

CLASS A and B  
WATER AND/OR WASTEWATER UTILITIES

**FINANCIAL, RATE  
AND ENGINEERING  
MINIMUM FILING  
REQUIREMENTS**

OF

Labrador Utilities, Inc.

Exact Legal Name of Utility

**VOLUME I**



FOR THE

Test Year Ended: December 31, 2005

EXHIBIT 1

CLASS A and B  
WATER AND/OR WASTEWATER UTILITIES

FINANCIAL, RATE  
AND ENGINEERING  
MINIMUM FILING  
REQUIREMENTS

OF  
Labrador Utilities, Inc.  
Exact Legal Name of Utility

Schedule	Pages	Description of Schedule
VOLUME 1		
<u>RATE BASE</u>		
A-1	1	Water Rate Base
A-2	2	Sewer Rate Base
A-3	3	Adjustments to Ratebase
A-4	4	Annual Plant Additions and Balances
A-5	5	Water Plant in Service by Primary Account
A-6	6	Sewer Plant in Service by Primary Account
A-7	7	Summary of Non-used & Useful Plant
A-8	8	Annual Accumulated Depreciation Additions and Balances
A-9	9	Water Accumulated Depreciation by Primary Account
A-10	10	Sewer Accumulated Depreciation by Primary Account
A-11	11	Annual Additions and Balances to CIAC
A-12	12	CIAC by Type and Classification
A-13	13	Annual Additions and Balances of Amortization of CIAC
A-14	14	Accumulated Amortization of CIAC by Type and Classification
A-15	15	Schedule of AFUDC Rates Used
A-16	16	Annual Additions and Balances of Advances for Construction
A-17	17	Working Capital Allowance Calculation
A-18	18	Balance Sheet - Assets
A-19	19	Balance Sheet - Liabilities and Owners' Equity
<u>NET OPERATING INCOME</u>		
B-1	20	Net Operating Income Statement - Water
B-2	21	Net Operating Income Statement - Sewer
B-3	22	Adjustments to Net Operating Income
B-4	23	Test Year Operating Revenues
B-5	24	Water O&M Expenses by Month
B-6	25	Sewer O&M Expenses by Month
B-7	26	Comparative O&M Expenses - Water
B-8	27	Comparative O&M Expenses - Sewer
B-9	28	Analysis of Contractual Services
B-10	29	Rate Case Expense Analysis
B-11	30	Analysis of Maintenance Expenses
B-12	31	Schedule of Allocated Expenses
B-13	32	Net Depreciation Expenses - Water
B-14	33	Net Depreciation Expenses - Sewer
B-15	34	Taxes Other than Income

INCOME TAX

C-1	35	Reconciliation of Total Income Tax Provision
C-2	36	State and Federal Income Tax Calculation - Current
C-3	37	Schedule of Interest in Tax Expense Calculation
C-4	38	Book/Tax Differences - Permanent
C-5	39	Deferred Tax Expense
C-6	40 - 42	Accumulated Deferred Income Taxes
C-7	43	Investment Tax Credits
C-8	44	Parent(s) Debt information
C-9	45	Income Tax Returns
C-10	46	Miscellaneous Tax Information

COST OF CAPITAL

D-1	47	Requested Cost of Capital
D-2	48	Reconciliation of Capital Structure to Rate Base
D-3	49	Preferred Stock Outstanding
D-4	50	Simple Average Cost Short-Term Debt
D-5	51	Long-Term Debt - Beginning & End of Year Average
D-6	52	Variable Rate Long-Term Debt - Beginning & End of Year Average
D-7	53	Customer Deposits

RATE SCHEDULES

E-1	54	Rate Schedule - Present, Interim, and Final
E-2	55 - 60	Revenues at Test Year and Proposed Rates
E-3	61	Customer Monthly Billing Schedule
E-4	62	Miscellaneous Service Charges
E-5	63	Miscellaneous Service Charges Revenues
E-6	64	Public Fire Hydrants Schedule
E-7	65	Private Fire Protection Service
E-8	66	Contracts and Agreements
E-9	67	Tax or Franchise Fee
E-10	68 - 69	Service Availability Charges
E-11	70	Guaranteed Revenues Received
E-12	71	Class A Utility Cost of Service
E-13	72	Projected Test Year Revenue Calculation
E-14	73	Billing Analysis [containted in Volume II]

ENGINEERING SCHEDULES

F-1	74	Gallons of Water Pumped, Sold and Unaccounted For
F-2	75	Gallons of Wastewater Treated
F-3	76	Water Treatment Plant Data
F-4	77	Wastewater Treatment Plant Data
F-5	78	Used and Useful Calculations (Water)
F-6	79 - 80	Used and Useful Calculations (Wastewater)
F-7	81	Used and Useful Calculations (Water/Wastewater)
F-8	82	Margin Reserve Calculations
F-9	83	Equivalent Residential Connections - Water
F-10	84	Equivalent Residential Connections - Wastewater

INTERIM RATE SCHEDULES

A-1 Interim	85	Water Rate Base
A-2 Interim	86	Sewer Rate Base
A-3 Interim	87	Adjustments to Ratebase
B-1 Interim	88	Net Operating Income Statement - Water
B-2 Interim	89	Net Operating Income Statement - Sewer
B-3 Interim	90	Adjustments to Net Operating Income
B-15 Interim	91	Taxes Other than Income
C-1 Interim	92	Reconciliation of Total Income Tax Provision
C-2 Interim	93	State and Federal Income Tax Calculation - Current
D-1 Interim	94	Requested Cost of Capital
D-2 Interim	95	Reconciliation of Capital Structure to Rate Base
E-1 Interim	96	Rate Schedule - Present, Interim, and Final
E-2 Interim	97 - 100	Revenues at Test Year and Proposed Rates

Water Rate Base

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Florida Public Service Commission

Schedule: A-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Adjustments	(4) Adjusted Books Balance	(5) Proforma Adjustments	(6) Adjusted Utility Balance	(7) Supporting Schedule(s)
1	Utility Plant in Service	\$ 541,863	\$ -	\$ 541,863	\$ 72,042 A	\$ 613,905	A-5, A-3
2	Utility Land & Land Rights	-	-	-	-	-	A-5
3	Less: Non-Used & Useful Plant	-	-	-	- C	-	A-3, A-7
4	Construction Work in Progress	78,116	(78,116) D	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(111,220)	-	(111,220)	66,982 B	(44,239)	A-9
6	Less: CIAC	(171)	-	(171)	-	(171)	A-12
7	Accumulated Amortization of CIAC	-	-	-	-	0	A-14
8	Acquisition Adjustment	(335,285)	335,285 E	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	9,204	(9,204) E	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	14,053 F	14,053	A-17, A-3
12	Total Rate Base	\$ 182,506	\$ 247,965	\$ 430,471		\$ 583,548	

Sewer Rate Base

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Adjustments	(4) Adjusted Books Balance	(5) Proforma Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant in Service	\$ 1,550,061	\$ -	\$ 1,550,061	\$ 61,921 A	\$ 1,611,981	A-6
2	Utility Land & Land Rights	-	-	-	-	-	A-6
3	Less: Non-Used & Useful Plant	-	-	-	- C	-	A-3, A-7
4	Construction Work in Progress	31,815	(31,815) D	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(385,535)	-	(385,535)	(2,958) B	(388,493)	A-10, A-3
6	Less: CIAC	-	-	-	-	-	A-12
7	Accumulated Amortization of CIAC	-	-	-	-	-	A-14
8	Acquisition Adjustment	-	-	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	-	-	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	22,981 F	22,981	A-17, A-3
12	Total Rate Base	\$ 1,196,341	\$ (31,815)	\$ 1,164,526		\$ 1,246,470	

Adjustments to Ratebase

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-3  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a detailed description of all adjustments to rate base per books, with a total for each rate base line item.

Line No.	Description	Water	Sewer
<b>(A) Utility Plant In Service</b>			
<b>(i) Proforma</b>			
301.1	Organization	(15,313,00)	-
311.3	Electric Pump Equipment	9,821	-
331.5	Transmission and Distribution Mains	533	-
333.5	Service Lines	1,312	-
354.2	Lift Station	-	6,884
360.2	Sewage Service Lines	-	3,178
380.4	Sewage Treatment Plant	-	2,234
382.4	Outfall Lines	-	373
	<b>Proforma Total</b>	<b>(3,647)</b>	<b>12,649</b>
<b>(ii) WSC Rate Base</b>			
	Net WSC Rate Base	4,407	4,272
<b>(iii) Proforma Projects</b>			
380.4	Engineering Design for WWTP Improvements	-	10,000
334.5	Labrador Water Main Replacement	20,000	-
346.6	Safety Improvements at WWTP	25,000	-
380.4	WWTP Improvements	-	35,000
330.5	WTP Improvements	100,000	-
		145,000	45,000
<b>(iv) Retirements Related to Projects</b>			
334.5	Labrador Water Main Replacement	(12,367)	-
330.5	WTP Improvements	(61,351)	-
		(73,718)	-
<b>(B) Accumulated Depreciation</b>			
<b>(i) Proforma</b>			
311.3	Electric Pump Equipment	491	-
331.5	Transmission and Distribution Mains	12	-
333.5	Service Lines	33	-
354.2	Lift Station	-	215
360.2	Sewage Service Lines	-	106
380.4	Sewage Treatment Plant	-	124
382.4	Outfall Lines	-	11
	<b>Proforma Total</b>	<b>536</b>	<b>456</b>
<b>(ii) Proforma Projects</b>			
380.4	Engineering Design for WWTP Improvements	-	556
334.5	Labrador Water Main Replacement	1,000	-
346.6	Safety Improvements at WWTP	2,500	-
380.4	WWTP Improvements	-	1,946
330.5	WTP Improvements	2,700	-
354.7	Spray Field Land Purchase	-	-
		6,200	2,502
<b>(iii) Retirements Related to Projects</b>			
334.5	Labrador Water Main Replacement	(12,367)	-
330.5	WTP Improvements	(61,351)	-
		(73,718)	-
<b>(C) Non Used &amp; Useful Plant In Service - Schedule: A-7</b>			
		-	-
<b>(D) Remove CWIP</b>			
		(78,116)	(31,815)
<b>(E) Reverse Acquisition Adjustment</b>			
	Adjustment	335,285	-
	Amortization	(9,204)	-
<b>(F) Working Capital Allowance</b>			
		14,053	22,981

Annual Plant Additions and Balances

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: A-4  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the annual balance of the original cost of plant in service, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	Description	Year-End Balance	
		Water	Sewer
1	12/31/2003 Balance [order no. PSC-04-1281-PAA-WS]	\$ 512,851	\$ 1,460,034
2	2003 Additions	-	-
3	2003 Retirements	-	-
4	2003 Adjustments	-	-
5	12/31/2003 Balance	512,851	1,460,034
6	2004 Additions	57,124	203,437
7	2004 Retirements	10,043	8,292
8	2004 Adjustments	(905)	(123,961)
9	12/31/2004 Balance	559,027	1,531,218
10	2005 Additions	5,625	60,318
11	2005 Retirements	5,537	22,633
12	2005 Adjustments	(4,467)	-
13	12/31/2005 Balance	554,648	1,568,903

Water Plant in Service by Primary Account

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-5  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the ending balances and average of plant in service for the prior year and the test year by primary account. Also show non-used & useful amounts by account.

No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)
		Prior Year 12/31/2004	Test Year 12/31/2005	Average	Non-Used & Useful %	Non-Used & Useful Amount	
1	INTANGIBLE PLANT						
2	301.1 Organization	\$ 15,288	\$ 15,338	\$ 15,313	0%	\$ -	
3	302.1 Franchises	7,933	7,933	7,933	0%	-	
4	339.1 Other Plant & Misc. Equipment	-	-	-	0%	-	
5	SOURCE OF SUPPLY AND PUMPING PLANT						
6	303.2 Land & Land Rights	-	-	-	0%	-	
7	304.2 Structures & Improvements	9,435	14,759	12,097	0%	-	
8	305.2 Collect. & Impound. Reservoirs	-	-	-	0%	-	
9	306.2 Lake, River & Other Intakes	-	-	-	0%	-	
10	307.2 Wells & Springs	52,432	55,401	53,917	0%	-	
11	308.2 Infiltration Galleries & Tunnels	-	-	-	0%	-	
12	309.2 Supply Mains	-	-	-	0%	-	
13	310.2 Power Generation Equipment	-	-	-	0%	-	
14	311.2 Pumping Equipment	54,592	54,992	54,792	0%	-	
15	339.2 Other Plant & Misc. Equipment	-	-	-	0%	-	
16	WATER TREATMENT PLANT						
17	303.3 Land & Land Rights	-	-	-	0%	-	
18	304.3 Structures & Improvements	-	-	-	0%	-	
19	320.3 Water Treatment Equipment	6,609	10,347	8,478	0%	-	
20	339.3 Other Plant & Misc. Equipment	-	-	-	0%	-	
21	TRANSMISSION AND DISTRIBUTION PLANT						
22	303.4 Land & Land Rights	-	-	-	0%	-	
23	304.4 Structures & Improvements	-	-	-	0%	-	
24	330.4 Distr. Reservoirs & Standpipes	35,581	35,822	35,702	0%	-	
25	331.4 Transm. & Distribution Mains	250,269	250,269	250,269	0%	-	
26	333.4 Services	14,161	17,949	16,055	0%	-	
27	334.4 Meters & Meter Installations	19,654	34,918	27,286	0%	-	
28	335.4 Hydrants	3,356	3,356	3,356	0%	-	
29	339.4 Other Plant & Misc. Equipment	-	-	-	0%	-	
30	GENERAL PLANT						
31	303.5 Land & Land Rights	-	-	-	0%	-	
32	304.5 Structures & Improvements	-	-	-	0%	-	
33	340.5 Office Furniture & Equipment	977	1,711	1,344	0%	-	
34	341.5 Transportation Equipment	(2,465)	(2,409)	(2,437)	0%	-	
35	342.5 Stores Equipment	-	-	-	0%	-	
36	343.5 Tools, Shop & Garage Equipment	27,413	28,720	28,067	0%	-	
37	344.5 Laboratory Equipment	358	358	358	0%	-	
38	345.5 Power Operated Equipment	-	-	-	0%	-	
39	346.5 Communication Equipment	1,079	1,079	1,079	0%	-	
40	347.5 Miscellaneous Equipment	-	-	-	0%	-	
41	348.5 Other Tangible Plant	32,405	24,105	28,255	0%	-	
42	TOTAL	\$ 529,077	\$ 554,648	\$ 541,863		\$ -	



Sewer Plant in Service by Primary Account

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Historic  or Projected   
 Interim  or Final   
 Historic  or Projected

Schedule: A-6  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Provide the ending balances and average of plant in service for the prior year and the test year by primary account. Also show non-used & useful amounts by account.

No.	(1) Account No. and Name	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT					
2	351.1 Organization	\$ -	\$ -	\$ -	0%	\$ -
3	352.1 Franchises	7,933	7,933	7,933	0%	-
4	389.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	COLLECTION PLANT					
6	353.2 Land & Land Rights	-	-	-	0%	-
7	354.2 Structures & Improvements	10,099	819,198	414,649	0%	-
8	360.2 Collection Sewers - Force	4,963	10,601	7,782	0%	-
9	361.2 Collection Sewers - Gravity	371,956	372,187	372,072	0%	-
10	362.2 Special Collecting Structures	-	-	-	0%	-
11	363.2 Services to Customers	-	-	-	0%	-
12	364.2 Flow Measuring Devices	-	-	-	0%	-
13	365.2 Flow Measuring Installations	-	-	-	0%	-
14	375.2 Reuse Services	-	-	-	0%	-
15	389.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	SYSTEM PUMPING PLANT					
17	353.3 Land & Land Rights	-	-	-	0%	-
18	354.3 Structures & Improvements	-	-	-	0%	-
19	370.3 Receiving Wells	-	-	-	0%	-
20	371.3 Pumping Equipment	-	-	-	0%	-
21	389.3 Other Plant & Misc. Equipment	-	-	-	0%	-
22	TREATMENT AND DISPOSAL PLANT					
23	353.4 Land & Land Rights	-	-	-	0%	-
24	354.4 Structures & Improvements	-	-	-	0%	-
25	380.4 Treatment & Disposal Equipment	1,133,841	356,108	744,975	0%	-
26	381.4 Plant Sewers	-	-	-	0%	-
27	382.4 Outfall Sewer Lines	2,229	2,679	2,454	0%	-
28	389.4 Other Plant & Misc. Equipment	-	-	-	0%	-
29	GENERAL PLANT					
30	353.5 Land & Land Rights	-	-	-	0%	-
31	354.5 Structures & Improvements	-	-	-	0%	-
32	390.5 Office Furniture & Equipment	137	137	137	0%	-
33	391.5 Transportation Equipment	-	-	-	0%	-
34	392.5 Stores Equipment	-	-	-	0%	-
35	393.5 Tools, Shop & Garage Equipment	60	60	60	0%	-
36	394.5 Laboratory Equipment	-	-	-	0%	-
37	395.5 Power Operated Equipment	-	-	-	0%	-
38	396.5 Communication Equipment	-	-	-	0%	-
39	397.5 Miscellaneous Equipment	-	-	-	0%	-
40	398.5 Other Tangible Plant	-	-	-	0%	-
41	TOTAL	\$ 1,531,218	\$ 1,568,903	\$ 1,550,061		\$ -

Note: Plant reclassified in 2005 (affected accounts 380.4 and 354.2)

Summary of Non-used & Useful Plant

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Scheduled Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: A-7  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a summary of the items included in non-used and useful plant for the test year. Provide additional support schedules, if necessary.

Line No.	(1) Description	(2) Average Non-Used Per Books	(3) Utility Adjustments	(4) Balance (Non-Used) Per Utility
WATER				
1	Plant in Service	\$ -	\$ -	\$ -
2	Land	-	-	-
3	Accumulated Depreciation	-	-	-
4	Other	-	-	-
5	Total	\$ -	\$ -	\$ -
WASTEWATER				
6	Plant in Service	\$ -	\$ -	\$ -
7	Land	-	-	-
8	Accumulated Depreciation	-	-	-
9	Other	-	-	-
10	Total	\$ -	\$ -	\$ -

Annual Accumulated Depreciation Additions and Balances

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-8  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the annual balance of accumulated depreciation, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary: If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	Description	Year-End Balance	
		Water	Sewer
1	8/15/2003 Balance [order no. PSC-03-0638-PAA-WS]	\$ 143,023	\$ 390,950
2	2003 Additions	-	-
3	2003 Retirements	-	-
4	2003 Adjustments	(31,400)	(47,836)
5	12/31/2003 Balance	111,623	343,114
6	2004 Additions	19,387	36,611
7	2004 Retirements	10,043	8,292
8	2004 Adjustments	(16,892)	-
9	12/31/2004 Balance	104,075	371,433
10	2005 Additions	20,355	50,837
11	2005 Retirements	5,537	22,633
12	2005 Adjustments	(527)	-
13	12/31/2005 Balance	118,366	399,637

Water Accumulated Depreciation by Primary Account

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Scheduled Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-9  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the ending balances and average of accumulated depreciation for the prior year and the test year by primary account. Also show non-used & useful amounts by account.

No.	(1) Account No. and Name	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT					
2	301.1 Organization	\$ -	\$ -	\$ -	0%	\$ -
3	302.1 Franchises	-	-	-	0%	-
4	339.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	SOURCE OF SUPPLY AND PUMPING PLANT					
6	303.2 Land & Land Rights	-	-	-	0%	-
7	304.2 Structures & Improvements	(21,979)	(21,683)	(21,831)	0%	-
8	305.2 Collect. & Impound. Reservoirs	-	-	-	0%	-
9	306.2 Lake, River & Other Intakes	-	-	-	0%	-
10	307.2 Wells & Springs	19,588	21,334	20,461	0%	-
11	308.2 Infiltration Galleries & Tunnels	-	-	-	0%	-
12	309.2 Supply Mains	-	-	-	0%	-
13	310.2 Power Generation Equipment	-	-	-	0%	-
14	311.2 Pumping Equipment	4,289	7,046	5,668	0%	-
15	339.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	WATER TREATMENT PLANT					
17	303.3 Land & Land Rights	-	-	-	0%	-
18	304.3 Structures & Improvements	-	-	-	0%	-
19	320.3 Water Treatment Equipment	1,070	(3,247)	(1,089)	0%	-
20	339.3 Other Plant & Misc. Equipment	-	-	-	0%	-
21	TRANSMISSION AND DISTRIBUTION PLANT					
22	303.4 Land & Land Rights	-	-	-	0%	-
23	304.4 Structures & Improvements	-	-	-	0%	-
24	330.4 Distr. Reservoirs & Standpipes	10,844	11,806	11,325	0%	-
25	331.4 Transm. & Distribution Mains	82,414	88,245	85,330	0%	-
26	333.4 Services	(475)	(508)	(492)	0%	-
27	334.4 Meters & Meter Installations	2,226	3,000	2,613	0%	-
28	335.4 Hydrants	1	76	39	0%	-
29	339.4 Other Plant & Misc. Equipment	-	-	-	0%	-
30	GENERAL PLANT					
31	303.5 Land & Land Rights	-	-	-	0%	-
32	304.5 Structures & Improvements	-	-	-	0%	-
33	340.5 Office Furniture & Equipment	282	371	327	0%	-
34	341.5 Transportation Equipment	(6,211)	(881)	(3,546)	0%	-
35	342.5 Stores Equipment	-	-	-	0%	-
36	343.5 Tools, Shop & Garage Equipment	2,460	4,724	3,592	0%	-
37	344.5 Laboratory Equipment	303	411	357	0%	-
38	345.5 Power Operated Equipment	-	-	-	0%	-
39	346.5 Communication Equipment	44	67	56	0%	-
40	347.5 Miscellaneous Equipment	-	-	-	0%	-
41	348.5 Other Tangible Plant	9,219	7,605	8,412	0%	-
42	TOTAL	\$ 104,075	\$ 118,366	\$ 111,220		\$ -

## Sewer Accumulated Depreciation by Primary Account

Florida Public Service Commission

Company: Labrador Utilities, Inc.

Schedule: A-10

Docket No.: 060262-ws

Page 1 of 1

Test Year End: December 31, 2005

Preparer: Virchow, Krause

Interim [ ] or Final [x]

Historic [x] or Projected [ ]

Explanation: Provide the ending balances and average of accumulated depreciation for the prior year and the test year by primary account. Also show non-used & useful amounts by account.

No.	(1) Line Account No. and Name	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT					
2	351.1 Organization	\$ -	\$ -	\$ -	0%	\$ -
3	352.1 Franchises	-	-	-	0%	-
4	389.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	COLLECTION PLANT					
6	353.2 Land & Land Rights	-	-	-	0%	-
7	354.2 Structures & Improvements	(3,198)	203,006	99,904	0%	-
8	360.2 Collection Sewers - Force	(1,858)	(6,167)	(4,013)	0%	-
9	361.2 Collection Sewers - Gravity	119,704	127,908	123,806	0%	-
10	362.2 Special Collecting Structures	-	-	-	0%	-
11	363.2 Services to Customers	-	-	-	0%	-
12	364.2 Flow Measuring Devices	-	-	-	0%	-
13	365.2 Flow Measuring Installations	-	-	-	0%	-
14	375.2 Reuse Services	-	-	-	0%	-
15	389.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	SYSTEM PUMPING PLANT					
17	353.3 Land & Land Rights	-	-	-	0%	-
18	354.3 Structures & Improvements	-	-	-	0%	-
19	370.3 Receiving Wells	-	-	-	0%	-
20	371.3 Pumping Equipment	-	-	-	0%	-
21	389.3 Other Plant & Misc. Equipment	-	-	-	0%	-
22	TREATMENT AND DISPOSAL PLANT					
23	353.4 Land & Land Rights	-	-	-	0%	-
24	354.4 Structures & Improvements	-	-	-	0%	-
25	380.4 Treatment & Disposal Equipment	256,760	74,852	165,806	0%	-
26	381.4 Plant Sewers	-	-	-	0%	-
27	382.4 Outfall Sewer Lines	-	-	-	0%	-
28	389.4 Other Plant & Misc. Equipment	-	-	-	0%	-
29	GENERAL PLANT					
30	353.5 Land & Land Rights	-	-	-	0%	-
31	354.5 Structures & Improvements	-	-	-	0%	-
32	390.5 Office Furniture & Equipment	18	27	23	0%	-
33	391.5 Transportation Equipment	-	-	-	0%	-
34	392.5 Stores Equipment	-	-	-	0%	-
35	393.5 Tools, Shop & Garage Equipment	7	11	9	0%	-
36	394.5 Laboratory Equipment	-	-	-	0%	-
37	395.5 Power Operated Equipment	-	-	-	0%	-
38	396.5 Communication Equipment	-	-	-	0%	-
39	397.5 Miscellaneous Equipment	-	-	-	0%	-
40	398.5 Other Tangible Plant	-	-	-	0%	-
41	TOTAL	\$ 371,433	\$ 399,637	\$ 385,535		\$ -

Note: Plant reclassified in 2005 (affected accounts 380.4 and 354.2)

Annual Additions and Balances to CIAC

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Scheduled Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-11  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the annual balance of contributions in aid of construction, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	Description	Year-End Balance	
		Water	Sewer
1	8/15/2003 Balance [order no. PSC-03-0638-PAA-WS]	\$ -	\$ -
2	2003 Additions	-	-
3	2003 Retirements	-	-
4	2003 Adjustments	-	-
5	12/31/2003 Balance	-	-
6	2004 Additions	-	-
7	2004 Retirements	-	-
8	2004 Adjustments	-	-
9	12/31/2004 Balance	-	-
10	2005 Additions	342	-
11	2005 Retirements	-	-
12	2005 Adjustments	-	-
13	12/31/2005 Balance	342	-

Precedents:

Dependents:

CIAC by Type and Classification

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Scheduled Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-12  
 Page 1 of 1  
 Preparer: Virchow, Krause

Provide the ending balances and average of CIAC, by classification for the prior year and the test year. If a projected year is employed, provide breakdown for base year and intermediate year also.

Line No.	(1) Description	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average
1	WATER			
2				
3	Plant Capacity Fees	\$ -	\$ -	\$ -
4				
5	Line/Main Extension Fees	-	342	171
6				
7	Meter Installation Fees	-	-	-
8				
9	Contributed Plant	-	-	-
10				
11	Other	-	-	-
12				
13	Total	\$ -	\$ 342	\$ 171
14				
15				
16	WASTEWATER			
17				
18	Plant Capacity Fees	\$ -	\$ -	\$ -
19				
20	Line/Main Extension Fees	-	-	-
21				
22	Contributed Plant	-	-	-
23				
24	Other	-	-	-
25				
26	Total	\$ -	\$ -	\$ -

Precedents

Dependents:  
 Schedule: A-1  
 Schedule: A-2

Annual Additions and Balances of Amortization of CIAC

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-13  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the annual balance of accumulated amortization of CIAC, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected additions and/or retirements specifically identifying those amounts. Show any retirements as adjustments.

Line No.	Description	Year-End Balance	
		Water	Sewer
1	8/15/2003 Balance [order no. PSC-03-0638-PAA-WS]	\$ -	\$ -
2	2003 Additions	-	-
3	2003 Retirements	-	-
4	2003 Adjustments	-	-
5	12/31/2003 Balance	-	-
6	2004 Additions	-	-
7	2004 Retirements	-	-
8	2004 Adjustments	-	-
9	12/31/2004 Balance	-	-
10	2005 Additions	-	-
11	2005 Retirements	-	-
12	2005 Adjustments	-	-
13	12/31/2005 Balance	-	-



Accumulated Amortization of CIAC by Type and Classification

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-14  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the ending balances and average of accumulated amortization of CIAC, by classification for the prior year and the test year. If a projected year is employed, provide breakdown for base year and intermediate year also.

Line No.	(1) Description	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average
WATER				
1	Plant Capacity Fees	\$ -	\$ -	\$ -
2	Line/Main Extension Fees	-	-	-
3	Meter Installation Fees	-	-	-
4	Contributed Plant	-	-	-
5	Other	-	-	-
6	Total	\$ -	\$ -	\$ -
WASTEWATER				
7	Plant Capacity Fees	\$ -	\$ -	\$ -
8	Line/Main Extension Fees	-	-	-
10	Contributed Plant	-	-	-
11	Other	-	-	-
	Total	\$ -	\$ -	\$ -

Schedule of AFUDC Rates Used

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: A-15  
Page 1 of 1  
Preparer: Virchow, Krause  
Recap Schedules:

Explanation: Provide the annual AFUDC rates used since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously. Include a description of practices and authority of rate(s) used.

Line No.	Description	Rate
1	Approved AFUDC Rate (Per Order PSC-04-0262-WS)	9.03%

Annual Additions and Balances of Advances for Construction

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: A-16  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the annual balance of Advances For Construction, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected additions and/or retirements, specifically identifying those amounts. Also provide a brief description of the applicant's policy regarding advances.

Line No.	Description	Year-End Balance	
		Water	Sewer
1	8/15/2003 Balance [order no. PSC-03-0638-PAA-WS]	\$ -	\$ -
2	2003 Additions	-	-
3	2003 Retirements	-	-
4	2003 Adjustments	-	-
5	12/31/2003 Balance	-	-
6	2004 Additions	-	-
7	2004 Retirements	-	-
8	2004 Adjustments	-	-
9	12/31/2004 Balance	-	-
10	2005 Additions	-	-
11	2005 Retirements	-	-
12	2005 Adjustments	-	-
13	12/31/2005 Balance	-	-

Working Capital Allowance Calculation

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: A-17  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Provide the calculation of working capital using the formula method. This is calculated by taking the balance of O&M Expenses divided by 8.

Line No.	Description	Water	Sewer
1	<u>Final Rates - 12/31/2005</u>		
2	Total O&M Expenses	\$ 112,426	\$ 183,849
3	Adjustments to O&M Expenses	-	-
4	Total Adjusted O&M Expenses	112,426	183,849
5	Divide by 8	8	8
6	Working Capital	\$ 14,053	\$ 22,981

Balance Sheet - Assets

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-18  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) Assets	(2) Test Year 12/31/2005	(3) Prior Year 12/31/2004
1	Utility Plant In Service	\$ 2,123,551	\$ 2,085,778
2	Construction Work In Progress	109,931	13,376
3	Other Utility Plant Adjustments (Acquisition Adjustment)	(326,081)	(335,285)
4	GROSS UTILITY PLANT	1,907,401	1,763,869
5	Less: Accumulated Depreciation/Amortization	(523,765)	(493,880)
6	NET UTILITY PLANT	<u>1,383,636</u>	<u>1,269,989</u>
7	Cash	-	5
8	Special Deposits	6,895	6,895
9	Accounts Rec'b - customers	37,324	30,258
10	Notes Receivable	-	-
11	Accounts Rec'b - Accoc. Cos.	-	-
12	Notes Rec'b - Accoc. Cos.	-	-
13	Accounts Rec'b - Other	-	-
14	Allowance for Bad Debts	-	-
15	Materials and Supplies	-	-
16	Miscellaneous Current & Accrued Assets	-	-
17	TOTAL CURRENT ASSETS	<u>44,219</u>	<u>37,158</u>
18	Net nonutility Property	-	-
19	Unamortized Debt Discount & Exp	-	-
20	Prelim. Survey & Investigation Charges	-	-
21	Clearing Accounts	-	-
22	Deferred Rate Case Expense	71,522	82,430
23	Other Miscellaneous Deferred Debits	5,575	1,417
24	Accum. Deferred Income Tax	129	-
25	TOTAL OTHER ASSETS	<u>77,226</u>	<u>83,847</u>
26	TOTAL ASSETS	<u>\$ 1,505,081</u>	<u>\$ 1,390,994</u>

Balance Sheet - Liabilities and Owners' Equity

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: A-19  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) Equity Capital & Liabilities	(2) Test Year 12/31/2005	(3) Prior Year 12/31/2004
1	Common Stock Issued	\$ 1,000	\$ 1,000
2	Preferred Stock Issued	-	-
3	Additional Paid in Capital	1,157,147	1,128,839
4	Retained Earnings	(257,220)	(222,993)
5	Other Equity Capital	-	-
6	<b>TOTAL EQUITY CAPITAL</b>	<b>900,927</b>	<b>906,846</b>
7	Bonds	-	-
8	Reacquired Bonds	-	-
9	Advances From Associated Companies	-	-
10	Other Long-Term Debt	-	-
11	<b>TOTAL LONG-TERM DEBT</b>	<b>-</b>	<b>-</b>
12	Accounts Payable	7,170	824
13	Notes Payable	-	-
14	Notes & Accounts Payable - Assoc. Cos.	545,615	429,239
15	Customer Deposits	-	-
16	Accrued Taxes	9,000	10,918
17	Accrued Interest	-	-
18	Accrued Dividends	-	-
19	Misc. Current and Accrued Liabilities	-	-
20	<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>561,785</b>	<b>440,981</b>
21	Advances for Construction	342	-
22	Prepaid Capacity Charges	-	-
23	Accum. Deferred ITC's	-	-
24	Operating Reserve	-	-
25	<b>TOTAL DEFERRED CREDITS &amp; OPER. RESERVES</b>	<b>342</b>	<b>-</b>
26	Contributions in Aid of Construction	-	-
27	Less: Accum. Amortization of CIAC	-	-
28	Accumulated Deferred Income Taxes	42,027	43,167
29	<b>Total Equity Capital and Liabilities</b>	<b>\$ 1,505,081</b>	<b>\$ 1,390,994</b>

Net Operating Income Statement - Water

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 93,184	\$ 57,407 A	\$ 150,591	\$ 103,047 I	\$ 253,638	B-4, E-2
2	Operation & Maintenance	112,426	-	112,426	27,840 F, G, L	140,266	B-5
3	Depreciation, net of CIAC amort.	20,355	-	20,355	6,736 D	27,091	B-13
4	Amortization	(7,894)	7,894 B	-	-	-	
5	Taxes Other Than Income	14,757	-	14,757	5,078 K, M	19,835	B-15
6	Provision for Income Taxes	(31,671)	31,671 C	-	16,494 J	16,494	C-1, B-3
7	OPERATING EXPENSES	107,973	39,565	147,538	56,148	203,686	
8	NET OPERATING INCOME	\$ (14,789)	\$ 17,842	\$ 3,053	\$ 46,899	\$ 49,952	
9	RATE BASE	\$ 182,506		\$ 430,471		\$ 583,548	A-1
10	RATE OF RETURN	-8.10%		0.71%		8.56%	

Net Operating Income Statement - Sewer

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 327,716	\$ 14,984 A	\$ 342,700	\$ 145,461 I	\$ 488,161	B-4, E-2
2	Operation & Maintenance	183,849	-	183,849	39,997 E, F, G, L	223,846	B-6
3	Depreciation, net of CIAC amort.	50,837	-	50,837	2,958 D	53,795	B-14
4	Amortization	529	(529) B	-	-	-	B-3
5	Taxes Other Than Income	37,165	-	37,165	6,973 K, M	44,138	B-15
6	Provision for Income Taxes	15,148	- C	15,148	44,537 J	59,685	
7	OPERATING EXPENSES	287,528	(529)	286,999	94,464	381,463	
8	NET OPERATING INCOME	\$ 40,188	\$ 15,513	\$ 55,701	\$ 50,997	\$ 106,698	
9	RATE BASE	\$ 1,196,341		\$ 1,164,526		\$ 1,246,470	A-2
10	RATE OF RETURN	3.36%		4.78%		8.56%	

Dependents:  
 Schedule: A-17



## Adjustments to Net Operating Income

Florida Public Service Commission

Company: Labrador Utilities, Inc.

Schedule: B-3

Docket No.: 060262-ws

Page 1 of 1

Schedule Year End: December 31, 2005

Preparer: Virchow, Krause

Interim  or Final Historic  or Projected 

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	Description	Water	Wastewater
(A)	Operating Revenues		
	Adjustment for payback of interim rate	58,585	-
	Effect of mid year rate change	(1,128)	14,338
	RAF Effect on above	(51)	645
(B)	Amortization		
	Reverse out	7,894	(529)
(C)	Provision for Income Tax		
	Remove negative income tax expense	31,671	-
(D)	Depreciation Expense		
	Depreciation from proforma plant changes (see A-3)	6,736	2,958
(E)	Proforma Project (B-11)		
	Labrador WWTP Tank & Pipe Painting		6,000
	Sanitary Sewer Cleaning		1,600
	Expense		7,600
(F)	Purchase Power Pass Through	(165)	5,253
(G)	Rate Case Expense		
	1/4 of Rate Case Expense (Schedule B-10)	\$ 22,391	\$ 21,703
(H)	Provision for income taxes		
	Income Taxes (C-1)	N/A	N/A
(I)	Revenue Increase		
	Required to realize a 8.56% rate of return	103,047	145,461
(J)	Provision for Income Taxes		
	Income Taxes (C-1)	16,494	44,537
(K)	Taxes other than Income		
	Regulatory Assessment Fees (RAF's)		
	Adjusted for Revenue Increase (B-15)	4,637	6,546
(L)	Proforma O&M Expenses		
	Salary Adjustment (see WP)	5,080	4,924
	Pension/Benefit Adjustment (see WP)	533	517
(M)	Proforma Tax Other than Income		
	Payroll Taxes (see WP)	441	427

Test Year Operating Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-4  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Complete the following revenue schedule for the historical test year or base year. If general service revenues not accounted for by sub-account, then show the total amount under metered-or measured-commercial and provide an explanation.

Line No.	WATER SALES Account No. and Description	(1)	SEWER SALES Account No. and Description	(2)
		Total Water		Total Sewer
1	460 Unmetered Water Revenue	\$ -	521.1 Flat Rate - Residential	327,664
2	461.1 Metered - Residential	93,169	521.2 Flat Rate - Commercial	-
3	461.2 Metered - Commercial	-	521.3 Flat Rate - Industrial	-
4	461.3 Metered - Industrial	-	521.4 Flat Rate - Public Authorities	-
5	461.4 Metered - Public Authorities	-	521.5 Flat Rate - Multi-Family	-
6	461.5 Metered - Multi-Family	-	521.6 Flat Rate - Other	-
7	462.1 Public Fire Protection	-	522.1 Measured - Residential	-
8	462.2 Private Fire Protection	-	522.2 Measured - Commercial	-
9	464 Other Sales - Public Authorities	-	522.3 Measured - Industrial	-
10	465 Irrigation Customers	-	522.4 Measured - Public Authorities	-
11	466 Sales for Resale	-	522.5 Measured - Multi-Family	-
12	467 Interdepartmental Sales	-	523 Other Sales - Public Authorities	-
13			524 Revenues from Other Systems	-
14	TOTAL WATER SALES	93,169	525 Interdepartmental Sales	-
15				
16			TOTAL SEWER SALES	327,664
17	470 Forfeited Discounts	-		
18	471 Misc Service Revenues	15		
19	472 Rents from Water Property	-	531 Sale of Sludge	-
20	473 Interdepartmental Rents	-	532 Forfeited Discounts	-
21	474 Other Water Revenues	-	534 Rents from Sewer Property	-
22			535 Interdepartmental Rents	-
23	TOTAL OTHER		536 Other Sewer Revenues	52
24	WATER REVENUES	15		
25			TOTAL OTHER	
26	TOTAL WATER		SEWER REVENUES	52
27	OPERATING REVENUES	\$ 93,184		
28			TOTAL SEWER	
			OPERATING REVENUES	\$ 327,716

Water O&M Expenses by Month

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Florida Public Service Commission

Schedule: B-5  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation:

Line No.	(1) Account No. And Name	(2)												(14) Total Annual		
		Jan 2005	Feb 2005	Mar 2005	Apr 2005	May 2005	Jun 2005	Jul 2005	Aug 2005	Sep 2005	Oct 2005	Nov 2005	Dec 2005			
1	601 Salaries & Wages - Employees	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 2,501	\$ 30,013
2	603 Salaries & Wages - Officers, Etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	604 Employee Pensions & Benefits	205	205	205	205	205	3,645	205	205	1,774	205	205	205	205	205	7,472
4	610 Purchased Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	615 Purchased Power	686	790	748	847	626	515	476	389	402	473	664	664	1,058	7,675	
6	616 Fuel for Purchased Power	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	618 Chemicals	185	170	220	266	269	132	148	117	171	(27)	420	357	2,430		
8	620 Materials & Supplies	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	13,680	
9	631 Contractual Services - Engr.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	632 Contractual Services - Acct.	26	26	26	26	26	304	26	26	165	26	26	26	26	732	
11	633 Contractual Services - Legal	-	-	-	-	-	35	26	79	-	-	-	-	-	140	
12	634 Contractual Services - Mgmt. Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	635 Contractual Services - Testing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	636 Contractual Services - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	641 Rental of Building/Real Prop.	-	-	-	-	-	334	-	-	410	-	-	-	-	744	
16	642 Rental of Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	650 Transportation Expenses	(159)	789	241	337	155	263	289	322	254	318	312	(179)	2,941		
18	656 Insurance - Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	657 Insurance - General Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	658 Insurance - Workman's Comp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	659 Insurance - Other	23	23	23	23	23	996	23	23	435	23	23	23	1,665		
22	660 Advertising Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	666 Reg. Comm. Exp. - Rate Cast Amort.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	667 Reg. Comm. Exp. - Other	-	-	-	-	-	4,726	962	964	967	967	967	967	10,520		
25	670 Bad Debt Expense	0	0	0	36	(19)	6	24	4	(1)	5	49	19	124		
26	675 Miscellaneous Expense	2,858	2,858	2,858	2,858	2,858	2,858	2,858	2,858	2,858	2,858	2,858	2,858	34,290		
27	TOTAL	\$ 7,466	\$ 8,503	\$ 7,964	\$ 8,240	\$ 7,785	\$ 17,455	\$ 8,679	\$ 8,628	\$ 11,074	\$ 8,490	\$ 9,166	\$ 8,975	\$ 112,425		

Sewer O&M Expenses by Month

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-6  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Provide a schedule of operation and maintenance expenses by primary account for each month of the test year. If schedule has to be continued on 2nd page, reprint the account titles and numbers.

Line No.	(1) Account No. And Name	(2) Jan 2005	(3) Feb 2005	(4) Mar 2005	(5) Apr 2005	(6) May 2005	(7) Jun 2005	(8) Jul 2005	(9) Aug 2005	(10) Sep 2005	(11) Oct 2005	(12) Nov 2005	(13) Dec 2005	(14) Total Annual
1	701 Salaries & Wages - Employees	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 1,975	\$ 23,697
2	703 Salaries & Wages - Officers, Etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
3	704 Employee Pensions & Benefits	204	204	204	204	204	3,621	204	204	1,762	204	204	204	7,421
4	710 Purchased Sewage Treatment	-	-	-	-	-	-	-	-	-	-	-	-	-
5	711 Sludge Removal Expense	5,040	4,221	7,187	4,361	1,162	-	-	3,380	660	(4,030)	-	-	21,981
6	715 Purchased Power	2,916	3,179	3,037	2,605	2,760	2,181	2,010	1,714	1,758	1,911	2,188	2,081	28,340
7	716 Fuel for Purchased Power	-	-	-	-	-	-	-	-	-	-	-	-	-
8	718 Chemicals	651	599	775	935	948	465	521	411	601	(93)	1,479	1,254	8,544
9	720 Materials & Supplies	3,455	3,455	3,455	3,455	3,455	3,455	3,455	3,455	3,455	3,455	3,455	3,455	41,465
10	731 Contractual Services - Engr.	-	-	-	-	-	-	-	-	-	-	-	-	-
11	732 Contractual Services - Acct.	26	26	26	26	26	302	26	26	164	26	26	26	727
12	733 Contractual Services - Legal	-	-	-	-	-	34	26	78	-	-	-	-	139
13	734 Contractual Services - Mgmt. Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
14	736 Contractual Services - Other	-	-	-	-	-	333	-	-	408	-	-	-	740
15	741 Rental of Building/Real Prop.	-	-	-	-	-	-	-	-	-	-	-	-	-
16	742 Rental of Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
17	750 Transportation Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
18	756 Insurance - Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
19	757 Insurance - General Liability	-	-	-	-	-	-	-	-	-	-	-	-	-
20	758 Insurance - Workman's Comp.	-	-	-	-	-	-	-	-	-	-	-	-	-
21	759 Insurance - Other	82	82	82	82	82	3,503	82	82	1,531	82	82	82	5,855
22	760 Advertising Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
23	766 Reg. Comm. Exp. - Rate Cast Amort.	-	-	-	-	-	4,694	956	958	960	960	960	960	10,448
24	767 Reg. Comm. Exp. - Other	-	-	-	-	-	-	-	-	-	-	-	-	-
25	770 Bad Debt Expense	1	1	1	127	(66)	20	86	13	(4)	16	173	67	436
26	775 Miscellaneous Expense	2,838	2,838	2,838	2,838	2,838	2,838	2,838	2,838	2,838	2,838	2,838	2,838	34,057
27	TOTAL	\$ 17,189	\$ 16,581	\$ 19,581	\$ 16,607	\$ 13,384	\$ 23,419	\$ 12,179	\$ 15,134	\$ 16,108	\$ 7,345	\$ 13,381	\$ 12,942	\$ 183,851

Comparative O&M Expenses - Water

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-7  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Complete the following comparison of the applicant's current and prior test year O&M expenses before this Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPU. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences.

Line No.	(1) Account No. and Name	(2)	(3)	(4)	(5)	(6) Explanation
		Prior Rate Case 12/31/2003	Current TY 12/31/2005	\$ Difference	% Difference	
1	601 Salaries & Wages - Employees	\$ 19,665	\$ 30,012	\$ 10,347	52.62%	Water plant staffing requires one FT operator. Prior expense doesn't include one FT operator
2	603 Salaries & Wages - Officers, Etc.	-	-	-	N/A	
3	604 Employee Pensions & Benefits	9,986	7,472	486	6.96%	
4	610 Purchased Water	-	-	-	N/A	
5	615 Purchased Power	5,265	7,875	2,390	45.22%	Increased unit cost of power, increase in power consumption
6	616 Fuel for Purchased Power	-	-	-	N/A	
7	618 Chemicals	4,170	2,430	(1,740)	-41.73%	
8	620 Materials & Supplies	6,874	13,680	5,006	57.71%	Increase in frequency of WTP and system repairs
9	631 Contractual Services - Engr.	-	-	-	N/A	
10	632 Contractual Services - Acct.	924	732	(192)	-20.78%	
11	633 Contractual Services - Legal	2	139	137	6850.00%	Increase due to legal bills related to purchase of co-op land
12	634 Contractual Services - Mgmt. Fees	-	-	-	N/A	
13	635 Contractual Services - Testing	-	-	-	N/A	
14	636 Contractual Services - Other	895	746	(149)	-16.65%	
15	641 Rental of Building/Real Prop.	-	-	-	N/A	
16	642 Rental of Equipment	(5,556)	-	5,558	-100.00%	
17	650 Transportation Expenses	2,489	2,941	452	16.16%	Increase in fuel costs
18	656 Insurance - Vehicle	-	-	-	N/A	
19	657 Insurance - General Liability	-	-	-	N/A	
20	658 Insurance - Workman's Comp.	1,268	-	(1,268)	-100.00%	
21	659 Insurance - Other	-	1,665	1,665	New	
22	660 Advertising Expense	-	-	-	N/A	
23	666 Reg. Comm. Exp. - Rate Cost Amort.	115	10,520	10,405	9047.63%	Increase due to rate case expense from Docket No. 03-0443/WS
24	667 Reg. Comm. Exp. - Other	-	-	-	N/A	
25	670 Bad Debt Expense	281	124	(137)	-52.49%	
26	675 Miscellaneous Expense	25,666	34,290	6,424	32.57%	Cost of labor to make numerous repairs in the distribution system.
27	TOTAL	\$ 71,962	\$ 112,426	\$ 41,384	58.21%	
26	Total Customers (ERC's)	947	977	30	3.17%	
29	Consumer Price Index - U	251.7	283.4	31.7	12.59%	from Bureau of Labor Statistics (same for all)
30	Benchmark Index: Change in Customer ERC's			1.0317		
31	Increase in CPI			1.1258		
32				1.1616		

Explanation: Complete the following comparison of the applicant's current and prior year O&M expenses before the Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences.

Line No.	Account No. and Name	12/31/2003		12/31/2005		Explanation
		Prior Owner	Current TY	Difference \$	Difference %	

1	701 Salaries & Wages - Employees	\$ 6,350	\$ 23,898	\$ 17,548	273.20%	Sewer plant staffing requires one FT operator. Prior expense doesn't include one FT operator.
2	703 Salaries & Wages - Officers, Etc.	6,873	7,421	448	6.42%	N/A
3	704 Employee Pensions & Benefits	-	-	-	N/A	-
4	710 Purchased Sewage Treatment	-	-	-	N/A	-
5	711 Sludge Removal Expense	18,220	21,981	3,761	20.64%	increase in volume and unit cost.
6	715 Purchased Power	21,811	28,340	6,429	28.34%	increase in unit power costs, increased use of blowers to optimize plant performance.
7	716 Fuel for Purchased Power	-	-	-	N/A	-
8	718 Chemicals	4,290	8,543	4,253	100.54%	Use of savings agent to improve plant performance
9	720 Materials & Supplies	35,894	41,405	5,511	15.32%	increase in frequency of WWTP and system repairs
10	731 Contractual Services - Engr.	-	-	-	N/A	-
11	732 Contractual Services - Acad.	921	727	(194)	-21.06%	increase due to legal bills related to purchase of coop land
12	733 Contractual Services - Legal Fees	2	138	137	6850.00%	increase due to legal bills related to purchase of coop land
13	734 Contractual Services - Mgmt. Fees	-	-	-	N/A	-
14	736 Contractual Services - Other	893	740	(153)	-17.13%	N/A
15	741 Rental of Building/Real Prop.	-	-	-	N/A	-
16	742 Rental of Equipment	-	-	-	N/A	-
17	750 Transportation Expenses	2,500	-	(2,500)	-100.00%	N/A
18	756 Insurance - Vehicle	-	-	-	N/A	-
19	757 Insurance - General Liability	-	-	-	N/A	-
20	758 Insurance - Workman's Comp.	-	-	-	N/A	-
21	759 Insurance - Other	3,850	5,854	2,004	52.05%	Rising costs of property & casualty insurance has increased due to heightened safety concerns
22	760 Advertising Expense	-	-	-	N/A	-
23	766 Reg. Comm. Exp. - Rate Cost Amort.	114	10,448	10,334	9084.91%	increase due to rate case expense from Docket No. 03-0443/MS
24	787 Reg. Comm. Exp. - Other	-	-	-	N/A	-
25	770 Bad Debt Expense	807	436	(371)	-28.17%	N/A
26	775 Miscellaneous Expense	19,733	34,057	14,324	72.59%	Cost of labor to make numerous repairs at the WWTP and collection system.
27	TOTAL	\$ 122,228	\$ 183,849	\$ 61,621	50.41%	
28	Total Customers (ERC's)	951	947	(4)	-0.42%	
29	Consumer Price Index - U	2517	2834	317	12.59%	from Bureau of Labor Statistics (same for all)
30	Benchmark Index Change in Customer ERC's	0.958				
31	Increase in CPI	1.1212				
32						

Analysis of Contractual Services

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: B-9  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a complete list of outside services which were incurred during the test year. List by type of service, such as accounting, engineering or legal, and provide specific detail of work performed by each consultant and the associated cost breakdown by items. Provide amounts separated by system and method of allocation if appropriate. Specific detail is not necessary for charges which are less than 2% of the test year revenues for that system. Do not include rate case expense charges.

(1)	(2)	(3)	(4)	(5)
Line No.	Consultant	Type of Service	Amount	Description of Work Performed
1				Services provided by Water Services Corp. and allocated to Labrador Utilities, Inc.; see Schedule: B-12
2	Rose, Sundstrom & Bentley	Legal Fees	209	

Rate Case Expense Analysis

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: B-10  
 Page 1 of 1  
 Preparer: Lena Sunardio

Explanation: Provide the total amount of rate case expense requested in the application. State whether the total includes the amount up to proposed agency action or through a hearing before the Commission. Provide a list of each firm providing services for the applicant, the individuals for each firm assisting in the application, including each individual's hourly rate, and an estimate of the total charges to be incurred by each firm, as well as a description of the type of services provided. Also provide the additional information for amortization and allocation method, including support behind this determination.

(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Firm or Vendor Name	Counsel, Consultant or Witness	Hourly Rate Per Person	Hours	Total Estimate of Charges by Firm	Type of Service Rendered
1	Virchow, Krause	Tom Unke	275	8	\$ 2,200	Assist w/MFR, data requests, audit facilitation
2	Virchow, Krause	Michael Johnson	165	68	11,220	Assist w/MFR, data requests, audit facilitation
3	Virchow, Krause	Megan Steiner	145	32	4,612	Assist w/MFR, data requests, audit facilitation
4	Rose, Sundstrom & Bentley, LLP	Martin Friedman	260	192	50,000	Legal Fees
5	Frank Seidman	Frank Seidman	125	40	5,000	Used & Useful MFR preparation
6	Public Service Commission		n/a	n/a	2,000	Filing Fee
7	Water Service Corp.	Steve Lubertozzi	73	100	7,300	Assist w/MFR, data requests, audit facilitation
8	Water Service Corp.	Holly Roth	61	100	6,100	Assist w/MFR, data requests, audit facilitation
9	Water Service Corp.	Bill Thomas	41	150	6,150	Assist w/MFR, data requests, audit facilitation
10	Water Service Corp.	Steve Dihel	29	150	4,350	Assist w/MFR, data requests, audit facilitation
11	Water Service Corp.	Lena Sunardio	41	150	6,150	Assist w/MFR, data requests, audit facilitation
12	Water Service Corp.	Kirsten Weeks	41	125	5,125	Assist w/MFR, data requests, audit facilitation
13	Water Service Corp.	Dimitry Neyzelman	41	150	6,150	Assist w/MFR, data requests, audit facilitation
14	Water Service Corp.		n/a	na	1,501	Customer notices, postage
15	Water Service Corp.		n/a	n/a	202	Customer notices, stock
16	Water Service Corp.		n/a	n/a	1,200	Travel, Airfare
17	Water Service Corp.		n/a	n/a	1,600	Travel, Hotel/Accommodation
18	Water Service Corp.		n/a	n/a	400	Travel, Rental Car
19	Water Service Corp.		n/a	n/a	12,000	Fed Ex, copies & other misc.
20					<u>\$ 133,260</u>	
21	Estimate Through					
22	<input checked="" type="checkbox"/> PAA					
23	<input type="checkbox"/> Commission Hearing					
24	Amortization Period 4 Years					
25	Explanation if different from Section 367.0816, Florida					

26 Amortization of Rate Case Expense:

27	(A) Water	(B) Wastewater	(C) Total
28 Prior unamortized rate case expenses	\$ 21,897	\$ 21,220	\$ 43,117
29 Current rate case expense	67,669	65,591	133,260
30 Total projected rate case expense	<u>89,566</u>	<u>86,811</u>	<u>176,377</u>
31 Annual Amortization	<u>\$ 22,391</u>	<u>\$ 21,703</u>	<u>\$ 44,094</u>

32 Method of allocation between systems:

33 Customers	977	947	1,924
34 Percentage of average customers	<u>51%</u>	<u>49%</u>	<u>100%</u>



Analysis of Maintenance Expenses

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: B-11  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide an analysis of all maintenance projects greater than 2% of test year revenues per system which occurred during the 2 years prior to the test year, the test year, and the budgeted amount for 1 year subsequent to the test year. For each project, provide a description, the total cost or budgeted amount and how often the project should be repeated.

No.	Location	Project Description	Total Deferred Project Costs	TY Amortization	Proforma Amortization	Amortization Term
1	Labrador WWTP	Labrador WWTP Tank & Pipe Painting	30,000	-	6,000	5
2	Labrador WWTP	Sanitary Sewer Cleaning	8,000	-	1,600	5

Schedule of Allocated Expenses

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-12  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description of the method of allocation. Provide a description of all systems other than water and sewer.

Line No.	Acct No.	Description	Allocation Percentages			Description of Allocation Method	Amounts Allocated			Labrador (LUI)	
			LUI	Other			LUI	Other		Water 50.78%	Sewer 49.22%
				Co's/Sys	Total			Co's/Sys	Total		
<b>Water Service Corp. Allocated Expenses:</b>											
601		Salaries - Office	0.5%	99.5%	100.0%	Cust. Equiv.*	\$ 13,134	\$ 2,616,432	\$ 2,629,566	\$ 6,669	\$ 6,465
63x		Outside Services	0.5%	99.5%	100.0%	Cust. Equiv.*	2,365	446,557	448,922	1,201	1,164
604		Pension & Benefits	0.5%	99.5%	100.0%	Cust. Equiv.*	3,197	632,908	636,105	1,623	1,574
659		Insurance	0.3%	99.7%	100.0%	Cust. Equiv.*	7,267	2,107,228	2,114,495	3,690	3,577
675		Office Supplies	0.5%	99.5%	100.0%	Cust. Equiv.*	2,342	430,942	433,284	1,189	1,153
675		Office Utilities	0.5%	99.5%	100.0%	Cust. Equiv.*	211	42,286	42,497	107	104
675		Office Maintenance	0.5%	99.5%	100.0%	Cust. Equiv.*	723	141,082	141,805	367	356
675/670		Miscellaneous	0.5%	99.5%	100.0%	Cust. Equiv.*	1,575	307,544	309,119	800	775
704/775		Sub-Total O & M Expenses					30,814	6,724,979	6,755,793	15,647	15,167
403		Depreciation	0.5%	99.5%	100.0%	Cust. Equiv.*	\$ 1,412	\$ 283,037	\$ 284,449	\$ 717	\$ 695
408/409		Taxes Other Than Income	0.5%	99.5%	100.0%	Cust. Equiv.*	1,569	314,539	316,108	797	772
410		Deferred Income Tax	0.5%	99.5%	100.0%	Cust. Equiv.*	48	9,626	9,674	24	24
426		Other Income	0.5%	99.5%	100.0%	Cust. Equiv.*	(16)	(3,014)	(3,030)	(8)	(8)
419.27		Interest Expense	0.5%	99.5%	100.0%	Cust. Equiv.*	1,444	280,266	281,710	733	711
		Total Expenses					\$ 35,271	\$ 7,609,433	\$ 7,644,704	\$ 17,910	\$ 17,361
<b>Utilities, Inc. of Florida Allocated Expenses</b>											
63x		Outside Services	1.8%	98.2%	100.0%	Cust. Equiv.*	\$ 529	\$ 29,448	\$ 29,977	\$ 269	\$ 260
675		Office Supplies	1.8%	98.2%	100.0%	Cust. Equiv.*	1,248	69,525	70,773	634	614
675		Office Utilities	1.8%	98.2%	100.0%	Cust. Equiv.*	217	12,063	12,280	110	107
675		Office Maintenance	1.8%	98.2%	100.0%	Cust. Equiv.*	357	19,891	20,248	181	176
675		Miscellaneous	1.8%	98.2%	100.0%	Cust. Equiv.*	313	17,426	17,739	159	154
650		Transportation Expenses	0.0%	100.0%	100.0%	Cust. Equiv.*	-	109,070	109,070	-	-
620.675		Operators Expense	1.8%	98.2%	100.0%	Cust. Equiv.*	225	12,467	12,692	114	111
		Sub-Total O & M Expenses					\$ 2,889	\$ 269,891	\$ 272,780	\$ 1,467	\$ 1,422
408		Taxes Other Than Income	0.0%	0.0%	0.0%	Cust. Equiv.*	\$ -	\$ -	\$ -	\$ -	\$ -
403		Depreciation	0.7%	99.3%	100.0%	Cust. Equiv.*	961	132,097	133,058	488	473
		Total Expenses					\$ 3,850	\$ 401,988	\$ 405,838	\$ 1,955	\$ 1,895

\*Note: Allocation methodology is based predominantly on ERCs

Net Depreciation Expenses - Water

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-13  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

No.	(1) Line Account No. and Name	(2) Test Year 12/31/2005	(3) Adjustments	(4) Adjusted Balance	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT					
2	301.1 Organization	\$ -	\$ -	\$ -	0%	\$ -
3	302.1 Franchises	-	-	-	0%	-
4	339.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	SOURCE OF SUPPLY AND PUMPING PLANT					
6	303.2 Land & Land Rights	-	-	-	0%	-
7	304.2 Structures & Improvements	296	-	296	0%	-
8	305.2 Collect. & Impound. Reservoirs	-	-	-	0%	-
9	306.2 Lake, River & Other Intakes	-	-	-	0%	-
10	307.2 Wells & Springs	1,746	-	1,746	0%	-
11	308.2 Infiltration Galleries & Tunnels	-	-	-	0%	-
12	309.2 Supply Mains	-	-	-	0%	-
13	310.2 Power Generation Equipment	-	-	-	0%	-
14	311.2 Pumping Equipment	2,730	-	2,730	0%	-
15	339.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	WATER TREATMENT PLANT					
17	303.3 Land & Land Rights	-	-	-	0%	-
18	304.3 Structures & Improvements	-	-	-	0%	-
19	320.3 Water Treatment Equipment	321	-	321	0%	-
20	339.3 Other Plant & Misc. Equipment	-	-	-	0%	-
21	TRANSMISSION AND DISTRIBUTION PLANT					
22	303.4 Land & Land Rights	-	-	-	0%	-
23	304.4 Structures & Improvements	-	-	-	0%	-
24	330.4 Distr. Reservoirs & Standpipes	962	-	962	0%	-
25	331.4 Transm. & Distribution Mains	5,831	-	5,831	0%	-
26	333.4 Services	391	-	391	0%	-
27	334.4 Meters & Meter Installations	1,249	-	1,249	0%	-
28	335.4 Hydrants	75	-	75	0%	-
29	339.4 Other Plant & Misc. Equipment	-	-	-	0%	-
30	GENERAL PLANT					
31	303.5 Land & Land Rights	-	-	-	0%	-
32	304.5 Structures & Improvements	-	-	-	0%	-
33	340.5 Office Furniture & Equipment	749	-	749	0%	-
34	341.5 Transportation Equipment	2,020	-	2,020	0%	-
35	342.5 Stores Equipment	-	-	-	0%	-
36	343.5 Tools, Shop & Garage Equipment	2,188	-	2,188	0%	-
37	344.5 Laboratory Equipment	28	-	28	0%	-
38	345.5 Power Operated Equipment	-	-	-	0%	-
39	346.5 Communication Equipment	224	-	224	0%	-
40	347.5 Miscellaneous Equipment	-	-	-	0%	-
41	348.5 Other Tangible Plant	1,545	-	1,545	0%	-
42	TOTAL	20,355	-	20,355		-
43	Less: Amortization of CIAC	-	-	-	0%	-
44	NET DEPRECIATION EXPENSE - WATER	\$ 20,355	\$ -	\$ 20,355		\$ -

Net Depreciation Expenses - Sewer

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: B-14  
 Page 1 of 1  
 Preparer: Vlrchow, Krause  
 Recap Schedules:

Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

No.	(1) Line Account No. and Name	(2) Test Year 12/31/2005	(3) Adjustments	(4) Adjusted Balance	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT	\$ -	\$ -	\$ -	0%	\$ -
2	351.1 Organization	-	-	-	0%	-
3	352.1 Franchises	-	-	-	0%	-
4	389.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	COLLECTION PLANT	-	-	-	0%	-
6	353.2 Land & Land Rights	-	-	-	0%	-
7	354.2 Structures & Improvements	252	-	252	0%	-
8	360.2 Collection Sewers - Force	512	-	512	0%	-
9	361.2 Collection Sewers - Gravity	8,204	-	8,204	0%	-
10	362.2 Special Collecting Structures	-	-	-	0%	-
11	363.2 Services to Customers	-	-	-	0%	-
12	364.2 Flow Measuring Devices	-	-	-	0%	-
13	365.2 Flow Measuring Installations	-	-	-	0%	-
14	375.2 Reuse Services	-	-	-	0%	-
15	389.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	SYSTEM PUMPING PLANT	-	-	-	0%	-
17	353.3 Land & Land Rights	-	-	-	0%	-
18	354.3 Structures & Improvements	-	-	-	0%	-
19	370.3 Receiving Wells	-	-	-	0%	-
20	371.3 Pumping Equipment	-	-	-	0%	-
21	389.3 Other Plant & Misc. Equipment	-	-	-	0%	-
22	TREATMENT AND DISPOSAL PLANT	-	-	-	0%	-
23	353.4 Land & Land Rights	-	-	-	0%	-
24	354.4 Structures & Improvements	-	-	-	0%	-
25	380.4 Treatment & Disposal Equipment	41,856	-	41,856	0%	-
26	381.4 Plant Sewers	-	-	-	0%	-
27	382.4 Outfall Sewer Lines	-	-	-	0%	-
28	389.4 Other Plant & Misc. Equipment	-	-	-	0%	-
29	GENERAL PLANT	-	-	-	0%	-
30	353.5 Land & Land Rights	-	-	-	0%	-
31	354.5 Structures & Improvements	-	-	-	0%	-
32	390.5 Office Furniture & Equipment	9	-	9	0%	-
33	391.5 Transportation Equipment	-	-	-	0%	-
34	392.5 Stores Equipment	-	-	-	0%	-
35	393.5 Tools, Shop & Garage Equipment	4	-	4	0%	-
36	394.5 Laboratory Equipment	-	-	-	0%	-
37	395.5 Power Operated Equipment	-	-	-	0%	-
38	396.5 Communication Equipment	-	-	-	0%	-
39	397.5 Miscellaneous Equipment	-	-	-	0%	-
40	398.5 Other Tangible Plant	-	-	-	0%	-
41	TOTAL	50,837	-	50,837		-
42	Less: Amortization of CIAC	-	-	-	0%	-
43	NET DEPRECIATION EXPENSE - SEWER	\$ 50,837	\$ -	\$ 50,837		\$ -

Taxes Other than Income

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: B-15  
 Page 1 of 1  
 Preparer: Virchow, Krause  
 Recap Schedules:

Explanation: Complete the following schedule of all taxes other than income. For all allocations, provide description of allocation and calculations.

No.	(1) Line Description	(2) Regulatory Assessment Fees (RAFs)	(3) Payroll Taxes	(4) Real Estate & Personal Property	(5) Other	(6) Total
<b>WATER</b>						
1	Test Year Per Books	\$ 4,594	\$ 3,058	\$ 7,105	\$ -	\$ 14,757
2	Adjustments to Test Year (Explain)					
3	Taxes re adj. to Salaries (see WP)	-	441	-	-	441
4	RAFs re actual TY & Annualized rev.	-	-	-	-	-
5	Adj. Prop. Tax for proforma & non used	-	-	-	-	-
6	Total Test Year Adjustments	-	441	-	-	441
7	Adjusted Test Year	4,594	3,499	7,105	-	15,198
8	RAFs Assoc. with Revenue Increase	4,637	-	-	-	4,637
9	Total Balance	\$ 9,231	\$ 3,499	\$ 7,105	\$ -	\$ 19,835
<b>SEWER</b>						
10	Test Year Per Books	\$ 16,156	\$ 3,036	\$ 17,973	\$ -	\$ 37,165
11	Adjustments to Test Year (Explain)					
12	Taxes re adj. to Salaries	-	427	-	-	427
13	RAFs re actual TY & Annualized rev.	-	-	-	-	-
14	Adj. Prop. Tax for proforma & non used	-	-	-	-	-
15	Total Test Year Adjustments	-	427	-	-	427
16	Adjusted Test Year	16,156	3,463	17,973	-	37,592
17	RAFs Assoc. with Revenue Increase	6,546	-	-	-	6,546
18	Total Balance	\$ 22,702	\$ 3,463	\$ 17,973	\$ -	\$ 44,138

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: C-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a reconciliation between the total operating income tax provision and the currently payable income taxes on operating income for the test year.

Line No.	Description	Ref.	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase Water	Sewer
1	Current Tax Expense	C-2	\$ (14,530)	\$ 24,263	\$ 9,734	\$ (6,763)	\$ 12,467	\$ 16,494	\$ 44,537
2	Deferred Income Tax Expense	C-5	(441)	(1,662)	(2,104)	2,341	(1,120)	-	-
3	ITC Realized This Year	C-8	-	-	-	-	-	-	-
4	ITC Amortization	C-8	-	-	-	-	-	-	-
5	(3% ITC and IRC 46(f)(2))								
6	Parent Debt Adjustment	C-9	-	-	-	-	-	-	-
7	Total Income Tax Expense		<u>\$ (14,971)</u>	<u>\$ 22,601</u>	<u>\$ 7,630</u>	<u>\$ (4,422)</u>	<u>\$ 11,347</u>	<u>\$ 16,494</u>	<u>\$ 44,537</u>

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: C-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income taxes and investment tax credits generated.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase Water	Sewer
1	Net Utility Operating Income (B-1, B-2)	\$ 25,399	\$ 33,354	\$ 58,753	3,053	55,701	66,446	166,383
1a	Other Income	-	-	-	-	-	-	-
2	Add: Income Tax Expense Per Books (B-1, B-2)	(16,523)	31,671	15,148	-	-	-	-
3	Subtotal	8,876	65,025	73,901	3,053	55,701	66,446	166,383
4	Less: Interest Charges (C-3)	45,273	-	45,273	22,945	22,328	22,372	47,787
5	Taxable Income Per Books	(36,397)	65,025	28,628	(19,892)	33,373	44,074	118,596
Schedule M Adjustments:								
6	Permanent Differences (C-4)	-	-	-	-	-	-	-
7	Timing Differences (C-5)	(6,338)	6,338	-	-	-	-	-
8	Total Schedule M Adjustments	(6,338)	6,338	-	-	-	-	-
9	Taxable Income Before State Taxes	(42,735)	71,363	28,628	(19,892)	33,373	44,074	118,596
10	Less: State Income Tax Exemption (\$5,000)	5,000	-	5,000	2,500	2,500	2,500	2,500
11	State Taxable Income	(47,735)	71,363	23,628	(22,392)	30,873	41,574	116,096
12	State Income Tax (5.5% of Line 11)	-	-	-	-	1,698	2,287	6,385
13	Emergency Excise Tax	-	-	-	-	-	-	-
14	Credits	-	-	-	-	-	-	-
15	Current State Income Taxes	-	-	-	-	1,698	2,287	6,385
16	Federal Taxable Income (Line 9 - Line 15)	(42,735)	71,363	28,628	(19,892)	31,675	41,787	112,211
17	Federal Income Tax Rate	0.34	0.34	0.34	0.34	0.34	0.34	0.34
18	Federal Income Taxes (Line 16 x Line 17)	(14,530)	24,263	9,734	(6,763)	10,769	14,208	38,152
19	Less: Investment Tax Credit Realized This Year (C-8)	-	-	-	-	-	-	-
20	Current Federal Inc. Taxes (Line 18 - Line 19)	(14,530)	24,263	9,734	(6,763)	10,769	14,208	38,152
Summary:								
21	Current State Income Tax (Line 15)	-	-	-	-	1,698	2,287	6,385
22	Current Federal Income Tax (Line 20)	(14,530)	24,263	9,734	(6,763)	10,769	14,208	38,152
23	Total Current Income Tax Expense (To C-1)	\$ (14,530)	\$ 24,263	\$ 9,734	\$ (6,763)	\$ 12,467	\$ 16,494	\$ 44,537

Schedule of Interest in Tax Expense Calculation

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: C-3  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the amount of interest expense used to calculate income taxes on Schedule No. C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing bases should be clearly identified.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1	Interest on Long-Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -
2	Amortization of Debt Premium Disc and Expense Net	-	-	-	-	-
3	Interest on Short Term Debt	-	-	-	-	-
4	Other Interest Expense - Intercompany	50,162	-	50,162	25,166	24,996
5	AFUDC	(4,889)	-	(4,889)	(2,221)	(2,668)
6	ITC Interest Synchronization	-	-	-	-	-
7	Total Used for Tax Calculation	<u>\$ 45,273</u>	<u>\$ -</u>	<u>\$ 45,273</u>	<u>\$ 22,945</u>	<u>\$ 22,328</u>

Calculation for ITC Interest Synchronization Adjustment ONLY for Option 2 companies.

Balances From Schedule D-1	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost
This Schedule is not applicable					
8 Long-Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -
9 Short-Term Debt	-	-	-	-	-
10 Preferred Stock	-	-	-	-	-
11 Common Equity	-	-	-	-	-
12 Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
13 ITC's (from D-1)	-	-	-	-	-
14 Weighted Debt Cost	-	-	-	-	-
15 Interest Adjustment	<u>\$ -</u>	-	-	-	-



Book/Tax Differences - Permanent

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: C-4  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide the description and amount of all book/tax differences accounted for as permanent differences. This would include any items accounted for on a flow through basis.

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1	Interest during construction (IDC)	\$	<u>4,889</u>
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Deferred Tax Expense

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: C-5  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of total deferred income tax expense for the test year. Provide detail on items resulting in tax deferrals other than accelerated depreciation.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1 Timing Differences:						
2	Tax Depreciation and Amortization	\$ (18,613)	\$ -	\$ (18,613)	\$ (29,247)	\$ 10,634
3	Book Depreciation and Amortization	73,031	-	73,031	21,665	51,366
4	Difference	(91,644)	-	(91,644)	(50,912)	(40,732)
5 Other Timing Differences (Itemize)						
6	Tap Fees	-	-	-	-	-
7	AFUDC	4,889	(4,889)	-	-	-
8	Org. Exp. Amort.	8,895	-	8,895	4,448	4,448
9	Def. R.C. Exp.	71,522	-	71,522	35,761	35,761
10	Total Timing Differences (to C-2)	(6,338)	(4,889)	(11,227)	(10,704)	(524)
11	State Tax Rate	0.055	0.055	0.055	0.055	0.055
12	State Deferred Tax (Line 9 x Line 11)	3,934	-	3,934	1,967	1,967
13	(Limited by NOL)	-	-	-	-	-
14 Timing Differences for Federal Taxes						
15	(Line 10 - Line 12)	(10,272)	(4,889)	(15,161)	(12,670)	(2,490)
16	Federal Rate	0.340	0.340	0.340	0.340	0.340
17	Federal Deferred Taxes (L16xL15)	(3,492)	(1,662)	(5,155)	(4,308)	(847)
18	Add: State Deferred Taxes (L12)	3,934	-	3,934	1,967	1,967
19	Total Deferred Tax Expense (to C-1)	\$ 441	\$ (1,662)	\$ (1,221)	\$ (2,341)	\$ 1,120

Accumulated Deferred Income Taxes - Summary

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: C-6  
 Page 1 of 3  
 Preparer: Vlirchow, Krause

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 & 3 of this schedule. The same annual balances should be shown.

Line No.	Year	Account No. 190.1020			Account No. 190.1021			Net Deferred Income Taxes		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
1	2000	-	-	-	-	-	-	-	-	-
2	2001	-	-	-	-	-	-	-	-	-
3	2002	-	-	-	-	-	-	-	4,412	4,412
4	2003	-	4,922	4,922	-	-	-	842	24,328	25,170
5	2004	-	26,485	26,485	-	456	456	4,611	38,556	43,167
6	2005	-	22,980	22,980	-	1,682	1,682	4,425	37,473	41,898

  

Year	Account No. 190.1024			Account No. 190.1031			
	State	Federal	Total	State	Federal	Total	
8	2000	-	-	-	-	-	
9	2001	-	-	-	-	-	
10	2002	-	226	226	-	4,186	4,186
11	2003	-	3,247	3,247	-	16,159	16,159
12	2004	-	6,268	6,268	-	5,347	5,347
13	2005	-	9,126	9,126	-	3,685	3,685

  

Year	Account No. 190.2020			Account No. 190.2021		
	State	Federal	Total	State	Federal	Total
14	2000	-	-	-	-	-
15	2001	-	-	-	-	-
16	2002	-	-	-	-	-
17	2003	842	-	842	-	-
18	2004	4,533	-	4,533	78	78
19	2005	3,933	-	3,933	288	288

  

Year	Account No. 190.2024			Account No. 190.2031		
	State	Federal	Total	State	Federal	Total
20	2000	-	-	-	-	-
21	2001	-	-	-	-	-
22	2002	-	-	-	-	-
23	2003	-	-	-	-	-
24	2004	-	-	-	-	-
25	2005	489	-	489	(285)	(285)

Accumulated Deferred Income Taxes - State

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: C-6  
 Page 2 of 3  
 Preparer: Virchow, Krause

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

Line No.	Year	Account No. 190.2020 Def. Tax Cr - Rate Case					Account No. 190.2021 Def. St. Tax - Def. Maint				
		Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	2000	-	-	-	-	-	-	-	-	-	-
2	2001	-	-	-	-	-	-	-	-	-	-
3	2002	-	-	-	-	-	-	-	-	-	-
4	2003	-	855	(13)	-	842	-	-	-	-	-
5	2004	842	3,691	-	-	4,533	-	85	(7)	-	78
6	2005	4,533	553	(1,153)	-	3,933	78	276	(47)	(19)	288

Line No.	Year	Account No. 190.2024 Def. St. Tax - SE3 Fit					Account No. 190.2031 Def. St. Tax - Depr. SE3 Fit				
		Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance
7	2000	-	-	-	-	-	-	-	-	-	-
8	2001	-	-	-	-	-	-	-	-	-	-
9	2002	-	-	-	-	-	-	-	-	-	-
10	2003	-	-	-	-	-	-	-	-	-	-
11	2004	-	-	-	-	-	-	-	-	-	-
12	2005	-	489	-	-	489	-	-	(285)	-	(285)

Accumulated Deferred Income Taxes - Federal

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: C-6  
 Page 3 of 3  
 Preparer: Vlrchow, Krause

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

Line No.	Year	Account No. 190.1020 Def. Tax Cr - Rate Case					Account No. 190.1021 Def. Fed Tax - Def Maint				
		Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	2000	-	-	-	-	-	-	-	-	-	-
2	2001	-	-	-	-	-	-	-	-	-	-
3	2002	-	-	-	-	-	-	-	-	-	-
4	2003	-	4,995	(73)	-	4,922	-	-	-	-	-
5	2004	4,922	21,563	-	-	26,485	-	497	(41)	-	456
6	2005	26,485	3,232	(6,737)	-	22,980	456	1,610	(274)	(110)	1,682

Line No.	Year	Account No. 190.1024 Def. Tax Cr - Orgn. Exp					Account No. 190.1031 Def. Tax Cr - Depr.				
		Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferal	Flowback to Curr. Year	Adjust. Debit (Credit)	Ending Balance
7	2000	-	-	-	-	-	-	-	-	-	-
8	2001	-	-	-	-	-	-	-	-	-	-
9	2002	-	226	-	-	226	-	4,186	-	-	4,186
10	2003	226	3,021	-	-	3,247	4,186	15,853	(3,880)	-	16,159
11	2004	3,247	3,021	-	-	6,268	16,159	22,726	(33,538)	-	5,347
12	2005	6,268	2,858	-	-	9,126	5,347	75,779	(77,441)	-	3,685

Investment Tax Credits

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: C-7  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide an analysis of accumulated tax credits generated and amortized on an annual basis beginning with the test year in the last rate case to the end of the current test year. Amounts provided by the Revenue Act of 1971 and subsequent acts should be shown separately from amounts applicable to prior laws. Identify progress payments separately.

Line No.	Year	3% ITC						4% ITC					
		Beginning Balance	Current Year	Amount Realised		Amortization		Beginning Balance	Current Year	Amount Realised		Amortization	
				Prior Year Adjust	Current Year	Prior Year Adjust	Ending Balance			Prior Year Adjust	Current Year	Prior Year Adjust	Ending Balance

1

The utility has no investment tax credits; therefore, this schedule is not applicable

Parent(s) Debt information

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: C-8  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the information required to adjust income tax expense by the interest expense of the parent(s) that may be invested in the equity of the applicant. If a year-end rate base is used, provide on both a year-end and an average basis. Amounts should be parent only.

Line No.	Description	Parent's Name:			
		Amount	% of Total	Cost Rate	Weighted Cost
1	Long-Term Debt	\$ -	\$ -	\$ -	\$ -
2	Short-Term Debt	-	-	-	-
3	Preferred Stock	-	-	-	-
4	Common Equity - Common Stock	-	-	-	-
5	Retained Earnings - Parent Only	-	-	-	-
6	Deferred Income Tax	-	-	-	-
7	Other Paid In Capital	-	-	-	-
8	Total	\$ -	\$ -	\$ -	\$ -

Note: A parent debt adjustment is not necessary. Utilities, Inc. (parent company) imputes interest expense to each subsidiary company, including Labrador Utilities, Inc., based on the capital structure of the consolidated group.

Income Tax Returns

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: C-9  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a copy of the most recently filed federal income tax return, state income tax return and most recent final IRS revenue agent's report for the applicant or consolidated entity (whichever type of return is filed). A statement of when and where the returns and reports are available for review may be provided in lieu of providing the returns and reports.

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1 A copy of the Federal and Florida tax returns will be made available for inspection during the field audit.



Miscellaneous Tax Information

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: C-10  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide answers to the following questions with respect to the applicant or its consolidated entity.

- 
- |     |   |      |
|-----|---|------|
| (1) | What tax years are currently open with the Internal Revenue Service?            | None |
| (2) | Is the treatment of customer deposits at issue with the IRS?                    | No   |
| (3) | Is the treatment of contributions in aid of construction at issue with the IRS? | No   |
| (4) | Is the treatment of unbilled revenues at issue with the IRS?                    | No   |

Requested Cost of Capital

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Schedule Year End: December 31, 2005  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: D-1  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	(1) Class of Capital	(2) Total Capital	(3) Ratio	(4) Cost Rate	(5) Weighted Cost
1	Long Term Debt	\$ 980,319	54.84%	6.81%	3.73%
2	Short Term Debt	89,675	5.02%	2.00%	0.10%
3	Preferred Stock	-	0.00%	0.00%	0.00%
4	Common Equity	717,491	40.14%	11.77%	4.72%
5	Customer Deposits	-	0.00%	6.00%	0.00%
6	Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
7	Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
8	Accumulated Deferred Income Tax	42,533	0.00%	0.00%	0.00%
9	Other (Explain)	-	0.00%	0.00%	0.00%
10	Total	\$ 1,830,018	100%		8.56%

Note: The cost of equity is based on the leverage formula in effect pursuant to Order No. PSC-050006. Since the equity ratio is greater than 40.00%, a(n) 11.77% cost rate has been used.

Reconciliation of Capital Structure to Rate Base

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Schedule Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-2  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide a reconciliation of the simple average capital structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	Class of Capital	(1)	(2)	(3)	(4)	Reconciliation Adjustments		(7)
		Prior Year 12/31/2004	Test Year 12/31/2005	Average	Pro Rata	Prorata %	To Requested Rate Base	
1	Long Term Debt	\$ 112,803,215	\$ 135,285,191	\$ 124,044,203	\$ (123,063,884)	54.84%	\$ 980,319	
2	Short Term Debt	18,768,000	3,926,000	11,347,000	(11,257,325)	5.02%	89,675	
3	Preferred Stock	-	-	-	-	0.00%	-	
4	Common Equity	88,963,597	92,611,247	90,787,422	(90,069,931)	40.14%	717,491	
5	Customer Deposits	-	-	-	-	0.00%	-	
6	Tax Credits - Zero Cost	-	-	-	-	0.00%	-	
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-	
8	Accumulated Deferred Income Taxes	43,167	41,898	42,533	-	0.00%	42,533	
9	Other (Explain)	-	-	-	-	0.00%	-	
10	Total	\$ 220,577,979	\$ 231,864,336	\$ 226,221,158	\$ (224,391,139)	100.00%	\$ 1,830,018	

Preferred Stock Outstanding

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-3  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide data as specified on preferred stock on a simple average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(12)	
Line No.	Description, Coupon Rate, Years of Life	Issue Date	Call Provis., Special Restrict	Principal Amount Sold (Face Value)	Principal Amount Outstanding	(Discount) or Premium on Principal Amount Sold	(Discount) or Premium on Principal Associated With Col(5)	Issuing Expense Associated With Col(4)	Issuing Expense Associated With Col(5)	Net Proceeds (5)-(9)+(7)	Rate x (Contract Rate on Face Value	Dollar Dividend on Face Rate (11)x(5)	Effective Cost Rate (12)/(10)

1 Not Applicable

Simple Average Cost Short-Term Debt

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-4  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide the following information on a beginning and end of year average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

(1) Line No.	(2) Lender	(1) Total Interest Expense	(2) Maturity Date	(3) Simple Average Amt. Outstanding	(4) Effective Cost Rate
1	Bank One	\$ 226,426	LOC not applicable	\$ 11,347,000	2.00%
2	Total	\$ 226,426		\$ 11,347,000	2.00%

Long-Term Debt - Beginning & End of Year Average

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-5  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide the specified data on long-term debt issues on a simple average basis for the test year. Arrange by type of issue (i.e., first mortgage bonds). If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information on the parent level.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No.	Description, Coupon Rate, Years of Life	Issue Date-Maturity Date	Principal Amount Sold (Face Value)	Simple Average Principal Amount Outstanding 12/31/05	Amount Outstanding Within One Year	Unamortized Discount (Premium) Associated With Col(4)	Unamortized Issuing Expense Associated With Col(4)	Annual Amortization of Discount (Premium) on Principal Outstanding	Annual Amort. Of Issuing Expense on Principal Outstanding	Interest Cost (Coupon Rate x Col.(4))	Total Interest Cost (8)+(9)+(10)	Effective Cost Rate (11)/((4)-(6)-(7))
1	5.41% note, due in installments beginning 2006	08/30/02 - 08/30/12	\$ 50,000,000	\$ 50,000,000	\$ 7,142,857	\$ -	\$ -	\$ -	\$ 133,351	\$ 2,705,000	\$ 2,838,351	5.68%
2	7.87% note, due June 1, 2005	06/01/95 - 06/01/05	15,000,000	7,500,000	-	-	-	-	10,606	590,250	600,856	8.01%
3	8.42% note, due in installments beginning 2009	06/15/00 - 06/22/15	41,000,000	41,000,000	-	-	-	-	70,700	3,452,200	3,522,900	8.59%
4	4.55% note, due in installments beginning 2008	02/17/05 - 02/17/12	20,000,000	10,000,000	-	-	-	-	25,032	455,000	480,032	4.80%
5	4.62% note, due in installments beginning 2008	05/27/05 - 05/27/12	20,000,000	10,000,000	-	-	-	-	5,420	462,000	467,420	4.67%
6	9.01% note, due in installments beginning 1998	07/15/92 - 11/30/07	15,000,000	3,750,000	1,500,000	-	-	-	24,214	337,875	362,089	9.66%
7	9.16% note, due in installments beginning 1996	05/28/91 - 04/30/06	10,000,000	1,500,000	1,000,000	-	-	-	10,284	137,400	147,684	9.85%
8	8.10% - 8.96% note, due in installments beginning 1997	09/01/1997 - 2017	500,000	294,203	19,810	-	-	-	-	25,375	25,375	8.63%
9	Total		\$ 171,500,000	\$ 124,044,203	\$ 9,662,667	\$ -	\$ -	\$ -	\$ 279,607	\$ 8,165,100	\$ 8,444,707	6.81%

Variable Rate Long-Term Debt - Beginning & End of Year Average

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-6  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide the specified data on variable cost long-term debt issues on a simple average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Description, Coupon Rate, Years of Life	Issue Date-Maturity Date	Principal Amount Sold (Face Value)	Simple Average Principal Amount Outstanding 12/31/05	Amount Outstanding Within One Year	Unamortized Discount (Premium) Associated With Col(4)	Unamortized Issuing Expense Associated With Col(4)	Annual Amortization of Discount (Premium) on Principal Outstanding	Annual Amort. Of Issuing Expense on Principal Outstanding	Basis of Variable Rate (i.e. Prime +2%)	Interest Cost (test Year Cost Rate x Col.(4))	Total Interest Cost (8)+(9)+(11)	Effective Cost Rate (12)/((4)-(6)-(7))

1 Not Applicable

Customer Deposits

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Utility  or Parent   
Interim  or Final   
Historic  or Projected

Schedule: D-7  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a schedule of customer deposits as shown.

(1)	(1)	(2)	(3)	(4)	(5)
Line No.	For the Year Ended	Beginning Balance	Deposits Received	Deposits Refunded	Ending Balance (2+3-4)

1 December 31, 2005

There are no customer deposits for this utility



Rate Schedule - Present, Interim, and Final

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [ x ] or Sewer [ x ]  
 Interim [ ] or Final [ x ]  
 Historic [ x ] or Projected [ ]

Schedule: E-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

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

Line No.	(1) Class/Meter Size	(2) Test Year Rates	(3) Proposed Rates
<u>Water</u>			
1	69301 5/8" Residential Base Charge	\$ 6.28	\$ 9.09
2	69311 5/8" Residential Base Charge	6.28	9.09
3	69313 5/8" General Service Base Charge	6.28	9.09
4	69305 1" General Service Base Charge	15.70	22.73
5	69315 1" General Service Base Charge	15.70	22.73
6	69304 2" Irrigation Base Charge	50.24	72.73
7	69314 2" Irrigation Base Charge	50.24	72.73
8	69302 6" RV Resort Base Charge	314.00	454.55
9	69312 6" RV Resort Base Charge	314.00	454.55
10	Gallonge Charge per 1,000 Gallons		
11	69301 5/8" Residential Base Charge	3.14	5.92
12	69311 5/8" Residential Base Charge	3.14	5.92
13	69313 5/8" General Service Base Charge	3.14	5.92
14	69305 1" General Service Base Charge	3.14	5.92
15	69315 1" General Service Base Charge	3.14	5.92
16	69304 2" Irrigation Base Charge	3.14	5.92
17	69314 2" Irrigation Base Charge	3.14	5.92
18	69302 6" RV Resort Base Charge	3.14	5.92
19	69312 6" RV Resort Base Charge	3.14	5.92
20			
21			
22			
23			
24	<u>Wastewater (1)</u>		
25			
26	69321 5/8" Residential Base Charge	12.09	18.13
27	69331 5/8" Residential Base Charge	12.09	18.13
28	69333 5/8" General Service Base Charge	12.09	18.13
29	69325 1" General Service Base Charge	30.23	45.32
30	69335 1" General Service Base Charge	30.23	45.32
31	69322 6" RV Resort Base Charge	604.50	906.35
32	69332 6" RV Resort Base Charge	604.50	906.35
33	Gallonge Charge per 1,000 Gallons		
34	69321 5/8" Residential Base Charge	9.34	12.80
35	69331 5/8" Residential Base Charge	9.34	12.80
36	69333 5/8" General Service Base Charge	11.21	15.36
37	69325 1" General Service Base Charge	11.21	15.36
38	69335 1" General Service Base Charge	11.21	15.36
39	69322 6" RV Resort Base Charge	11.21	15.36
40	69332 6" RV Resort Base Charge	11.21	15.36

(1) Residential class customers have maximum monthly gallonge charge of 6,000 gallons.

Calculation of TYE 12/31/05 Water Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [x] or Sewer [ ]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: E-2  
 Page 1 of 6  
 Preparer: Steven Dihei

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(3) Invoices/Gal	(6) Rate (Interim) 1-1 to 2-2	(7) Test Year Rate 2-3 to 12-31	(8) Test Year Revenue	(9) Test Year Revenue Adjustment <sup>(4)</sup>
		1-1 to 2-2	2-3 to 12-31					
<b>Water Customers <sup>(2) (3)</sup></b>								
1	69301 5/8" Residential Base Charge	856.57	7.43	\$	16.33	\$	14,034	\$ (8,609)
2	69311 5/8" Residential Base Charge	60.64	9,369.36	\$	16.33	\$	59,830	\$ (609)
3	69313 5/8" General Service Base Charge	-	5.00			\$	31	\$ -
4	69305 1" General Service Base Charge	3.00	-	\$	16.33	\$	49	\$ (2)
5	69315 1" General Service Base Charge	-	31.00			\$	15.70	\$ 487
6	69304 2" Irrigation Base Charge	2.00	-	\$	16.33	\$	50.24	\$ 33
7	69314 2" Irrigation Base Charge	-	20.00			\$	50.24	\$ 1,005
8	69302 6" RV Resort Base Charge <sup>(1)</sup>	274.00	-	\$	10.89	\$	314.00	\$ 2,984
9	69312 6" RV Resort Base Charge	-	11.00			\$	314.00	\$ 3,454
10	Gallage Charge per 1,000 Gallons							
11	69301 5/8" Residential	2,860,214	41,786	\$	-	\$	3.14	131
12	69311 5/8" Residential	211,643	19,089,357	\$	-	\$	3.14	59,941
13	69313 5/8" General Service	-	111,000	\$	-	\$	3.14	349
14	69305 1" General Service	132,000	-	\$	-	\$	3.14	-
15	69315 1" General Service	-	1,058,000	\$	-	\$	3.14	3,322
16	69304 2" Irrigation	40,000	-	\$	-	\$	3.14	-
17	69314 2" Irrigation	-	130,000	\$	-	\$	3.14	408
18	69302 6" RV Resort	162,000	-	\$	-	\$	3.14	-
19	69312 6" RV Resort	-	1,856,000	\$	-	\$	3.14	5,828
Sub Total by Class of Customer								
20		Average Bill	Billing Units	Gallage				
21	Residential	\$13.01	10,294	22,203,000				
22	General Service	\$108.66	39	170,000				
23	Irrigation	\$65.71	22	170,000				
24	RV Resort	\$43.04	285	2,018,000				
25	<b>Total Water Revenues</b>						<b>\$ 151,885</b>	<b>\$ (1,128)</b>
26								
27								Misc Revenues
28								34
29								<b>Total Revenues</b>
30	Revenues per General Ledger			93,169				<b>\$ 151,919</b>
31	Adjustments			58,618				(interim payback adjustment + misc)
32	Adjusted Revenues per General Ledger			<b>\$ 151,788</b>				
33								
34	Revenues per Above			151,919				
35	Unreconcilable Difference			\$ (131)				
36	Unreconcilable Difference Percent			0%				
37								

(1) Bill Code 69302, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69312 and charged a base facility fee of \$314 per invoice and a gallage charge of \$3.14 per 1,000 gallons.

(2) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]

(3) Bill code 69311 replaced bill code 69301, bill code 69315 replaced bill code 69305, bill code 69314 replaced bill code 69304, bill code 69312 replaced bill code 69302 as of 2/3/05. Bill code 69313 was a newly created bill code as of 2/3/05.

(4) Adjustment to annualize rates difference between actual revenue and revenue if existing rates had been in effect for the whole year.

7 55

Calculation of TYE 12/10/05 Water Revenues  
With an adjustment for Index.

Florida Public Service Cor

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Water [x] or Sewer [ ]  
Interim [ ] or Final [x]  
Historic [x] or Projected [ ]

Schedule: E-2  
Page 2 of 6  
Preparer: Steven Dihal

Explanation: Calculation of Water Revenues on test year customer adjusted for approved interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(4) Interim Rate	(5) Annualized Revenue
<b>Water Customers</b>				
1	69301 5/8" Residential Base Charge	864	\$ 6.61	\$ 5,710
2	69311 5/8" Residential Base Charge	9,430	\$ 6.61	62,321
3	69313 5/8" General Service Base Charge	5	\$ 6.61	33
4	69305 1" General Service Base Charge	3	\$ 16.52	50
5	69315 1" General Service Base Charge	31	\$ 16.52	512
6	69304 2" Irrigation Base Charge	2	\$ 52.87	106
7	69314 2" Irrigation Base Charge	20	\$ 52.87	1,057
8	69302 6" RV Resort Base Charge <sup>(1)</sup>	1	\$ 330.44	330
9	69312 6" RV Resort Base Charge	11	\$ 330.44	3,635
10 Gallonage Charge per 1,000 Gallons				
11	69301 5/8" Residential	2,902,000	\$ 4.31	12,496
12	69311 5/8" Residential	19,301,000	\$ 4.31	83,112
13	69313 5/8" General Service	111,000	\$ 4.31	478
14	69305 1" General Service	132,000	\$ 4.31	568
15	69315 1" General Service	1,056,000	\$ 4.31	4,556
16	69304 2" Irrigation	40,000	\$ 4.31	172
17	69314 2" Irrigation	130,000	\$ 4.31	560
18	69302 6" RV Resort	162,000	\$ 4.31	698
19	69312 6" RV Resort	1,856,000	\$ 4.31	7,992
20 <u>Average Bill</u>				
21	Residential	15.90		
22	General Service	\$6.61		
23	Irrigation	\$10.33		
24	RV Resort	\$16.52		
			Total Water Revenues	\$ 184,386
25				
26			Misc Revenue	34
27				
28			Total Revenue	\$ 184,420

(1) Bill Code 69302, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69312 and charged a base facility fee of \$314 per invoice and a gallonage charge of \$3.14 per 1,000 gallons.

Calculation of Proposed Rates/Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: E-2  
 Page 3 of 6  
 Preparer: Steven Dihei

Explanation: Calculation of Non Repressed Rates

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Proposed Rate	(4) Proposed Revenue
<b>Water Customers</b>				
1	69301 5/8" Residential Base Charge	864	\$ 9.09	\$ 7,855
2	69311 5/8" Residential Base Charge	9,430	\$ 9.09	\$ 85,728
3	69313 5/8" General Service Base Charge	5	\$ 9.09	\$ 45
4	69305 1" General Service Base Charge	3	\$ 22.73	\$ 68
5	69315 1" General Service Base Charge	31	\$ 22.73	\$ 705
6	69304 2" Irrigation Base Charge	2	\$ 72.73	\$ 145
7	69314 2" Irrigation Base Charge	20	\$ 72.73	\$ 1,455
8	69302 6" RV Resort Base Charge <sup>(1)</sup>	1	\$ 454.55	\$ 455
9	69312 6" RV Resort Base Charge	11	\$ 454.55	\$ 5,000
10	Gallonge Charge per 1,000 Gallons			
11	69301 5/8" Residential	2,902,000	\$ 5.92	\$ 17,190
12	69311 5/8" Residential	19,301,000	\$ 5.92	\$ 114,326
13	69313 5/8" General Service	111,000	\$ 5.92	\$ 657
14	69305 1" General Service	132,000	\$ 5.92	\$ 782
15	69315 1" General Service	1,058,000	\$ 5.92	\$ 6,267
16	69304 2" Irrigation	40,000	\$ 5.92	\$ 237
17	69314 2" Irrigation	130,000	\$ 5.92	\$ 770
18	69302 6" RV Resort	162,000	\$ 5.92	\$ 960
19	69312 6" RV Resort	1,856,000	\$ 5.92	\$ 10,994
20	<u>Average Bill</u>			
21	Residential	21.87		
22	General Service	\$9.09		
23	Irrigation	\$14.20		
24	RV Resort	\$22.73		
25			Total Water Revenues \$	253,638
26			Misc Charges	34
27			Total Revenues \$	253,671
28				

(1) Bill Code 69302, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69312 and charged a base facility fee of \$314 per invoice and a gallonge charge of \$3.14 per 1,000 gallons.

Calculation of TYE 12/31/05 Sewer Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [ ] or Sewer [x]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: E-2  
 Page 4 of 6  
 Preparer: Steven Dihel

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(3) Test Year		(4) Test Year		(5) Test Year		(6)	(7)
		1-1 to 2-2	2-3 to 12-31	Rate (Interim)	Rate	Rate	Rate	Test Year	Test Year	Revenue	Revenue
		Invoices/Gal	Invoices/Gal	1-1 to 2-2	2-3 to 12-31	Revenue	Adjustment				
<b>Sewer Customers <sup>(4) (5)</sup></b>											
1	69321 5/8" Residential Base Charge	855.57	7.43	\$ 22.79	\$ 12.09	\$	\$	19,588	\$	(9,155)	
2	69331 5/8" Residential Base Charge	59.07	9,254.93	\$ 22.79	\$ 12.09	\$	\$	113,238	\$	(632)	
3	69333 5/8" General Service Base Charge	-	5.00	\$	\$ 12.09	\$	\$	60	\$	-	
4	69325 1" General Service Base Charge	2.00	-	\$ 22.79	\$ 30.23	\$	\$	48	\$	15	
5	69335 1" General Service Base Charge	-	14.00	\$	\$ 30.23	\$	\$	423	\$	-	
6	69322 6" RV Resort Base Charge <sup>(3)</sup>	274.00	-	\$ 15.19	\$ 604.50	\$	\$	4,162	\$	(3,558)	
7	69332 6" RV Resort Base Charge	-	10.00	\$	\$ 604.50	\$	\$	6,045	\$	-	
8	Gallage Charge per 1,000 Gallons										
9	69321 5/8" Residential (6,000 gallon cap) <sup>(1) (2)</sup>	2,428,857	24,143	\$ -	\$ 9.34	\$	\$	225	\$	22,686	
10	69331 5/8" Residential (6,000 gallon cap) <sup>(1) (2)</sup>	186,571	17,195,429	\$ -	\$ 9.34	\$	\$	160,605	\$	1,743	
11	69333 5/8" General Service	-	111,000	\$ -	\$ 11.21	\$	\$	1,244	\$	-	
12	69325 1" General Service	127,000	-	\$ -	\$ 11.21	\$	\$	-	\$	1,424	
13	69335 1" General Service	-	468,000	\$ -	\$ 11.21	\$	\$	5,246	\$	-	
14	69322 6" RV Resort	162,000	-	\$ -	\$ 11.21	\$	\$	-	\$	1,816	
15	69332 6" RV Resort	-	1,671,000	\$ -	\$ 11.21	\$	\$	18,732	\$	-	
16											
17	<b>Average Bill</b>										
18	Residential		\$28.86								
19	General Service		\$334.28								
20	RV Resort		\$101.90								
21											
22											
23											
24											
25	Revenues per General Ledger		327,664								
26	Adjustments		34								
27	Adjusted Revenues per General Ledger		<u>\$ 327,698</u>								
28											
29	Revenues per Above		<u>329,650</u>								
30	Unreconcilable Difference		<u>\$ (1,952)</u>								
31	Unreconcilable Difference Percent		-1%								
<b>Total Sewer Revenues \$ 329,616 \$ 14,338</b>											
<b>Misc Revenues 34</b>											
<b>Total Revenues \$ 329,650</b>											

(1) Residential class customers have maximum monthly gallage charge of 6,000 gallons.

(2) Consolidated Factor (Column 7, Scheule E-14) is used for capped gallons

(3) Bill Code 69322, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69332 and charged a base facility fee of \$604.50 per invoice and a gallage charge of \$11.21 per 1,000 gallons.

(4) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]

(5) Bill code 69331 replaced bill code 69321, bill code 69335 replaced bill code 69325, bill code 69332 replaced bill code 69332 as of 2/3/05. Bill code 69333 was a newly created bill code as of 2/3/05

Calculation of TYE 12/31/05 Sewer Revenues  
With an adjustment for Index.

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Water [ ] or Sewer [x]  
Interim [ ] or Final [x]  
Historic [x] or Projected [ ]

Schedule: E-2  
Page 5 of 6  
Preparer: Steven Dihel

Explanation: Calculation of Water Revenues on test year customer adjusted for approved interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(4) Interim Rate	(5) Annualized Revenue
<b>Sewer Customers</b>				
1	69321 5/8" Residential Base Charge	863	\$ 14.36	\$ 12,392
2	69331 5/8" Residential Base Charge	9,314	\$ 14.36	133,738
3	69333 5/8" General Service Base Charge	5	\$ 14.36	72
4	69325 1" General Service Base Charge	2	\$ 35.90	72
5	69335 1" General Service Base Charge	14	\$ 35.90	503
6	69322 6" RV Resort Base Charge	1	\$ 717.94	718
7	69332 6" RV Resort Base Charge	10	\$ 717.94	7,179
8	Gallage Charge per 1,000 Gallons			
9	69321 5/8" Residential (6,000 gallon cap) <sup>(1)(2)</sup>	2,453,000	\$ 10.14	24,872
10	69331 5/8" Residential (6,000 gallon cap) <sup>(1)(2)</sup>	17,382,000	\$ 10.14	176,244
11	69333 5/8" General Service	111,000	\$ 12.17	1,351
12	69325 1" General Service	127,000	\$ 12.17	1,545
13	69335 1" General Service	468,000	\$ 12.17	5,694
14	69322 6" RV Resort	162,000	\$ 12.17	1,971
15	69332 6" RV Resort	1,671,000	\$ 12.17	20,332
16				
17	<u>Average Bill</u>			
18	Residential	\$34.12		
19	General Service	\$439.82		
20	RV Resort	\$2,745.47		
			<b>Total Sewer Revenues \$</b>	<b>386,682</b>
21				
22			Misc Revenues	34
23				
24			<b>Total Revenues \$</b>	<b>386,716</b>

Residential class customers have maximum monthly gallage charge of 6,000 gallons.  
Consolidated Factor (Column 7, Schedule E-14) is used for capped gallons

- (1) Residential class customers have maximum monthly gallage charge of 6,000 gallons.
- (2) Consolidated Factor (Column 7, Scheule E-14) is used for capped gallons
- (3) Bill Code 69322, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69332 and charged a base facility fee of \$604.50 per invoice and a gallage charge of \$11.21 per 1,000 gallons.
- (4) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following:  
number of bills \* [number of days @ respective rate / total days in bill cycle]
- (5) Bill code 69331 replaced bill code 69321, bill code 69335 replaced bill code 69325, bill code 69332 replaced bill code 69332 as of 2/3/05. Bill code 69333 was a newly created bill code as of 2/3/05

Calculation of Proposed Rates/Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: E-2  
 Page 6 of 6  
 Preparer: Steven Dihal

Explanation: Calculation of Non Repressed Rates

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Proposed Rate	(4) Proposed Revenue
<b>Sewer Customers</b>				
1	69321 5/8" Residential Base Charge	863	\$ 18.13	\$ 15,644
2	69331 5/8" Residential Base Charge	9,314	\$ 18.13	\$ 168,835
3	69333 5/8" General Service Base Charge	5	\$ 18.13	\$ 91
4	69325 1" General Service Base Charge	2	\$ 45.32	\$ 91
5	69335 1" General Service Base Charge	14	\$ 45.32	\$ 634
6	69322 6" RV Resort Base Charge	1	\$ 906.35	\$ 906
7	69332 6" RV Resort Base Charge	10	\$ 906.35	\$ 9,064
8 - Charge per 1,000 Gallons				
9	69321 5/8" Residential (6,000 gallon cap) (1) (2)	2,453,000	\$ 12.80	\$ 31,399
10	69331 5/8" Residential (6,000 gallon cap) (1) (2)	17,382,000	\$ 12.80	\$ 222,497
11	69333 5/8" General Service	111,000	\$ 15.36	\$ 1,705
12	69325 1" General Service	127,000	\$ 15.36	\$ 1,951
13	69335 1" General Service	468,000	\$ 15.36	\$ 7,189
14	69322 6" RV Resort	162,000	\$ 15.36	\$ 2,488
15	69332 6" RV Resort	1,671,000	\$ 15.36	\$ 25,667
16				
17	<u>Average Bill</u>			
18	Residential	\$43.08		
19	General Service	\$555.25		
20	RV Resort	\$3,465.97		
21				
22				
23				
24	Total Sewer Revenues		\$	<u>488,161</u>
25				
26		Misc Charges		34
27				
28		Total Revenues	\$	<u>488,194</u>

(1) Residential class customers have maximum monthly gallonage charge of 6,000 gallons.

(2) Consolidated Factor (Column 7, Scheule E-14) is used for capped gallons

(3) Bill Code 69322, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69332 and charged a base facility fee of \$604.50 per invoice and a gallonage charge of \$11.21 per 1,000 gallons.

(4) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]

(5) Bill code 69331 replaced bill code 69321, bill code 69335 replaced bill code 69325, bill code 69332 replaced bill code 69332 as of 2/3/05. Bill code 69333 was a newly created bill code as of 2/3/05

Customer Monthly Billing Schedule

Florida Public Service Commis:

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [x] or Sewer [x]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: E-3  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a schedule of monthly customers billed or served by class.

WATER

Line No.	(1) Month/Year	(2) Residential	(3) General Service	(4) RV Resort	(5) Irrigation	(6) Other	(7) Total
1	January-2005	856	3	1	2	-	862
2	February-2005	857	2	1	-	-	860
3	March-2005	857	3	1	2	-	863
4	April-2005	875	3	1	2	-	881
5	May-2005	860	3	1	2	-	866
6	June-2005	852	3	1	2	-	858
7	July-2005	845	3	1	2	-	851
8	August-2005	852	3	1	2	-	858
9	September-2005	851	4	1	2	-	858
10	October-2005	856	4	1	2	-	863
11	November-2005	867	4	1	2	-	874
12	December-2005	866	4	1	2	-	873
13	Total	10,294	39	12	22	-	10,367

WASTEWATER

Line No.	(1) Month/Year	(2) Residential	(3) General Service	(4) RV Resort	(5) Irrigation	(6) Other	(7) Total
<u>Wastewater</u>							
1	January-2005	855	2	1	-	-	858
2	February-2005	835	-	-	-	-	835
3	March-2005	843	2	1	-	-	846
4	April-2005	870	2	1	-	-	873
5	May-2005	857	2	1	-	-	860
6	June-2005	836	1	1	-	-	838
7	July-2005	839	2	1	-	-	842
8	August-2005	837	2	1	-	-	840
9	September-2005	838	2	1	-	-	841
10	October-2005	845	2	1	-	-	848
11	November-2005	859	2	1	-	-	862
12	December-2005	863	2	1	-	-	866
13	Total	10,177	21	11	-	-	10,209



Miscellaneous Service Charges

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [x] or Sewer [X]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: E-4  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a schedule of present and proposed miscellaneous service charges. If an increase is proposed (or new charges), provide a schedule of derivation of charges, unless the charges are pursuant to the latest Staff Advisory Bulletin #13.

Line No.	(1) Type Charge	(2) Present		(3) Proposed	
		Bus. Hrs.	After Hrs.	Bus. Hrs.	After Hrs. <sup>(1)</sup>
<u>Water</u>					
1	Initial Connection	\$ 15.00	\$ 15.00	\$ 15.00	\$ 22.50
2	Normal Reconnection	15.00	15.00	15.00	22.50
3	Violation Reconnection	Actual Cost	Actual Cost	Actual Cost	Actual Cost
4	Premises Visit	10.00	10.00	10.00	15.00
<u>Wastewater</u>					
5	Initial Connection	\$ 15.00	\$ 15.00	\$ 15.00	\$ 22.50
6	Normal Reconnection	15.00	15.00	15.00	22.50
7	Violation Reconnection	Actual Cost	Actual Cost	Actual Cost	Actual Cost
8	Premises Visit	10.00	10.00	10.00	15.00

(1) Derivation of Charge: Additional cost of performing task after hours: average cap time in Florida x 1.5 overtime

\$	30.00
	<u>1.5</u>
\$	<u>45.00</u>

Miscellaneous Service Charges Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [x] or Sewer [X]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: E-5  
 Page 1 of 1  
 Preparer: Steve Dihel

Explanation: Provide a schedule of test year miscellaneous charges received by type. Provide an additional schedule for proposed charges, if applicable.

(1) Line No.	(2) Initial Connection	(3) Normal Connect	(4) Violation Reconnect	(5) Other Charges	(6) Total
1	\$ -	\$ -	\$ -	\$ 67	\$ 67
2	Other Charges as follows:				
3	Miscellaneous			67	
4	NSF Check Charge			-	
5	Cut-Off Charge			-	
6				<u>\$ 67</u>	

Public Fire Hydrants Schedule

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: E-6  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a schedule of public fire hydrants (including standpipes, etc.) by size. This schedule is not required for a sewer only rate application.

(1) Line No.	(2) Size	(3) Make	(4) Model	(5) Location	(6) Quantity
1	5.25"	Clow	996G	Zephyrhills, FL	6
2	5.25"	Darling	B-84-B	Zephyrhills, FL	10
3	5.25"	Dresser	300	Zephyrhills, FL	8
4	5.25"	Kennedy	K-81A	Zephyrhills, FL	3
5	5.25"	Mueller	Centurion	Zephyrhills, FL	12
6				Total	39

Private Fire Protection Service

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: E-7  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a schedule of private fire protection service by size of connection. This schedule is not required for a sewer only rate application.

(1) Line No.	(2) Size	(3) Type	(4) Quantity
--------------------	-------------	-------------	-----------------

1 Not applicable

Contracts and Agreements

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: E-8  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a list of all outstanding contracts or agreements having rates or conditions different from those on approved tariffs. Describe with whom, the purpose and the elements of each contract shown.

(1) Line No.	(2) Type	(3) Description
--------------------	-------------	--------------------

1 The Company has no outstanding contracts or agreements; therefore, this schedule is not applicable

Tax or Franchise Fee

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Interim  or Final   
Historic  or Projected

Schedule: E-9  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide a schedule of state, municipal, city or county franchise taxes or fees paid (or payable). State the type of agreement (i.e. contract, tax).

Line No.	(1) Type Tax or Fee	(2) To Whom Paid	(3) Amount	(4) How Collected from Customers	(5) Type Agreement
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1 The Utility does not collect or pay any tax or franchise fees, therefore, this schedule is not applicable.

Service Availability Charges

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: E-10  
 Page 1 of 2  
 Preparer: Virchow, Krause

Explanation: Provide a schedule of present and proposed service availability charges. (See Rule 25-20.580, F.A.C.) If no change is proposed, then this schedule is not required.

(1) Type Charge	(2) Present Charges	(3) Proposed Charges
<b>System Capacity Charge</b>		
Residential-per ERC (___ GPD)	-	-
All others-per Gallon/Day	-	-
<b>Plant Capacity Charge</b>		
Residential-per ERC (___ GPD)	-	-
All others-per Gallon/Day	-	-
<b>Main Extension Charge</b>		
Residential-per ERC (___ GPD) or per Lot	-	-
Multifamily - Per Unit	-	-
All others-per Gallon/Day or per Front Foot	-	-
<b>Meter Installation Charge</b>		
5/8" x 3/4"	-	-
1"	-	Actual Cost (1)
1-1/2"	-	Actual Cost (1)
2"	-	Actual Cost (1)
Over 2"	-	Actual Cost (1)
<b>Service (Lateral) Installation Charge</b>		
5/8" x 3/4"	-	-
1"	-	-
1-1/2"	-	-
2"	-	-
Over 2"	-	-
<b>Back Flow Preventor Installation Charge</b>		
5/8" x 3/4"	-	-
1"	-	-
1-1/2"	-	-
2"	-	-
Over 2"	-	-
Plan Review Charge	-	Actual Cost (1)
Inspection Charge	-	Actual Cost (1)
<b>Guaranteed Revenue Charge</b>		
With prepayment of Serv. Avail. Charges		
Residential-per ERC (___ GPD)/Month	-	-
All others-per Gallon/Month	-	-
Without prepayment of Serv. Avail. Charges		
Residential-per ERC (___ GPD)/Month	-	-
All others-per Gallon/Month	-	-
Allowance for Funds Prudently Invested (AFPI)	-	-

<sup>(1)</sup> Actual cost is equal to the total cost incurred for services rendered

Service Availability Charges

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: E-10  
 Page 2 of 2  
 Preparer: Virchow, Krause

Explanation: Provide a schedule of present and proposed service availability charges. (See Rule 25-20.580, F.A.C.) If no change is proposed, then this schedule is not required.

(1) Type Charge	(2) Present Charges	(3) Proposed Charges
System Capacity Charge		
Residential-per ERC (___ GPD)	-	-
All others-per Gallon/Day	-	-
Plant Capacity Charge		
Residential-per ERC (___ GPD)	-	-
or per Lot	-	-
All others-per Gallon/Day	-	-
or per ERC (___ GPD)	-	-
Main Extension Charge		
Residential-per ERC (___ GPD)	-	-
or per Lot	-	-
All others-per Gallon/Day	-	Actual Cost (1)
or per Front Foot	-	-
Plan Review Charge	-	Actual Cost (1)
Inspection Charge	-	Actual Cost (1)
Guaranteed Revenue Charge (Monthly)		
With prepayment of Serv. Avail. Charges		
Residential-per ERC (250 GPD)/Month	-	-
All others-per Gallon/Month	-	-
Without prepayment of Serv. Avail. Charges		
Residential-per ERC (___ GPD)/Month	-	-
All others-per Gallon/Month	-	-
Allowance for Funds Prudently Invested (AFPI)	-	-

<sup>(1)</sup> Actual cost is equal to the total cost incurred for services rendered



Guaranteed Revenues Received

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Water  or Sewer   
Interim  or Final   
Historic  or Projected

Schedule: E-11  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: Provide copies of all guaranteed revenue contracts with a schedule of billing and receipts on an annual basis by class.

Line No.	(1) For the Year Ended	(2) Residential	(3) General Service	(4) Other	(5) Total
----------	------------------------------	--------------------	---------------------------	--------------	--------------

1 The Company did not receive any guaranteed revenue in the test year; therefore, this schedule is not applicable

Class A Utility Cost of Service

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Water  or Sewer   
Interim  or Final   
Historic  or Projected

Schedule: E-12  
Page 1 of 1  
Preparer: Virchow, Krause

Explanation: All Class A utilities whose service classes include industrial customers, whose utilization exceeds an average of 350,000 GPD, shall provide a fully allocated class cost of service study showing customer, base (commodity), and extra capacity (demand) components under present and proposed rates. This study shall include rate of return by class and load (demand) research studies used in the cost allocation. The analysis shall be based upon the AWWA Manual No. 1 and shall comply with current AWWA procedures and standard industrial practices for utilities providing water and sewer service.

---

Line  
No.

1 The Company does not serve any industrial customers; therefore, this schedule is not applicable

Projected Test Year Revenue Calculation

Florida Public Service Commission

Company: Labrador Utilities, Inc.

Schedule: E-13

Docket No.: 060262-ws

Page 1 of 1

Test Year End: December 31, 2005

Preparer: Virchow, Krause

Water  or Sewer

Interim  or Final

Historic  or Projected

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
					Test Year		Project. TY				
Line No.	Class/Meter Size	Historical Year Bills	Proj. Factor	Proj. Test Year Bills	Consumption (000)	Proj. Factor	Consumption (000)	Present Rates	Projected TY Revenue	Proposed Rates	Proj. Rev Requirement

1 The utility is not using a projected test year therefore this schedule is not applicable

Billing Analysis [contained in Volume II]

Florida Public Service Commission

Company: Labrador Utilities, Inc.

Schedule: 14

Docket No.: 060262-ws

Page 1 of 1

Test Year End: December 31, 2005

Preparer: Steve Dihei

Water  or Sewer

Interim  or Final

Historic  or Projected

Explanation: Provide a billing analysis for each class of service by meter size. For applicants having master metered multiple dwellings, provide number of bills at each level by meter size or number of bills categorized by the number of units. Round consumption to nearest 1,000 gallons & begin at zero. If a rate change occurred during the test year, provide a separate billing analysis which coincides with each period.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			Gallons			Consolidated	
Consumpt. Level	Number of Bills	Cumulative Bills	Consumed (1)x(2)	Cumulative Gallons	Reversed Bills	Factor [(1)x(6)]+5	Percentage of Total

Billing Analysis [contained in Volume II]

Gallons of Water Pumped, Sold and Unaccounted For

In Millions of Gallons

Company: Labrador Utilities, Inc.

Docket No.: 060262-ws

Test Year End: December 31, 2005

Water  or Sewer

Interim  or Final

Historic  or Projected

Florida Public Service Commission

Schedule: F-1

Page 1 of 1

Preparer: Seidman, F

Explanation: Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DEP. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakages and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why; if less than 10%, then Columns 4 & 5 may be omitted.

Month/ Year	(1) Total Gallons Pumped	(2) Gallons Purchased	(3) Gallons Sold	(4) Other Uses	(5) Unaccounted For Water (1)+(2)-(3)-(4)	(6) % Unaccounted For Water
Jan-05	4.350	-	3.185	-	1.165	26.78%
Feb-05	4.075	-	3.240	0.001	0.835	20.49%
Mar-05	4.023	-	3.241	0.005	0.777	19.31%
Apr-05	2.962	-	3.182	-	(0.220)	-7.43%
May-05	2.015	-	2.310	0.033	(0.328)	-16.30%
Jun-05	1.452	-	1.539	0.018	(0.104)	-7.20%
Jul-05	1.390	-	1.175	0.010	0.205	14.75%
Aug-05	1.487	-	1.022	0.040	0.425	28.59%
Sep-05	1.606	-	1.186	-	0.420	26.12%
Oct-05	1.962	-	1.449	0.004	0.509	25.94%
Nov-05	2.865	-	1.635	0.108	1.122	39.17%
Dec-05	2.783	-	2.638	0.150	(0.005)	-0.18%
<b>Total</b>	<b>30.970</b>	<b>-</b>	<b>25.803</b>	<b>0.368</b>	<b>4.799</b>	<b>15.50%</b>

(Above data in millions of gallons)

Gallons of Wastewater Treated  
 In Millions of Gallons  
 Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [ ] or Sewer [x]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Florida Public Service Commission  
 Schedule: F-2  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide a schedule of gallons of wastewater treated by individual plant for each month of the historical test year. Flow data should match the monthly operating reports sent to DEP.

Month/ Year	(1) (2) (3) Individual Plant Flows			(4)	(5) Total Plant Flows	(6) Total Purch. Sewage Treatment
	Labrador	(Name)	(Name)			
Jan-05	5.667	-	-	-	5.667	-
Feb-05	5.601	-	-	-	5.601	-
Mar-05	6.282	-	-	-	6.282	-
Apr-05	3.557	-	-	-	3.557	-
May-05	1.811	-	-	-	1.811	-
Jun-05	3.098	-	-	-	3.098	-
Jul-05	2.451	-	-	-	2.451	-
Aug-05	1.086	-	-	-	1.086	-
Sep-05	1.622	-	-	-	1.622	-
Oct-05	1.174	-	-	-	1.174	-
Nov-05	4.575	-	-	-	4.575	-
Dec-05	5.214	-	-	-	5.214	-
Jan-06 *	6.809	-	-	-	6.809	-
Feb-06 *	6.444	-	-	-	6.444	-
Total *	44.123	-	-	-	44.123	-
3/05-2/06						

(Above data in millions of gallons)

\* NOTE: It has recently been determined that the location of the plant flow meter was placed upstream of the filtration unit by the previous owner. As a result, the backwash water was being counted twice as it passed through the meter. This is significant only during peak seasons which run generally November through March. The meter was relocated in October, 2005. Therefore, the flow readings from November, 2005 on accurately reflect the flow leaving the plant. The TMADF for Dec '05 through Feb '06 best reflects the flows through the plant, as TMADF is the basis for plant permitting. The higher flows in those months, even after relocating the meter, indicates the very high seasonality of this customer base as well as the variability in occupancy both in the Park and the RV park.

Water Treatment Plant Data

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: F-3  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide the following information for each water treatment plant. If the system has water plants that are interconnected, the data for these plants may be combined. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Protection.

Line #	Description	Date	GPD
1	Plant Capacity The hydraulic rated capacity. If different from that shown on the DEP operating or construction permit, provide an explanation. [Limited by Water Use Permit peak month withdrawal]		490,000
2	Maximum Day The single day with the highest pumpage rate for the test year. Explain, on a separate sheet of paper if fire flow, line breaks, or other unusual occurrences affected the flow this day.	2/18/2005	207,000
3	Five Day Max. Year The five days with the highest pumpage rate from any one month in the test year. Provide an explanation if fire flow, line breaks or other unusual occurrences affected the flows on these days.	(1) 1/126/2005 (2) 1/115/2005 (3) 1/129/2005 (4) 1/7/2005 (5) 1/120/2005	167,000 170,000 176,000 180,000 191,000
		AVERAGE	176,800
4	Average Daily Flow	Max Month Annual	140,323 84,849
5	Required Fire Flow  The standards will be those as set by the Insurance Service Organization or by a governmental agency ordinance. Provide documents to support this calculation.		500 gpm x 2 hrs

Wastewater Treatment Plant Data

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: F-4  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide the following information for each wastewater treatment plant. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Protection.

		<u>Month</u>	<u>GPD</u>
1.	Plant Capacity (TMADF)  The hydraulic rated capacity. If different from that shown on the DEP operating or construction permit, provide an explanation.		<u>216,000</u>
2.	Average Daily Flow Max Month (a) Annual Average Daily Flow Max Three Month Average Daily Flow  An average of the daily flows during the peak usage month during the test year. Explain, on a separate page, if this peak-month was influenced by abnormal infiltration due to rainfall periods.	Mar-05	<u>202,645</u> 120,885 195,000



Used and Useful Calculations (Water)

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [x] or Sewer []  
 Interim [] or Final [x]  
 Historic [x] or Projected []

Schedule: F-5  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water treatment plant(s) for the historical test year and the projected test year (if applicable).

Recap Schedules: A-5,A-9,B-13

INPUT INFORMATION:

Total well pumping capacity, gpm		1,270 gpm
Firm Reliable well pumping capacity (largest well out), gpm		295 gpm
Ground storage capacity, gal.		34,000 gallons
Usable ground storage (90%), gal.		30,600 gallons
Hydropneumatic storage capacity, gal.		- gallons
Usable hydropneumatic storage capacity (33.33%), gal.		- gallons
Total usable storage, gal.		30,600 gallons
High service pumping capacity		60 HP
Average day demand, maximum month		140,323 gpd
Maximum day, maximum month demand,		207,000 gpd
5 max day average, maximum month		176,800 gpd
Peak hour demand = 2 x (5 max day average)		353,600 gpd
Fire flow requirement		60,000 gpd
Unaccounted for water	15.50% of water pumped	13,149 gpd, avg
Acceptable unaccounted for	12.50%	10,606 gpd, avg
Excess unaccounted for		2,542 gpd, avg

Used & Useful Analysis:

The water system consists of 2 wells, a small 34,000 gallon ground storage tank and three high service pumps. One of the pumps is used for fires and emergencies only. The other pumps cycle according to demand. The water is treated by simple gas chlorination and for iron with Aquadene. Since storage capacity is limited, peak demands must be met by well capacity and used and useful should be determined on the basis of peak hour demand. For this system, all components are considered together for purposed of used and useful. Although this system is virtually built out, it is subject to large seasonal variations due to the transient nature of the occupants.

Percent Used & Useful = (A + B + C - D)/E x 100%, where: 100.00%

A =	Peak demand (Peak hour)	246 gpm
B =	Property needed to serve five years after TY	0 gpm
C =	Fire flow demand	500 gpm
D =	Excess Unaccounted for water	2 gpm
E =	Firm Reliable Capacity	295 gpm

The above used and useful factor is applicable to all source of supply, pumping and treatment accounts, as well as the land, structures and distribution reservoir accounts.

Used and Useful Calculations (Wastewater)

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water  or Sewer   
 Interim  or Final   
 Historic  or Projected

Schedule: F-6  
 Page 1 of 2  
 Preparer: Seidman, F

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the wastewater treatment plant(s) for the historical test year and the projected test year (if applicable).

Recap Schedules: A-6,A-10,B-14

Line  
No.

1 (A)	Used and useful flow, GPD	
2	TMADF	205,994
	Less: Excessive I&I (from Sch. F-6, page 2)	<u>(29,114)</u>
	Net Used and useful flow, GPD	<u>176,880</u>
3 (B)	Property needed for post test year period ( See F-8)	-
4 (C)	Permitted capacity	<u>216,000</u>
5 (D)	Used and useful percentage	<u>82.00</u> %
6 (D1)	Use (see explanation below):	<u>100.00</u> %
7 (E)	Non-used and useful percentage	<u>18.00</u> %
8 (E1)	Use (see explanation below):	<u>0.00</u> %

The above used and useful percentage is applicable to System Pumping accounts and Treatment and Disposal accounts except reuse accounts. All Reuse, Pumping, Intangible and General Plant is considered 100% Used & Useful.

Explanation: Because the plant serves a large RV park in addition to a seasonal MHP, it is subject to larger than average variations. Fluctuations in occupancy rates can greatly effect the flows. This is the original system designed for this service area. The customer base paid a flat rate for service until just more than a year ago. The service area is virtually built out. Therefore the plant should be considered 100% used and useful.

Used and Useful Calculations (Wastewater)

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [ ] or Sewer [x]

Schedule: F-6  
 Page 2 of 2  
 Preparer: Seidman, F

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the wastewater treatment plant(s) for the historical test year and the projected test year (if applicable).

A. Infiltration allowance, excluding service laterals

	Main dia. inches	feet	Main length		Allowance @ 500		
				miles	gpd/inch-dia./mile gpd	gpy	
1	6		0	0.000		0	
2	8		27,825	5.270	21,080		
3	10		0	0.000	0		
4	Total		27,825	5.270	21,080	7,694,034	
5	Estimated Inflow @ 10% of flows (1.8)						2,580,253
6	Allowable I&I						10,274,287
B. Actual inflow & Infiltration (I&I)							
7	Wastewater treated						44,123,000
Estimated returned *							
8	Gallons billed to WW cust.			25,802,533	90%	23,222,280	
9	Estimated flows returned						23,222,280
* Percent return reflects treated flows. This community has minimal irrigation flows; returned water is somewhat more than average returns for other communities.							
10	Estimated I&I (treated less returned) [(1.7-1.9)]						20,900,720
11	Actual less allowable [(1.10-1.6)]						10,626,433
12	Excess, if any [(1.10-1.6, if positive)]						10,626,433
13	Excess as percent of wastewater treated						24.08%

Used and Useful Calculations (Water/Wastewater)

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Water  or Sewer   
Interim  or Final   
Historic  or Projected

Schedule: F-7  
Page 1 of 1  
Preparer: Seidman, F

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water distribution and wastewater collection systems for the historical and the projected test year (if applicable). The capacity should be in terms of ability to serve a designated number of connections. It should then be related to actual connected density for historical year calculations. Explain all assumptions for projected calculations. If the distribution and collection systems are entirely contributed or built-out, this schedule is not required.

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Recap Schedules: A-5,A-6,A-9,A-10,B-13,B-14

Water Distribution & Wastewater Collection Systems

The service area consists of the Forest Lakes Estates Mobile Home Park and the Forest Lakes RV Resort. The MHP is virtually built out. Occupancy varies throughout the year. During the TY, occupancy was as high as 866, or 97%. The unoccupied lots are scattered. The RV resort has 274 lots for transient occupants. It is a single customer to the utility. The distribution and collection systems are 100% used and useful.

Margin Reserve Calculations

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Test Year End: December 31, 2005  
Water  or Sewer   
Interim  or Final   
Historic  or Projected

Schedule: F-8  
Page 1 of 1  
Preparer: Seldman, F

Explanation: If a margin reserve is requested, provide all calculations and analyses used to determine the amount of margin reserve for each portion of used and useful plant.

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Recap Schedules: F-5,F-6,F-7

A request for an allowance related to growth in for the distribution and collection systems is not being made. A request for an allowance related to growth in demand on the treatment facilities is not being made, however, as discussed on MFR Schedule F-6, the ability to meet changes in demand and consideration of the characteristics of this system are factors in evaluating U&U.

Equivalent Residential Connections - Water

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [x] or Sewer [ ]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: F-9  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide the following information in order to calculate the average growth in ERCs for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
	Year	SFR Customers			SFR Sold	Gallons/SFR (5)/(4)	Total Gallons Sold	Total ERCs (7)/(6)	Annual % Incr. in ERCs	
		Beginning	Ending	Average						
1	2001	N/A	N/A	N/A	N/A		N/A			
2	2002	N/A	819	N/A	N/A		N/A			
3	2003	819	828	824	N/A		N/A			
4	2004	828	841	835	25,558,086	30,627	26,887,446	878		
5	2005	841	862	852	21,971,013	25,803	25,541,393	990	12.75%	
					Average Growth Through 5-Year Period (Col. 8)					

\*System began metering in July, 2004. The 2004 gallons = 2 x Jul-Dec, 2004 gallons.

Regression Analysis per Rule 25-30.431(2)(C)

		X	Y
Constant:	-483.7394098	1	0
X Coefficient:	285.7649592	2	0
R^2:	0.775627333	3	0
		4	878
		5	990

Service for this utility had always been billed at a flat monthly rate. The previous owner did not have a true billing system in place when the current owner took over in 2002. There was no list of customer mailing or service addresses provided. For each customer, a service and mailing address had to be determined. Therefore, there is no reliable data, prior to 2002, on the number of customers in the mobile home park (MHP) actually served prior to 2002. After acquisition, a system survey was made. It was determined that about 70 (8%) of the 894 lots were vacant, or 824 were occupied. At the end of the 2003 TY, there were 828 lots served, however 847 lots were billed in March of the TY. There is minimal growth and minimal opportunity for growth in the MHP, as it regards lots. The utility also serves an RV park that has 274 lots. It is master metered, so there is no record of the number of lots served at any time. However, the Park owners state that only 11 lots are occupied by year-round tenants and the remaining 263 lots are primarily occupied from November - April and occupancy at other times is 3-5%. Occupancy in the MHP also is quite seasonal, but appears to coincide with that of the RV park. The high level of seasonality, and the fluctuation of customers served from year to year, has implications for the used & useful of the plants.

Equivalent Residential Connections - Wastewater

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Water [ ] or Sewer [x]  
 Interim [ ] or Final [x]  
 Historic [x] or Projected [ ]

Schedule: F-10  
 Page 1 of 1  
 Preparer: Seidman, F

Explanation: Provide the following information in order to calculate the average growth in ERCs for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1)	(2) SFR Customers			(5)	(6)	(7)	(8)	(9)
	Year	Beginning	Ending	Average	SFR Gallons Sold	Gallons/SFR (5)/(4)	Total Gallons Sold	Total ERCs (7)/(6)	Annual % Incr. in ERCs
1	2001	N/A	N/A	N/A	N/A		N/A		
2	2002	N/A	817	N/A	N/A		N/A		
3	2003	817	826	822	N/A		N/A		
4	2004	826	841	834	25,548,466	30,652	26,560,866	867	
5	2005	841	861	851	21,914,943	25,752	24,784,960	962	11.07%
Average Growth Through 5-Year Period (Col. 8)									

\* System began metering in July, 2004. The 2004 gallons = 2 x Jul-Dec, 2004 gallons.

Regression Analysis per Rule 25-30.431(2)(C)

	X	Y
Constant:	-471.6322251	1 0
X Coefficient:	279.142553	2 0
R^2:	0.772908358	3 0
		4 867
		5 962

Service for this utility had always been billed at a flat monthly rate. The previous owner did not have a true billing system in place when the current owner took over in 2002. There was no list of customer mailing or service addresses provided. For each customer, a service and mailing address had to be determined. Therefore, there is no reliable data, prior to 2002, on the number of customers in the mobile home park (MHP) actually served prior to 2002. After acquisition, a system survey was made. It was determined that about 70 (8%) of the 894 lots were vacant, or 824 were occupied. At the end of the 2003 TY, there were 828 lots served, however 847 lots were billed in March of the TY. There is minimal growth and minimal opportunity for growth in the MHP, as it regards lots. The utility also serves an RV park that has 274 lots. It is master metered, so there is no record of the number of lots served at any time. However, the Park owners state that only 11 lots are occupied by year-round tenants and the remaining 263 lots are primarily occupied from November - April and occupancy at other times is 3-5%. Occupancy in the MHP also is quite seasonal, but appears to coincide with that of the RV park. The high level of seasonality, and the fluctuation of customers served from year to year, has implications for the used & useful of the plants.

Water Rate Base

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [x] or Final []  
 Historic [x] or Projected []

Schedule: A-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Line No.	Description	Balance Per Books	Utility Adjustments	Adjusted Books Balance	Proforma Adjustments	Adjusted Utility Balance	Supporting Schedule(s)
1	Utility Plant in Service	\$ 541,863	\$ -	\$ 541,863	\$ (10,906) A	\$ 530,957	A-5, A-3
2	Utility Land & Land Rights	-	-	-	-	-	A-5
3	Less: Non-Used & Useful Plant	-	-	-	- C	-	A-3, A-7
4	Construction Work in Progress	78,116	(78,116) D	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(111,220)	-	(111,220)	- B	(111,220)	A-9
6	Less: CIAC	(171)	-	(171)	-	(171)	A-12
7	Accumulated Amortization of CIAC	-	-	-	-	0	A-14
8	Acquisition Adjustment	(335,285)	335,285 E	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	9,204	(9,204) E	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	14,053 F	14,053	A-17, A-3
12	Total Rate Base	\$ 182,506	\$ 247,965	\$ 430,471		\$ 433,618	



Sewer Rate Base

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim  or Final   
 Historic  or Projected

Schedule: A-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Adjustments	(4) Adjusted Books Balance	(5) Proforma Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant in Service	\$ 1,550,061	\$ -	\$ 1,550,061	\$ 4,272 A	\$ 1,554,332	A-6
2	Utility Land & Land Rights	-	-	-	-	-	A-6
3	Less: Non-Used & Useful Plant	-	-	-	- C	-	A-3, A-7
4	Construction Work in Progress	31,815	(31,815) D	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(385,535)	-	(385,535)	- B	(385,535)	A-10, A-3
6	Less: CIAC	-	-	-	-	-	A-12
7	Accumulated Amortization of CIAC	-	-	-	-	-	A-14
8	Acquisition Adjustment	-	-	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	-	-	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	22,981 F	22,981	A-17, A-3
12	Total Rate Base	\$ 1,196,341	\$ (31,815)	\$ 1,164,526		\$ 1,191,778	

Explanation: Provide a detailed description of all adjustments to rate base per books, with a total for each rate base line item.

Line No.	Description	Water	Storm
<b>(A) Utility Plant In Service</b>			
<b>(i) Problems</b>			
311.3	Electric Pump Equipment	(15,313.00)	-
311.5	Transmission and Distribution Mains	-	-
323.5	Service Lines	-	-
360.2	Sanitary Service Lines	-	-
380.4	Sanitary Treatment Plant	-	-
385.4	Outfall Lines	-	-
	<b>Problems Total</b>	<b>(15,313)</b>	<b>-</b>
<b>(ii) WSC Rate Base</b>			
	Net WSC Rate Base	4,487	4,272
<b>(iii) Problems Projects</b>			
380.4	Engineering Design for WWTP Improvements	-	-
334.5	Larados Water Main Replacement	-	-
380.4	Sanitary Service Lines	-	-
380.4	Sanitary Treatment Plant	-	-
380.5	WWTP Improvements	-	-
380.5	WWTP Improvements	-	-
	<b>Problems Projects Total</b>	<b>-</b>	<b>-</b>
<b>(iv) Retirements Related to Projects</b>			
334.5	Larados Water Main Replacement	-	-
380.5	WWTP Improvements	-	-
	<b>Retirements Related to Projects Total</b>	<b>-</b>	<b>-</b>
<b>(v) Accumulated Depreciation</b>			
<b>(i) Problems</b>			
311.3	Electric Pump Equipment	-	-
311.5	Transmission and Distribution Mains	-	-
323.5	Service Lines	-	-
360.2	Sanitary Service Lines	-	-
380.4	Sanitary Treatment Plant	-	-
385.4	Outfall Lines	-	-
	<b>Problems Total</b>	<b>-</b>	<b>-</b>
<b>(ii) Problems Projects</b>			
380.4	Engineering Design for WWTP Improvements	-	-
334.5	Larados Water Main Replacement	-	-
380.5	WWTP Improvements	-	-
380.5	WWTP Improvements	-	-
380.4	Sanitary Service Lines	-	-
380.4	Sanitary Treatment Plant	-	-
380.4	Sanitary Treatment Plant	-	-
380.4	Sanitary Treatment Plant	-	-
	<b>Problems Projects Total</b>	<b>-</b>	<b>-</b>
<b>(iii) Retirements Related to Projects</b>			
334.5	Larados Water Main Replacement	-	-
380.5	WWTP Improvements	-	-
	<b>Retirements Related to Projects Total</b>	<b>-</b>	<b>-</b>
<b>(C) Non Used &amp; Useful Plant In Service - Schedule A.7</b>			
		(8,116)	(11,615)
<b>(D) Reserve OMP</b>			
		335,285	-
<b>(E) Reserve Acquisition Adjustment</b>			
		(8,260)	-
<b>(F) Working Capital Advance</b>			
		14,053	22,981
		-	-

Net Operating Income Statement - Water

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [x] or Final [ ]  
 Historic [x] or Projected [ ]

Schedule: B-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 93,184	\$ 57,407 A	\$ 150,591	\$ 55,637 I	\$ 206,228	B-4, E-2
2	Operation & Maintenance	112,426	-	112,426	- F, G, L	112,426	B-5
3	Depreciation, net of CIAC amort.	20,355	-	20,355	- D	20,355	B-13
4	Amortization	(7,894)	7,894 B	-	-	-	
5	Taxes Other Than Income	14,757	-	14,757	5,078 K, M	19,835	B-15
6	Provision for Income Taxes	(31,671)	31,671 C	-	16,494 J	16,494	C-1, B-3
7	OPERATING EXPENSES	107,973	39,565	147,538	21,572	169,110	
8	NET OPERATING INCOME	\$ (14,789)	\$ 17,842	\$ 3,053	\$ 34,065	\$ 37,118	
9	RATE BASE	\$ 182,506		\$ 430,471		\$ 433,618	A-1
10	RATE OF RETURN	-8.10%		0.71%		8.56%	

Net Operating Income Statement - Sewer

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [x] or Final []  
 Historic [x] or Projected []

Schedule: B-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 327,716	\$ 14,984 A	\$ 342,700	\$ 97,826 I	\$ 440,525	B-4, E-2
2	Operation & Maintenance	183,849	-	183,849	- E, F, G, L	183,849	B-6
3	Depreciation, net of CIAC amort.	50,837	-	50,837	- D	50,837	B-14
4	Amortization	529	(529) B	-	-	-	B-3
5	Taxes Other Than Income	37,165	-	37,165	6,973 K, M	44,138	B-15
6	Provision for Income Taxes	15,148	- C	15,148	44,537 J	59,685	
7	OPERATING EXPENSES	287,528	(529)	286,999	51,510	338,509	
8	NET OPERATING INCOME	\$ 40,188	\$ 15,513	\$ 55,701	\$ 46,316	\$ 102,016	
9	RATE BASE	\$ 1,196,341		\$ 1,164,526		\$ 1,191,778	A-2
10	RATE OF RETURN	3.36%		4.78%		8.56%	

Dependents:  
 Schedule: A-17

## Adjustments to Net Operating Income

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year End: December 31, 2005  
 Interim [x] or Final [ ]  
 Historic [x] or Projected [ ]

Schedule: B-3  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	Description	Water	Wastewater
(A)	Operating Revenues		
	Adjustment for payback of interim rate	58,585	-
	Effect of mid year rate change	(1,128)	14,338
	RAF Effect on above	(51)	645
(B)	Amortization		
	Reverse out	7,894	(529)
(C)	Provision for Income Tax		
	Remove negative income tax expense	31,671	-
(D)	Depreciation Expense		
	Depreciation from proforma plant changes (see A-3)	-	-
(E)	Proforma Project (B-11)		
	Labrador WWTP Tank & Pipe Painting		-
	Sanitary Sewer Cleaning		-
	Expense		-
(F)	Purchase Power Pass Through	-	-
(G)	Rate Case Expense		
	1/4 of Rate Case Expense (Schedule B-10)	\$ -	\$ -
(H)	Provision for income taxes	N/A	N/A
	Income Taxes (C-1)		
(I)	Revenue Increase		
	Required to realize a 8.56% rate of return	55,637	97,826
(J)	Provision for Income Taxes		
	Income Taxes (C-1)	16,494	44,537
(K)	Taxes other than Income		
	Regulatory Assessment Fees (RAF's)		
	Adjusted for Revenue Increase (B-15)	2,504	4,402
(L)	Proforma O&M Expenses		
	Salary Adjustment (see WP)	-	-
	Pension/Benefit Adjustment (see WP)	-	-
(M)	Proforma Tax Other than Income		
	Payroll Taxes (see WP)	441	427

Taxes Other than Income

Company: Labrador Utilities, Inc.

Schedule: B-15

Docket No.: 060262-ws

Page 1 of 1

Schedule Year End: December 31, 2005

Preparer: Vitchow, Krause

Interim  or Final

Recap Schedules:

Explanation: Complete the following schedule of all taxes other than income. For all allocations, provide description of allocation and calculations.

No.	Description	Line	Regulatory Assessment Fees (RAFs)	Payroll Taxes	Real Estate	Other	Total
(1)		(1)		(3)	(4)	(5)	(6)

WATER

1 Test Year Per Books \$ 4,594 \$ 3,058 \$ 7,105 \$ 14,757

2 Adjustments to Test Year (Explain)

3 Taxes re adj. to Salaries (see W/P) 441 - - - 441

4 RAFs re actual TV & Annualized rev. - - - - -

5 Adj. Prop. Tax for proforma & non used - - - - -

6 Total Test Year Adjustments 441 - 441 - 441

7 Adjusted Test Year

8 RAFs Assoc. with Revenue Increase 4,594 3,499 7,105 15,198

8 RAFs Assoc. with Revenue Increase 2,504 - - - 2,504

9 Total Balance

7,098 \$ 3,499 \$ 7,105 \$ 17,701

SEWER

10 Test Year Per Books

16,156 \$ 3,036 \$ 17,973 \$ 37,165

11 Adjustments to Test Year (Explain)

12 Taxes re adj. to Salaries 427 - - - 427

13 RAFs re actual TV & Annualized rev. - - - - -

14 Adj. Prop. Tax for proforma & non used - - - - -

15 Total Test Year Adjustments 427 - 427 - 427

16 Adjusted Test Year

19,156 3,463 17,973 37,592

17 RAFs Assoc. with Revenue Increase 4,402 - - - 4,402

18 Total Balance

20,558 \$ 3,463 \$ 17,973 \$ 41,994

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [x] or Final []  
 Historic [x] or Projected []

Schedule: C-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide a reconciliation between the total operating income tax provision and the currently payable income taxes on operating income for the test year.

Line No.	Description	Ref.	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase Water	Increase Sewer
1	Current Tax Expense	C-2	\$ (14,530)	\$ 24,263	\$ 9,734	\$ (6,763)	\$ 12,467	\$ 16,494	\$ 44,537
2	Deferred Income Tax Expense	C-5	(441)	(1,662)	(2,104)	2,341	(1,120)	-	-
3	ITC Realized This Year	C-8	-	-	-	-	-	-	-
4	ITC Amortization	C-8	-	-	-	-	-	-	-
5	(3% ITC and IRC 46(f)(2))								
6	Parent Debt Adjustment	C-9	-	-	-	-	-	-	-
7	Total Income Tax Expense		<u>\$ (14,971)</u>	<u>\$ 22,601</u>	<u>\$ 7,630</u>	<u>\$ (4,422)</u>	<u>\$ 11,347</u>	<u>\$ 16,494</u>	<u>\$ 44,537</u>

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Interim [x] or Final [ ]  
 Historic [x] or Projected [ ]

Schedule: C-2  
 Page 1 of 1  
 Preparer: Virchow, Krause

Explanation: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income taxes and investment tax credits generated.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase	
							Water	Sewer
1	Net Utility Operating Income (B-1, B-2)	\$ 25,399	\$ 33,354	\$ 58,753	3,053	55,701	53,612	161,701
1a	Other Income	-	-	-	-	-	-	-
2	Add: Income Tax Expense Per Books (B-1, B-2)	(16,523)	31,671	15,148	-	-	-	-
3	Subtotal	8,876	65,025	73,901	3,053	55,701	53,612	161,701
4	Less: Interest Charges (C-3)	45,273	-	45,273	22,945	22,328	16,624	45,690
5	Taxable Income Per Books	(36,397)	65,025	28,628	(19,892)	33,373	36,988	116,011
Schedule M Adjustments:								
6	Permanent Differences (C-4)	-	-	-	-	-	-	-
7	Timing Differences (C-5)	(6,338)	6,338	-	-	-	-	-
8	Total Schedule M Adjustments	(6,338)	6,338	-	-	-	-	-
9	Taxable Income Before State Taxes	(42,735)	71,363	28,628	(19,892)	33,373	36,988	116,011
10	Less: State Income Tax Exemption (\$5,000)	5,000	-	5,000	2,500	2,500	2,500	2,500
11	State Taxable Income	(47,735)	71,363	23,628	(22,392)	30,873	34,488	113,511
12	State Income Tax (5.5% of Line 11)	-	-	-	-	1,698	1,897	6,243
13	Emergency Excise Tax	-	-	-	-	-	-	-
14	Credits	-	-	-	-	-	-	-
15	Current State Income Taxes	-	-	-	-	1,698	1,897	6,243
16	Federal Taxable Income (Line 9 - Line 15)	(42,735)	71,363	28,628	(19,892)	31,675	35,091	109,768
17	Federal Income Tax Rate	0.34	0.34	0.34	0.34	0.34	0.34	0.34
18	Federal Income Taxes (Line 16 x Line 17)	(14,530)	24,263	9,734	(6,763)	10,769	14,597	38,294
19	Less: Investment Tax Credit Realized This Year (C-8)	-	-	-	-	-	-	-
20	Current Federal Inc. Taxes (Line 18 - Line 19)	(14,530)	24,263	9,734	(6,763)	10,769	14,597	38,294
Summary:								
21	Current State Income Tax (Line 15)	-	-	-	-	1,698	1,897	6,243
22	Current Federal Income Tax (Line 20)	(14,530)	24,263	9,734	(6,763)	10,769	14,597	38,294
23	Total Current Income Tax Expense (To C-1)	\$ (14,530)	\$ 24,263	\$ 9,734	\$ (6,763)	\$ 12,467	\$ 16,494	\$ 44,537



Florida Public Service Commission

Schedule: D-1

Page 1 of 1

Preparer: Kirsten E. Weeks

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Schedule Year End: December 31, 2005  
 Interim [x] or Final [ ]  
 Historic [x] or Projected [ ]

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	Class of Capital	Total Capital	Ratio	Cost Rate	Weighted Cost
(1)	(1)	(2)	(3)	(4)	(5)
1	Long Term Debt	\$ 868,098	54.84%	6.81%	3.73%
2	Short Term Debt	79,410	5.02%	2.00%	0.10%
3	Preferred Stock	-	0.00%	0.00%	0.00%
4	Common Equity	635,357	40.14%	11.77%	4.72%
5	Customer Deposits	-	0.00%	6.00%	0.00%
6	Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
7	Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
8	Accumulated Deferred Income Tax	42,533	0.00%	0.00%	0.00%
9	Other (Explain)	-	0.00%	0.00%	0.00%
10	Total	\$ 1,625,397	100%		8.56%

Note: The cost of equity is based on the leverage formula in effect pursuant to Order No. PSC-050006. Since the equity ratio is greater than 40.00%, a(n) 11.77% cost rate has been used.

Reconciliation of Capital Structure to Rate Base

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Test Year End: December 31, 2005  
 Schedule Year End: December 31, 2005  
 Utility  or Parent   
 Interim  or Final   
 Historic  or Projected

Schedule: D-2  
 Page 1 of 1  
 Preparer: Kirsten E. Weeks

Explanation: Provide a reconciliation of the simple average capital structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	Class of Capital	(1)	(2)	(3)	(4)	Reconciliation Adjustments		(7)
		Prior Year 12/31/2004	Test Year 12/31/2005	Average	Pro Rata	Prorata %	To Requested Rate Base	
1	Long Term Debt	\$ 112,803,215	\$ 135,285,191	\$ 124,044,203	\$ (123,176,105)	54.84%	\$ 868,098	
2	Short Term Debt	18,768,000	3,926,000	11,347,000	(11,267,590)	5.02%	79,410	
3	Preferred Stock	-	-	-	-	0.00%	-	
4	Common Equity	88,963,597	92,611,247	90,787,422	(90,152,065)	40.14%	635,357	
5	Customer Deposits	-	-	-	-	0.00%	-	
6	Tax Credits - Zero Cost	-	-	-	-	0.00%	-	
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-	
8	Accumulated Deferred Income Taxes	43,167	41,898	42,533	-	0.00%	42,533	
9	Other (Explain)	-	-	-	-	0.00%	-	
10	Total	<u>\$ 220,577,979</u>	<u>\$ 231,864,336</u>	<u>\$ 226,221,158</u>	<u>\$ (224,595,761)</u>	<u>100.00%</u>	<u>\$ 1,625,397</u>	

Rate Schedule - Present, Interim, and Final

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [ x ] or Sewer [ x ]  
 Interim [ x ] or Final [ ]  
 Historic [ x ] or Projected [ ]

Schedule: E-1  
 Page 1 of 1  
 Preparer: Virchow, Krause

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

Line No.	(1) Class/Meter Size	(2) Test Year Rates	(3) Interim Rates
<u>Water</u>			
1	69301 5/8" Residential Base Charge	\$ 6.28	\$ 6.61
2	69311 5/8" Residential Base Charge	6.28	6.61
3	69313 5/8" General Service Base Charge	6.28	6.61
4	69305 1" General Service Base Charge	15.70	16.52
5	69315 1" General Service Base Charge	15.70	16.52
6	69304 2" Irrigation Base Charge	50.24	52.87
7	69314 2" Irrigation Base Charge	50.24	52.87
8	69302 6" RV Resort Base Charge	314.00	330.44
9	69312 6" RV Resort Base Charge	314.00	330.44
10	Gallonge Charge per 1,000 Gallons		
11	69301 5/8" Residential Base Charge	3.14	4.31
12	69311 5/8" Residential Base Charge	3.14	4.31
13	69313 5/8" General Service Base Charge	3.14	4.31
14	69305 1" General Service Base Charge	3.14	4.31
15	69315 1" General Service Base Charge	3.14	4.31
16	69304 2" Irrigation Base Charge	3.14	4.31
17	69314 2" Irrigation Base Charge	3.14	4.31
18	69302 6" RV Resort Base Charge	3.14	4.31
19	69312 6" RV Resort Base Charge	3.14	4.31
20			
21			
22			
23			
24	<u>Wastewater (1)</u>		
25			
26	69321 5/8" Residential Base Charge	12.09	14.36
27	69331 5/8" Residential Base Charge	12.09	14.36
28	69333 5/8" General Service Base Charge	12.09	14.36
29	69325 1" General Service Base Charge	30.23	35.90
30	69335 1" General Service Base Charge	30.23	35.90
31	69322 6" RV Resort Base Charge	604.50	717.94
32	69332 6" RV Resort Base Charge	604.50	717.94
33	Gallonge Charge per 1,000 Gallons		
34	69321 5/8" Residential Base Charge	9.34	10.14
35	69331 5/8" Residential Base Charge	9.34	10.14
36	69333 5/8" General Service Base Charge	11.21	12.17
37	69325 1" General Service Base Charge	11.21	12.17
38	69335 1" General Service Base Charge	11.21	12.17
39	69322 6" RV Resort Base Charge	11.21	12.17
40	69332 6" RV Resort Base Charge	11.21	12.17

(1) Residential class customers have maximum monthly gallonge charge of 6,000 gallons.

Calculation of TYE 12/31/05 Water Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [x] or Sewer []  
 Interim [x] or Final []  
 Historic [x] or Projected []

Schedule: E-2  
 Page 1 of 4  
 Preparer: Steven Dihel

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(3)	(6) Test Year		(7)	(8)	(9)	
		1-1 to 2-2 Invoices/Gal	2-3 to 12-31 Invoices/Gal		Rate (Interim) 1-1 to 2-2	Rate 2-3 to 12-31				Test Year Revenue
<b>Water Customers<sup>(2)(3)</sup></b>										
1	69301 5/8" Residential Base Charge	856.57	7.43	\$	16.33	\$	6.28	\$	(8,609)	
2	69311 5/8" Residential Base Charge	60.64	9,369.38	\$	16.33	\$	6.28	\$	(609)	
3	69313 5/8" General Service Base Charge	-	5.00	\$	-	\$	6.28	\$	-	
4	69305 1" General Service Base Charge	3.00	-	\$	16.33	\$	15.70	\$	(2)	
5	69315 1" General Service Base Charge	-	31.00	\$	-	\$	15.70	\$	-	
6	69304 2" Irrigation Base Charge	2.00	-	\$	16.33	\$	50.24	\$	68	
7	69314 2" Irrigation Base Charge	-	20.00	\$	-	\$	50.24	\$	-	
8	69302 6" RV Resort Base Charge <sup>(1)</sup>	274.00	-	\$	10.89	\$	314.00	\$	(2,670)	
9	69312 6" RV Resort Base Charge	-	11.00	\$	-	\$	314.00	\$	-	
10	Gallage Charge per 1,000 Gallons									
11	69301 5/8" Residential	2,860,214	41,786	\$	-	\$	3.14	\$	8,981	
12	69311 5/8" Residential	211,643	19,089,357	\$	-	\$	3.14	\$	665	
13	69313 5/8" General Service	-	111,000	\$	-	\$	3.14	\$	-	
14	69305 1" General Service	132,000	-	\$	-	\$	3.14	\$	414	
15	69315 1" General Service	-	1,058,000	\$	-	\$	3.14	\$	-	
16	69304 2" Irrigation	40,000	-	\$	-	\$	3.14	\$	126	
17	69314 2" Irrigation	-	130,000	\$	-	\$	3.14	\$	-	
18	69302 6" RV Resort	162,000	-	\$	-	\$	3.14	\$	509	
19	69312 6" RV Resort	-	1,856,000	\$	-	\$	3.14	\$	-	
<b>Sub Total by Class of Customer</b>										
20		<b>Average Bill</b>	<b>Billing Units</b>	<b>Gallage</b>						
21	Residential	\$13.01	10,294	22,203,000						
22	General Service	\$108.66	39	170,000						
23	Irrigation	\$65.71	22	170,000						
24	RV Resort	\$43.04	285	2,018,000						
25	<b>Total Water Revenues</b>						\$	151,885	\$	(1,128)
26										
27										
28										
29										
30	Revenues per General Ledger		93,169							
31	Adjustments		58,618	(interim payback adjustment + misc)						
32	Adjusted Revenues per General Ledger		\$	151,788						
33										
34	Revenues per Above		151,919							
35	Unreconcilable Difference		\$	(131)						
36	Unreconcilable Difference Percent			0%						
37										

(1) Bill Code 69302, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69312 and charged a base facility fee of \$314 per invoice and a gallage charge of \$3.14 per 1,000 gallons.

(2) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]

(3) Bill code 69311 replaced bill code 69301, bill code 69315 replaced bill code 69305, bill code 69314 replaced bill code 69304, bill code 69312 replaced bill code 69302 as of 2/3/05. Bill code 69313 was a newly created bill code as of 2/3/05.

(4) Adjustment to annualize rates difference between actual revenue and revenue if existing rates had been in effect for the whole year.

Calculation of TYE 12/10/05 Water Revenues  
Proposed Interim Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Water [x] or Sewer [ ]  
Interim [x] or Final [ ]  
Historic [x] or Projected [ ]

Schedule: E-2  
Page 2 of 4  
Preparer: Steven Dihel

Explanation: Calculation of Water Revenues on test year customer adjusted for approved interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(4) Interim Rate	(5) Annualized Revenue
<b>Water Customers</b>				
1	69301 5/8" Residential Base Charge	864	\$ 6.61	\$ 5,710
2	69311 5/8" Residential Base Charge	9,430	\$ 6.61	62,321
3	69313 5/8" General Service Base Charge	5	\$ 6.61	33
4	69305 1" General Service Base Charge	3	\$ 16.52	50
5	69315 1" General Service Base Charge	31	\$ 16.52	512
6	69304 2" Irrigation Base Charge	2	\$ 52.87	106
7	69314 2" Irrigation Base Charge	20	\$ 52.87	1,057
8	69302 6" RV Resort Base Charge <sup>(1)</sup>	1	\$ 330.44	330
9	69312 6" RV Resort Base Charge	11	\$ 330.44	3,635
10	Gallonage Charge per 1,000 Gallons			
11	69301 5/8" Residential	2,902,000	\$ 4.31	12,496
12	69311 5/8" Residential	19,301,000	\$ 4.31	83,112
13	69313 5/8" General Service	111,000	\$ 4.31	478
14	69305 1" General Service	132,000	\$ 4.31	568
15	69315 1" General Service	1,058,000	\$ 4.31	4,556
16	69304 2" Irrigation	40,000	\$ 4.31	172
17	69314 2" Irrigation	130,000	\$ 4.31	560
18	69302 6" RV Resort	162,000	\$ 4.31	698
19	69312 6" RV Resort	1,856,000	\$ 4.31	7,992
20	<b>Average Bill</b>			
21	Residential	15.90		
22	General Service	\$6.61		
23	Irrigation	\$10.33		
24	RV Resort	\$16.52		
		<b>Total Water Revenues</b>	<b>\$</b>	<b>184,386</b>
25				
26			Misc Revenue	34
27				
28			<b>Total Revenue</b>	<b>\$ 184,420</b>

(1) Bill Code 69302, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69312 and charged a base facility fee of \$314 per invoice and a gallonage charge of \$3.14 per 1,000 gallons.

Calculation of TYE 12/31/05 Sewer Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
 Docket No.: 060262-ws  
 Schedule Year Ended: December 31, 2005  
 Water [ ] or Sewer [x]  
 Interim [x] or Final [ ]  
 Historic [x] or Projected [ ]

Schedule: E-2  
 Page 3 of 4  
 Preparer: Steven Dihel

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(3) Test Year		(4) Test Year		(5) Test Year		(6)	(9)
		1-1 to 2-2	2-3 to 12-31	Rate (Interim)	Rate	1-1 to 2-2	2-3 to 12-31	Revenue	Test Year Revenue	Adjustment	
<b>Sewer Customers <sup>(9)(12)</sup></b>											
1	69321 5/8" Residential Base Charge	855.57	7.43	\$ 22.79	\$ 12.09	\$ 19,588	\$ (9,155)				
2	69331 5/8" Residential Base Charge	59.07	9,254.93	\$ 22.79	\$ 12.09	113,238	\$ (632)				
3	69333 5/8" General Service Base Charge	-	5.00	\$ -	\$ 12.09	60	\$ -				
4	69325 1" General Service Base Charge	2.00	-	\$ 22.79	\$ 30.23	46	\$ 15				
5	69335 1" General Service Base Charge	-	14.00	\$ -	\$ 30.23	423	\$ -				
6	69322 6" RV Resort Base Charge <sup>(1)</sup>	274.00	-	\$ 15.19	\$ 604.50	4,162	\$ (3,558)				
7	69332 6" RV Resort Base Charge	-	10.00	\$ -	\$ 604.50	6,045	\$ -				
8	Gallonge Charge per 1,000 Gallons						\$ -				
9	69321 5/8" Residential (6,000 gallon cap) <sup>(1)(4)</sup>	2,428,857	24,143	\$ -	\$ 9.34	225	22,686				
10	69331 5/8" Residential (6,000 gallon cap) <sup>(1)(4)</sup>	186,571	17,195,429	\$ -	\$ 9.34	160,605	1,743				
11	69333 5/8" General Service	-	111,000	\$ -	\$ 11.21	1,244	-				
12	69325 1" General Service	127,000	-	\$ -	\$ 11.21	-	1,424				
13	69335 1" General Service	-	468,000	\$ -	\$ 11.21	5,246	-				
14	69322 6" RV Resort	162,000	-	\$ -	\$ 11.21	-	1,816				
15	69332 6" RV Resort	-	1,671,000	\$ -	\$ 11.21	18,732	-				
16											
17	<u>Average Bill</u>										
18	Residential	\$28.86									
19	General Service	\$334.28									
20	RV Resort	\$101.90									
21											
22											
23											
24											
25	Revenues per General Ledger		327,664								
26	Adjustments		34								
27	Adjusted Revenues per General Ledger		\$ 327,698								
28											
29	Revenues per Above		329,650								
30	Unreconcilable Difference		\$ (1,952)								
31	Unreconcilable Difference Percent		-1%								

(1) Residential class customers have maximum monthly gallonage charge of 6,000 gallons.

(2) Consolidated Factor (Column 7, Scheule E-14) is used for capped gallons

(3) Bill Code 69322, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69332 and charged a base facility fee of \$604.50 per invoice and a gallonage charge of \$11.21 per 1,000 gallons.

(4) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]

(5) Bill code 69331 replaced bill code 69321, bill code 69335 replaced bill code 69325, bill code 69332 replaced bill code 69332 as of 2/3/05. Bill code 69333 was a newly created bill code as of 2/3/05

Calculation of TYE 12/31/05 Sewer Revenues  
Proposed Interim Revenues

Florida Public Service Commission

Company: Labrador Utilities, Inc.  
Docket No.: 060262-ws  
Schedule Year Ended: December 31, 2005  
Water [ ] or Sewer [x]  
Interim [x] or Final [ ]  
Historic [x] or Projected [ ]

Schedule: E-2  
Page 4 of 4  
Preparer: Steven Dihel

Explanation: Calculation of Water Revenues on test year customer adjusted for approved interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(4) Interim Rate	(5) Annualized Revenue
<b>Sewer Customers</b>				
1	69321 5/8" Residential Base Charge	863	\$ 14.36	\$ 12,392
2	69331 5/8" Residential Base Charge	9,314	\$ 14.36	\$ 133,738
3	69333 5/8" General Service Base Charge	5	\$ 14.36	\$ 72
4	69325 1" General Service Base Charge	2	\$ 35.90	\$ 72
5	69335 1" General Service Base Charge	14	\$ 35.90	\$ 503
6	69322 6" RV Resort Base Charge	1	\$ 717.94	\$ 718
7	69332 6" RV Resort Base Charge	10	\$ 717.94	\$ 7,179
8 Gallonage Charge per 1,000 Gallons				
9	69321 5/8" Residential (6,000 gallon cap) <sup>(1) (2)</sup>	2,453,000	\$ 10.14	\$ 24,872
10	69331 5/8" Residential (6,000 gallon cap) <sup>(1) (2)</sup>	17,382,000	\$ 10.14	\$ 176,244
11	69333 5/8" General Service	111,000	\$ 12.17	\$ 1,351
12	69325 1" General Service	127,000	\$ 12.17	\$ 1,545
13	69335 1" General Service	468,000	\$ 12.17	\$ 5,694
14	69322 6" RV Resort	162,000	\$ 12.17	\$ 1,971
15	69332 6" RV Resort	1,671,000	\$ 12.17	\$ 20,332
16				
17	<u>Average Bill</u>			
18	Residential	\$34.12		
19	General Service	\$439.82		
20	RV Resort	\$2,745.47		
			<b>Total Sewer Revenues</b>	<b>\$ 386,682</b>
21				
22			Misc Revenues	34
23				
24			<b>Total Revenues</b>	<b>\$ 386,716</b>

Residential class customers have maximum monthly gallonage charge of 6,000 gallons.  
Consolidated Factor (Column 7, Schedule E-14) is used for capped gallons

- (1) Residential class customers have maximum monthly gallonage charge of 6,000 gallons.
- (2) Consolidated Factor (Column 7, Schedule E-14) is used for capped gallons
- (3) Bill Code 69322, RV Resort rate 1-1 to 2-2 is for 1 customer and contains 274 units per invoice. After the rate change on 2-3-05, they were converted to a 6" meter under bill code 69332 and charged a base facility fee of \$604.50 per invoice and a gallonage charge of \$11.21 per 1,000 gallons.
- (4) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills \* [number of days @ respective rate / total days in bill cycle]
- (5) Bill code 69331 replaced bill code 69321, bill code 69335 replaced bill code 69325, bill code 69332 replaced bill code 69332 as of 2/3/05. Bill code 69333 was a newly created bill code as of 2/3/05