY	15,465	(8,163)
363	SERVICES TO CUSTOMERS	2,910	(1,211)
370	RECEIVING WELLS	2,400	(1,107)
371	PUMPING EQUIPMENT	8,406	(6,466)
380	TREATMENT AND DISPOSAL EQUIPMENT	63,588	(50,978)
TOTAL		<u>\$98,044</u>	<u>\$(69,579)</u>

SKYCREST UTILITY SYSTEM - 551 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$152,761	\$0		\$152,761
LAND & LAND RIGHTS	1,661	(1,230)	9	431
CONSTRUCTION-WORK-IN-PROGRESS	95	0		95
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	4,711	(4,711)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(18,766)	0		(18,766)
ACCUMULATED DEPRECIATION	(8,895)	(15,523)	18,28	(24,418)
ACCUMULATED AMORTIZATION OF CIAC	7,430	0		7,430
ACCUMULATED AMORTIZATION OF AA	(1,462)	1,462	13	0
OTHER REGULATORY ASSET	3,598	2,751	23	6,349
TOTAL	<u>\$141,133</u>	<u>(\$17,251)</u>		<u>\$123,882</u>

SKYCREST UTILITY SYSTEM - 551
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 498	\$ (272)
304	STRUCTURES & IMPROVEMENTS	19,187	(2,637)
307	WELLS AND SPRINGS	1,579	(1,185)
309.	SUPPLY MAINS	1,270	(346)
310	POWER GENERATION EQUIPMENT	34,446	1,388
311	PUMPING EQUIPMENT	19,559	(5,792)
320	WATER TREATMENT EQUIPMENT	750	(750)
330	DISTRIBUTION RESERVOIRS & STANDP	26,307	2,464
331	TRANSMISSION & DISTRIBUTION	36,666	(12,338)
333	SERVICES	4,007	(1,751)
334	METERS & METER INSTALLATION	6,151	(2,316)
335	HYDRANTS	2,341	(883)
TOTAL		<u>\$152,761</u>	<u>\$ (24,418)</u>

ST. JOHN'S HIGHLANDS UTILITY SYSTEM - 471 - PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$25,712	\$0		\$25,712
LAND & LAND RIGHTS	1,037	0		1,037
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
ACQUISITION ADJUSTMENT (AA)	465	(465)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(14,756)	0		(14,756)
ACCUMULATED DEPRECIATION	39,869	(46,300)	18,22,40	(6,431)
ACCUMULATED AMORTIZATION OF CIAC	5,864	0		5,864
ACCUMULATED AMORTIZATION OF AA	80	(80)	13	0
EXTRAORDINARY ABANDONMENT (NET)	0	11,503	22	11,503
OTHER REGULATORY ASSET	2,660	2,007	23	4,667
TOTAL	<u>\$60,931</u>	<u>(\$33,335)</u>		<u>\$27,596</u>

ST. JOHN'S HIGHLANDS UTILITY SYSTEM - 471
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES AND IMPROVEMENTS	\$11,566	\$(351)
331	TRANSMISSION & DISTRIBUTION MAINS	7,076	(3,178)
333	SERVICES	2,726	(1,413)
334	METERS & METER INSTALLATION	4,344	(1,489)
TOTAL		<u>\$25,712</u>	<u>\$(6,431)</u>

STONE MOUNTAIN UTILITY SYSTEM - 565 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$17,147	\$0		\$17,147
LAND & LAND RIGHTS	84	0		84
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	562	(562)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(2,994)	0		(2,994)
ACCUMULATED DEPRECIATION	(6,888)	(112)	18	(7,000)
ACCUMULATED AMORTIZATION OF CIAC	991	0		991
ACCUMULATED AMORTIZATION OF AA	(96)	96	13	0
OTHER REGULATORY ASSET	253	166	23	419
TOTAL	<u>\$9,059</u>	<u>(\$412)</u>		<u>\$8,647</u>

STONE MOUNTAIN UTILITY SYSTEM - 565
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 964	\$ (477)
304	STRUCTURES & IMPROVEMENTS	2,542	(1,427)
307	WELLS AND SPRINGS	2,000	(1,234)
311	PUMPING EQUIPMENT	5,411	(782)
320	WATER TREATMENT EQUIPMENT	1,069	(856)
330	DISTRIBUTION OF RESERVORIPES	2,600	(1,523)
331	TRANSMISSION & DISTRIBUTION	1,817	(700)
333	SERVICES	331	(178)
334	METERS & METER INSTALLATION	413	177
TOTAL		<u>\$17,147</u>	<u>\$ (7,000)</u>

Date: November 17, 2005

SUNNY HILLS UTILITY SYSTEM - 2801 – WASHINGTON COUNTY
WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$2,226,028	(\$0)		\$2,226,028
LAND & LAND RIGHTS	10,779	(1)		10,779
CONSTRUCTION-WORK-IN-PROGRESS	45,161	(0)		45,161
PLANT HELD FOR FUTURE USE	12,938	(12,938)	31	0
ACQUISITION ADJUSTMENT (AA)	(188,733)	188,733	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(160,992)	0		(160,992)
ACCUMULATED DEPRECIATION	(993,223)	(8,392)	18,27,28	(1,001,615)
ACCUMULATED AMORTIZATION OF CIAC	64,349	(2,066)	20	62,283
ACCUMULATED AMORTIZATION OF AA	48,840	(48,840)	13	0
OTHER REGULATORY ASSET	15,467	19,101	23	34,568
TOTAL	<u>\$1,080,614</u>	<u>\$135,597</u>		<u>\$1,216,211</u>

SUNNY HILLS UTILITY SYSTEM - 2801
WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 5,112	\$(2,168)
304	STRUCTURES & IMPROVEMENTS-SUPPLY	\$ 39,586	\$(1,306)
307	WELLS & SPRINGS	\$ 20,881	\$(13,141)
309	SUPPLY MAINS	\$ 7,232	\$(3,112)
310	POWER GENERATION EQUIPMENT	\$ 66,436	\$(37,793)
311	PUMPING EQUIPMENT	\$ 101,342	\$(101,342)
330	DISTRIBUTION RESERVOIRS	\$ 206,317	\$(146,783)
331	TRANSMISSION & DISTRIBUTION MAINS	\$1,587,154	\$(598,882)
333	SERVICES	\$ 88,929	\$(44,425)
334	METERS & METER INSTALLATIONS	\$ 35,732	\$(8,794)
340	OFFICE FURNITURE & EQUIPMENT	\$ 15,389	\$(15,111)
341	TRANSPORTATION EQUIPMENT	\$ 25,516	\$(5,826)
342	STORES EQUIPMENT	\$ 194	\$(194)
343	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 2,959	\$(2,959)
344	LABORATORY EQUIPMENT	\$ 3,187	\$(2,197)
345	POWER OPERATED EQUIPMENT	\$ 663	\$(663)
346	COMMUNICATIONS EQUIPMENT	\$ 11,548	\$(10,674)
347	MISCELLANEOUS EQUIPMENT	\$ 7,851	\$(6,245)
TOTAL		<u>\$2,226,028</u>	<u>\$(1,001,615)</u>

SUNNY HILLS UTILITY SYSTEM - 2801 - WASHINGTON COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$609,746	\$0		\$609,746
LAND & LAND RIGHTS	4,483	0		4,483
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	5,442	(5,442)	31	0
ACQUISITION ADJUSTMENT (AA)	(78,973)	78,973	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(2,397)	0		(2,397)
ACCUMULATED DEPRECIATION	(433,327)	(2,727)	18,28	(436,054)
ACCUMULATED AMORTIZATION OF CIAC	1,231	170	20	1,401
ACCUMULATED AMORTIZATION OF AA	20,435	(20,435)	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	18,820	(8,910)	23	9,910
TOTAL	<u>\$145,460</u>	<u>\$41,629</u>		<u>\$187,089</u>

SUNNY HILLS UTILITY SYSTEM - 2801 - WASHINGTON COUNTY
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$ 3,990	\$(1,731)
354	STRUCTURES & IMPROVEMENTS	\$ 13,602	\$(4,700)
355	POWER GENERATION EQUIPMENT	\$ 45,616	\$(30,588)
360	COLLECTION SEWERS -FORCE	\$ 1,057	\$(352)
361	COLLECTION SEWERS -GRAVITY	\$280,152	\$(187,147)
363	SERVICES	\$ 53,006	\$(38,612)
364	FLOW MEASURING DEVICES	\$ 1,703	\$(1,362)
370	RECEIVING WELLS	\$ 14,429	\$(4,937)
371	PUMPING EQUIPMENT	\$ 36,369	\$(36,369)
380	TREATMENT & DISPOSAL EQUIPMENT	\$ 125,163	\$(110,886)
381	PLANT SEWERS	\$ 6,495	\$(2,939)
390	OFFICE FURNITURE & EQUIPMENT	\$ 6,441	\$(6,147)
391	TRANSPORTATION EQUIPMENT	\$ 10,677	\$(1,497)
392	STORES EQUIPMENT	\$ 81	\$(81)
393	TOOLS, SHOP & GARAGE EQUIPMENT	\$ 1,238	\$(882)
394	LABORATORY EQUIPMENT	\$ 1,333	\$(919)
395	POWER OPERATED EQUIPMENT	\$ 277	\$(277)
396	COMMUNICATIONS EQUIPMENT	\$ 4,832	\$(4,466)
397	MISCELLANEOUS EQUIPMENT	\$ 3,285	\$(2,162)
TOTAL		<u>\$609,746</u>	<u>\$(436,054)</u>

TANGERINE UTILITY SYSTEM - 130 – ORANGE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$263,650	\$1,102	1	\$264,752
LAND & LAND RIGHTS	0	0		0
CONSTRUCTION-WORK-IN-PROGRESS	548	0		548
ACQUISITION ADJUSTMENT (AA)	129,006	(129,006)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(62,251)	0		(62,251)
ACCUMULATED DEPRECIATION	(106,278)	(7,308)	1, 18, 28	(113,585)
ACCUMULATED AMORTIZATION OF CIAC	32,954	2,832	19	35,786
ACCUMULATED AMORTIZATION OF AA	(12,898)	12,898	13	0
OTHER REGULATORY ASSET	0	0		0
TOTAL	<u>\$244,731</u>	<u>(\$119,482)</u>		<u>\$125,251</u>

TANGERINE UTILITY SYSTEM - 130
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES & IMPROVEMENTS	\$ 3,572	\$ (1,983)
307	WELLS & SPRINGS	\$ 12,817	\$ (3,828)
309	SUPPLY MAINS	\$ 10,110	\$ (8,182)
310	POWER GENERATION EQUIPMENT	\$ 43,408	\$ (11,061)
311	PUMPING EQUIPMENT	\$ 13,363	\$ (5,657)
320	WATER TREATMENT EQUIPMENT	\$ 750	\$ (750)
330	DISTRIBUTION RESERVOIRS	\$ 27,724	\$ (22,465)
331	TRANSMISSION & DISTRIBUTION MAINS	\$126,273	\$ (46,069)
333	SERVICES	\$ 7,477	\$ (466)
334	METER	\$ 18,213	\$ (13,258)
335	HYDRANTS	\$ 1,045	\$ 134
TOTAL		<u>\$264,752</u>	<u>\$(113,585)</u>

TOMOKA UTILITY SYSTEM – 1808 – VOLUSIA COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$149,768	47,647	14	\$197,415
LAND & LAND RIGHTS	0	2,000	14	2,000
CONSTRUCTION-WORK-IN-PROGRESS	31,426	0		31,426
ACQUISITION ADJUSTMENT (AA)	31,870	(31,870)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(1,235)	(46,878)	14	(48,113)
ACCUMULATED DEPRECIATION	(50,997)	(14,583)	14	(65,580)
ACCUMULATED AMORTIZATION OF CIAC	0	35,795	14	35,795
ACCUMULATED AMORTIZATION OF AA	(3,585)	3,585	13	0
OTHER REGULATORY ASSET	0	0	23	0
TOTAL	<u>\$157,247</u>	<u>(\$4,304)</u>		<u>\$152,943</u>

TOMOKA UTILITY SYSTEM – 1808
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES AND IMPROVEMENTS	\$28,139	\$(5,674)
307	WELLS AND SPRINGS	14,050	(1,163)
310	POWER GENERATION EQUIPMENT	13,394	(4,567)
311	PUMPING EQUIPMENT	17,846	(3,118)
320	WATER TREATMENT EQUIPMENT	19,112	(6,292)
330	DISTRIBUTION RESERVOIRS	34,708	(2,677)
331	TRANSMISSION & DISTRIBUTION MAINS	43,760	(28,726)
333	SERVICES	9,542	(5,687)
334	METERS & METER INSTALLATION	16,664	(7,676)
TOTAL		<u>\$197,415</u>	<u>\$(65,580)</u>

VALENCIA TERRACE UTILITY SYSTEM - 554 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$196,555	\$0		\$196,555
LAND & LAND RIGHTS	1,191	0		1,191
CONSTRUCTION-WORK-IN-PROGRESS	1,509	0		1,509
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(2,990)	2,990	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(38,956)	0		(38,956)
ACCUMULATED DEPRECIATION	(28,332)	(2,036)	18,27,28	(30,368)
ACCUMULATED AMORTIZATION OF CIAC	12,397	0		12,397
ACCUMULATED AMORTIZATION OF AA	710	(710)	13	0
OTHER REGULATORY ASSET	11,163	10,238	23	21,401
TOTAL	<u>\$153,247</u>	<u>\$10,482</u>		<u>\$163,729</u>

VALENCIA TERRACE UTILITY SYSTEM - 554
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
304	STRUCTURES & IMPROVEMENTS	\$ 7,501	\$ (2,442)
307	WELLS AND SPRINGS	40,453	(11,187)
310	POWER GENERATION EQUIPMENT	21,124	(15,337)
311	PUMPING EQUIPMENT	19,750	(6,231)
320	WATER TREATMENT EQUIPMENT	2,775	23,585
330	DISTRIBUTION RESER.VIPES	20,200	5,812
331	TRANSMISSION & DISTRIBUTION	64,878	(48,524)
333	SERVICES	750	(558)
334	METERS & METER INSTALLATION	18,067	36,361
335	HYDRANTS	1,057	(223)
TOTAL		<u>\$196,555</u>	<u>\$ (30,368)</u>

VALENCIA TERRACE UTILITY SYSTEM - 554 - LAKE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$451,631	\$0		\$451,631
LAND & LAND RIGHTS	2,460	0		2,460
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	(15,938)	15,938	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(34,529)	0		(34,529)
ACCUMULATED DEPRECIATION	(209,485)	174	18	(209,311)
ACCUMULATED AMORTIZATION OF CIAC	10,636	0		10,636
ACCUMULATED AMORTIZATION OF AA	3,784	(3,784)	13	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	36,231	(14,692)	23	21,539
TOTAL	\$244,790	(\$2,364)		\$242,426

VALENCIA TERRACE UTILITY SYSTEM - 554
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
354	STRUCTURES & IMPROVEMENTS	\$ 20,820	\$ (7,222)
360	COLLECTION SEWERS FORCE	6,576	(3,092)
361	COLLECTION SEWERS GRAVITY	158,083	(82,882)
363	SERVICES	27,805	(16,745)
364	FLOW MEASURING DEVICES	1,665	(1,666)
370	RECEIVING WELLS	8,101	(2,245)
371	PUMPING EQUIPMENT	50,404	(21,657)
380	TREATMENT & DISPOSAL EQUIPMENT	158,251	(58,230)
382	OUTFALL SEWER LINES	19,926	(15,572)
TOTAL		\$451,631	\$ (209,311)

VENETIAN VILLAGE UTILITY SYSTEM - 567 - LAKE COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$128,235	\$0		\$128,235
LAND & LAND RIGHTS	4,403	(2,621)	9	1,782
CONSTRUCTION-WORK-IN-PROGRESS	4,985	0		4,985
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	2,065	(2,065)	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(51,320)	0		(51,320)
ACCUMULATED DEPRECIATION	(53,263)	(612)	18,28	(53,875)
ACCUMULATED AMORTIZATION OF CIAC	26,196	0		26,196
ACCUMULATED AMORTIZATION OF AA	(288)	288	13,11	0
OTHER REGULATORY ASSET	4,124	3,625	23	7,749
TOTAL	<u>\$65,137</u>	<u>\$1,385</u>		<u>\$63,752</u>

VENETIAN VILLAGE UTILITY SYSTEM - 567
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 553	\$ (300)
304	STRUCTURES & IMPROVEMENTS	12,426	(4,455)
307	WELLS AND SPRINGS	3,188	(1,850)
309	SUPPLY MAINS	1,365	(372)
310	POWER GENERATION EQUIPMENT	20,828	(13,582)
311	PUMPING EQUIPMENT	10,329	(6,921)
320	WATER TREATMENT EQUIPMENT	1,843	(1,350)
330	DISTRIBUTION RESERVRS.IPES	52,362	(12,589)
331	TRANSMISSION & DISTRIBUTION	2,356	(854)
333	SERVICES	15,792	(7,605)
334	METERS & METER INSTALLATION	7,193	(3,997)
TOTAL		<u>\$128,235</u>	<u>\$ (53,875)</u>

VENETIAN VILLAGE UTILITY SYSTEM - 567 - LAKE COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$288,071	\$0		\$288,071
LAND & LAND RIGHTS	17,265	14	9	17,279
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	7,698	(7,698)	13,11	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(145,174)	0		(145,174)
ACCUMULATED DEPRECIATION	(155,254)	509	18,28	(154,745)
ACCUMULATED AMORTIZATION OF CIAC	123,200	0		123,200
ACCUMULATED AMORTIZATION OF AA	930	(930)	13,11	0
EXTRAORDINARY ABANDONMENT	0	0		0
OTHER REGULATORY ASSET	9,292	(4,371)	23	4,921
TOTAL	<u>\$146,028</u>	<u>(\$12,476)</u>		<u>\$133,552</u>

VENETIAN VILLAGE UTILITY SYSTEM - 567
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
352	FRANCHISES	\$ 325	\$ (155)
354	STRUCTURES & IMPROVEMENTS	18,716	(6,720)
360	COLLECTION SEWERS FORCE	10,133	(8,928)
361	COLLECTION SEWERS GRAVITY	68,091	(33,379)
363	SERVICES	10,476	(7,687)
364	FLOW MEASURING DEVICES	1,253	(752)
370	RECEIVING WELLS	7,478	(4,398)
371	PUMPING EQUIPMENT	38,271	(30,731)
380	TREATMENT & DISPOSAL EQUIPMENT	132,229	(61,108)
382	OUTFALL SEWER LINES	1,099	(887)
TOTAL		<u>\$288,071</u>	<u>\$ (154,745)</u>

WELAKA/SARATOGA HARBOUR UTILITY SYSTEM – 447/448 – PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$209,338	\$0		\$209,338
LAND & LAND RIGHTS	4,864	0		4,864
CONSTRUCTION-WORK-IN-PROGRESS	32	0		32
ACQUISITION ADJUSTMENT (AA)	8,225	(8,225)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(23,302)	0		(23,302)
ACCUMULATED DEPRECIATION	(57,371)	(11,666)	18	(69,037)
ACCUMULATED AMORTIZATION OF CIAC	5,152	0		5,152
ACCUMULATED AMORTIZATION OF AA	(4,477)	4,477	13	0
OTHER REGULATORY ASSET	4,206	3,548	23	7,754
TOTAL	<u>\$146,667</u>	<u>(\$11,866)</u>		<u>\$134,801</u>

WELAKA/SARATOGA HARBOUR UTILITY SYSTEM – 447/448
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$148	\$26
304	STRUCTURES AND IMPROVEMENTS	5,898	(1,712)
307	WELLS AND SPRINGS	1,163	(922)
311	PUMPING EQUIPMENT	14,397	(1,210)
320	WATER TREATMENT EQUIPMENT	9,410	(1,306)
330	DISTRIBUTION RESERVOIRS	138,218	(45,687)
331	TRANSMISSION & DISTRIBUTION MAINS	25,424	(13,580)
333	SERVICES	5,903	(2,812)
334	METERS & METER INSTALLATION	8,777	(1,834)
TOTAL		<u>\$209,338</u>	<u>\$(69,037)</u>

WOOTEN UTILITY SYSTEM - 446 - PUTNAM COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$82,333	\$0		\$82,333
LAND & LAND RIGHTS	196	0		196
CONSTRUCTION-WORK-IN-PROGRESS	64	0		64
ACQUISITION ADJUSTMENT (AA)	3,607	(3,607)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(8,346)	0		(8,346)
ACCUMULATED DEPRECIATION	(21,193)	(971)	18,28	(22,164)
ACCUMULATED AMORTIZATION OF CIAC	1,647	0		1,647
ACCUMULATED AMORTIZATION OF AA	(1,847)	1,847	13	0
OTHER REGULATORY ASSET	666	693	23	1,359
TOTAL	<u>\$57,127</u>	<u>(\$2,038)</u>		<u>\$55,089</u>

WOOTEN UTILITY SYSTEM - 446
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$33	\$(6)
304	STRUCTURES AND IMPROVEMENTS - SUPPLY	2,412	(500)
307	WELLS AND SPRINGS	1,969	(371)
311	PUMPING EQUIPMENT	29,396	(11,155)
330	DISTRIBUTION RESERVOIRS	44,746	(10,077)
331	TRANSMISSION & DISTRIBUTION MAINS	1,529	(496)
333	SERVICES	614	94
334	METERS & METER INSTALLATION	1,634	347
TOTAL		<u>\$82,333</u>	<u>\$22,164</u>

ZEPHYR SHORES UTILITY SYSTEM - 1427 - PASCO COUNTY
 WATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$223,388	\$0		\$223,388
LAND & LAND RIGHTS	4,896	0		4,896
CONSTRUCTION-WORK-IN-PROGRESS	127	0		127
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	30,620	(30,620)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(49,244)	0		(49,244)
ACCUMULATED DEPRECIATION	27,257	(19,681)	18, 40	7,576
ACCUMULATED AMORTIZATION OF CIAC	20,894	0		20,894
ACCUMULATED AMORTIZATION OF AA	(12,475)	12,475	13	0
OTHER REGULATORY ASSET	15,702	12,020	23	27,722
TOTAL	<u>\$261,164</u>	<u>(\$25,806)</u>		<u>\$235,359</u>

ZEPHYR SHORES UTILITY SYSTEM - 1427 - PASCO COUNTY
 WATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
302	FRANCHISES	\$ 1,061	\$ (381)
304	STRUCTURES & IMPROVEMENTS	\$ 38,978	\$ 8,927
307	WELLS & SPRINGS	\$ 8,602	\$ 6,795
309	SUPPLY MAINS	\$ 23,475	\$ (8,205)
311	PUMPING EQUIPMENT	\$ 22,136	\$ 9,289
320	WATER TREATMENT EQUIPMENT	\$ 738	\$ 17,119
330	DISTRIBUTION RESERVOIRSIPES	\$ 63,092	\$ (9,608)
331	TRANSMISSION & DISTRIBUTION MAINS	\$ 34,450	\$ (14,294)
333	SERVICES	\$ 2,015	\$ (717)
334	METERS & METER INSTALLATIONS	\$ 28,841	\$ (1,349)
TOTAL		\$223,388	\$ 7,576

ZEPHYR SHORES UTILITY SYSTEM - 1427 -PASCO COUNTY
 WASTEWATER RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$297,457	\$0		\$297,457
LAND & LAND RIGHTS	44,384	0		44,384
CONSTRUCTION-WORK-IN-PROGRESS	0	0		0
PLANT HELD FOR FUTURE USE	0	0		0
ACQUISITION ADJUSTMENT (AA)	61,586	(61,586)	13	0
CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC)	(83,582)	0		(83,582)
ACCUMULATED DEPRECIATION	(59,323)	(56,825)	18, 22	(116,148)
ACCUMULATED AMORTIZATION OF CIAC	32,433	0		32,433
ACCUMULATED AMORTIZATION OF AA	(25,106)	25,106	13	0
EXTRAORDINARY ABANDONMENT (NET)	128,235	(128,235)	22	0
OTHER REGULATORY ASSET	53,673	(26,062)	23	27,611
TOTAL	<u>\$449,757</u>	<u>(\$247,602)</u>		<u>\$202,155</u>

ZEPHYR SHORES UTILITY SYSTEM - 1427
 WASTEWATER PLANT & DEPRECIATION AS OF JUNE 30, 2004

ACCT NO.	ACCOUNT NAME	PLANT BALANCE	ACCUMULATED DEPRECIATION BALANCE
351	ORGANIZATION	\$ 2,695	\$(777)
352	FRANCHISES	\$ 503	\$(231)
360	COLLECTION SEWERS -- FORCE	\$131,669	\$(63,282)
361	COLLECTION SEWERS -- GRAVITY	\$ 3,349	\$(1,263)
363	SERVICES	\$ 1,304	\$(540)
370	RECEIVING WELLS	\$ 29,781	\$(17,662)
371	PUMPING EQUIPMENT	\$128,156	\$(32,393)
TOTAL		\$297,457	\$(116,148)

LAKE COUNTY UTILITY SYSTEM - LAKE COUNTY
GENERAL RATE BASE AS OF JUNE 30, 2004

DESCRIPTION	PER UTILITY	AUDIT ADJUSTMENT	REFER TO	PER STAFF
UTILITY-PLANT-IN-SERVICE	\$130,581	(\$130,581)	24	\$0
ACCUMULATED DEPRECIATION	(51,331)	51,331	24	0
TOTAL	<u>\$79,250</u>	<u>(\$79,250)</u>		<u>\$0</u>

RATE BASE ADJUSTMENTS

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
1	To Add UPIS Approved in PSC-99-1399-PAA-WS and Correct Depreciation											
	Tangerine -W	1,102			-141							
	Tangerine -W				-4,064							
2	To Remove Amount Booked in Excess of Interconnection Cost											
	Lake Gibson -WW	139,957			15,563							
3	To Remove Cost Included in Extraordinary Abandonment Calculation											
	Lake Gibson -WW	-11,200			1,161							
4	To Reflect UPIS Item Moved to Different System											
	Gibsonia - W	1,268			-582							
	Lake Gibson - W	-634			291							
	Lake Gibson - WW	-634			291							
5	To Remove Unsupported UPIS Additions											
	Beecher 's Point - WW	-49,154			3,067							
6	To Correct True-up Adjustment Errors											
	Hermits Cove - W	-3,789			3,774							
7	To Record Plant Retirement											
	Florida Central Commerce Park - WW	-10,561			10,560							
8	To Record Plant Retirement											

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Jungle Den - WW	-34,102			24,170							
9	To Correct Land and Land Rights to Last Rate Case											
	Carlton Village - W		1,134									
	Fern Terrace - W		-1,613									
	Hobby Hills - W		-1,423									
	Holiday Haven - W		-46									
	Holiday Haven - WW		-13,995									
	Piney Woods - W		-4,234									
	Silver Lake Estates - W		2,402									
	Skycrest - W		-1,230									
	Venetian Village - W		-2,621									
	Venetian Village - WW		14									
	Western Shores - W		-4,576									
	Harmony Homes - W		-903									
	Jungle Den - W		-301									
10	To Correct Value of Land Purchase											
	Beecher's Point - WW		-3,087									
11	To Remove Nontransferable Acquisition Adjustment and Accum Amort AA											
	Chuluota - W								-23,325	15,983		
	Palm Port - W								30,746	-20,411		
	Palm Port - WW								65,065	-42,567		
	Park Manor - WW								13,453	-8,920		
	Picciola Island - W								-9,400	6,355		
	Silver Lake/Western Shores - W								26,095	-21,831		
	Venetian Village - W								-17,500	10,589		
	Venetian Village - WW								-17,500	11,422		

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
12	To Remove Unsubstantiated CWIP											
	Lake Gibson- W					-4,578						
	Lake Gibson- WW					-120,051						
	Gibsonia-W	-2,456				2,456						
13	To Remove Unapproved Acquisition Adjustment (AA) and Amortization of AA											
	Beecher 's Point – W								-2,578	1,668		
	Beecher 's Point – WW								5,640	-1,564		
	Carlton Village – W								-1,055	1,306		
	East Lake Harris – W								-8,628	2,125		
	Fern Terrace – W								-2,939	1,209		
	Fla. Central Commerce – WW								-41,452	16,609		
	Friendly Center – W								-1,911	538		
	Gibsonia Estates – W								-47,033	7,367		
	Grand Terrace – W								40,155	-9,817		
	Harmony Homes – W								3,094	-1,300		
	Hermits Cove – W								-3,285	1,752		
	Hobby Hills – W								-8,226	2,251		
	Holiday Haven – W								-30,847	9,103		
	Holiday Haven – WW								-52,556	20,280		
	Imperial MobileTerrace – W								-26,299	11,291		
	Interlachen Estates – W								1,188	-1,284		
	Jungle Den – W								-6,371	3,155		
	Jungle Den – WW								-28,057	10,909		
	Kingswood - W								-10,082	3,843		
	Lake Gibson – W								-3,202	1,686		
	Lake Gibson – WW								-3,188	1,676		
	Leisure Lakes – W								-87,469	32,783		

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Leisure Lakes – WW								45,098	-15,550		
	Morningview – W								-5,196	1,474		
	Morningview – WW								-9,242	1,126		
	Oakwood – W								-50,067	20,072		
	Orange Hill/Sugar Creek – W								-1,555	859		
	Palm Port – W								111	12,265		
	Palm Port – WW								14,753	23,553		
	Palm Terrace – W								-386,864	158,480		
	Palm Terrace – WW								283,306	-115,211		
	Palms MH Park – W								-8,699	2,350		
	Park Manor – WW								18,050	-9,292		
	Piccola Island – W								-17,960	-554		
	Piney Woods – W								29,294	-7,962		
	Pomona Park – W								22,728	-6,318		
	Quail Ridge – W								108,125	-30,861		
	River Grove – W								-415	-1,195		
	Saratoga Harbour – W								-4,220	2,210		
	Silver Lake Estate – W								-131,538	52,310		
	Silver Lake Oaks – W								22,516	-6,087		
	Silver Lake Oaks – WW								2,962	-396		
	Skycrest – W								-4,711	1,462		
	Stone Mountain – W								-562	96		
	St. John's Highlands – W								-465	-80		
	Sunny Hills – W								188,733	-48,840		
	Sunny Hills - WW								78,973	-20,435		
	Tangerine – W								-129,006	12,898		
	Tomoka/Twin Rivers – W								-31,870	3,585		
	Valencia Terrace – W								2,990	-710		
	Valencia Terrace – WW								15,938	-3,784		

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Venetian Village – W								15,435	-10,301		
	Venetian Village – WW								9,802	-12,352		
	Welaka – W								-4,005	2,267		
	Western Shores – W								5,992	13,949		
	Wootens – W								-3,607	1,847		
	Zephyr Shores – W								-30,620	12,475		
	Zephyr Shores – WW								-61,586	25,106		
14	To Correct Land, CIAC, and Amortization of CIAC Balances to 2000 Transfer Order											
	Tomoka – W	47,647	2,000		-14,583		-46,878	35,795				
15	To Retire Generator											
	Lake Gibson – W	-36,611			36,611							
16	To Remove 1995 Rate Case Adjustments											
	Gibsonia Estates - W				42,111							
	Lake Gibson – W				-10,768							
	Lake Gibson – WW				-4,554							
	Orange Hill/Sugar Ck - W				-2,748							
17	To Remove Acc Depr. for Retirement Erroneously Booked											
	Gibsonia Estates–W				-31,634							
18	To Remove Acc Depr Posted to Misc Equip in 2003											
	Beecher 's Point – W				-5,668							
	Beecher 's Point – WW				-5,668							
	Carlton Village – W				-3,189							
	East Lake Harris – W				-5,729							
	Fern Terrace – W				-9,031							

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Fla. Central Commerce – WW				-1,694							
	Friendly Center – W				-890							
	Gibsonia Estates – W				-17,945							
	Grand Terrace – W				-2,822							
	Harmony Homes – W				-5,738							
	Hermits Cove – W				-1,748							
	Hobby Hills – W				-4,374							
	Holiday Haven – W				-10,908							
	Holiday Haven – WW				-10,908							
	Imperial MobileTerrace – W				-1,963							
	Interlachen Estates – W				-7,079							
	Jungle Den – W				-9,112							
	Jungle Den – WW				-9,112							
	Kingswood - W				-2,058							
	Lake Gibson – W				-24,151							
	Lake Gibson – WW				-24,151							
	Leisure Lakes – W				9,911							
	Leisure Lakes – WW				9,911							
	Morningview – W				-805							
	Morningview – WW				-805							
	Oakwood - W				-3,859							
	Orange Hill/Sugar Creek – W				-18,649							
	Palm Port – W				-3,125							
	Palm Port – WW				-3,125							
	Palm Terrace – W				-18,257							
	Palm Terrace – WW				-18,257							
	Palms MH Park – W				-2,185							
	Park Manor – WW				-4,854							
	Piccola Island – W				-6,076							

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Piney Woods - W				-5,330							
	Pomona Park - W				-5,141							
	Quail Ridge - W				0							
	River Grove - W				-687							
	Saratoga Harbour - W				-6,777							
	Silver Lake Estate - W				871							
	Silver Lake Oaks - W				-3,457							
	Silver Lake Oaks - WW				-3,457							
	Skycrest - W				-10,544							
	Stone Mountain - W				-112							
	St. John's Highlands - W				-8,245							
	Sunny Hills - W				-635							
	Sunny Hills - WW				-635							
	Tangerine - W				-1,658							
	Tomoka/Twin Rivers - W				0							
	Valencia Terrace - W				174							
	Valencia Terrace - WW				174							
	Venetian Village - W				1,858							
	Venetian Village - WW				1,858							
	Welaka - W				-4,889							
	Western Shores - W				-503							
	Wootens - W				-734							
	Zephyr Shores - W				-18,096							
	Zephyr Shores - WW				-18,096							
19	To Add Amortization of CIAC for period 12/31/98-3/30/00											
	Tangerine - W							2,832				
20	To Adjust Starting Balance to Order PSC-96-1320-FOF-WS											

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Sunny Hills - W							-2,066				
	Sunny Hills - WW							170				
21	To Remove Land Per Settlement Letter of 9/20/05											
	Chuluota WW			-4,865								
22	To Correct Extraordinary Abandonment											
	Lake Gibson – WW				-363,544						-139,578	
	Beecher's Point – WW				-86,297						41,094	
	St. Johns Highlands-WW				-24,604						11,503	
	Zephyr Shores-WW				-38,729						-128,235	
23	To Reconcile Other Regulatory Assets to PSC-99-1794-FOF-WS											
	Beecher's Point – W											2,395
	Beecher's Point – WW											-2,100
	Carlton Village – W											2,784
	East Lake Harris – W											4,406
	Fern Terrace – W											3,195
	Fla. Central Commerce – WW											-27,303
	Friendly Center – W											395
	Grand Terrace – W											2,811
	Harmony Homes – W											1,672
	Hermits Cove – W											4,298
	Hobby Hills – W											2,410
	Holiday Haven – W											2,560
	Holiday Haven – WW											-5,861
	Imperial MobileTerrace – W											6,190
	Interlachen Estates – W											7,280

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Jungle Den - W											2,804
	Jungle Den - WW											-6,236
	Kingswood - W											1,568
	Leisure Lakes - W											5,762
	Leisure Lakes - WW											-13,379
	Morningview - W											1,323
	Morningview - WW											-1,859
	Oakwood - W											5,290
	Palm Port - W											2,794
	Palm Port - WW											-5,105
	Palm Terrace - W											30,629
	Palm Terrace - WW											-53,213
	Palms MH Park - W											1,396
	Park Manor - WW											-2,898
	Piccola Island - W											3,494
	Piney Woods - W											4,176
	Pomona Park - W											4,939
	Quail Ridge - W											-25
	River Grove - W											2,634
	Saratoga Harbour - W											-1,342
	Silver Lake Estate - W											56,433
	Silver Lake Oaks - W											457
	Silver Lake Oaks - WW											-2,485
	Skycrest - W											2,751
	Stone Mountain - W											166
	St. John's Highlands - W											2,007
	Sunny Hills - W											19,101
	Sunny Hills - WW											-8,910
	Valencia Terrace - W											10,238

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Valencia Terrace – WW											-14,692
	Venetian Village – W											3,625
	Venetian Village – WW											-4,371
	Welaka – W											4,890
	Western Shores – W											-10,501
	Wootens – W											693
	Zephyr Shores – W											12,020
	Zephyr Shores – WW											-26,062
24	To Correct General Plant and Accumulated Depreciation											
	General Plant	- 130,581			51,331							
25	To Correct Retirement of Plant and Accumulated Depreciation That Appeared to have been posted twice											
	Pomona Park - W	7,541			-7,541							
26	To remove general plant not sold											
	Hermits Cove - W				-2,144							
	Orange Hill/Sugar Creek - W				-2,174							
	Palm Terrace - WW				-6,644							
	Zephyr Shores - W				-1,585							
27	To remove retired assets not sold											
	Carlton Village - W				-103							
	Gibsonia Estates - W				-2,422							
	Hermits Cove - W				-5,303							
	Imperial Mobile Terrace - W				-3,246							
	Interlachen Estates - W				-4,932							
	Morningview - W				-2,420							
	Palm Port - W				-864							

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Piney Woods - W				-5,715							
	Silver Lake Oaks - W				-1,609							
	Sunny Hills - W				-3,157							
	Valencia Terrace - W				-1,385							
28	To Add Extraordinary Abandonment											
	East Lake Harris - W				-13,114							
	Fern Terrace - W				-2,392							
	Friendly Center - W				-424							
	Grand Terrace - W				-647							
	Hermits Cove - W				-60,879							
	Hobby Hills - W				-2,775							
	Interlachen Lakes - W				-16,351							
	Morningview - W				-1,537							
	Palm Port - W				-7,976							
	Palm Port - WW				-2,391							
	Palm Terrace - W				-2,430							
	Palm Terrace - WW				-15,033							
	Palms Mobile Home Park - W				-2,237							
	Park Manor - WW				-3,255							
	Picciola - W				-861							
	Piney Woods - W				-1,592							
	Quail Ridge - W				-2,199							
	River Grove - W				-1,689							
	Skycrest - W				-4,977							
	Sunny Hills - W				-4,600							
	Sunny Hills - WW				-2,092							
	Tangerine - W				-1,444							
	Valencia Terrace - W				-825							

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Venetian Village - W				-2,470							
	Venetian Village - WW				-1,349							
	Wootens - W				-237							
29	To Adjust Starting Balance to Polk County Commission Resolution											
	Gibsonia - W		6									
	Lake Gibson - W		-1,511									
	Lake Gibson - W		3,146									
30	To Credit CIAC for over collection of AFPI											
	Chuluota - W						-3,222					
	Chuluota - WW						183,066					
	FI Central Commerce Park						-25,503					
	Jungle Den - WW						-680					
31	To remove PHFU not transferred in sale											
	Sunny Hills - W			-12,938								
	Sunny Hills - WW			-5,442								
32	To Remove CWIP Paid and Closed Prior to Transfer											
	Liesure Lakes - W					-1,927						
33	To Correct UPIS and Land Transfer Balance											
	Palm Terrace - W	1,255	-1,255									
	Palm Terrace - WW	-2,515	2,515									
34	To Reconcile to Previous Rate Case											
	Chuluota - W							1,441		939		

Adj. No.	System	UPIS	Land	Plant Held	Accum Deprec	CWIP	CIAC	Accum. Amort. CIAC	Acquisition Adj.	Amort. of AA	Extraord Aband	Other Reg Asset
	Chuluota - WW							2,010				
35	To Reduce Overstated Land Balance											
	Chuluota - WW		-9,205									
36	To Remove Acc Depr Posted to Misc Equip in 2003											
	Chuluota - W				-5,399							
	Chuluota - WW				-5,399							
37	To Correct CWIP Balances per Documentation											
	Chuluota - W					-13,873						
	Chuluota - WW					11,897						
38	To Correct Approved Acquisition Adj and Accum Amort of AA											
	Chuluota - W								-45,065	15,307		
39	To Correct Other Regulatory Assets Based upon Order No. PSC-99-1794-FOF-WS											
	Chuluota - W											16,406
	Chuluota - WW											-8,343
40	To Remove Excess Depreciation with Zero Plant											
	Beecher's Point - WW				-98,832							
	Lake Gibson - W				-1,264							
	St. John's Highlands - W				-38,055							
	Total Adjustments	-363,381	-39,648	-18,380	-946,562	-126,076	-259,349	40,182	-309,914	140,908	-143,882	41,307

WATER SERVICE
RESIDENTIAL, GENERAL & MULTI-FAMILY (RS, GS, MF)

Monthly
Base Facility Charge -- By Meter Size

	5/8 x 3/4"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"	Charge per 1,000 gallons
Beecher's Point	16.06	24.09	40.14	80.28	128.44	256.88	401.38	802.74	1,284.40	1,846.33	3.99
Carlton Village	18.36	27.55	45.91	91.83	146.94	293.84	459.14	918.26	1,469.20	2,112.00	3.76
Chuluota	10.05	15.09	25.13	50.28	80.45	160.89	251.39	502.79	804.46	1,156.42	3.81
East Lake Harris Estates	8.36	12.56	20.94	41.85	66.96	133.95	209.29	418.59	669.74	962.77	4.76
Fern Terrace	10.43	15.64	26.09	52.17	83.48	166.96	260.88	521.74	834.79	1,200.02	2.89
Friendly Center	15.53	23.30	38.84	77.68	124.28	248.58	388.39	776.78	1,242.86	1,786.61	4.01
Gibsonia Estates	5.38										0.64
Grand Terrace	9.70	14.57	24.27	48.51	77.63	155.26	242.59	485.19	776.30	1,115.92	2.10
Harmony Homes	20.60	30.92	51.54	103.05	164.90	329.79	515.29	1,030.59	1,648.94	2,370.35	3.51
Hermits Cove	9.33	13.98	23.31	46.63	74.61	149.21	233.14	466.28	746.05	1,072.45	4.64
Hobby Hills	9.70	14.57	24.27	48.51	77.63	155.26	242.59	485.19	776.30	1,115.92	2.10
Holiday Haven	10.17	15.25	25.43	50.86	81.40	162.77	254.33	508.67	813.88	1,169.94	4.53
Imperial Mobile Terrace	10.42	15.62	26.07	52.12	83.40	166.79	260.61	521.23	833.97	1,198.83	2.89
Interlachen Lakes Estates	10.05	15.09	25.13	50.28	80.45	160.89	251.39	502.79	804.46	1,156.42	3.81
Jungle Den	6.38	9.58	15.99	31.95	51.13	102.23	159.75	319.52	511.21	734.86	4.92
Kingswood	10.42	15.62	26.07	52.12	83.40	166.79	260.61	521.23	833.97	1,198.83	2.89
Lake Gibson Estates	6.80										0.98
Leisure Lakes	7.92	11.88	19.80	39.57	63.34	126.65	197.90	395.81	633.31	910.36	4.79
Morningview	17.95	26.92	44.88	89.76	143.61	287.24	448.79	897.60	1,436.16	2,064.47	3.80
Oakwood	10.42	15.62	26.07	52.12	83.40	166.79	260.61	521.23	833.97	1,198.83	2.89
Orange Hill / Sugar Creek	9.09	9.09	23.04	46.07	73.69						1.33
Palm Port	12.32	18.47	30.77	61.58	98.52	197.03	307.85	615.71	985.13	1,416.13	4.34
Palm Terrace	10.42	15.62	26.07	52.12	83.40	166.79	260.61	521.23	833.97	1,198.83	2.89
Palms Mobile Home Park	7.41	11.14	18.54	37.10	59.34	118.69	185.46	370.91	593.46	853.08	4.86
Picciola Island	10.42	15.62	26.07	52.12	83.40	166.79	260.61	521.23	833.97	1,198.83	2.89
Piney Woods	16.01	24.00	40.00	79.97	127.96	255.92	399.88	799.77	1,279.61	1,839.46	2.67
Pomona Park	16.01	24.00	40.00	79.97	127.96	255.92	399.88	799.77	1,279.61	1,839.46	2.67
Quail Ridge	21.43	32.16	53.60	107.19	171.52	343.01	535.96	1,071.92	1,715.06	2,465.42	3.45
River Grove	10.05	15.09	25.13	50.28	80.45	160.89	251.39	502.79	804.46	1,156.42	3.81
Silver Lake Est. / Western Shores	7.49	11.25	18.74	37.48	59.97	119.94	187.41	374.80	599.68	862.05	1.28
Silver Lake Oaks	15.48	23.23	38.71	77.41	123.86	247.72	387.06	774.14	1,238.62	1,780.52	4.03
Skycrest	14.16	21.26	35.42	70.84	113.35	226.71	354.21	708.43	1,133.49	1,629.39	4.15
St. Johns Highlands	8.87	13.31	22.19	44.35	70.96	141.93	221.76	443.48	709.59	1,020.04	4.67
Stone Mountain	27.04	40.55	67.61	135.25	216.34	432.72	676.11	1,352.21	2,163.55	3,110.10	2.91
Sunny Hills	11.47	17.22	28.69	57.38	91.82	183.64	286.93	573.84	918.16	1,319.84	4.42
Tangerine	8.71	13.07	21.77	43.55	69.68	139.36	217.74	435.50	697.14	1,002.13	1.49
Tomoka	4.64	11.60	23.23	37.14	59.34	118.69	185.46	370.91	593.46	853.08	1.36
Valencia Terrace	9.70	14.57	24.27	48.51	77.63	155.26	242.59	485.19	776.30	1,115.92	2.10
Venetian Village	10.08	15.13	25.20	50.41	80.65	161.32	252.05	504.10	806.55	1,159.43	3.81
Welaka / Saratoga Harbour	10.05	15.09	25.14	50.31	80.46	160.90	251.41	502.85	804.55	1,156.53	4.56
Wootens	9.14	13.70	22.85	45.66	73.08	146.15	228.37	456.74	730.78	1,050.51	4.67
Zephyr Shores	6.18	9.28	15.45	30.89	49.43	98.85	154.46	308.91	494.26	710.50	4.93

PRIVATE FIRE PROTECTION SERVICE (PF)
Monthly
Base Facility Charge – By Meter Size

	2"	3"	4"	6"	8"	10"
Beecher's Point	10.70	21.40	33.46	66.89	107.04	153.86
Carlton Village	12.24	24.49	38.25	76.52	122.43	175.99
Chuluota	6.71	13.41	20.95	41.89	67.03	96.37
East Lake Harris Estates	5.58	11.17	17.43	34.89	55.82	80.23
Fern Terrace	6.96	13.91	21.75	43.47	69.57	100.00
Friendly Center	10.35	20.72	32.36	64.73	103.58	148.88
Grand Terrace	6.45	12.95	20.22	40.43	64.69	92.99
Harmony Homes	13.74	27.48	42.96	85.87	137.42	197.53
Hermits Cove	6.22	12.43	19.42	38.86	62.18	89.36
Hobby Hills	6.45	12.95	20.22	40.43	64.69	92.99
Holiday Haven	6.79	13.56	21.20	42.38	67.83	97.50
Imperial Mobile Terrace	6.95	13.90	21.72	43.42	69.50	99.90
Interlachen Lakes Estates	6.71	13.41	20.95	41.89	67.03	96.37
Jungle Den	4.26	8.52	13.31	26.63	42.59	61.25
Kingswood	6.95	13.90	21.72	43.42	69.50	99.90
Leisure Lakes	5.27	10.55	16.49	32.99	52.78	75.87
Morningview	11.96	23.94	37.39	74.81	119.68	172.03
Oakwood	6.95	13.90	21.72	43.42	69.50	99.90
Palm Port	8.21	16.41	25.65	51.31	82.09	118.01
Palm Terrace	6.95	13.90	21.72	43.42	69.50	99.90
Palms Mobile Home Park	4.96	9.89	15.45	30.91	49.46	71.09
Picciola Island	6.95	13.90	21.72	43.42	69.50	99.90
Piney Woods	10.66	21.32	33.32	66.64	106.64	153.30
Pomona Park	10.66	21.32	33.32	66.64	106.64	153.30
Quail Ridge	14.30	28.58	44.67	89.31	142.93	205.47
River Grove	6.71	13.41	20.95	41.89	67.03	96.37
Silver Lake Est. / Western Shores	5.00	9.99	15.60	31.24	49.98	71.83
Silver Lake Oaks	10.32	20.63	32.35	64.52	103.22	148.37
Skycrest	9.44	18.89	29.52	59.03	94.46	135.79
St. Johns Highlands	5.92	11.82	18.48	36.97	59.13	85.00
Stone Mountain	18.04	36.07	56.35	112.69	180.29	259.19
Sunny Hills	7.65	15.30	23.91	47.82	76.51	109.99
Tangerine	5.81	11.61	18.15	36.29	58.09	83.51
Tomoka	3.10	3.10	3.10	3.10	3.10	3.10
Valencia Terrace	6.45	12.95	20.22	40.43	64.69	92.99
Venetian Village	6.73	13.44	21.00	42.00	67.21	96.62
Welaka / Saratoga Harbour	6.72	13.41	20.96	41.91	67.04	96.39
Wootens	6.10	12.17	19.04	38.07	60.89	87.54
Zephyr Shores	4.12	8.23	12.89	25.73	41.20	59.21

WASTEWATER SERVICE

**RESIDENTIAL
 WASTEWATER ONLY
 (RWO)**

	RESIDENTIAL (RS)		
	Monthly Base Facility Charge All Meters	Charge per 1000 gallons*	Monthly Base Facility Charge All Meters
Beecher's Point	21.24	6.98	39.62
Chuluota	21.81	7.94	54.52
Holiday Haven	16.28	8.71	39.22
Jungle Den	12.24	9.48	30.57
Lake Gibson Estates	26.73	N/A	26.73
Leisure Lakes	16.15	3.27	23.23
Morningview	24.18	7.50	60.20
Palm Port	20.10	8.19	50.33
Palm Terrace	18.88	4.14	32.07
Park Manor	29.53	5.90	48.92
Silver Lake Oaks	19.90	8.22	49.79
Sunny Hills	19.56	8.24	49.36
Valencia Terrace	16.15	3.27	28.68
Venetian Village	20.27	5.92	44.84
Zephyr Shores	11.29	9.45	27.38

* 6,000 gallon cap

**WASTEWATER SERVICE
 GENERAL & MULTI-FAMILY (GS) & (MF)
 Monthly
 Base Facility Charge -- By Meter Size**

	5/8 x 3/4"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"	Charge per 1,000 gallons
Beccher's Point	21.24	31.87	53.12	106.21	169.96	339.90	531.12	1,062.23	1,699.55	2,443.10	8.39
Chuluota	21.81	32.73	54.54	109.06	174.51	349.01	545.34	1,090.67	1,745.07	2,508.55	9.51
Florida Central Commerce Park	38.37	57.56	95.92	191.84	306.95	613.88	959.21	1,918.43	3,069.47	4,412.37	5.17
Holiday Haven	16.28	24.39	40.68	81.35	130.16	260.33	406.76	813.52	1,301.64	1,871.11	10.44
Jungle Den	12.24	18.34	30.55	61.12	97.79	195.59	305.58	611.20	977.93	1,405.76	11.39
Lake Gibson Estates	26.73	26.73	26.73	26.73	26.73	26.73	26.73	26.73	26.73	26.73	N/A
Leisure Lakes	16.15	24.19	40.35	80.67	129.06	258.12	403.30	806.61	1,290.57	1,855.19	3.92
Morningview	24.18	36.29	60.47	120.92	193.47	386.95	604.60	1,209.22	1,934.76	2,781.22	9.03
Palm Port	20.10	30.18	50.30	100.59	160.93	321.87	502.91	1,005.84	1,609.35	2,313.44	9.85
Palm Terrace	18.88	28.32	47.19	94.38	151.01	302.00	471.89	943.78	1,510.04	2,170.67	4.95
Park Manor	29.53	44.28	73.82	147.63	236.22	472.44	738.19	1,476.35	2,362.17	3,395.62	7.07
Silver Lake Oaks	19.90	29.86	49.77	99.53	159.25	318.50	497.65	995.31	1,592.49	2,289.19	9.89
Sunny Hills	19.56	29.33	48.89	97.79	156.46	312.94	488.95	977.93	1,564.67	2,249.20	9.92
Valencia Terrace	16.15	24.19	40.35	80.67	129.06	258.12	403.30	806.61	1,290.57	1,855.19	3.92
Venetian Village	20.27	30.39	50.66	101.32	162.08	324.21	506.57	1,013.14	1,621.00	2,330.19	7.10
Zephyr Shores	11.29	16.93	28.22	56.42	90.29	180.58	282.16	564.30	902.90	1,297.90	11.36

**WASTEWATER SERVICE
 EFFLUENT (EF)**

	Charge Per 1,000 Gallons Per Sprinkler Head								
Florida Central Commerce Park	0.10								

**WATER SERVICE
 SERVICE AVAILABILITY CHARGES**

Plant	County	Plant	County
Beecher's Point	Putnam	Palm Port	Putnam
Carlton Village	Lake	Palm Terrace	Pasco
Chuluota	Seminole	Palms Mobile Home Park	Lake
East Lake Harris Estates	Lake	Picciola Island	Lake
Fern Terrace	Lake	Piney Woods	Lake
Friendly Center	Lake	Pomona Park	Putnam
Gibsonia Estates	Polk	Quail Ridge	Lake
Grand Terrace	Lake	River Grove	Putnam
Harmony Homes	Seminole	Silver Lake Estates / Western Shores	Lake
Hermits Cove	Putnam	Silver Lake Oaks	Putnam
Hobby Hills	Lake	Skycrest	Lake
Holiday Haven	Lake	St. Johns Highlands	Putnam
Imperial Mobile Terrace	Lake	Stone Mountain	Lake
Interlachen Lakes Estates	Putnam	Sunny Hills	Washington
Jungle Den	Volusia	Tomoka	Volusia
Kingswood	Brevard	Valencia Terrace	Lake
Lake Gibson Estates	Polk	Venetian Village	Lake
Leisure Lakes	Highlands	Welaka / Saratoga Harbour	Putnam
Morningview	Lake	Wootens	Putnam
Oakwood	Brevard	Zephyr Shores	Pasco
Orange Hill / Sugar Creek	Polk		

Installation Charges:

Meter Size	Meter	Service
5/8" x 3/4"	\$ 90.00	\$143.00
3/4"	\$110.00	\$143.00
1"	\$140.00	\$154.00
1 1/2"	\$300.00	\$202.00
2"	\$385.00	\$245.00
Over 2"	Actual Cost	Actual Cost

Backflow Preventer:

All Meter Sizes	Actual Cost
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Plant Capacity Charges:

Per ERC	\$700.00
Per Gallon Equivalent ¹	\$ 2.74

Main Extension Charges:

Per ERC	\$446.00
Per Foot Equivalent ²	\$ 5.81

¹Per gallon equivalent based upon average usage of 255 gallons per day per ERC

²Per foot equivalent based upon 83 feet per lot.

WASTEWATER SERVICE				
SERVICE AVAILABILITY CHARGES				
AVAILABILITY				
	Plant	County		
	Beecher's Point	Putnam		
	Chuluota	Seminole		
	FL Central Commerce Park	Seminole		
	Holiday Haven	Lake		
	Jungle Den	Volusia		
	Lake Gibson Estates	Polk		
	Leisure Lakes	Highlands		
	Morningview	Lake		
	Palm Port	Putnam		
	Palm Terrace	Pasco		
	Park Manor	Putnam		
	Silver Lake Oaks	Putnam		
	Sunny Hills	Washington		
	Valencia Terrace	Lake		
	Venetian Village	Lake		
	Zephyr Shores	Pasco		
CHARGES				
	Main Extension Charges:			
		Per ERC		\$480.00
		Per Foot Equivalent		\$7.38 ¹
	Service Installation Charges:			
		Per Connection (Unpaved)	4"	\$170.00
		Per Connection (Unpaved)	6"	\$227.00
		Per Connection (Paved)	4"	\$548.00
		Per Connection (Paved)	6"	\$605.00
	Plant Capacity Charges:			
		Per ERC		\$1,300.00
		Per Gallon Equivalent		\$7.59 ²
¹ Per foot equivalent based upon 83 feet per lot. ² Per gallon equivalent based upon average usage of 255 gallons per day per ERC.				

WATER SERVICE SERVICE AVAILABILITY CHARGES ORANGE COUNTY ONLY			
CHARGES			
Customer Connection (Tap-in) Charge:			
		5/8" x 3/4" metered service	\$100.00
		1" metered service	At cost
		1 1/2" metered service	At cost
		2" metered service	At cost
		Over 2" metered service	At cost
Main Extension Charge:			
		Per ERC *	\$36.00
Plant Capacity Charge:			
		Per ERC *	\$64.00
* Per ERC (ERC = 255 gallons per day)			

**FLORIDA WATER SERVICES SYSTEMS
 ALLOWANCE FOR FUNDS PRUDENTLY INVESTED**

System Name	Water				Wastewater			
	Treatment Plant		Trans & Dist		Collection System		Treatment & Disposal	
	# of Remaining ERC's on 6/30/04*	Amount to Collect After 12-31-01	# of Remaining ERC's on 6/30/04*	Amount to Collect After 12-31-01	# of Remaining ERC's on 6/30/04**	Amount to Collect After 12-31-01	# of Remaining ERC's on 6/30/04**	Amount to Collect After 12-31-01
Beecher's Point			28	538.00	16	619.00	36	426.00
Carlton Village			161	307.00				
Chuluota			108	700.00				
East Lake Harris Estates			62	700.00				
FI Central Commerce Park							16	1,300.00
Friendly Center			59	5.00				
Hermits Cove	11	215.00	174	187.00				
Hobby Hills	114	102.00	27	39.00				
Holiday Haven			45	29.00	66	85.00	81	1,300.00
Interlachen Lakes Estates	243	44.13	107	96.00				
Jungle Den			8	51.00			169	322.00
Kingswood			7	10.00				
Leisure Lakes			112	78.00	125	289.00	681	133.30
Morningview			6	103.00	12	747.00	60	82.00
Palm Port	37	312.87	23	318.34	23	536.00	78	574.00
Palm Terrace					5657	33.00		
Palms MHP			27	44.00				
Piccola Island			64	45.00				
Piney Woods			40	280.00				
Pomona Park			358	61.00				
Quail Ridge			41	159.34				
River Grove	139	71.00	14	144.00				
Silver Lake Est/Western	707	109.00	307	147.00				
Silver Lake Oaks	57	113.00	27	700.00	27	186.00	17	1,256.00
St. Johns Highlands			28	42.00				
Stone Mountain			13	67.00				
Sunny Hills	195	137.02	4918	266.00	327	398.40	123	534.26
Valencia Terrace							85	106.00
Venetian Village	948	7.03	67	12.00	10	541.00		
Welaka/Saratoga Harbour	250	700.00	114	174.00				
Wootens			21	26.00				
Zephyr Shores			145	45.00	148	380.00	819	268.77

* Based on 217 gallons per day
 ** Based on 155 gallons per day