

100126-WS

C.F.A.T. H2o, Inc.
P.O. Box 5220
Ocala, FL 34478-5220
352-622-4949

September 20, 2010

10 SEP 27 AM 7:52
OPERATIONS CENTER

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 100126-WU; C.F.A.T. H2o, Inc.
Application for an Increase in Water and Wastewater Rates in Marion County, Florida

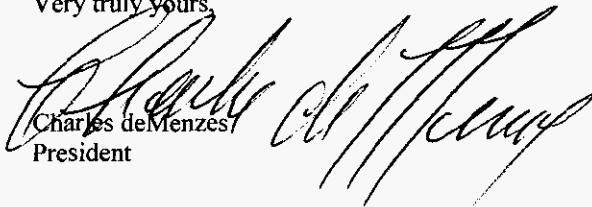
Dear Ms. Cole:

Enclosed are the following for filing in the above-referenced docket:

- Sixteen (16) copies of the Application for Increase in Rates. 08039-10
- Sixteen (16) copies of the Minimum Filing Requirements including Billing Analysis. 08039-10
- Two (2) copies of Engineering Information 08040-10
- Sixteen (16) copies of the Affidavit required by Rule 25-22.0407, Florida Administrative Code. 08039-10
- The original and three (3) copies of the proposed Interim rate Tariff Sheets. 08041-10
- The original and three (3) copies of the Final Rate Tariff Sheets. 08042-10
- Our check in the amount of \$1,500.00 representing the appropriate filing fee.

Should you or members of the Staff have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,


Charles deMenezes
President

[uk note: Check retained with mailroom for deposit on this date] R. McLean
9.27.10

Cc: Mr. Bart Fletcher

DOCUMENT NUMBER - DATE

08039 SEP 27 0

FPSC-GCM-JUSTICE

100126-WS

**Application of
CFAT H2o, Inc.
For an increase in Water rates
In
Marion County, Florida
Docket No. 100126**

COM	—
APA	—
ECR	13
GCL	—
RAD	—
SSC	—
ADM	—
OPC	—
CLK	—

DOCUMENT NUMBER DATE
08039 SEP 27 9
FPSC-COMMISSION CLERK

Application of
CFAT H2o, Inc.
For an increase in Water rates
In
Marion County, Florida
Docket No. 100126

DOCUMENT NUMBER-DATE

08039 SEP 27 2

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
CFAT H2O, Inc.
for an increase in water
rates in Marion County, Florida

DOCKET NO. 100126

APPLICATION FOR AN INCREASE IN RATES

Applicant CFAT H2O, Inc. (the "Utility"), by and through the undersigned qualified representative and pursuant to Section 367.081 and 367.082, Florida Statutes, and Chapter 25-30, Florida Administrative Code, files this Application for an increase in its water rates and charges in Marion County, Florida.

Preliminary Matters

1. The following information is provided pursuant to Rule 25-30.436, Florida Administrative Code:

a.

i. The name of the Utility and its mailing address are

CFAT H2O, Inc.
PO Box 5220
1410 NE 8th Ave
Ocala, FL 34478

ii. The name and address of the person authorized to receive notices and communications in respect to this application are:

Charles DeMenzes
CFAT H2O, Inc.
PO Box 5220
1410 NE 8th Ave
Ocala, FL 34478
Telephone: (352) 622-4949
Facsimile: (352) 622-2389
Email: Charlie@alternativephone.com

b. The Utility is a Florida Sub-chapter S corporation organized on October 28, 2003. The names and addresses of the persons owning more than 5% of the Utility's stock are:

Charles DeMenzes Revocable Trust	50%
PO Box 5220	
1410 NE 8 th Ave	
Ocala, FL 34478	

Eugene Segarra TTE	50%
PO Box 5220	
1410 NE 8 th Ave	

Ocala, FL 34478

- c. The Utility's rates, charges and rate base were established in Order No. PSC-06-0593-FOF-WS, issued July 7, 2006, in Docket No. 060028-WS. The Utility received its most recent index price adjustment in 2009.
- d. The address where the Application is available for customer inspection during the time of the rate application is pending is:

1410 NE 8th Ave
Ocala, FL 34478

- e. The Utility is requesting water rates which would allow it to recover all expenses that the Utility will incur on a going-forward basis utilizing an historical test year, and generate a fair rate of return on its investment on all property considered used and useful in the public service.

The Utility has demonstrated through the supporting schedules within the attached Volume I that it is earning outside its range of reasonable returns, calculated in accordance with Section 367.082(5), Florida Statutes. Submitted as part of **Volume I** are schedules of rate base (Schedule A-1), cost of capital (Schedule D-1) and net operating income (Schedule B-1), as applicable, pursuant to Commission Rule 25-30.437(5), Florida Administrative Code.

- f. The Affidavit of Charles DeMenzes, President of the Utility that the Utility will comply with Rule 25-22.0407, Florida Administrative Code, is attached hereto as **Exhibit "A"**.
 - g. The Utility requests that this Application be processed under the Commission's proposed agency action procedure outlined in Section 367.081(8), Florida Statutes.
- 2. The appropriate filing fee of \$1,500.00 is filed herewith.
 - 3. The Utility knows of no deviations from the policies, procedures and guidelines prescribed by the Commission in relevant rules or in the Utility's last rate case.

Additional Information

I.

Sixteen copies of the Utility's Financial, Rate and Engineering Minimum Filing Requirements (Form PSC/WAW 20) are provided herewith as **Volume I**.

II.

The Utility has costs and charges to it from an affiliated or related party. These costs are reported in Schedule B-12 of Volume I. The allocation methodology is explained in Schedule B-12 and is based on ERCs. The Utility has written agreements with the affiliated parties that provide accounting, billing and other services to the Utility. An organizational chart reflecting the corporate relationship of the Utility and affiliates is attached hereto as **Exhibit "B"**.

III.

The Billing Analysis Schedules as required by Rule 25-30.437(4) are provided herewith as Schedule E-14 in **Volume I**.

IV.

The original and two copies of the Revised Tariff Sheets reflecting the proposed interim and final water rates and miscellaneous service charges are attached hereto as **Exhibit "C"** and **Exhibit "D"**, respectively.

V.

The Utility requests that the Commission not withhold consent to the effectiveness of the proposed final water rates increase as requested in this Application in accordance with the schedules contained in **Volume I** and the tariffs contained in **Exhibit "D"**.

WHEREFORE, the Utility requests that the Florida Public Service Commission do the following:

1. Accept jurisdiction of this Application to grant an increase in water rates and charges utilizing the PAA procedure outlined in Section 367.081(8), Florida Statutes.
2. Grant interim and final water rates and charges as requested herein and contained in the tariffs included in Exhibit "C" and Exhibit "D".
3. Provide such other relief as is fair, just and reasonable.

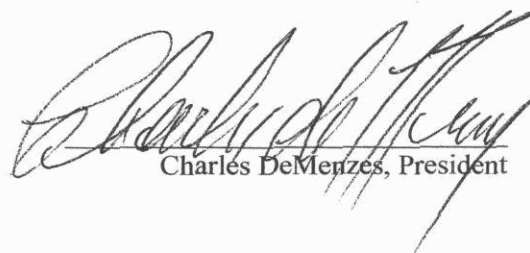
Respectfully submitted this 24th day of September, 2010, by

CFAT H2O, Inc.
PO Box 5220
1410 NE 8th Ave
Ocala, FL 34478

Telephone: (352) 622-4949

Facsimile: (352) 622-2389

Email: Charlie@alternativephone.com



Charles DeMenzes, President

Schedule of Water Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Interim [] Final [X]

Schedule: A-1
 Page 1 of 1
 Preparer: W. Wade Horgan, CRRA

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) Average Amount Per Books	(3) A-3 Utility Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant In Service	\$ 537,632	\$ -	\$ 537,632	A-3.A-5
2					
3	Utility Land & Land Rights	19,500	-	19,500	A-3.A-5
4					
5	Less: Non-Used & Useful Plant	-	-	-	A-7
6					
7	Construction Work In Progress	-	-	-	A-3
8					
9	Less: Accumulated Depreciation	127,972	-	127,972	A-3, A-9
10					
11	Less: CIAC	114,421	-	114,421	A-12
12					
13	Accumulated Amortization of CIAC	55,292	-	55,292	A-14
14					
15	Acquisition Adjustments	46,269	(46,269) (A)	-	A-3
16					
17	Advances For Construction	-	-	-	A-16
18					
19	Working Capital Allowance	-	5,909 (B)	5,909	A-17
20					
21	Total Rate Base	<u>\$ 416,300</u>	<u>\$ (40,360)</u>	<u>\$ 375,939</u>	
22					
23	Explanation of Adjustments				
24	A. Adjustment to remove Acquisition adjustment from rate base		(46,269)		
25	B. Adjustment to calculate working capital, per Schedule A-17		5,909		

Schedule of Water Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-1 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [X] Final []

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) Average Amount Per Books	(3) A-3 Utility Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant In Service	\$ 537,632	\$ -	\$ 537,632	A-3.A-6
2					
3	Utility Land & Land Rights	19,500	-	19,500	A-3.A-6
4					
5	Less: Non-Used & Useful Plant	-	-	-	A-7
6					
7	Construction Work In Progress	-	-	-	A-3
8					
9	Less: Accumulated Depreciation	127,972	-	127,972	A-3, A-10
10					
11	Less: CIAC	114,421	-	114,421	A-12
12					
13	Accumulated Amortization of CIAC	55,292	-	55,292	A-14
14					
15	Acquisition Adjustments	46,269	(46,269) (A)	-	A-3
16					
17	Advances For Construction	-	-	-	A-16
18					
19	Working Capital Allowance	-	5,236 (B)	5,236	A-17
20					
21	Total Rate Base	<u>416,300</u>	<u>\$ (41,033)</u>	<u>\$ 375,266</u>	
22					
23	Explanation of Adjustments				
24	A. Adjustment to remove Acquisition adjustment from rate base		(46,269)		
25	B. Adjustment to calculate working capital, per Schedule A-17		5,236		

Schedule of Adjustments to Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-3

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line No.	Description	Water
1	<u>(A) Construction Work In Progress</u>	
2	Adjustment to remove construction work in progress from Rate Base	-
3	Total adjustment construction work in progress	<u>\$ -</u>
4		
5	<u>(B) Remove positive acquisition adjustment not included in rate base</u>	
6	Acquisition adjustment	<u>\$ 46,269</u>
7		
8	<u>(C) Working Capital</u>	
9	Schedule A-17	<u>\$ 5,909</u>
10		

Schedule of Adjustments to Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-3 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line No.	Description	Water
1	<u>(A) Construction Work In Progress</u>	
2	Adjustment to remove construction work in progress from Rate Base	-
3	Total adjustment construction work in progress	<u>\$ -</u>
4		
5	<u>(B) Remove positive acquisition adjustment not included in rate base</u>	
6	Acquisition adjustment	<u>\$ 46,269</u>
7		
8	<u>(C) Working Capital</u>	
9	Schedule A-17	<u>\$ 5,236</u>
10		

Schedule of Water Plant in Service

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-4

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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	Water
1	Balance at 12-31-2005	\$ 227,496
2	2006 Additions	111,937
3	2006 Retirements	-
4	2006 Adjustments	-
5	Balance at 12-31-2006	\$ 339,433
6		
7	2007 Additions	215,623
8	2007 Retirements	-
9	2007 Adjustments	-
10	Balance at 12-31-2007	\$ 555,056
11		
12	2008 Additions	2,076
13	2008 Retirements	-
14	2008 Adjustments	-
15	Balance at 12-31-2008	\$ 557,132
16		
17	2009 Additions	-
18	2009 Retirements	-
19	2009 Adjustments	-
20	Balance at 12-31-2009	\$ 557,132
21		
22		

Supporting Schedules A-5

Recap Schedules: A-18

Non-Used and Useful Plant - Summary - Final

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-7

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1) Description	(2) Average Amount Per Books	(3) Utility Adjustments	(4) Balance Per Utility
1	WATER			
2				
3	Plant In Service			
4				
5	Land			
6			NONE	
7	Accumulated Depreciation			
8				
9	Other (Explain)			
10				
11				
12	Total	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
13				
14				

Supporting Schedules: A-5, A-9

Recap Schedules: A-1

Schedule of Water Accumulated Depreciation
Annual Balances Subsequent to last Established Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: A-8
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

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
1	Balance at 12-31-2005	\$ 61,408
2	2006 Additions	10,323
3	2006 Retirements	-
4	2006 Adjustments	-
5	Balance at 12-31-2006	\$ 71,731
6		
7	2007 Additions	20,209
8	2007 Retirements	-
9	2007 Adjustments	-
10	Balance at 12-31-2007	\$ 91,940
11		
12	2008 Additions	24,013
13	2008 Retirements	-
14	2008 Adjustments	-
15	Balance at 12-31-2008	\$ 115,953
16		
17	2009 Additions	24,038
18	2009 Retirements	-
19	2009 Adjustments	-
20	Balance at 12-31-2009	\$ 139,991
21		
22		

Supporting Schedules: A-9
Recap Schedules: A-18

Schedule of Water Accumulated Depreciation By Primary Account
Beginning and End of Year Average

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-9

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

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 and useful amounts by account.

Preparer: W. Wade Horigan, CRRA
Recap Schedules: A-1, A-8

Line No.	(1) Account No. and Name	(2)	(3)	(4)	(5)	(6)
		Per Books Prior Year 12/31/2008	Per Books Test year 12/31/2009	Per Books Test Year Average Bal.	Non-Used & Useful %	Non-Used & Useful Amount
1	301.1 Organization	\$ 2,500	\$ 2,500	\$ 2,500	0.00%	\$ -
2	302.1 Franchises	526	562	544	0.00%	-
3	304.2 Structures and Improvements	123	198	161	0.00%	-
4	307.2 Well Pumps	9,347	10,785	10,066	0.00%	-
5	310.2 Power Generating Equipment	10,450	12,733	11,592	0.00%	-
6	311.2 Pumping Equipment	16,485	23,705	20,095	0.00%	-
7	320.3 Water Treatment Equipment	878	1,740	1,309	0.00%	-
8	330.4 Dist Reservoir & Standpipes	24,480	31,077	27,779	0.00%	-
9	331.4 Transmission & Distribution Mains	27,307	29,096	28,202	0.00%	-
10	333.4 Services	8,475	8,921	8,698	0.00%	-
11	334.4 Meter and Meter Installations	15,205	18,484	16,845	0.00%	-
12	343.5 Tool Shop & Garage Equipment	177	190	184	0.00%	-
13						
14		<u>\$ 115,953</u>	<u>\$ 139,991</u>	<u>\$ 127,972</u>	<u>0.00%</u>	<u>\$ -</u>
15						
16	Explanation of adjustments:					
17						

Schedule of Water Contributions in Aid of Construction
 Annual Balances Subsequent to last Established Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009

Schedule: A-11
 Page 1 of 1
 Preparer: W. Wade Horgan, CRRA

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
1	Balance at 12-31-2005	\$ 113,786
2	2006 Additions	-
3	2006 Retirements	-
4	2006 Adjustments	-
5	Balance at 12-31-2006	\$ 113,786
6		
7	2007 Additions	-
8	2007 Retirements	-
9	2007 Adjustments	-
10	Balance at 12-31-2007	\$ 113,786
11		
12	2008 Additions	635
13	2008 Retirements	-
14	2008 Adjustments	-
15	Balance at 12-31-2008	\$ 114,421
16		
17	2009 Additions	-
18	2009 Retirements	-
19	2009 Adjustments	-
20	Balance at 12-31-2009	\$ 114,421

Supporting Schedules: A-12
 Recap Schedules: A-19

Summary of Contributions In Aid of Construction By Classification
 Test Year Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009

Schedule: A-12
 Page 1 of 1
 Preparer: W. Wade Horigan, CRRRA

Explanation: Provide the average CIAC balance by account. If a projected test year is employed, provide breakdown for average and projected test year.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Per Books Prior Year 12/31/2008	Per Books Test year 12/31/2009	Average Test year	Test Year Adjustments	Adjusted Test year	Non-Used & Useful %	Non-Used & Useful Amount
1	WATER							
2								
3	Plant Capacity Fees						0.00%	\$ -
4								
5	Line/Main Extension Fees	114,421	114,421	114,421	0	114,421	0.00%	-
6								
7	Meters & Meter Installation Fees						0.00%	-
8								
9	Contributed Property						0.00%	-
10								
11	Other - Tap Fees							
12								
13	Total	\$ 114,421	\$ 114,421	\$ 114,421	\$ -	\$ 114,421	0.00%	\$ -
14								
15								
16	Explanation of adjustments:							
17								

Recap Schedules: A-1, A-4

Schedule of Water Accumulated Amortization of CIAC
Annual Balances Subsequent to last Established Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: A-13
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

Explanation: Provide the annual balance of accumulated amortization 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, 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
1	Balance at 12-31-2005	\$ 39,632
2	2006 Additions	3,699
3	2006 Retirements	-
4	2006 Adjustments	-
5	Balance at 12-31-2006	\$ 43,331
6		
7	2007 Additions	4,293
8	2007 Retirements	-
9	2007 Adjustments	-
10	Balance at 12-31-2007	\$ 47,624
11		
12	2008 Additions	5,110
13	2008 Retirements	-
14	2008 Adjustments	-
15	Balance at 12-31-2008	\$ 52,734
16		
17	2009 Additions	5,115
18	2009 Retirements	-
19	2009 Adjustments	-
20	Balance at 12-31-2009	\$ 57,849

Supporting Schedules: A-14
Recap Schedules: A-19

Schedule of Accumulated Amortization of CIAC
 Test Year Average Balance - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009

Schedule: A-14
 Page 1 of 1
 Preparer: W. Wade Horigan, CRRA

Explanation: Provide the average Accumulated Amortization of CIAC balance by classification. If a projected year is employed, provide breakdown for average projected year.

Line No.	(1) Description	(2) Per Books Prior Year 12/31/2008	(3) Per Books Test year 12/31/2009	(4) Test Year Average Bal.	(5) Test Year Adjustments	(6) Test Year Average Bal.	(7) Non-Used & Useful %	(8) Non-Used & Useful Amount
1	WATER							
2								
3	Plant Capacity Fees			-			0.00%	
4								
5	Line/Main Extension Fees	52,734	57,849	55,292	0	55,292	0.00%	
6								
7	Meters & Meter Installation Fees			-			0.00%	
8								
9	Contributed Property			-			0.00%	
10								
11	Other - Tap Fees							
12								
13								
14	Total	\$ 52,734	\$ 57,849	\$ 55,292	\$ -	\$ 55,292	0.00%	\$ -
15								
16	Explanation of adjustments:							

Supporting Schedules: A-13
 Recap Schedules: A-19

Schedule of Annual AFUDC Rates Used

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-15

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line
No.

1 The Company has not booked any AFUDC.

Schedule of Water Advances for Construction
Annual Balances Subsequent to Last established Rate Base

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: A-16
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

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	Wastewater
1	None		

Recap Schedules: A-1, A-19

Schedule of Working Capital Allowance Calculation

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-17

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Recap Schedules: A-1, A-1 [Interim]

Explanation: Provide the calculation of working capital using the formula method. The calculation should not include accounts that are reported in other rate base or cost of capital accounts. Unless otherwise explained, this calculation should include both current and deferred debits and credits. All adjustments to the per book accounts shall be explained.

Line No.	Description	Water
1	<u>Final Rates</u>	
2		
3	Total O & M Expense per B-5, B-6	\$ 46,371
4	Adjustments to O & M Expense per B-1, B-2	901
5		
6	Total Adjusted to O & M Expense	\$ 47,272
7	Divide by 8	8
8		
9	Equals working capital	\$ 5,909
10		
11		
12		
13		
14		
15		
16		
17		
18	<u>Interim Rates</u>	
19		
20	Total O & M Expense per B-5, B-6	\$ 41,121
21	Adjustments to O & M Expense per B-2	766
22		
23	Total Adjusted to O & M Expense	\$ 41,886
24	Divide by 8	8
25		
26	Equals working capital	\$ 5,236

Comparative Balance Sheet - Assets

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-18

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1)	(2)	(3)	(4)	(5)	(6)
	ASSETS	Per Books Prior Year 12/31/2008	Per Books Test Year 12/31/2009	Test Year Adjustments	Adjusted Test year	Average
1	UTILITY PLANT					
2	Utility Plant in Service	\$ 913,713	\$ 913,713	\$ -	\$ 913,713	\$ 913,713
3	Construction Work In Progress	-	-	-	-	-
4	Less: Accumulated Depreciation	(263,558)	(301,306)	-	(301,306)	(282,432)
5	Net Plant	650,155	612,407	-	612,407	631,281
6						
7	Utility Plant Acquisition Adjustments	71,329	67,928	(67,928) (A)	-	69,629
8						
9	TOTAL NET UTILITY PLANT	721,484	680,335	(67,928)	612,407	700,910
10						
11	OTHER PROPERTY AND INVESTMENTS					
12	Nonutility Property	-	-	-	-	-
13	Less: Accumulated Depreciation	-	-	-	-	-
14	Net Nonutility Property	-	-	-	-	-
15						
16	Plant Held for Future Use	4,250	4,250	-	4,250	4,250
17	Special Funds	-	-	-	-	-
18						
19	TOTAL OTHER PROPERTY AND INVESTMENTS	4,250	4,250	-	4,250	4,250
20						
21	CURRENT AND ACCRUED ASSETS					
22	Cash	91,563	4,186	-	4,186	47,875
23	Accounts and Notes Receivable, Less Accumulated Provision for uncollectable Accounts	17,134	17,216	-	17,216	17,175
24	Accounts Receivable from Associated Companies	-	-	-	-	-
25	Utility Deposit	2,040	2,040	-	2,040	2,040
26	Ind. Bank Loan Costs	7,764	6,103	-	6,103	6,934
27						
28	TOTAL CURRENT AND ACCRUED ASSETS	118,501	29,545	-	29,545	74,023
29						
30	DEFERRED DEBITS					
31	Preliminary Survey and Investigation Charges	-	-	-	-	-
32	Deferred Rate Case Expense	-	-	-	-	-
33						
34	TOTAL DEFERRED DEBITS	-	-	-	-	-
35						
36	TOTAL ASSETS AND OTHER DEBITS	\$ 844,235	\$ 714,130	\$ (67,928)	\$ 646,202	\$ 779,183
37						
38	Explanation of adjustments:					
39	A. Acquisition Adjustment		(67,928)			
40						

Comparative Balance Sheet - Equity Capital and Liabilities

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: A-19

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

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) Per Books Prior Year 12/31/2008	(3) Per Books Test Year 12/31/2009	(4) Test Year Adjustments	(5) Adjusted Test year	(6) Average
1	EQUITY CAPITAL					
2	Common Stock Issued	\$ 200	\$ 200	\$ -	\$ 200	\$ 200
3	Other Paid-in Capital	127,482	127,482	-	127,482	127,481
4	Retained Earnings (Deficit)	(149,097)	(185,471)	-	(185,471)	(167,284)
5	Reacquired Capital Stock	-	-	-	-	-
6						
7	TOTAL EQUITY CAPITAL	(21,415)	(57,789)	-	(57,789)	(39,603)
8						
9	LONG TERM DEBT					
10	Other Long Term Debt	399,400	378,359	-	378,359	388,880
11						
12	TOTAL LONG TERM DEBT	399,400	378,359	-	378,359	388,880
13						
14	CURRENT AND ACCRUED LIABILITIES					
15	Management Fee Payable	132,212	165,212	-	165,212	148,712
16	Stockholder Loan	100,000	10,000	-	10,000	55,000
17	Accounts Payable to Associated Co.			-	-	-
18	Customer Deposits	17,572	18,762	-	18,762	18,167
19	Accrued Taxes	7,371	6,954	-	6,954	7,163
20	Refund Checks Returned	1,522	1,522	-	1,522	1,522
21	Miscellaneous Current and Accrued Liabilities			-	-	-
22						
23	TOTAL CURRENT AND ACCRUED LIABILITIES	258,677	202,450	-	202,450	230,564
24						
25	CONTRIBUTIONS IN AID OF CONSTRUCTION					
26	Contributions in Aid of Construction	377,303	377,303	-	377,303	377,303
27	Accumulated Amortization of Contributions in Aid of Construction	(169,731)	(186,194)	-	(186,194)	(177,963)
28						
29	TOTAL NET C.I.A.C.	207,572	191,109	-	191,109	199,341
30						
31	DEFERRED CREDITS					
32	Other Deferred Credits	-	-	-	-	-
33						
34	TOTAL DEFERRED CREDITS	-	-	-	-	-
35						
36						
37						
38	TOTAL EQUITY CAPITAL AND LIABILITIES	\$ 844,234	\$ 714,129	\$ -	\$ 714,129	\$ 779,181
39						

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Interim [] Final [X]

Schedule: B-1
 Page 1 of 1
 Preparer: W. Wade Horigan, CRRA

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 7) 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 Revenue	(7) Supporting Schedules
1	OPERATING REVENUES	\$ 43,579	\$ -	\$ 43,579	\$ 51,500	\$ 95,079	B-4, B-3
2							
3	Operation & Maintenance	38,235	8,136	46,371	901	47,272	B-5, B-3
4							
5	Depreciation, net of CIAC Amort.	18,923	-	18,923	-	18,923	B-13, B-3
6							
7	Amortization	-	-	-	-	-	
8							
9	Taxes Other Than Income Taxes	2,957	-	2,957	2,318	5,275	B-15, B-3
10							
11	Provision for Income Taxes	-	-	-	-	-	C-1, B-3
12							
13	OPERATING EXPENSES	<u>60,115</u>	<u>8,136</u>	<u>68,251</u>	<u>3,219</u>	<u>71,469</u>	
14							
15	NET OPERATING INCOME	<u>\$ (16,536)</u>	<u>\$ (8,136)</u>	<u>\$ (24,672)</u>	<u>\$ 48,281</u>	<u>\$ 23,610</u>	
16							
17							
18	RATE BASE	<u>\$ 416,300</u>	<u>\$ (40,360)</u>	<u>\$ 375,939</u>		<u>\$ 375,939</u>	
19							
20							
21	RATE OF RETURN	-3.97%		-6.56%		6.28%	

Schedule of Water Net Operating Income

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-1 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [] Final [X]

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 7) 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 Revenue	(7) Supporting Schedules
1	OPERATING REVENUES	\$ 43,579	\$ -	\$ 43,579	\$ 45,850	\$ 89,429	B-4, B-3
2							
3	Operation & Maintenance	38,235	2,886	41,121	802	41,923	B-3, B-5
4							
5	Depreciation, net of CIAC Amort.	18,923	-	18,923	-	18,923	B-13, B-3
6							
7	Amortization	-	-	-	-	-	
8							
9	Taxes Other Than Income Taxes	2,957	-	2,957	2,063	5,020	B-15, B-3
10							
11	Provision for Income Taxes	-	-	-	-	-	C-1, B-3
12							
13	OPERATING EXPENSES	60,115	2,886	63,001	2,866	65,866	
14							
15	NET OPERATING INCOME	<u>\$ (16,536)</u>	<u>\$ (2,886)</u>	<u>\$ (19,422)</u>	<u>\$ 42,984</u>	<u>\$ 23,563</u>	
16							
17							
18	RATE BASE	<u>\$ 416,300</u>	<u>\$ (41,029)</u>	<u>\$ 375,271</u>		<u>\$ 375,271</u>	
19							
20							
21	RATE OF RETURN	-3.97%		-5.18%		6.28%	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-3

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [] Final [X]

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
1	<u>(A) Adjustments to Revenue</u>	
2	(1) Revenue Increase	51,500
3	Total adjustment to revenue	<u>\$ 51,500</u>
4		
5	<u>(B) Adjustments to Operations & Maintenance Expenses</u>	
6	Test Year Adjustments	
7	(1) Adjustment to reflect a 5% salary increase	\$ 1,763
8		
9	(2) Adjustment to reflect increased healthcare costs.	360
10	(3) Adjustment to make bad debts expense to 1.75% of revenue	763
11	(4) Adjustment to include one fourth of rate case expense in	
12	operating expenses.	5,250
13		<u>\$ 8,136</u>
14		
15	Requested revenue Adjustments	
16	(1) Adjustment to reflect bad debts expense at 1.75% of	
17	requested increase in revenue.	
18	Total requested increase in revenues	\$ 51,500
19	Bad debts rate	1.75%
20	Bad debts adjustment	<u>\$ 901</u>
21		
22	<u>(C) Taxes other than Income Taxes</u>	
23	(1) To adjust test year regulatory assessment fees for requested	
24	increase in revenues	
25	Total requested increase in revenues	\$ 51,500
26	RAF rate	4.50%
27	RAF adjustment	<u>\$ 2,318</u>

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-3 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [X] Final []

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
1	<u>(A) Adjustments to Revenue</u>	
2	(1) Revenue Increase	43,754
3	Total adjustment to revenue	<u>\$ 43,754</u>
4		
5	<u>(B) Adjustments to Operations & Maintenance Expenses</u>	
6	Test Year Adjustments	
7	(1) Adjustment to reflect a 5% salary increase	\$ 1,763
8		
9	(2) Adjustment to reflect increased healthcare costs.	360
10	(3) Adjustment to reduce bad debts expense to 1.75% of revenue	763
11	(4) Adjustment to include one fourth of rate case expense in	
12	operating expenses.	-
13		<u>\$ 2,886</u>
14	(1) Adjustment to reflect bad debts expense at 1.75% of	
15	requested increase in revenue.	
16	Total requested increase in revenues	\$ 43,754
17	Bad debts rate	1.75%
18	Bad debts adjustment	<u>\$ 766</u>
19		
20	<u>(C) Taxes other than Income Taxes</u>	
21	(1) To adjust test year regulatory assessment fees for requested	
22	increase in revenues	
23	Total requested increase in revenues	\$ 43,754
24	RAF rate	4.50%
25	RAF adjustment	<u>\$ 1,969</u>

Test Year Operating Revenue

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-4

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

Recap Schedules: B-1

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

Line No.	Account No. and Description	(1)	
		Total	Water
1	460 Unmetered Water Revenue	\$	-
2	461.1 Metered - Residential		40,950
3	461.2 Metered - Commercial		2,828
4	461.3 Metered - Industrial		
5	461.4 Metered - Public Authorities		
6	461.5 Metered - Multi-Family		
7	462.1 Public Fire Protection		
8	462.2 Private Fire Protection		
9	464 Other sales - Public Authorities		
10	465 Irrigation Customers		
11	466 Sales for Resale		
12	467 Interdepartmental Sales		
13			
14	TOTAL SALES OF WATER		<u>43,778</u>
15			
16	OTHER WATER REVENUES		
17	470 Forfeited Discounts		
18	471 Misc. Service Revenues		
19	472 Rents From Water Property		
20	473 Interdepartmental Rents		
21	474 Other Water Revenues		(199)
22			
23			
24			
25	TOTAL OTHER WATER REVENUES		<u>(199)</u>
26			
27			
28	TOTAL WATER OPERATING REVENUES	\$	<u>43,579</u>
29			
30			

Detail of Operation & Maintenance Expenses By Month - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009

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.

Schedule: B-5
 Page 1 of 1
 Preparer: W. Wade Horigan, CRRA
 Recap Schedules: B-1

Line No.	(1) Account No. and Name	(2) Jan	(3) Feb	(4) Mar	(5) Apr	(6) May	(7) Jun	(8) Jul	(9) Aug	(10) Sept	(11) Oct	(12) Nov	(13) Dec	(14) Total Annual	(15) Adj.	(16) Adj. Total Annual
1	603 - Salaries & Wages - Officers, Etc.	700	700	700	700	700	700	700	700	700	700	700	700	8,400	2,123	10,523
2	615 - Purchased Power	236	-	226	412	202	-	398	-	243	457	-	406	2,580	-	2,580
3	616 - Fuel for Power Production										58			58	-	58
4	618 - Chemicals	-	165	97	209	208	-	77	182	144	107	83	130	1,402	-	1,402
5	630 - Contract Expense - Billing	592	833	920	1,311	698	684	640	-	-	1,355	583	-	7,616	-	7,616
6	631 - Contractual Expense(Engineering - Accounting)	-	520	-	38	-	-	-						558	-	558
7	635 - Contractual Expense - Testing	225	75	225	225	1,255	925	1,055	225	225	545	1,160	2,257	8,397	-	8,397
8	766 - Regulatory Commission Expenses - Amortization of Rate Case Expense													-	5,250	5,250
9	770 - Bad Debt Expense													-	763	763
10	775 - Miscellaneous Expenses	334	1,401	354	184	170	199	180	1,010	177	2,973	1,850	392	9,224	-	9,224
11																
12	TOTAL	\$ 2,087	\$ 3,694	\$ 2,522	\$ 3,079	\$ 3,233	\$ 2,508	\$ 3,050	\$ 2,117	\$ 1,489	\$ 6,195	\$ 4,376	\$ 3,885	\$ 38,235	\$ 8,136	\$ 46,371

Detail of Operation & Maintenance Expense Comparison - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-7

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

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 CPI-U. If the applicant has not filed 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) Prior TY* 12/31/2005	(3) Current TY 12/31/2009	(4) TY Adjs. Per B-3	(5) Adjusted TY 12/31/2009	(6) \$ Difference	(7) % Difference	(8) Explanation
1	603 - Salaries & Wages - Officers, Etc.	8,400	8,400	\$ 2,123	\$ 10,523	2,123	25.27%	
2	615 - Purchased Power	2,234	2,580	\$ -	\$ 2,580	346	15.49%	
3	616 - Fuel for Power Production	55	58	\$ -	\$ 58	3	5.45%	
4	618 - Chemicals	491	1,402	\$ -	\$ 1,402	911	185.54%	
5	630 - Contract Expense - Billing	11,244	7,616	\$ -	\$ 7,616	(3,628)	-32.27%	
6	631 - Contractual Expense(Engineering - Accounting)	4,373	558	\$ -	\$ 558	(3,815)	-87.24%	
7	635 - Contractual Expense - Testing	5,386	8,397	\$ -	\$ 8,397	3,011	55.90%	
8	766 - Regulatory Commission Expenses - Amortization of Rate Case Expense	-	-	\$ 5,250	\$ 5,250	5,250	N/A	
9	770 - Bad Debt Expense	-	-	\$ 763	\$ 763	763	N/A	
10	775 - Miscellaneous Expenses	6,936	9,224	-	\$ 9,224	2,288	32.99%	
11								
12	TOTAL	\$ 39,119	\$ 38,235	\$ 8,136	\$ 46,371	\$ 7,252	18.54%	
13								
14	Total Customers (ERC's)	217			217	-	0.00%	
15								
16	Consumer Price Index - U	195.3			214.5	19.2	9.83%	
17								
18						1.0000		
19						1.0983		
20						1.0983		
21								
22								

* Used 2005 as previous test year. Company was transferred in 2006 with no rate or rate base case adjustment (Docket 06-0028)

Contractual Services

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-9

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

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 revenue for that system. Do not include rate case expense charges.

Line No.	(1) Consultant	(2) Type of Service	(3) Amount	(4) Description of Work Performed
1	WATER			
2				
3	MIRA International, Inc.	630 - Contract Expense Billing	7,616	
4	Pro Tech Services	635 - Contract Services - Testing	8,197	
5	Lighthouse CPAs, PA	631 - Contract Expense - Accounting	558	
6				
7				
8	TOTAL		16,371	
9				

Analysis of Rate Case Expense

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-10

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

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 Services Rendered
1	Rutledge, Ecenia & Purnell	Martha Rule	400	15	\$ 6,000	Legal fees
2						
3					\$ 6,000	
4						
5	Tangibl LLC	Wade Horigan	125	92	11,500	Preparation of MFRs, data requests, audit facilitation
6	Tangibl LLC	Donald J. Clayton	175	20	3,500	Preparation of MFRs, data requests, audit facilitation
7					15,000	
8						
9				TOTAL	\$ 21,000	
10						
11						
12	Estimate Through					
13						
14	<input checked="" type="checkbox"/> PAA					
15	<input type="checkbox"/> Commission Hearing					
16						
17	Amortization Period 4 Years					
18	Explanation if different from section 367.0816, Florida					
19						
20	Amortization of Rate Case Expense:					
21			(A)			
22			Water			
23	Prior unamortized rate case expense		\$	-		
24	Current rate case expense			21,000		
25	Total projected rate case expense			21,000		
26	Annual amortization		\$	5,250		

Analysis of Major Maintenance Projects - Water
For the Test Year and 2 Years Prior and 1 Year Subsequent

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: B-11
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

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.

Line No.	(1) Description	(2) Period	(3) Budget Amount	(4) Term of Amort.	(5) Test Year Amortization
1					
2					
3	NONE				
4					
5					
6					
7					
8					
9					
10					
11					

Allocation of Expenses

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-12

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

Interim [] Final [X]

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. Provide a description of all systems.

Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Amounts Allocated					
			(1) Company	(2) Other Companies/ Systems	(3) Total		(4)	(5) Company	(6) Other Companies/ Systems	(7) Total	(8) 50% Water	(9) 50% Sewer
1												
2	603 / 703	Salaries & Wages - Officers, Etc.										
3		- Salary	25.00%	75.00%	100.00%	A	65,513	196,538	262,050	32,756	32,756	
4		- Healthcare costs	25.00%	75.00%	100.00%	A	6,356	19,068	25,424	3,178	3,178	
5												
6							<u>\$ 71,869</u>	<u>\$ 215,606</u>	<u>\$ 287,474</u>	<u>\$ 35,934</u>	<u>\$ 35,934</u>	
7												

8 A. Allocated 25% to Company based on ERC's of all companies and then further allocated to water and wastewater based on ERC's.

Net Depreciation Expense - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-13

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Recap Schedules: B-1

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

	(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Account No. and Name	Test Year Expense	Utility Adjustments	Adjusted Balance	Not Used & Useful %	Not Used & Useful Amount
1	301.1 Organization	\$ -	\$ -	\$ -		\$ -
2	302.1 Franchises	36	-	36		
3	304.2 Structures and Improvements	75	-	75		
4	307.2 Well Pumps	1,438	-	1,438		
5	310.2 Power Generating Equipment	2,283	-	2,283		
6	311.2 Pumping Equipment	7,220	-	7,220		
7	320.3 Water Treatment Equipment	862	-	862		
8	330.4 Dist Reservoir & Standpipes	6,597	-	6,597		
9	331.4 Transmission & Distribution Mains	1,789	-	1,789		
10	333.4 Services	446	-	446		
11	334.4 Meter and Meter Installations	3,279	-	3,279		
12	343.5 Tool Shop & Garage Equipment	13	-	13		
13	Total	24,038	-	24,038	N/A	N/A
14						
15	Less: Amortization of CIAC	5,115	-	5,115		
16						
17	Net Depreciation Expense -Water	\$ 18,923	\$ -	\$ 18,923	N/A	N/A

Taxes Other Than Income

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: B-15
Page 1 of 1
Preparer: W. Wade Horgan, CRRA
Recap Schedules: B-1

Interim [] Final [X]

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

Line No.	(1) Line Description	(2) Regulatory Assessment Fees (RAFs)	(3) Payroll Taxes	(4) Real Estate & Personal Property	(5) Other	(6) Total
1	WATER					
2	Test Year	1,961	-	996	-	2,957
3	Allocation from UIF	-	-	-	-	-
4	Test Year Per Books	\$ 1,961	\$ -	\$ 996	\$ -	\$ 2,957
5						
6	Adjustments to Test Year (Explain):					
7						
8						
9						
10	Test Year Adjustments	-	-	-	-	-
11						
12	Adjusted Test year	\$ 1,961	\$ -	\$ 996	\$ -	2,957
13	Increase in ad valorem tax per B-3					
14	RAFs Assoc. with Revenue Increase	2,318				
15						
16	Total Balance	\$ 4,279	\$ -	\$ 996	\$ -	\$ 2,957
17						
18						

Taxes Other Than Income

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: B-15 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Recap Schedules: B-1

Interim Final

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

Line No.	(1) Line Description	(2) Regulatory Assessment Fees (RAFs)	(3) Payroll Taxes	(4) Real Estate & Personal Property	(5) Other	(6) Total
1	WATER					
2	Test Year	1,961	-	996	-	2,957
3	Allocation from UIF	-	-	-	-	-
4	Test Year Per Books	\$ 1,961	\$ -	\$ 996	\$ -	\$ 2,957
5						
6	Adjustments to Test Year (Explain):					
7						
8						
9						
10	Test Year Adjustments	-	-	-	-	-
11						
12	Adjusted Test year	\$ 1,961	\$ -	\$ 996	\$ -	2,957
13	Increase in ad valorem tax per B-3					
14	RAFs Assoc. with Revenue Increase	1,969				
15						
16	Total Balance	\$ 3,930	\$ -	\$ 996	\$ -	\$ 2,957
17						
18						

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-1

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

Interim [] Final [X]

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

Line No.	Description	Ref.	Total	Utility Adjustments	Utility Adjusted	Water	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable						

Supporting Schedules: C-2, C-5, C-8, C-9

Recap Schedules: B-1

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-1 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim Final

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

Line No.	Description	Ref.	Total	Utility Adjustments	Utility Adjusted	Water	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable						

Supporting Schedules: C-2 [Interim], C-5 [Interim], C-8, C-9
 Recap Schedules: B-1 [Interim]

State and Federal Income Tax Calculation - Current Water

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Interim [] Final [X]

Schedule: C-2
 Page 1 of 1
 Preparer: W. Wade Horigan, CRRA

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.	Total Per Books	Utility Adjustments	Utility Adjusted	Adjust for Increase	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable				

Supporting Schedules: B-1, C-3, C-4, C-5, C-8
 Recap Schedules: C-1

Company: CFAT H2O, Inc.

Schedule: C-2 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim Final

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.	Total Per Books	Utility Adjustments	Utility Adjusted	Adjust for Increase	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable				

Supporting Schedules: B-1 [Interim], C-3 [Interim], C-4, C-5 [Interim], C-8
 Recap Schedules: C-1 [Interim]

Book/Tax Differences - Permanent

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-4

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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.

Line

No.

1 CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income tax. As such, this schedule is not applicable

Supporting Schedules: None

Recap Schedules: C-2

Deferred Income Tax Expense - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-5

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [] Final [X]

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	Utility Adjustments	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable					

Supporting Schedules: None

Recap Schedules: C-2

Deferred Income Tax Expense - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-5 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim Final

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	Utility Adjustments	Sewer
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable					

Supporting Schedules: None

Recap Schedules: C-2 [Interim]

Accumulated Deferred Income Taxes - Summary

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-6

Docket No.: 100126

Page 1 of 2

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line

No.

- 1 CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable

Supporting Schedules: C-7, Pg 2 & 3

Recap Schedules: A-18, A-19, D-2

Accumulated Deferred Income Taxes - State and Federal

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-6

Docket No.: 100126

Page 2 of 2

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Historic Projected

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.

1 CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable

Supporting Schedules: None

Recap Schedules: C-6

Investment Tax Credits - Analysis

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-7

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

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.

Line	No.	Explanation
1		CFAT H2o, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable

Supporting Schedules: None

Recap Schedules: C-2, C-10, D-2, A-18, A-19

Parent(s) Debt Information

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-8

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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 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:		% of Total	Cost Rate	Weighted Cost
		Amount	Ni America, LLC			
1	CFAT H2O, Inc. is an "S" corporation that is treated as a partnership for income tax purposes and is not liable for income taxes. As such, this schedule is not applicable					

Supporting Schedules: None
 Recap Schedules: C-2

Income Tax Returns

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-9

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

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.

Line	Explanation
No.	
1	The Company's tax returns are available for inspection during normal business hours in company offices located at 1410 NE 8th Ave, Ocala, FL 34478 (phone number (352)-622-4949).

Miscellaneous Tax Information

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: C-10

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRR

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

Line No.		
1	What tax years are currently open with the Internal Revenue Service?	2007, 2008 and 2009
2		
3	Is the treatment of customer deposits an issue with the IRS?	No
4		
5	Is the treatment of contributions in aid of construction an issue with the IRS?	No
6		
7	Is the treatment of unbilled revenue an issue with the IRS?	No

Schedule of Requested Cost of Capital
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim [] Final [X]

Schedule: D-1
Page 1 of 1

Preparer: W. Wade Horigan, CRRA

Explanation: Provide a schedule which calculates the requested cost of capital on a simple average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	(1) Class of Capital	(2) Reconciled to Requested Rate Base AYE	(3) Ratio	(4) Cost Rate	(5) Weighted Cost
1	Long Term Debt	\$ 247,986	65.96%	5.69%	3.75%
2	Short Term debt	-	0.00%	0.00%	0.00%
3	Preferred stock	-	0.00%	0.00%	0.00%
4	Common Equity	81,295	21.62%	10.85%	2.35%
5	Customer Deposits	11,585	3.08%	6.00%	0.18%
6	Shareholder Loan	35,073	9.33%	0.00%	0.00%
7	Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
8	Accumulated Deferred Income Tax	-	0.00%	0.00%	0.00%
9	Other	-	0.00%	0.00%	0.00%
10					
11	Total	\$ 375,939	100.00%		6.28%

Supporting Schedules: D-2
Recap Schedules: A-1

Schedule of Requested Cost of Capital
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim Final

Schedule: D-1 [Interim]
Page 1 of 1

Preparer: W. Wade Horigan, CRRA

Explanation: Provide a schedule which calculates the requested cost of capital on a simple average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	(1) Class of Capital	(2) Reconciled to Requested Rate Base		(3) Ratio	(4) Cost Rate	(5) Weighted Cost
			AYE			
1	Long Term Debt	\$	247,986	65.96%	5.69%	3.75%
2	Short Term debt	\$	-	0.00%	0.00%	0.00%
3	Preferred stock	\$	-	0.00%	0.00%	0.00%
4	Common Equity	\$	81,295	21.62%	10.85%	2.35%
5	Customer Deposits	\$	11,585	3.08%	6.00%	0.18%
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		-	0.00%	0.00%	0.00%
9	Other		-	0.00%	0.00%	0.00%
10						
11	Total	\$	340,866	90.67%		6.28%

Supporting Schedules: D-2 [Interim]
Recap Schedules: A-1 [Interim]

Reconciliation of Capital Structure to Requested Rate Base
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule D-2

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim [] Final [X]

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1) Class of Capital	(2)	(3)	(4)	(5) Reconciliation Adjustments		(7)
		12/31/2008 Prior Year Balance	12/31/2009 Test Year Balance	Simple Average	Pro Rata	Pro Rata Percentage	Reconciled to Requested Rate Base
1	Long Term Debt	399,400	378,359	\$ 388,880	\$ (140,893)	65.96%	\$ 247,986
2	Short Term debt	-	-	-	-	0.00%	-
3	Preferred stock	-	-	-	-	0.00%	-
4	Common Equity	127,483	127,483	127,483	(46,188)	21.62%	81,295
5	Customer Deposits	17,572	18,762	18,167	(6,582)	3.08%	11,585
6	Shareholder Loan	100,000	10,000	55,000	(19,927)	9.33%	35,073
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-
8	Accumulated Deferred Income Tax	-	-	-	-	0.00%	-
9	Other	-	-	-	-	0.00%	-
10							
11	Total	<u>\$ 644,455</u>	<u>\$ 534,604</u>	<u>\$ 589,530</u>	<u>\$ (213,590)</u>	<u>100.00%</u>	<u>\$ 375,939</u>
12							
13							
14							

Supporting Schedules: A-18, C-7, C-8, D-3, D-4, D,5, D-7

Recap Schedules: D-1

Reconciliation of Capital Structure to Requested Rate Base
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule D-2 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim Final

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1) Class of Capital	(2)	(3)	(4)	(5)	(6)	(7)
		12/31/2008 Prior Year Balance	12/31/2009 Test Year Balance	Simple Average	Reconciliation Adjustments		Reconciled to Requested Rate Base
					Pro Rata	Pro Rata Percentage	
1	Long Term Debt	399,400	378,359	\$ 388,880	\$ (115,867)	72.75%	\$ 273,013
2	Short Term debt	-	-	-	-	0.00%	-
3	Preferred stock	-	-	-	-	0.00%	-
4	Common Equity	127,483	127,483	127,483	(37,984)	23.85%	89,499
5	Customer Deposits	17,572	18,762	18,167	(5,413)	3.40%	12,754
6	Tax Credits - Zero Cost	-	-	-	-	0.00%	-
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-
8	Accumulated Deferred Income Tax	-	-	-	-	0.00%	-
9	Other	-	-	-	-	0.00%	-
10							
11	Total	<u>\$ 544,455</u>	<u>\$ 524,604</u>	<u>\$ 534,530</u>	<u>\$ (159,263)</u>	<u>100.00%</u>	<u>\$ 375,266</u>
12							
13							
14							

Supporting Schedules: A-18, C-7, C-8, D-3, D-4 [Interim], D,5 [Interim], D-7

Recap Schedules: D-1 [Interim]

Preferred Stock Outstanding

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Interim [] Final [X]

Schedule D-3
 Page 1 of 1

Preparer: W. Wade Horgan, CRRA

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.

Line No.	(1) Description, Coupon Rate, Years of Life	(2) Issue Date	(3) Call Provision, Special Restriction	(4) Principal Amount Sold (Face Value)	(5) Principal Amount Outstanding	(6) Discount or Premium on Principal Sold	(7) Discount or Premium Associated with Column (5)	(8) Issuing Expense Associated with Column (4)	(9) Issuing Expense Associated with Column (5)	(10) Net Proceeds (5)-(9)+(7)	(11) Rate (Contract Rate on Face Value)	(12) Dollar Dividend on Face Value (11)x(5)	(13) Effective Cost Rate (12)/(10)
1	None												

Note: CFAT H2O had no preferred stock outstanding during the test year.

Recap Schedules: A-19, D-2

Simple Average Cost of Short Term Debt

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule D-4

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim [] Final [X]

Preparer: W. Wade Horigan, CRRA

Explanation: Provide the following information 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.

Line No.	(1) Lender	(2) Total Interest expense	(3) Maturity Date	(4) Simple Average Amount Outstanding at 12/31/09	(5) Effective Cost Rate
1	None				

Note: CFAT H2O, Inc. had no short term debt during the test year.

Recap Schedules: A-19, D-2

Simple Average Cost of Short Term Debt

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule D-4 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim Final

Preparer: W. Wade Horigan, CRRA

Explanation: Provide the following information 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.

Line No.	(1) Lender	(2) Total Interest expense	(3) Maturity Date	(4) Simple Average Amount Outstanding at 12/31/09	(5) Effective Cost Rate
1	None				

Note: CFAT H2O, Inc. had no short term debt during the test year.

Recap Schedules: A-19, D-2 [Interim]

Cost of Long Term Debt
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim [] Final [X]

Schedule D-5
Page 1 of 1

Preparer: W. Wade Horgan, CRRA

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	Amount Outstanding within One Year	Unamortized Discount or Premium Associated with Column (4)	Unamortized Issuing Exp. Associated with Column (4)	Annual Amort. of Discount or Premium on Principal Outstanding	Annual Amort. of Issuing Expense on Principal Outstanding	Interest Cost (Coupon Rate x Column (4))	Total Interest Cost (8)+(9)+(10)	Effective Cost Rate (11)/((4)-(6)-(7))
1	Independent National Bank	12/31/09 - 12/31/13	\$ 393,000	\$ 385,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,069	\$ 25,069	6.50%
2	Shareholder Loan		\$ 100,000	\$ 55,000	-	-	-	-	-	-	-	0.00%
3												
4												
5												
6												
7												
8												
9	Total		\$ 493,000	\$ 440,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,069	\$ 25,069	5.69%
10												

Supporting Schedules: D-6
Recap Schedules: A-19, D-2

Cost of Long Term Debt
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim Final

Schedule D-5
Page 1 of 1

Preparer: W. Wade Horigan, CRRRA

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	Amount Outstanding within One Year	Unamortized Discount or Premium Associated with Column (4)	Unamortized Issuing Exp. Associated with Column (4)	Annual Amort. of Discount or Premium on Principal Outstanding	Annual Amort. of Issuing Expense on Principal Outstanding	Interest Cost (Coupon Rate x Column (4))	Total Interest Cost (8)+(9)+(10)	Effective Cost Rate (11)/((4)-(6)-(7))
1	Independent National Bank	12/31/09 - 12/31/13	\$ 393,000	\$ 385,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,069	\$ 25,069	6.50%
2	Shareholder Loan		\$ 100,000	\$ 55,000	-	-	-	-	-	-	-	0.00%
3												
4												
5												
6												
7												
8												
9	Total		\$ 493,000	\$ 440,680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,069	\$ 25,069	5.69%
10												

Supporting Schedules: D-6 [Interim]
Recap Schedules: A-19, D-2 [Interim]

Cost of Variable Rate Long Term Debt
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim [] Final [X]

Schedule D-6
Page 1 of 1

Preparer: W. Wade Horigan, CRRA

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	Amount Outstanding within One Year	Unamortized Discount / Premium Associated with Column (4)	Unamortized Issuing Expense Associated with Column (4)	Annual Amortization of Discount or Premium on Principal Outstanding	Annual Amortization of Issuing Expense on Principal Outstanding	Basis of Variable Rate (i.e. Prime + 2%)	Interest Cost (Coupon Rate x Column (4))	Total Interest Cost (8)+(9)+(11)	Effective Cost Rate (12)/((4)-(6)-(7))
			\$	-	\$	-	\$	-	\$	-	\$	-	\$

Note: CFAT H2O, Inc. did not have any variable rate long term debt outstanding during the test year.

Supporting Schedules: None
Recap Schedules: A-19, D-2

Cost of Variable Rate Long Term Debt
Simple Average Balance

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009
Interim Final

Schedule D-6 [Interim]
Page 1 of 1

Preparer: W. Wade Horigan, CRRRA

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	Amount Outstanding within One Year	Unamortized Discount / Premium Associated with Column (4)	Unamortized Issuing Expense Associated with Column (4)	Annual Amortization of Discount or Premium on Principal Outstanding	Annual Amortization of Issuing Expense on Principal Outstanding	Basis of Variable Rate (i.e. Prime + 2%)	Interest Cost (Coupon Rate x Column (4))	Total Interest Cost (8)+(9)+(11)	Effective Cost Rate (12)/(4)-(6)-(7))
1			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	-

Note: CFAT H2O, Inc. did not have any variable rate long term debt outstanding during the test year.

Supporting Schedules: None
Recap Schedules: A-19, D-2 [Interim]

Schedule of Customer Deposits

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: D-7

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Utility [X] Parent []

Explanation: Provide a schedule of Customer deposits on a simple average basis.

	(1)	(2)	(3)	(4)	(5)	(6)
Line No.	For the Month Ended	Beginning Balance	Deposits Received	Deposits Refunded	Ending Balance (2+3-4)	Average
1	January '09	17,572	280	770	17,082	17,327
2	February'09	17,082	630	560	17,152	17,117
3	March '09	17,152	1,190	280	18,062	17,607
4	April '09	18,062	630	1,050	17,642	17,852
5	May '09	17,642	700	420	17,922	17,782
6	June '09	17,922	490	560	17,852	17,887
7	July '09	17,852	1,120	700	18,272	18,062
8	August '09	18,272	980	280	18,972	18,622
9	September '09	18,972	700	280	19,392	19,182
10	October '09	19,392	350	910	18,832	19,112
11	November '09	18,832	350	630	18,552	18,692
12	December '09	18,552	630	420	18,762	18,657
13	Total	<u>\$ 217,304</u>			<u>\$ 218,494</u>	<u>\$ 217,899</u>
14						
15	Simple Average = (Total Column (6) / 12 =					<u>\$ 18,158</u>
16			8,050	6,860		

Recap Schedules: A-19, D-2, D2 [Interim]

Rate Schedule - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-1

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [] Final [X]

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

	(1)	(2)	(3)	(4)
Line No.	Bill Code	Class/Meter Size	Current Rates	Proposed Rates
1		RESIDENTIAL		
2		Base Facility Charge - 5/8 x 3/4	9.97	21.48
3				
4		Gallorage Charge Per 1,000 Gallons	1.63	3.51
5				
6		GENERAL SERVICE		
7		Base Facility Charge		
8		5/8" x 3/4"	9.97	21.48
9		1"	24.93	53.77
10		1-1/2"	49.86	107.42
11		2"	79.78	171.89
12		3"	159.58	343.80
13		4"	249.33	519.73
14				
15		Gallorage Charge Per 1,000 Gallons (No limit)	1.63	3.51

Company: CFAT H2O, Inc.

Schedule: E-1 [Interim]

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

Interim Final

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

	(1)	(2)	(3)	(4)
Line No.	Bill Code	Class/Meter Size	Current Rates	Proposed Rates
1		RESIDENTIAL		
2		Base Facility Charge - 5/8 x 3/4	9.97	20.23
3				
4		Gallorage Charge Per 1,000 Gallons	1.63	3.30
5				
6		GENERAL SERVICE		
7		Base Facility Charge		
8		5/8" x 3/4"	9.97	20.23
9		1"	24.93	50.58
10		1-1/2"	49.86	101.15
11		2"	79.78	161.84
12		3"	159.58	323.72
13		4"	249.33	492.13
14				
15		Gallorage Charge Per 1,000 Gallons (No limit)	1.63	3.30

Revenue Schedule at Present and Proposed Rates - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-2

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim Final

Explanation: Provide a calculation of revenue 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) Bill Code / Class/Meter Size	(2) Bills / Gallons	(3a) Current Rates (1/1/09 - 6/30/09)	(3b) Current Rates (7/1/09 - 12/31/09)	(4) Revenue at Current Rates	(5) Proposed Rates	(6) Revenue at Proposed Rates
1	RESIDENTIAL						
2	Base Facility Charge - all meter sizes	2,573	\$ 9.73	\$ 9.97	\$ 25,391	\$ 21.48	\$ 55,268
3							
4	Gallorage Charge Per 1,000 Gallons	8,518,500	1.59	1.63	13,753	3.51	29,900
5							
6	GENERAL SERVICE						
7	Base Facility Charge						
8	5/8 x 3/4	12	9.73	9.97	118	21.48	258
9	1"	48	24.33	24.93	1,185	53.77	2,581
10	1-1/2"	-	48.66	49.86	-	107.42	-
11	2"	-	77.86	79.78	-	171.89	-
12	3"	12	155.73	159.58	1,896	343.80	4,126
13	4"	-	227.32	249.33	-	519.73	-
14							
15							
16							
17							
18	Gallorage Charge Per 1,000 Gallons (No limit)	810,000	1.59	1.63	1,302	3.51	<u>2,843</u>
19							
20							
21	Total Calculated Measured Revenue				<u>43,645</u>		<u>\$ 94,975</u>
22							
23	Plus: Unbilled Revenue				(199)		(213)
24	Transfer fees				-		-
25	Reconnect fees				-		-
26	Late Penalty Fees				-		-
27	Premises Visit Fees				-		-
28	Billing corrections				-		-
29	Total Calculated Revenue				\$ 43,446		\$ 94,762
30							
31	Total Booked Revenue				\$ 43,579		
32							
33	Difference				133		
34							
35	Correction factor				100.3065%		
36							
37	Total Revenue Requirement (Col.6, Line 29 x Col. 4, line 35)						\$ 95,053

NOTE: Rates in 2009 were increased on 7/1/10 for the 2009 Price Index Rate Adjustment approved by the PUC; therefore the calculation of Revenue at Current Rates uses a blend of the two rates.

Revenue Schedule at Present and Proposed Rates - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-2

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Interim [X] Final []

Explanation: Provide a calculation of revenue 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) Bill Code / Class/Meter Size	(2) Bills / Gallons	(3a) Current Rates (1/1/09 - 6/30/09)	(3b) Current Rates (7/1/09 - 12/31/09)	(4) Revenue at Current Rates	(5) Proposed Rates	(6) Revenue at Proposed Rates
1	RESIDENTIAL						
2	Base Facility Charge - all meter sizes	2,573	\$ 9.73	\$ 9.97	\$ 25,391	\$ 20.23	\$ 52,052
3							
4	Gallorage Charge Per 1,000 Gallons	8,518,500	1.59	1.63	13,753	3.30	28,111
5							
6	GENERAL SERVICE						
7	Base Facility Charge						
8	5/8 x 3/4	12	9.73	9.97	118	20.23	243
9	1"	48	24.33	24.93	1,185	50.58	2,428
10	1-1/2"	-	48.66	49.86	-	101.15	-
11	2"	-	77.86	79.78	-	161.84	-
12	3"	12	155.73	159.58	1,896	323.72	3,885
13	4"	-	227.32	249.33	-	492.13	-
14							
15							
16							
17							
18	Gallorage Charge Per 1,000 Gallons (No limit)	810,000	1.59	1.63	1,302	3.30	2,673
19							
20							
21	Total Calculated Measured Revenue				<u>43,645</u>		<u>\$ 89,391</u>
22							
23	Plus: Unbilled Revenue				(199)		(213)
24	Transfer fees				-		-
25	Reconnect fees				-		-
26	Late Penalty Fees				-		-
27	Premises Visit Fees				-		-
28	Billing corrections				-		-
29	Total Calculated Revenue				<u>\$ 43,446</u>		<u>\$ 89,178</u>
30							
31	Total Booked Revenue				\$ 43,579		
32							
33	Difference				133		
34							
35	Correction factor				100.3065%		
36							
37	Total Revenue Requirement (Col.6, Line 29 x Col. 4, line 35)						\$ 89,451

NOTE: Rates in 2009 were increased on 7/1/10 for the 2009 Price Index Rate Adjustment approved by the PUC; therefore the calculation of Revenue at Current Rates uses a blend of the two rates.

Customer Monthly Billing Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-3

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Water [X] Sewer []

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

Line No.	(1) Month/ Year	Multi-			Total
		Residential	General Service	Residential Service	
	2008 Annual Report	217	4	0	221
	adjustment to actual	17	2	-	19
1	January	235	6	0	241
2	February	215	6	0	221
3	March	215	6	0	221
4	April	214	6	0	220
5	May	213	6	0	219
6	June	212	6	0	218
7	July	209	6	0	215
8	August	212	6	0	218
9	September	212	6	0	218
10	October	213	6	0	219
11	November	212	6	0	218
12	December	211	6	0	217
13	adjustment to annual report	6	(2)	-	4
14	2009 Annual Report	217	4	0	221
15					
16	Sum of 2009 12 months actual	2,573	72	-	2,645

Miscellaneous Service Charges

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-4

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim Final

Preparer: W. Wade Horigan, CRRA

Water Sewer

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 last Staff Advisory Bulletin #13.

Line No.	Type Charge	Present		Proposed	
		Bus. Hrs.	After Hrs.	Bus. Hrs.	After Hrs.
1	Initial Connection Fee	\$ 10.00	\$ 12.00	\$ 11.00	\$ 16.00
2					
3	Normal Reconnection Fee	15.00	20.00	16.00	24.00
4					
5	Violation Reconnection fee	20.00	25.00	21.00	31.00
6					
7	Premises Visit Fee	15.00	N/A	16.00	N/A
8					
9					
10					
11					
12	Previous miscellaneous charges for services during normal business hours were indexed using the CPI-U from 2006 to 2009 and rounded to the nearest whole dollar. The after hours charges were based on a factor of 1.5 times the Business Hrs. charges rounded down to the nearest whole dollar to reflect the cost of overtime associated with after hours services.				
13	CPI-U Factor = 2009 Avg. CPI-U / 2006 Avg. CPI-U = 215.303 / 201.600 1.07				
14					

Miscellaneous Service Charge Revenues

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-5

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim [] Final [X]

Preparer: W. Wade Horgan, CRRA

Water [X] Sewer []

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

Line No.	(1) Description	(2) Initial Connection	(3) Normal Reconnect	(4) Violation Reconnect	(5) Other Charges	(6) Total
1	<u>Present Rates</u>					
2	Reconnect and Transfer Fees	\$ -	\$ -	\$ -	\$ -	\$ -
3	Premises Visit fees				-	-
4	Late Penalty Fees				-	-
5						
6	Total Other Charges	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
7						
8	<u>Proposed Rates</u>					
9	Reconnect and Transfer Fees	\$ -	\$ -	\$ -	\$ -	\$ -
10	Premises Visit fees				-	-
11	Late Penalty Fees				-	-
12						
13	Total Other Charges	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Public Fire Hydrants Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-6

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim [] Final [X]

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1) Size	(2) Make	(3) Model	(4) Location	(5) Quantity
1	CFAT H2O, Inc, does not provide private public fire hydrants; therefore this schedule is not required.				

Private Fire Protection Service

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-7

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

Line No.	(1) Size	(2) Type	(3) Quantity
1	CFAT H2O, Inc, does not provide private fire protection service; therefore this schedule is not required		

Contracts and Agreements Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-8

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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.

Line No.	(1)	(2)
	Type	Description
1		CFAT H2O, Inc. does not have any agreements or contracts that have rates or conditions that differ from those on the approved Tariffs.

Tax or Franchise Fee Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-9

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

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
1	CFAT H2O, Inc. has not paid any state, municipal, city or county franchise taxes or fees.				

Service Availability Charges Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-10

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim Final

Preparer: W. Wade Horigan, CRRA

Water Sewer

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.

Line No.	(1) Type of Charge	(2) Present Charges	(3) Proposed Charges
1	CFAT H2O, Inc. is not proposing to change it service availability charges, therefore this schedule is not required.		

Guaranteed Revenues Received

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-11

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Interim Final

Preparer: W. Wade Horigan, CRR

Water Sewer

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.

Line No.	(1) For the Year Ended	(2) Residential	(3) General Service	(4) Other	(5) Total
1	CFAT H2O, Inc. does not have any guaranteed revenue contracts.				

Class A Utility Cost of Service Study

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-12

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Water Sewer

Preparer: W. Wade Horigan, CRRA

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 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	CFAT H2O, Inc. does not have any industrial customers, whose utilization exceeds an average of 350,00 GPD.

Projected Test Year Revenue Calculation

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-13

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Water Sewer

Preparer: W. Wade Horgan, CRRA

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line		Historical	Proj.	Proj. Test	Test Year	Proj.	Project. TY	Present	Projected	Proposed	Proj. Rev.
No.	Class/Meter Size	Year Bills	Factor	Year Bills	Consumption	Factor	Consumption	Rates	TY Revenue	Rates	Requirement
					(000)		(000)				
1	CFAT H2O, Inc. is not utilizing a projected test year, therefore, this schedule is not applicable.										

Billing Analysis Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Water [X] Sewer []

Schedule: E-14
 Page 1 of 4
 Preparer: W. Wade Horigan, CRRA

Customer Class: Residential

Meter Size: 5/8" x 3/4"

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

Line No.	(1) Consumption Level	(2) Number of Bills	(3) Cumulative Bills	(4) Gallons Consumed (1) x (2) (note A)	(5) Cumulative Gallons	(6) Reversed Bills	(7) Consolidation Factor [(1) x (6)] / (5)	(8) Percentage of Total
1	0	603	603	301,500	301,500	-	0	3.54%
2	1,000	367	970	550,500	852,000	-	0	10.00%
3	2,000	381	1,351	952,500	1,804,500	-	0	21.18%
4	3,000	342	1,693	1,197,000	3,001,500	-	0	35.24%
5	4,000	320	2,013	1,440,000	4,441,500	-	0	52.14%
6	5,000	213	2,226	1,171,500	5,613,000	-	0	65.89%
7	6,000	116	2,342	754,000	6,367,000	-	0	74.74%
8	7,000	87	2,429	652,500	7,019,500	-	0	82.40%
9	8,000	53	2,482	450,500	7,470,000	-	0	87.69%
10	9,000	39	2,521	370,500	7,840,500	-	0	92.04%
11	10,000	21	2,542	220,500	8,061,000	-	0	94.63%
12	11,000	7	2,549	80,500	8,141,500	-	0	95.57%
13	12,000	2	2,551	25,000	8,166,500	-	0	95.87%
14	13,000	8	2,559	108,000	8,274,500	-	0	97.14%
15	14,000	6	2,565	87,000	8,361,500	-	0	98.16%
16	15,000	-	2,565	0	8,361,500	-	0	98.16%
17	16,000	1	2,566	16,500	8,378,000	-	0	98.35%
18	17,000	1	2,567	17,500	8,395,500	-	0	98.56%
19	18,000	2	2,569	37,000	8,432,500	-	0	98.99%
20	19,000	2	2,571	39,000	8,471,500	-	0	99.45%
21	20,000	-	2,571	0	8,471,500	-	0	99.45%
22	21,000	-	2,571	0	8,471,500	-	0	99.45%
23	22,000	-	2,571	0	8,471,500	-	0	99.45%
24	23,000	2	2,573	47,000	8,518,500	-	0	100.00%
		2,573	8,518,500					

Total Residential Gallons 8,518,500

Note A - calculated using mid-point of category

Billing Analysis Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: E-14

Docket No.: 100126

Page 2 of 4

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Water Sewer

Customer Class: General Service - GS

Meter Size: 3/4"

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

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Consumption Level	Number of Bills	Cumulative Bills	Gallons Consumed (1) x (2) (note A)	Cumulative Gallons	Reversed Bills	Consolidation Factor [(1) x (6)] / (5)	Percentage of Total
1	0	-	-	0	-	-	0	0.00%
2	1,000	-	-	0	-	-	0	0.00%
3	2,000	-	-	0	-	-	0	0.00%
4	3,000	-	-	0	-	-	0	0.00%
5	4,000	-	-	0	-	-	0	0.00%
6	5,000	1	1	5,500	5,500	-	0	1.86%
7	6,000	-	1	0	5,500	-	0	1.86%
8	7,000	-	1	0	5,500	-	0	1.86%
9	8,000	-	1	0	5,500	-	0	1.86%
10	9,000	-	1	0	5,500	-	0	1.86%
11	10,000	1	2	10,500	16,000	-	0	5.41%
12	11,000	-	2	0	16,000	-	0	5.41%
13	12,000	-	2	0	16,000	-	0	5.41%
14	13,000	-	2	0	16,000	-	0	5.41%
15	14,000	1	3	14,500	30,500	-	0	10.30%
16	15,000	1	4	15,500	46,000	-	0	15.54%
17	16,000	-	4	0	46,000	-	0	15.54%
18	17,000	-	4	0	46,000	-	0	15.54%
19	18,000	1	5	18,500	64,500	-	0	21.79%
20	19,000	-	5	0	64,500	-	0	21.79%
21	20,000	-	5	0	64,500	-	0	21.79%
22	21,000	-	5	0	64,500	-	0	21.79%
23	22,000	-	5	0	64,500	-	0	21.79%
24	23,000	-	5	0	64,500	-	0	21.79%
25	24,000	-	5	0	64,500	-	0	21.79%
26	25,000	-	5	0	64,500	-	0	21.79%
27	26,000	1	6	26,500	91,000	-	0	30.74%
28	27,000	-	6	0	91,000	-	0	30.74%
29	28,000	-	6	0	91,000	-	0	30.74%
30	29,000	1	7	29,500	120,500	-	0	40.71%
31	30,000	2	9	61,000	181,500	-	0	61.32%
32	31,000	-	9	0	181,500	-	0	61.32%
33	32,000	-	9	0	181,500	-	0	61.32%
34	33,000	-	9	0	181,500	-	0	61.32%
35	34,000	-	9	0	181,500	-	0	61.32%
36	35,000	-	9	0	181,500	-	0	61.32%
37	36,000	-	9	0	181,500	-	0	61.32%
38	37,000	1	10	37,500	219,000	-	0	73.99%
39	38,000	2	12	77,000	296,000	-	0	100.00%
		12	296,000					

Note A - calculated using mid-point of category

Company: CFAT H2O, Inc.

Schedule: E-14

Docket No.: 100126

Page 3 of 4

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

Water [X] Sewer []

Customer Class: General Service - GS

Meter Size: 1"

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

Line No.	(1) Consumption Level	(2) Number of Bills	(3) Cumulative Bills	(4) Gallons Consumed (1) x (2) (note A)	(5) Cumulative Gallons	(6) Reversed Bills	(7) Consolidation Factor [(1) x (6)] / (5)	(8) Percentage of Total
1	0	9	9	4,500	4,500	-	0	1.47%
2	1,000	6	15	9,000	13,500	-	0	4.40%
3	2,000	6	21	15,000	28,500	-	0	9.28%
4	3,000	13	34	45,500	74,000	-	0	24.10%
5	4,000	4	38	18,000	92,000	-	0	29.97%
6	5,000	5	43	27,500	119,500	-	0	38.93%
7	6,000	1	44	6,500	126,000	-	0	41.04%
8	7,000	1	45	7,500	133,500	-	0	43.49%
9	8,000	-	45	0	133,500	-	0	43.49%
10	9,000	-	45	0	133,500	-	0	43.49%
11	10,000	-	45	0	133,500	-	0	43.49%
12	11,000	-	45	0	133,500	-	0	43.49%
13	12,000	-	45	0	133,500	-	0	43.49%
14	13,000	-	45	0	133,500	-	0	43.49%
15	14,000	-	45	0	133,500	-	0	43.49%
16	15,000	-	45	0	133,500	-	0	43.49%
17	16,000	-	45	0	133,500	-	0	43.49%
18	17,000	-	45	0	133,500	-	0	43.49%
19	18,000	-	45	0	133,500	-	0	43.49%
20	19,000	-	45	0	133,500	-	0	43.49%
21	20,000	-	45	0	133,500	-	0	43.49%
22	21,000	-	45	0	133,500	-	0	43.49%
23	22,000	-	45	0	133,500	-	0	43.49%
24	23,000	-	45	0	133,500	-	0	43.49%
25	24,000	-	45	0	133,500	-	0	43.49%
26	25,000	-	45	0	133,500	-	0	43.49%
27	26,000	-	45	0	133,500	-	0	43.49%
28	27,000	-	45	0	133,500	-	0	43.49%
29	28,000	1	46	28,500	162,000	-	0	52.77%
30	29,000	-	46	0	162,000	-	0	52.77%
31	30,000	-	46	0	162,000	-	0	52.77%
32	31,000	-	46	0	162,000	-	0	52.77%
33	32,000	-	46	0	162,000	-	0	52.77%
34	33,000	-	46	0	162,000	-	0	52.77%
35	34,000	-	46	0	162,000	-	0	52.77%
36	35,000	-	46	0	162,000	-	0	52.77%
37	36,000	-	46	0	162,000	-	0	52.77%
38	37,000	-	46	0	162,000	-	0	52.77%
39	38,000	-	46	0	162,000	-	0	52.77%
40	39,000	-	46	0	162,000	-	0	52.77%
41	40,000	-	46	0	162,000	-	0	52.77%
42	41,000	-	46	0	162,000	-	0	52.77%
43	42,000	-	46	0	162,000	-	0	52.77%
44	43,000	-	46	0	162,000	-	0	52.77%
45	44,000	-	46	0	162,000	-	0	52.77%
46	45,000	-	46	0	162,000	-	0	52.77%
47	46,000	-	46	0	162,000	-	0	52.77%
48	47,000	-	46	0	162,000	-	0	52.77%
49	48,000	-	46	0	162,000	-	0	52.77%
50	49,000	-	46	0	162,000	-	0	52.77%
51	50,000	-	46	0	162,000	-	0	52.77%
52	51,000	-	46	0	162,000	-	0	52.77%
53	52,000	-	46	0	162,000	-	0	52.77%
54	53,000	-	46	0	162,000	-	0	52.77%
55	54,000	-	46	0	162,000	-	0	52.77%
56	55,000	-	46	0	162,000	-	0	52.77%
57	56,000	-	46	0	162,000	-	0	52.77%
58	57,000	-	46	0	162,000	-	0	52.77%
59	58,000	-	46	0	162,000	-	0	52.77%
60	59,000	-	46	0	162,000	-	0	52.77%
61	60,000	-	46	0	162,000	-	0	52.77%
62	61,000	1	47	61,500	223,500	-	0	72.80%
63	83,000	1	48	83,500	307,000	-	0	100.00%
			48	307,000				

Note A - calculated using mid-point of category

Billing Analysis Schedule

Florida Public Service Commission

Company: CFAT H2O, Inc.
 Docket No.: 100126
 Historical Test Year Ended: December 31, 2009
 Water Sewer

Schedule: E-14
 Page 4 of 4
 Preparer: W. Wade Horigan, CRRRA

Customer Class: General Service - GS

Meter Size: 3"

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

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Consumption Level	Number of Bills	Cumulative Bills	Gallons Consumed (1) x (2)	Cumulative Gallons	Reversed Bills	Consolidation Factor [(1) x (6)] / (5)	Percentage of Total
1	0	-	-	0	-	-	0	0.00%
2	1,000	-	-	0	-	-	0	0.00%
3	2,000	-	-	0	-	-	0	0.00%
4	3,000	-	-	0	-	-	0	0.00%
5	4,000	-	-	0	-	-	0	0.00%
6	5,000	-	-	0	-	-	0	0.00%
7	6,000	-	-	0	-	-	0	0.00%
8	7,000	-	-	0	-	-	0	0.00%
9	8,000	-	-	0	-	-	0	0.00%
10	9,000	-	-	0	-	-	0	0.00%
11	10,000	-	-	0	-	-	0	0.00%
12	11,000	-	-	0	-	-	0	0.00%
13	12,000	1	1	12,500	12,500	-	0	6.04%
14	13,000	3	4	40,500	53,000	-	0	25.60%
15	14,000	3	7	43,500	96,500	-	0	46.62%
16	15,000	-	7	0	96,500	-	0	46.62%
17	16,000	1	8	16,500	113,000	-	0	54.59%
18	17,000	1	9	17,500	130,500	-	0	63.04%
19	18,000	-	9	0	130,500	-	0	63.04%
20	19,000	1	10	19,500	150,000	-	0	72.46%
21	20,000	-	10	0	150,000	-	0	72.46%
22	21,000	-	10	0	150,000	-	0	72.46%
23	22,000	-	10	0	150,000	-	0	72.46%
24	23,000	-	10	0	150,000	-	0	72.46%
25	24,000	1	11	24,500	174,500	-	0	84.30%
26	25,000	-	11	0	174,500	-	0	84.30%
27	26,000	-	11	0	174,500	-	0	84.30%
28	27,000	-	11	0	174,500	-	0	84.30%
29	28,000	-	11	0	174,500	-	0	84.30%
30	29,000	-	11	0	174,500	-	0	84.30%
31	30,000	-	11	0	174,500	-	0	84.30%
32	31,000	-	11	0	174,500	-	0	84.30%
33	32,000	1	12	32,500	207,000	-	0	100.00%
			12	207,000				

Note A - calculated using mid-point of category

Total Residential & Commercial Gallons (Sched E-14)	9,328,500
Billing Timing and Rounding	(104,500)
Total Gallons 2009 Annual Report	9,224,000

Gallons of Water Pumped, Sold and Unaccounted For
In Thousands of Gallons

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: F-1

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horgan, CRRA

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 breakage 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 reason why; if less than 10%, 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-09	822	-	800	22	-	-
Feb-09	719	-	738	(19)	-	-
Mar-09	845	-	729	116	-	-
Apr-09	719	-	689	30	-	-
May-09	776	-	747	29	-	-
Jun-09	820	-	818	2	-	-
Jul-09	801	-	695	106	-	-
Aug-09	866	-	818	48	-	-
Sep-09	872	-	774	98	-	-
Oct-09	1,027	-	870	157	-	-
Nov-09	826	-	766	60	-	-
Dec-09	846	-	780	66	-	-
Total	9,939	-	9,224	715	-	-

Water Treatment Plant Data

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: F-3

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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

		<u>DATE</u>	<u>GPD</u>
1.	Plant Capacity		<u>100,000</u>
	The Hydraulic rated capacity. If different from that shown on the DEP operating or construction permit, provide an explanation.		
2	Maximum Day	<u>June 23, 2009</u>	<u>142,300</u>
	The single Day with the highest pumpage rate for the test year. Explain, on a separate page, if fire flow, line -- breaks or unusual occurrences affected the flow this day.		
3	Five--Day Max. Year	(1) <u>July 25, 2009</u>	<u>91,000</u>
		(2) <u>July 26, 2009</u>	<u>91,000</u>
	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 unusual occurrences affected the flow these days.	(3) <u>July 27, 2009</u>	<u>91,000</u>
		(4) <u>July 1, 2009</u>	<u>63,700</u>
		(5) <u>July 17, 2009</u>	<u>62,900</u>
4	Average Daily Flow		<u>27,600</u>
5	Required Fire Flow		<u>-</u>
	The system does not support any fire hydrants		

Used and Useful Calculations
Water Treatment Plant

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: F-5
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

Explanation: Provide all, calculations, analyses and government requirements used to determine the historical and the projected test year (if applicable). The capacity should be in terms of ability to serve a designated number of connections

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

Water Treatment Plant

The plant serves predominantly Multi-Unit seperatly metered premeses. As of the end of the test year there were 4 commercial customers. The following is the buildout of the system.

Premeses	Total	Occupied	Not Occupied
Residential	-	-	-
Multi-Unit	217	217	-
Commercial	4	4	-
	<u>221</u>	<u>221</u>	-

As shown on the maps accompanying the filing , there are no unoccupied lots in the system. As such, the system should be considered 100% used and useful.

Used and Useful Calculations
Water Distribution

Florida Public Service Commission

Company: CFAT H2O, Inc.
Docket No.: 100126
Historical Test Year Ended: December 31, 2009

Schedule: F-7
Page 1 of 1
Preparer: W. Wade Horigan, CRRA

Explanation: Provide all, calculations, analyses and government requirements used to determine the historical and the projected test year (if applicable). The capacity should be in terms of ability to serve a designated number of connections

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

Water Distribution

The plant serves predominantly Multi-Unit seperatly metered premeses. The following is the buildout of the system.

Premeses	Total	Occupied	Not Occupied
Residential	-	-	-
Multi-Unit	221	221	-
Commercial	4	4	-
	<u>225</u>	<u>225</u>	-

As shown on the maps accompanying the filing , there are no unoccupied lots in the system. As such, the system should be considered 100% used and useful.

Margin Reserve Calculations

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: F-8

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRA

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.

Recap Schedules: F-5, F-7

Wastewater Treatment & Related Facilities

Not Applicable

Collection System

Not Applicable

Recap Schedules F-5, F-7

Equivalent Residential Connections - Water

Florida Public Service Commission

Company: CFAT H2O, Inc.

Schedule: F-9

Docket No.: 100126

Page 1 of 1

Historical Test Year Ended: December 31, 2009

Preparer: W. Wade Horigan, CRRRA

Explanation: Provide the following information in order to calculate the average growth in ERCs for the last five years, including the test. 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 Water Connections		(4)	(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	2005	222	217	220	8,589,834	39,134	9,892,000	253	
2	2006	217	223	220	8,609,401	39,134	10,366,000	265	4.79%
3	2007	223	219	221	8,648,535	39,134	8,842,000	226	-14.70%
4	2008	219	217	218	8,531,134	39,134	9,745,000	249	10.21%
5	2009	217	217	217	8,492,000	39,134	9,224,000	236	-5.35%
6	Average Growth Through 5-Year Period (Col. 8)								-1.26%

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

	X	Y		
Constant:	261	1	253	M, b (5) 261
X Coefficient:	(5)	2	265	sen, seb 5 16
R^2:	0.2720	3	226	r2, sey 0 14.9369
		4	249	F, df 1 3
		5	236	

Projection based on regression
 Projected 5 year growth past TY (25.04)
 Average annual Growth (5.01)

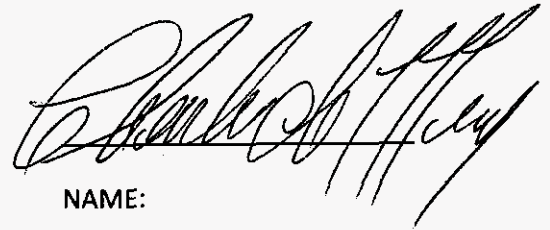
Projection based on averages
 Projected 5 year growth past TY (14.49)
 Average annual Growth (2.90)

AFFIDAVIT OF CHARLES DEMENZES

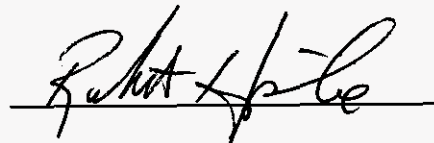
STATE OF FLORIDA

COUNTY OF Marion

BEFORE ME, personally appeared Charles deMenzes, who is the President of CFAT H2O, Inc., who states that CFAT H2O, Inc. will comply with the noticing requirements of Rule 25-22.0407, Florida Administrative Code.


NAME:

Sworn and subscribed before me this 24th day of sep, 2010, by Charles deMenzes, President of CFAT H2O, Inc., who is personally known to me or has produced identification.



NOTARY PUBLIC, STATE OF FLORIDA



ROBERT C. HIPKE
MY COMMISSION # DD 650412
EXPIRES: April 7, 2011
Bonded Thru Budget Notary Services

Printed Name: ROBERT HIPKE

My Commission Expires: 4/7/11

RECORDED & INDEXED DATE:
8039 SEP 27 2010
FPSC - COUNTY CLERK